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F I S C A L   I M P A C T   R E P O R T

SPONSOR:	Mallory	DATE TYPED:	02/09/00	HB	408
SHORT TITLE:		Grady Payment Obligations		SB	
				ANALYST:	Gonzales

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring	Fund
FY00	**FY01**	**FY00**	**FY01**	**or Non-Rec**	**Affected**
$ 39.0				Non-Recurring	GF

(Parenthesis ( ) Indicate Expenditure Decreases)

SOURCES OF INFORMATION

Department of Finance and Administration (DFA)

SUMMARY

Synopsis of Bill

House Bill 408 appropriates $39.0 from the general fund for the Village of Grady to meet its payment

obligations for a village water tank.

Significant Issues

This bill contains an emergency clause.

FISCAL IMPLICATIONS

This bill makes a $39.0 general fund appropriation to the Local Government Division, DFA, for expenditure in FY00 and FY01 for the purpose stated above. Any unexpended or unencumbered balance remaining at the end of FY01 shall revert to the general fund.

According to the Local Government Division, the Village of Grady's actual gross receipt revenue in the general fund is below budgeted gross receipt revenue by 25% as of December 1999. Actual expenditures in the general fund at 43% of budget. Currently, they are not meeting their reserve requirement.

The joint utility fund actual revenue is at 51% of budgeted revenues and their actual expenditures are at 59% of budgeted expenditures. This leaves an estimated ending cash balance of $6.7 in the fund. The village does have two outstanding water system revenue bonds in the amounts of $36.0 and $64.0 for which they have budgeted payments of $2.8 and $5.2, respectively.

JMG/njw