

Fiscal Estimate Narratives

DOT 5/17/2005

LRB Number	05-2189/1	Introduction Number	AB-374	Estimate Type	Original
Subject					
School crossing guards; equipment					

Assumptions Used in Arriving at Fiscal Estimate

This bill would require each school crossing guard to be offered use of a reflective cloth stop sign attached to a pole of not less than five feet in length, or a reflective cloth stop sign equipped with a flashing light, to direct traffic to stop at school crossings. Crossing guards in a first class city (Milwaukee) would not be offered such signs. The bill specifies that the department design the stop sign and pay costs of manufacture and distribution of the stop signs.

Vendors do not carry cloth stop signs. Assume that durable plastic signs could be substituted. Stop signs on poles average \$40 each delivered. Signs with flashing lights average \$165 per sign delivered.

There are about 1500 schools that have crossing guards in Wisconsin outside of Milwaukee. Further assume that on average there are two crossing guards per school, making for 3000 crossing guards. Assume 1500 guards want signs on poles. The initial cost for these would be $1500 \times \$40/\text{pole sign} = \$60,000$ initial pole sign cost. Assume that 10% of the pole signs would need to be replaced annually at cost of \$6000. Assume the other 1500 guards want signs with lights. The initial cost would be $1500 \times \$165/\text{sign with light} = \$247,500$. Assume 10% of signs with lights would need to be replaced annually at cost of \$24,750. Assume that the department will have the ability to limit requests for replacement of the units to once every 10 years. Further assume that any costs to operate the signs with lights would be the responsibility of the local unit. With these assumptions, the initial cost to the department would be \$307,500 and the annual replacement cost would be \$30,750.

Long-Range Fiscal Implications

Assume 1500 guards want signs on poles. The initial cost for these would be $1500 \times \$40/\text{pole sign} = \$60,000$ initial pole sign cost. Assume that 10% of the pole signs would need to be replaced annually at cost of \$6000. Assume the other 1500 guards want signs with lights. The initial cost would be $1500 \times \$165/\text{sign with light} = \$247,500$. Assume 10% of signs with lights would need to be replaced annually at cost of \$24,750. With these assumptions, the initial cost to the department would be \$307,500 and the annual replacement cost would be \$30,750. These costs do not even include increased costs due to inflation.

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Subject			
School crossing guards; equipment			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
The initial aquisition costs to the department would be \$307,500.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs	30,750		
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$30,750		\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S (30,750)	30,750		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)			
	Increased Rev	Decreased Rev	
GPR Taxes	\$		\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues	\$		\$
NET ANNUALIZED FISCAL IMPACT			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$30,750		\$
NET CHANGE IN REVENUE	\$		\$
Agency/Prepared By		Authorized Signature	Date
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