



**OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note**

Fiscal Note On: **HB 568** HLS 99- 1079

Bill Text Version: **ENROLLED**

Opp Chamb Action:

Sub Bill For:

Proposed Amd:

Date: June 18, 1999 6:26 PM	Author: TRAVIS
Dept/Agy: East Baton Rouge Parish / City of Zachary	Analyst: Diane Walker
Subject: Zachary community school system in East Baton Rouge Parish	

SCHOOLS/FINANCE

Purpose of Bill: Constitutional Amendment to grant the Zachary community school system in East Baton Rouge Parish the same authority granted to city and parish school systems.

ESTIMATED FISCAL IMPACT:

EXPENDITURES	1999-00	2000-01	2001-02	2002-03	2003-04	5 YEAR TOTAL
State General Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Stat. Deds./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$1,500,000	\$942,000	\$942,000	\$942,000	\$4,326,000
Annual Total	\$0	\$1,500,000	\$942,000	\$942,000	\$942,000	\$4,326,000

REVENUES	1999-00	2000-01	2001-02	2002-03	2003-04	5 YEAR TOTAL
State General Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Stat. Deds./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPLANATION OF ESTIMATES:

EXPENDITURES:

This bill will increase local expenditures. The start-up costs for the Zachary community school system in fiscal year 2000-01 is estimated at \$1,500,000. Major start-up costs would include administrative costs such as planning and the hiring of a superintendent, business officers, and other administrative personnel. We assumed that the school system would not be established until fiscal year 2000-01 and that the current capital equipment and facilities will transfer to the Zachary community school system. If capital equipment and facilities are not transferred to the Zachary Community school system, expenditures could increase by an interminable amount due to the need to lease and/or purchase these assets.

Additional local expenditures for general administration costs and an emergency fund for the Zachary community school system are estimated to be \$942,000 annually. This estimate is based on the assumption that current expenditures for instruction, student support, school administration, operations/maintenance, etc. in the Zachary schools do not constitute a new expenditure and will not change. If these current expenditures change, the anticipated increase in expenditures may be more or less than \$942,000. (continued on page 2)

REVENUES:

There is no anticipated direct effect on revenues as a result of this measure. We assumed that the local sales and property taxes currently allocated to the EBR Parish School District for the Zachary schools will be reallocated to the Zachary community school system. Any taxes levied in the future by the Zachary community school system would increase local revenues. However, at this time the likelihood and amount of such additional revenues are unknown. Also, state and federal funds currently allocated to the EBR Parish School District for the Zachary students will be reallocated to the Zachary community school district.

Senate

Dual Referral Rules

House

- 13.5.1 >= \$500,000 Fiscal Cost per year 6.8(F) >= \$500,000 Fiscal Cost per year
 13.5.2 >= \$500,000 Tax or Fee Change per year 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease per year

David K. Greer

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DIR. OF PERFORMANCE AUDIT