



**OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note**

Fiscal Note On: **HB 577** HLS 14RS 531
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: March 7, 2014 5:55 PM	Author: BROWN, TERRY
Dept./Agy.: Waterworks District No. 3 of Rapides Parish	
Subject: Acquisition of water system	Analyst: Staci Cefalu

DISTRICTS/WATERWORKS OR +\$18,000 LF RV See Note Page 1 of 1
 Authorizes Waterworks District No. 3 of Rapides Parish to acquire a privately owned water system located in Grant Parish

Purpose of Bill: This measure authorizes Waterworks District No. 3 of Rapides Parish to acquire, by donation, one privately owned water system located in Grant Parish.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$3,500</u>	<u>\$3,500</u>	<u>\$3,500</u>	<u>\$3,500</u>	<u>\$3,500</u>	\$17,500
Annual Total	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$17,500

REVENUES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$18,000</u>	<u>\$18,000</u>	<u>\$18,000</u>	<u>\$18,000</u>	<u>\$18,000</u>	\$90,000
Annual Total	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$90,000

EXPENDITURE EXPLANATION

Local fund expenditures may increase by approximately \$3,500 annually.

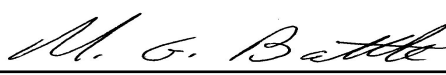
According to officials with Waterworks District No. 3 of Rapides Parish (the District), operating the newly acquired water system will increase expenditures by an estimated \$3,500 annually (labor costs and maintenance).

REVENUE EXPLANATION

Local fund revenue may increase by approximately \$18,000 annually.

According to officials with the District, acquiring the privately owned water system is anticipated to increase revenue by approximately \$18,000 annually. The calculation is based on 162 currently active meters at the average monthly charge per meter of \$34 (162 x \$34 = approximately \$5,500). The District currently sells water to the privately owned system at an average of \$4,000 per month. Therefore the net increase in annual revenue to the District would be \$18,000. (\$5,500 - \$4,000 = \$1,500 x 12 months = \$18,000 annually).

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|---|----------------------------|--------------|--|
| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S} |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | | | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |


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