



**LOCAL GOVERNMENT
FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: February 6, 2015

Agency Submitting: Local Government

Items of Revenue or Expense, or Both	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Effect on Future Biennia
Total	0	0	0	0

Explanation

(Use Additional Sheets of Attachments, if required)

See attached.

Name Michael Nakamoto

Title Deputy Fiscal Analyst

The following responses from local governments were compiled by the Fiscal Analysis Division. The Fiscal Analysis Division can neither verify nor comment on the figures provided by the individual local governments.

Local Government Responses
S.B. 77 / BDR 34 - 314

School District: **Carson City School District**

Approved by: Andrew J. Feuling, Director of Fiscal Services

Comment: The turnaround school designation would likely not impact Carson City Schools. However, it appears there would be another avenue for charter schools to continue even if they are deemed to be failing schools. The impact is not measurable, except to say that students that our schools would absorb from these failed schools would not come to fruition, so we would not have those per pupil revenues associated. It may encourage more charter schools, since there are more opportunities to fail and continue, which may adversely affect our population here, and thus our long term revenue outlook.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

School District: **Clark County School District**

Approved by: Nikki Thorn, Deputy CFO

Comment: CCSD expects an impact to the district in two areas. The first area of impact is in terms of cost of additional instruction time. Since the BDR wasn't clear on how much additional time would be required, we calculated the cost of an additional minute of instruction using the 41 CCSD schools that fell within the Focus, Priority, and One-Star school categories excluding charter schools. The total impact can be scaled when a final decision is made regarding how much additional instruction time is being considered. The cost of one (1) additional minute of instructional time for the affected schools including benefits is \$283,159. The second area of impact relates to the additional cost associated with a data specialist at each of the schools. The cost with benefits of a data specialist is \$105,411, therefore, if each of the 41 schools was mandated to have this position, total cost would be \$4,321,851.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$4,605,010	\$4,605,010	\$9,210,020

School District: **Douglas County School District**

Approved by: Holly Luna, CFO, Business Services

Comment: This BDR would have fiscal impact as an unfunded mandate with on-going costs. However, there is not sufficient information to determine or calculate effects to provide a meaningful/substantial submittal on behalf of Douglas County School District.

Washoe County School District received significant federal funding for turnaround projects in 2011. (School Improvement Grants or "SIG money") Since the language in this BDR is so similar, it would be advisable for the LCB to review the costs and results for each site from Washoe's experience (as well as other SIG districts around the country) for models of successful practices.

Based upon the list of schools released by NDE on January 16th, 2015, Douglas County would not likely be included in this proposal for the 2015-17 biennium. Depending on student achievement across the state in the next 2 years, a revised list may impact DCSD by the time we are estimating costs for the 2017-19 biennium.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: **Esmeralda County School District**

Approved by: Monie Byers, Superintendent

Comment: In Section 6. 1. (a) (2), there is no other place to re-assign the school principal. In Esmeralda County School District, there is only superintendent/principal overseeing three schools in three different towns. This is the only licensed administrator in the school district.

In Section 6. 1. (c) (1), Esmeralda County School District does not have the budget to offer raises or bonuses as suggested.

Unable to determine total fiscal impact.

In Section 7. 3., Esmeralda County School District does not have an E.M.O. or Charter School.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

School District: **Lincoln County School District**

Approved by: Steve Hansen, Superintendent

Comment: If a turnaround school is closed and taken over by the state, the average DSA loss of revenue for one school in our District is 1,144,500 dollars. The number is obtained by taking the average number of pupils per school and multiplying it by our per-pupil funding allocated by the state.

If the District is required to enter into a contract with a contractor or educational management organization to operate the school, those funds would be used to pay for outside management and not be available for District operation.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$1,144,500	\$1,144,500	\$1,144,500

School District: **Lyon County School District**

Approved by: Philip Cowee, President

Comment: The fiscal impact cannot be determined with the information provided in BDR 34-314.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: **Nye County School District**

Approved by: Kerry Paniagua, Executive Secretary

Comment: See attachment.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

School District: **Pershing County School District**

Approved by: Dan Fox, Supt

Comment: This would have a fiscal impact on the district, but cannot be determined at this time with the available information.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: **Storey County School District**

Approved by: Robert Slaby, Superintendent

Comment: Do not know the cost of implementation.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: **Washoe County School District**

Approved by: Lindsay E. Anderson, Director of Government Affairs

Comment: Washoe County School District expects a fiscal impact, but the scope of that impact cannot be determined at this time. The major expenses outlined in the bill include providing financial incentives to staff of these schools, the possible lengthening the school day, the requirement to hire a data specialist and provide training on data. We expect the cost of this to be substantial.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

School District: **White Pine County School District**

Approved by: Paul Johnson, CFO

Comment: The impact to the District depends on the action taken by the Department of Education. If the action is to assist the school district via the three year plan mentioned in the BDR, the impact would be relegated to the expenditures outlined in the action plan. However, if the action is to convert a school into a charter school, the impact would be crippling. The School District would no longer collect revenue for the students (i.e. no per pupil allotment) and a portion of local taxes (a.k.a. outside revenue) would shift from the District to the charter school. Currently, the local charter school receives a per pupil allotment from the State of \$7,376 plus outside revenue of \$1,677 per student for a total of \$9,053 per student. If, for example, an elementary school with a population of 135 students were converted to a charter school, the school district would lose approximately \$1,222,155 (\$9,053 x 135 students). This would represent approximately 10% of the District's general fund budget. This impact combined with the impact of the existing charter school would certainly erode finances to the point that the District would no longer be able to offer competitive or equitable programs and services. The impact of this bill may not affect the next biennium; however, the impact has been presented in these years to demonstrate its significance. The figures for FY2017 include a 3% inflation factor.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	(\$1,222,155)	(\$1,258,820)	(\$2,516,975)

The following school districts did not provide a response: Churchill County School District, Elko County School District, Eureka County School District, Humboldt County School District, Lander County School District, and Mineral County School District.