

2007 Preliminary Annexation Report

Proposed Annexation Areas:

- ✓ *Ardrey*
- ✓ *Mallard Creek Church East*
- ✓ *Moores Chapel*
- ✓ *Providence Pointe*
- ✓ *Tom Short*

TABLE OF CONTENTS

	<u>PAGE</u>
SUMMARY AND RECOMMENDATION	ii
I. THE ANNEXATION PROCESS	1
Introduction: The Basis for Annexation	1
Standards for Qualification of Areas	3
Study Procedure	4
Annexation Procedure.....	5
II. DESCRIPTION OF AREAS PROPOSED FOR ANNEXATION	7
Introduction	7
Proposed Annexation Areas.....	8
1. Ardrey	8
2. Mallard Creek Church East	8
3. Moores Chapel.....	8
4. Providence Pointe	9
5. Tom Short.....	9
Maps of Qualifying Areas	10-15
Qualifying Criteria.....	16
General Annexation Eligibility Standards	17
III. ECONOMIC ANALYSIS	18
Revenues	18
Service Costs.....	19
Annexation Start-Up Costs	24
Annexation One-Time Costs.....	25
Annexation Recurring Costs.....	25
Summary Economic Analysis	26
Economic Analysis of Proposed Annexation Areas	27-38

SUMMARY AND RECOMMENDATION

The 2007 Annexation Study has identified five (5) areas eligible for annexation. The five proposed annexation areas are Ardrey, Mallard Creek Church East, Moores Chapel, Providence Pointe, and Tom Short. The recommended effective date for annexation of these areas is June 30, 2007. These areas, with an estimated total population of 7,073 persons, meet the criteria set forth in the state annexation statutes (see page 17). Maps of the boundaries of the five (5) areas are shown on pages 10-15.

An analysis of revenues and costs (pages 18-25, and summarized on 26-38) indicates projected revenues of \$4,565,576 and \$5,340,383 in the first and second years of annexation, respectively. The anticipated service costs are \$1,210,114 and \$1,226,244 in the first and second years, respectively. In addition, \$1,206,538 in capital improvements are recommended for water and sewer service extensions, street reconstruction, and miscellaneous capital investments. The total real and personal property valuation represented in these five areas is approximately \$684,527,630.

IT IS RECOMMENDED that City Council proceed to annex the eligible areas in accordance with the procedures established by law (pages 5-6). Specifically, it is recommended that at the meeting of July 24, 2006, the City Council adopt the following annexation schedule:

COUNCIL ACTION	RECOMMENDED DATES
Adopt Resolution of Intent	July 24, 2006
Approve Final Plan & Annexation Reports	July 24, 2006
Hold Public Informational Meeting	September 14, 2006
Conduct Public Hearings	October 9, 2006-a
Pass Annexation Ordinances	November 27, 2006
Ordinance Becomes Effective	June 30, 2007

a - Suggested date. Actual date must be at least 60 days, but not later than 90 days after Resolution of Intent. Hearings can be set on a single or multiple days.

I. THE ANNEXATION PROCESS

INTRODUCTION: THE BASIS FOR ANNEXATION

In 1955, the Charlotte City Council and the Mecklenburg Board of County Commissioners consolidated their separate planning boards into the Charlotte-Mecklenburg Planning Commission. In the ordinance of consolidation the Planning Commission was directed to recommend to City Council, from time to time, areas that should be annexed into the City.

Accordingly, the Planning Commission has recommended seventeen major annexations over the years, not including this current proposal. Timely annexations that keep the City abreast of the growth that takes place outside its corporate limits is a long-standing tradition for Charlotte. By successive annexations, Charlotte has grown from its original size of about one-half square mile to its present size of approximately 280 square miles.

In 1959, the State Legislature revised the statute that governs how cities may annex adjacent areas. The law stipulates that areas cannot be annexed unless they have certain characteristics of urbanization. It also stipulates that they cannot be annexed unless the City is prepared to provide the areas with all the facilities and services that are provided within the existing City. If these two requirements are met, in concert with other less significant requirements, the City is authorized to annex the area without a vote of the people.

The preamble to the State statute expresses clearly the objectives that the annexation statute is intended to serve:

Declaration of Policy -- It is hereby declared as a matter of State policy:

- (1) That sound urban development is essential to the continued economic development of North Carolina;
- (2) That municipalities are created to provide the governmental services essential for sound urban development and for the protection of health, safety and welfare in areas being intensively used for residential, commercial, industrial, institutional and governmental purposes or in areas undergoing such development;
- (3) That municipal boundaries should be extended in accordance with legislative standards applicable throughout the State, to include such areas and to provide the high quality of governmental services needed therein for the public health, safety and welfare; . . .

§ 160A-45

Annexation is considered to be a continual process. On a biennial basis (every other year), all areas adjacent to the City are evaluated for possible annexation under the requirements of State statute. (The City of Charlotte has a policy of completing the annexation cycle with an effective date of June 30th of every odd-numbered year.) For areas found to be eligible, plans are developed for the provision of all required municipal services and an estimate is made of the cost of providing such services. This enables a determination to be made of the financial feasibility of annexing eligible areas, and lays the foundation for prudent, specific annexations.

Progressive annexation has enabled Charlotte and surrounding urban areas to avoid many problems that other communities have experienced and have found difficult or impossible to solve. Many residents of newly annexed areas benefit from having improved fire protection, municipal traffic management, street lights, availability of basic water and sewer facilities, and other standard municipal services. If the City did not have the ability to expand its limits in response to adjacent urban growth, ultimately it would find itself surrounded by vast suburban areas that would not participate financially in meeting the needs of the total urban community. Through annexation, the tax base of the entire urban area is available to meet the needs of the urban area. Furthermore, public services can be offered in a more efficient, consistent, equitable, and cost-effective manner.

STANDARDS FOR QUALIFICATION OF AREAS FOR ANNEXATION

In order to qualify for annexation, an area must meet several specific requirements set forth in the State statutes. The total area to be annexed must meet the following criteria. First, it must be adjacent or contiguous to Charlotte's city limits. Second, at least one-eighth (1/8) of the aggregate external boundaries of the area must coincide with the municipal boundary. Third, no part of the area can be within the boundary of another incorporated municipality.

An area that is to be certified for annexation must be developed for urban purposes. An area qualifies if it meets just one of the following development standards:

- (1) the area has a total resident population equal to at least two and three-tenth (2.3) persons per acre of land included within the proposed boundaries; or
- (2) the area has a resident population of one person per acre, and is subdivided into parcels such that at least 60% of the total acreage consists of lots and tracts three acres or less in size and such that at least 65% of the total number of lots and tracts are one acre or less in size; or
- (3) the area is so developed that at least 60% of the total number of lots and tracts are used for residential, commercial, industrial, institutional or governmental purposes; of the total residential and undeveloped acreage more than 60% consists of lots and tracts three acres or less in size; or
- (4) the area is developed such that all tracts in the area are used for commercial, industrial, governmental, or institutional purposes.

In addition to areas developed for urban purposes, the city may include in an annexation area certain areas which at the time of annexation are not developed for urban purposes, but which constitute “necessary land connections” between the current city boundaries and areas developed for urban purposes (and meeting annexation qualifications), or between two or more areas developed for urban purposes (and meeting annexation qualifications). However, these land connection areas may not exceed twenty-five percent (25%) of the total land area to be annexed.

Prior to an area being annexed, the City of Charlotte must indicate how it intends to provide the area with public services, so that the area will receive services at substantially the same levels as

areas already within the present corporate limits. On the date of annexation, the City must begin to provide police and fire protection, garbage collection, and street maintenance services to the area. Garbage collection services at the time of annexation may be either provided in the annexed area by private solid waste collection firms under contract with the City, or by City solid waste crews and equipment. As an alternate to receiving service from the City Fire Department, a contract with a rural fire department to provide fire protection shall also be an acceptable method of providing fire protection in newly-annexed areas. If a water distribution system is not available within the area to be annexed, reasonably effective fire protection service must be provided until such time as water lines are made available under existing municipal policies for the extension of water lines.

The City must also provide for the extension of major trunk water mains and sewer outfall lines into the areas being annexed so that property owners may obtain water and sewer service. If the mains and outfalls are not in place at the time of annexation, the City must assure that plans are underway to provide these facilities. The plans shall call for water and sewer construction to be completed within two years of the effective date of annexation, in accordance with applicable state law. The law also stipulates that the City must indicate the method under which it intends to finance the extension of the above services.

STUDY PROCEDURE

The Charlotte-Mecklenburg Planning Commission, under the local ordinance by which it was established, is given the responsibility of preparing annexation recommendations. As an ongoing function, the staff gathers data concerning land development and population growth which helps determine qualifying areas. The information on the five proposed areas is given in Part II of this report (pages 7-17).

Under state law, areas being considered for annexation must be identified at least one year prior to the beginning of formal annexation proceedings or the effective date of annexation must be delayed for one year. Notice prior to annexation proceedings is accomplished through City Council adoption of a Resolution of Consideration which delineates the geographical area under consideration for annexation. City Council must then wait one full year (but no more than two years) before initiating formal annexation proceedings. On June 27, 2005, City Council passed

Resolutions of Consideration for areas which encompass the areas now being considered for annexation.

Once an area is determined to be eligible for annexation, municipal departments are asked to submit cost estimates on anticipated capital expenditures and operating expenses associated with serving the annexation areas, and -- if applicable -- anticipated revenues. As part of this process, meetings are held among the departments to discuss mutual concerns, problems, and policies. The cost/revenue estimates are presented in Part III of this report (pages 18-38).

ANNEXATION PROCEDURE

Under the North Carolina municipal annexation law, specific procedures are identified that must be followed by the local governing body that is initiating annexation. The following is a summary of those procedures:

- (a) Notice of Intent: The governing body must pass a resolution stating the intent of the municipality to consider annexation. The resolution should describe the boundaries of the area under consideration; fix a date for a public information meeting to be held between 45 and 55 days following passage of the resolution; and fix a date for a public hearing to be held between 60 and 90 days following passage of the resolution.
- (b) Action Before the Hearing: At least 30 days before the date of the hearing, the governing body shall approve a report concerning annexation and subsequently make the report available to the public at the office of the City Clerk.
- (c) Public Informational Meeting: A City official is required to explain the plans contained in the report, and then citizens from the areas proposed for annexation and also from the current City are given the opportunity to ask questions and receive answers regarding the proposed annexation.
- (d) Public Hearing: A city official shall present the annexation report after which all persons, both of the annexed area and the City, shall be given an opportunity to direct comments to City Council.
- (e) Passage of the Annexation Ordinance: The City Council, after considering the report and the facts presented at the public hearing, has the authority to make amendments to the report. No sooner than 10 days after the hearing and no later than 90 days after the hearing, the Council can adopt an ordinance extending the city limits. The ordinance shall fix the effective date of annexation.

The annexation effective date may be set any time, as long as it is not less than 70 days nor more

than 400 days from the date of passage of the annexation ordinance. The timing, however, has a significant effect on the collection of taxes. Under the present statute, taxes are to be pro-rated on the basis of the number of full months in the fiscal year in which annexation takes place. The statute also contains a provision relating to payment of taxes in annexed areas so that they are due and payable at the same time as other taxes.

If an annexation takes place between July 1 and September 1, taxes are due and payable on September 1 of that same year. However, if the annexation is after September 1, taxes are not due until the following September 1. Thus, if an annexation were to become effective after September 1, the City must provide the required services without securing any revenues from taxes until the following September 1.

II. DESCRIPTION OF AREAS PROPOSED FOR ANNEXATION

INTRODUCTION

The Charlotte urban area is increasing both in physical size and numbers of people. The U.S. Census Bureau estimates the population of the Charlotte urban area increased by 66.6 percent during the 1990s, reaching a population of 758,927 by 2000 (including 540,828 within the city limits in 2000). This urban area encompasses 109 percent of the county's total population. (Areas beyond the Mecklenburg County boundary meet the Census Bureau's definition of "urban area".)

In order to provide the services and facilities essential to sound urban development, Charlotte's municipal boundaries must keep pace with the expanding community. Charlotte's last major annexation occurred on June 30, 2005, when approximately 15,400 people residing in an area of 12.55 square miles became part of the City of Charlotte. However, development has continued in parts of the county at a rapid pace since the last annexation study was conducted in 2004.

Therefore, an annexation study was undertaken in early 2006 to review areas along the periphery of the City to assess their potential for future annexation. A total of five (5) areas have been found eligible for annexation in accordance with the 1959 North Carolina Municipal Annexation Statutes, G. S. Chapter 160A, Article 4A, Part 3. These five (5) proposed annexation areas are shown in the maps on pages 10-15.

If these areas are annexed, they would add to the physical size of Charlotte and its total population. Together, they comprise 4.72 square miles, which would increase Charlotte's physical size by about 1.7 percent. An estimated 7,073 persons -- or the equivalent of 1.1 percent of Charlotte's current estimated population of 651,101 ⁽¹⁾ -- live within these areas. As a result of the proposed annexation, the population of Charlotte would increase to about 658,174 while its physical size would be approximately 285.2 square miles.

⁽¹⁾ estimated population of the City of Charlotte for 7/1/05 developed by Charlotte-Mecklenburg Planning Commission

PROPOSED ANNEXATION AREAS

ARDREY

This area is situated south of the current City limits between Ardrey Kell Road and Six Mile Creek. It includes the Ardrey and Ardrey Woods subdivisions currently under development. The area is principally residential. The area contains 268.2 acres and has an estimated residential population of 584.

The area qualifies for annexation under Section c(1) and Subsection d of the North Carolina General Statutes (see Qualifying Criteria and General Annexation Eligibility Standards).

MALLARD CREEK CHURCH EAST

This area is located northeast of the current city boundaries, lying on both sides of I-85 south of the I-485 right-of-way. It is characterized by several large multi-family developments, interspersed with low-density single-family development. The area also contains the Legranger Road residential area and a portion of the University Research Park. The area contains 1,112.0 acres with an estimated population of 2,565.

This area qualified under Section c(1) as well as Subsection d of the North Carolina General Statutes (see Qualifying Criteria and General Annexation Eligibility Standards).

MOORES CHAPEL

This area is situated to the west of the present city limits on both sides of I-485, north of I-85. It contains several single family residential subdivisions including Wildwood, Wilson Glen, Moores Chapel, and Chapel Grove at Belmeade Green. It also includes a portion of the Pawtuckett golf course. The area contains 967.7 acres and has an estimated residential population of 1,662.

The area qualified for annexation under Section c(3), as well as under Subsection d of the North Carolina General Statutes (see Qualifying Criteria and General Annexation Eligibility Standards).

PROVIDENCE POINTE

This area is located southwest of the existing city limits south of Providence Road West lying immediately inside the NC state line. The area is residential in nature, containing the Providence Pointe subdivision. The area contains 128.5 acres with an estimated residential population of 666.

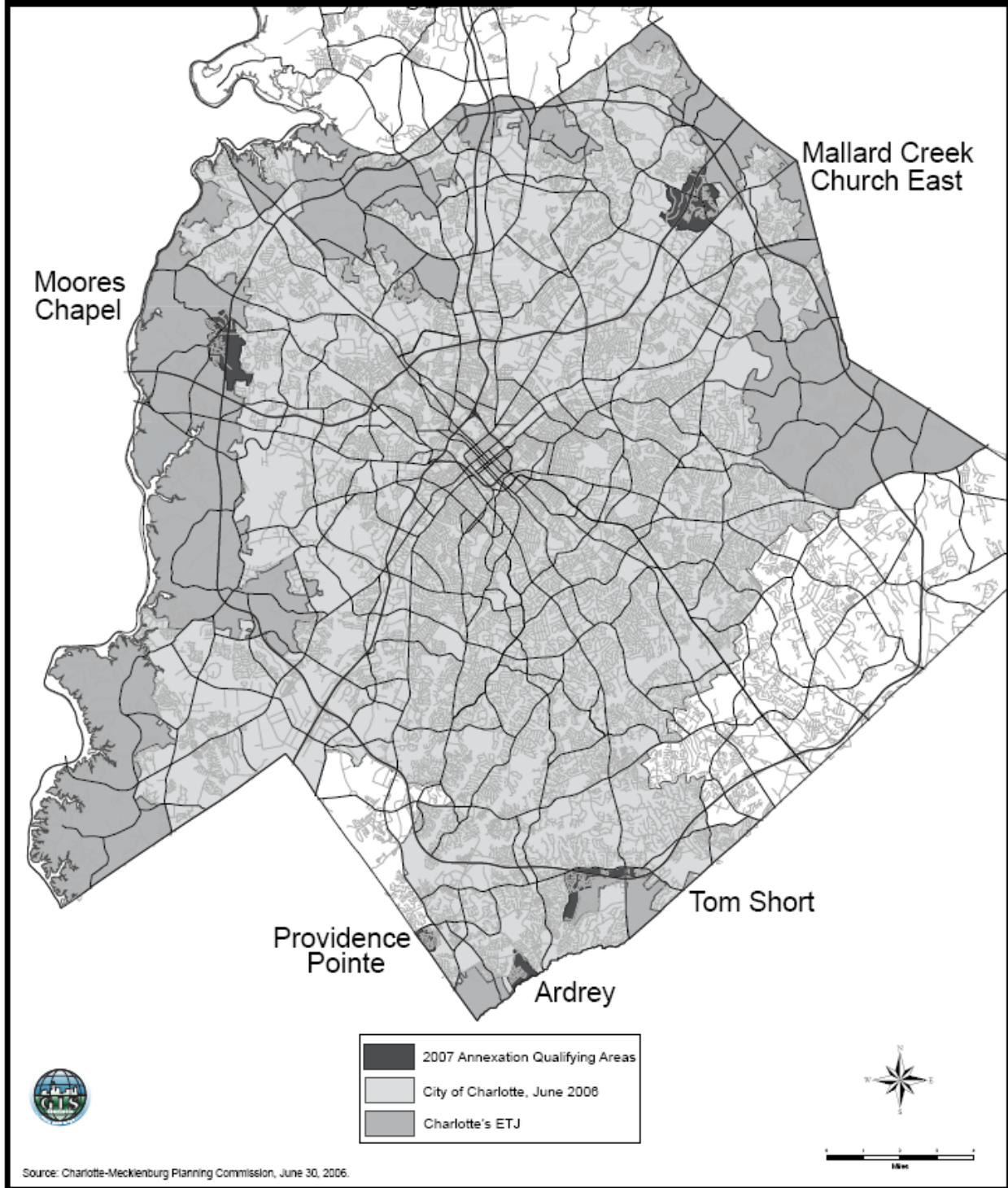
The area qualifies for annexation under Sections c(1), c(2), and c(3), as well as under Subsection d of the North Carolina General Statutes (See Qualifying Criteria and General Annexation Eligibility Standards).

TOM SHORT

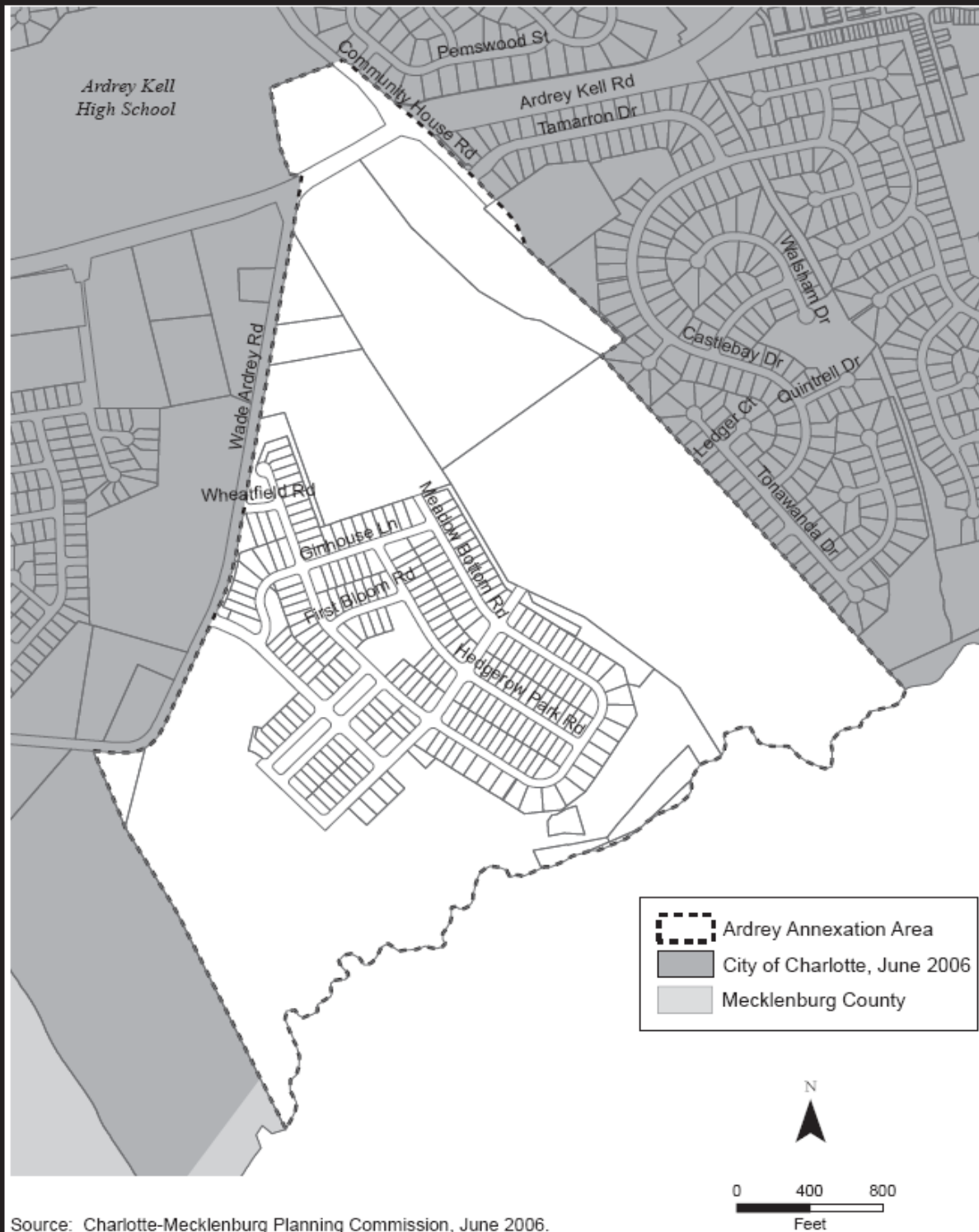
This area is situated south of the present city limits along I-485 near its interchange with Providence Road (NC16). The Preserve at Reavencrest, Cady Lake, Stone Creek Ranch residential subdivisions, the Promenade Park apartments, and Covington at Providence condominium developments are included within the annexation boundaries. Additionally, the Promenade on Providence commercial development and Providence Park business park are located within the area. The area contains 552.0 acres and has an estimated residential population of 1,596.

The area qualifies for annexation under Sections c(1) and c(3), as well as under Subsection d of the North Carolina General Statutes 160A-48 (see Qualifying Criteria and General Annexation Eligibility Standards).

2007 Annexation Qualifying Areas

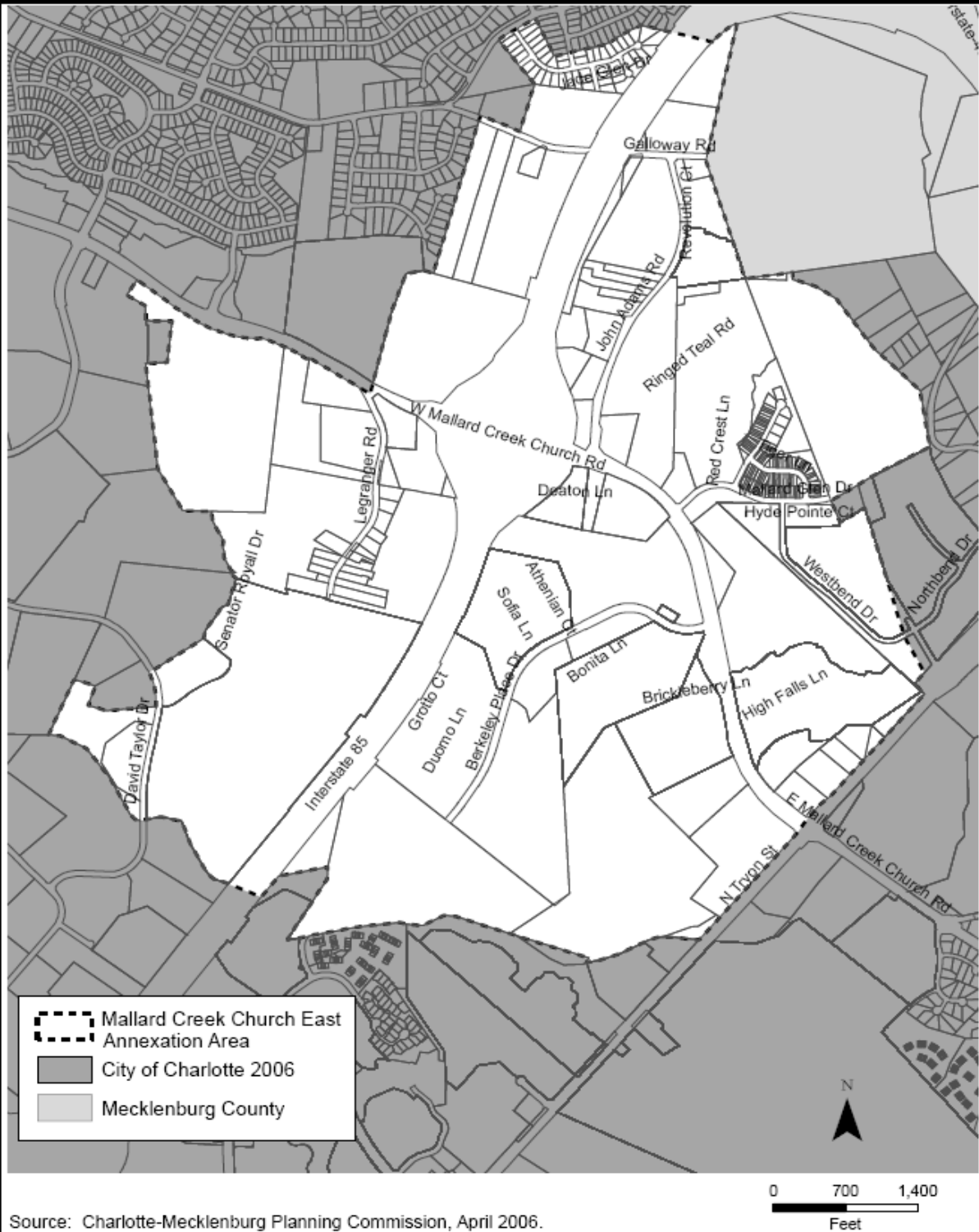


Ardrey Annexation Qualifying Area, 2007



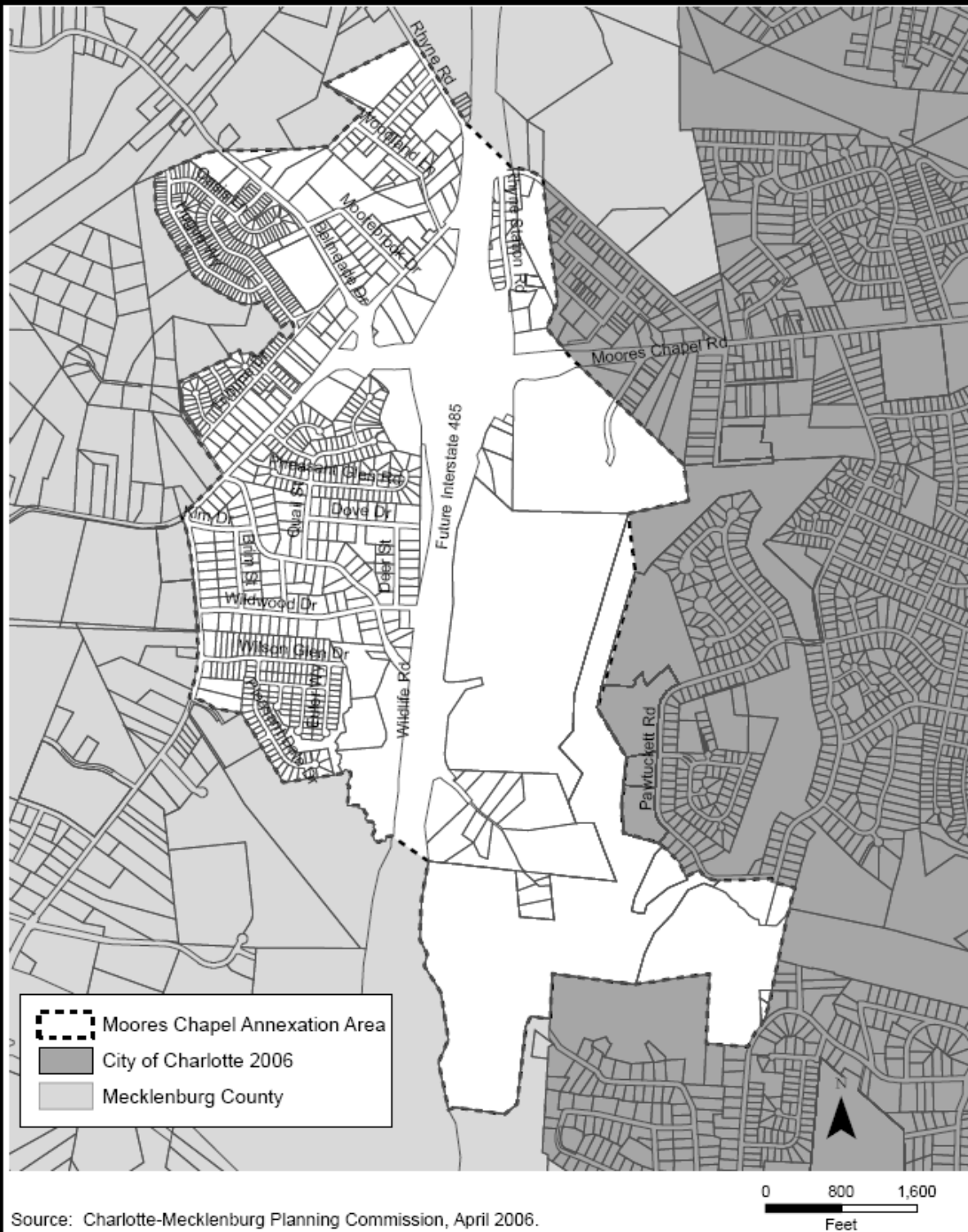
Source: Charlotte-Mecklenburg Planning Commission, June 2006.

Mallard Creek Church East Annexation Qualifying Area, 2007

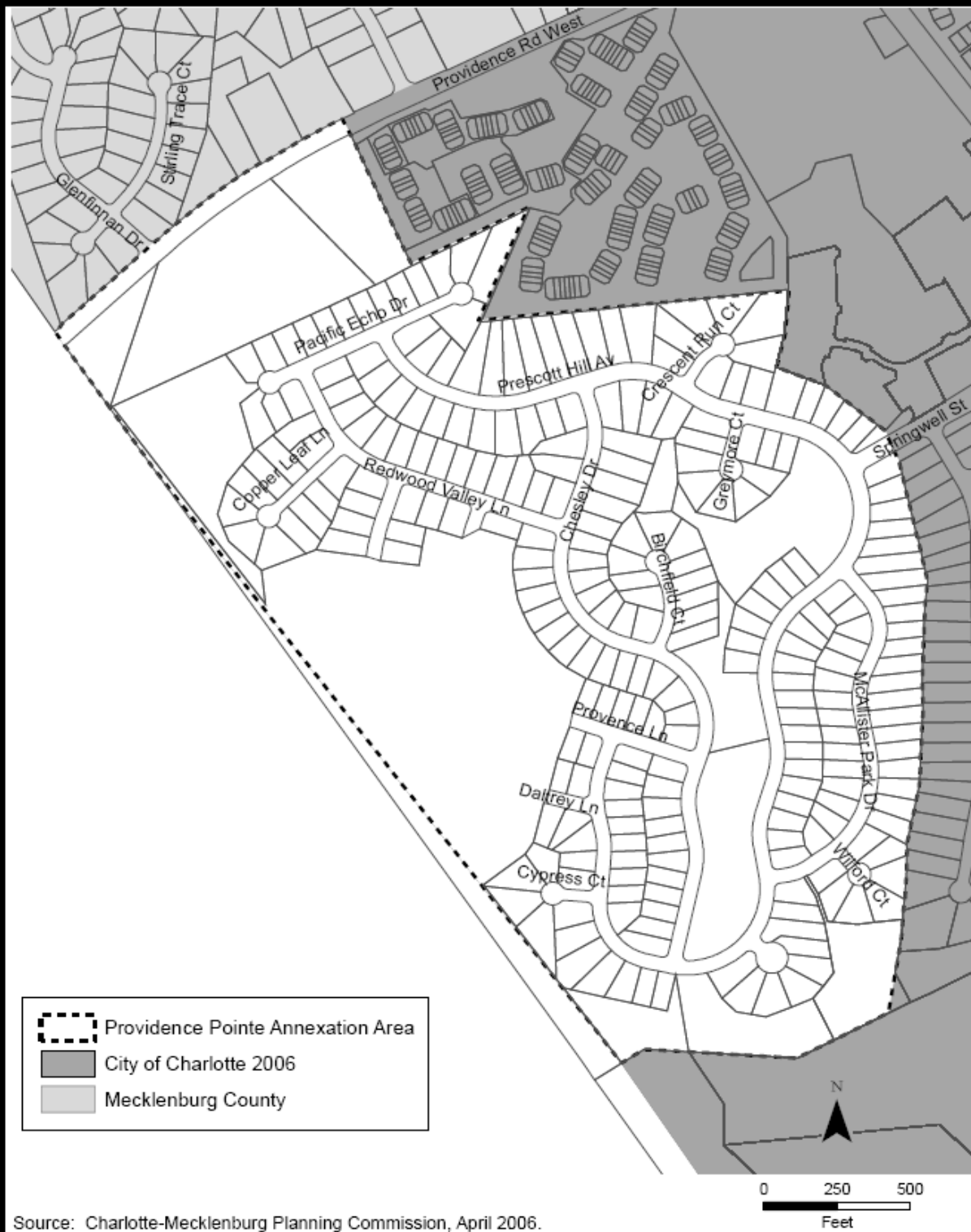


Source: Charlotte-Mecklenburg Planning Commission, April 2006.

Moore's Chapel Annexation Qualifying Area, 2007



Providence Pointe Annexation Qualifying Area, 2007



Tom Short Annexation Qualifying Area, 2007



QUALIFYING CRITERIA (2007 Annexation Qualifying Areas)

<div><div>Minimum Standard</div><div>Name of Annexation Qualifying Area</div></div>	Statutory Requirements (Area Must Meet One of Three)						1/8 Common Bdy (12.5%)	<u>Subsection “d”</u>		Est. Pop.	Total Acres	Number Dwelling Units
	“C-1” 2.3 Prs. Per/Ac	1 Prs. Per/Ac	“C-2” 60% Acreage 3 or Less	65% Lots 1 or Less	“C-3” 60% Lots In Use	60% Acreage Res. or Vac		% of Area (25% max.)	Cmn Bdy. (60% min.)			
Ardrey	2.87		26.8%	96.2%	93.4%	41.0%	65.8%	24.3%	100%	584	268.2	192
Mallard Creek Church E.	3.06		10.6%	74.1%	78.7%	15.9%	90.0%	24.7%	100%	2,565	1112.0	1,621
Moores Chapel	2.23		58.0%	92.2%	77.0%	67.7%	40.5%	23.1%	88.7%	1,662	967.7	670
Providence Point	6.05		67.7%	96.8%	92.2%	93.7%	58.3%	14.3%	74.2%	666	128.5	238
Tom Short	3.74		48.7%	93.0%	94.9%	80.8%	57.0%	22.6%	60.1%	1,596	552.0	835
TOTALS										7,073	3,028.4	3,556

(**Bold** figures above indicate qualifying requirement)

4.73 square miles

GENERAL ANNEXATION ELIGIBILITY STANDARDS

(160-48, General Statutes of North Carolina)

A. BOUNDARY REQUIREMENT

- (b)(2). at least one-eighth (1/8) of the annexation area boundary must coincide with the current municipal boundary

B. DEVELOPMENT REQUIREMENT

The area must meet any one of the following three standards:

- (c)(1). Population density of at least two and three-tenths persons per acre
- (c)(2). At least one person per acre subdivided into lots and tracts such that at least 60% of total acreage is lots three acres or less and at least 65% of total number of lots are one acre or less
- (c)(3). at least 60% of total number of lots are used for residential, commercial, industrial, institutional, or governmental purposes and at least 60% of total acreage (not counting nonresidential) consist of lots three acres or less

C. In addition to areas developed for urban purposes as above, the city may include in the annexed area any area which does not meet the above development requirements if such area does not exceed 25 percent of the total area to be annexed and either:

- (d)(1). lies between the municipal boundary and a developed area so that services must be extended through the area to reach the urban area, or
- (d)(2). at least 60% of external boundary of such area is adjacent to any combination of the municipal boundary and the boundary of an area or areas developed for urban purposes as defined in subsection (c).

(purpose of this provision – known as subsection (d) - is to provide for necessary land connection)

III. ECONOMIC ANALYSIS

REVENUES

The City has prepared an analysis of forecasted revenues as part of an economic analysis for the five (5) prospective annexation areas. These revenues include property tax, sales tax, franchise tax, motor vehicle license fees, cable TV franchise tax, business privilege tax, animal licenses, beer and wine tax, solid waste disposal fees, and Powell Bill funds.

Real and Personal Property Tax (\$3,060,763). The appraised value of real property as of May, 2006 was provided by the City-County Land Records Office. Personal property values also were obtained from Land Records. Using this data, total appraised value of all real and personal property in the proposed annexation areas is estimated to be \$684,527,630 (\$593,733,420 of real property and \$90,794,210 of personal property). When escalated for growth, this value would generate approximately \$3.1 million in additional City property tax revenues during the first year of annexation (FY2008), assuming the current City tax rate of 45.86 cents per \$100 valuation.

Police Service District Tax (\$0). As described below in the Police Services section, there is no impact from annexation on the funding of police services estimated at this time.

Other Revenue Sources (\$1,504,813). Storm Water anticipates \$302,317 in total revenues to be generated from single-family homes and commercial properties and is calculated based on impervious surfaces. The City will receive approximately \$232,811 from Powell Bill funds, which are distributed to local municipalities from the State's gasoline tax. Commercial concerns such as utilities (Duke Power, BellSouth, etc.) and other franchisees pay a utility franchise tax based on gross annual receipts within the city. This will return an estimated \$291,671 from the proposed annexation areas. The Solid Waste Disposal Fee, assessed at an annual rate of \$45 per single-family residence and \$27 per multi-family residence, is estimated to total \$134,865. Business Privilege License fees will generate \$208,060. About \$167,113 will be realized from the \$30 license fee collected on motor vehicles owned by City residents. Sales taxes will generate an additional \$59,328 in the first year and \$678,710 in the second year (FY2008). Cable TV franchise fees collected for new residents in the annexation areas will total \$76,276. All other miscellaneous revenues are estimated to total \$32,372.

In summary, total revenue during the first year from these annexation areas is estimated to be \$4,565,576. Of this amount, \$3,281,771 is assigned to the City's General Fund, \$500,238 to Municipal Debt Service, \$248,439 to Pay-As-You-Go capital projects, \$232,811 to the Powell Bill Fund, and \$302,317 to Storm Water Fund.

SERVICE COSTS

Under the North Carolina annexation statutes, municipal services must be extended to a newly annexed area. The following is an estimate of how much it will cost each affected Key Business Unit to furnish its respective services to the proposed annexation areas. The figures given in parentheses are the estimated first-year service costs for that Key Business. A summary of all costs and revenues is given at the end of this section.

The City of Charlotte has an extensive competition/privatization program. Many of the services included would be provided by the private sector and monitored by the City.

POLICE (\$0). As of October 1, 1993 police services were consolidated from two organizations (Mecklenburg County Police and City of Charlotte Police) into one (Charlotte-Mecklenburg Police Department). Across the entire service area police services are administered uniformly. Therefore, police service delivery in the proposed annexation areas would remain unchanged. The City's Police Services agreement with Mecklenburg County provides funding from the unincorporated areas in proportion to population. Funding of police services would shift from the collection of Mecklenburg County's Police Service District tax to the City of Charlotte's property tax effective June 30, 2007. However, the current Police Services Agreement, amended effective July 1, 2004, continues the existing level of funding from Mecklenburg County to the City of Charlotte per the formula in effect for a period of four years. Therefore, there is no impact on the amount paid by Mecklenburg County for police services.

FIRE (\$0 Operating and \$0 Capital). The Fire Department provides residents of Charlotte with fire protection and fire prevention services, while maintaining standards consistent with the recommended requirements of the Insurance Service Office.

The Fire Department can provide a level of service commensurate to that available city-wide in all five areas proposed for annexation without adding fire stations. Emergency services can be provided

to these areas within acceptable time limits by existing fire stations.

A contract with a rural (volunteer) fire department to provide fire protection also is an acceptable method of providing fire protection. If a rural fire department makes a written request for a good faith offer, the City is required to make a good faith effort to negotiate a five-year contract with the rural fire department to provide protection in the area to be annexed. If the existing department does not wish to enter into such a contract, the city offers to pay in lieu of a contract a sum equal to a determined economic loss. The estimated economic loss for the Volunteer Fire Departments affected by this annexation is approximately \$386,858.

TRANSPORTATION (\$769,539). The City's Transportation Key Business has the general responsibility of developing and maintaining safe and efficient means of moving vehicular traffic and pedestrians on the streets and highways of Charlotte. This includes the construction and maintenance of facilities located within the City's right of way and the installation and maintenance of street lights, street markers, and traffic control signs and signals.

Several streets in the proposed annexation areas will require repair and resurfacing, necessitating additional equipment and personnel. As a result, the operating budget for the department's Street Maintenance Division is expected to increase by \$462,929, to improve streets to City maintenance standards. The first year's cost to provide other CDOT services to the proposed areas is estimated to be \$306,610, which includes \$115,000 for synchronized electronic traffic control signals, \$134,810 for street signage and markings, and \$56,800 for street lights.

ENGINEERING AND PROPERTY MANAGEMENT (\$25,000). The general objectives of the department are to plan, design, and control construction of new capital improvements to meet community needs; to develop programs for maintaining existing public facilities such as streets, sidewalks, bridges, curbs, gutters, and drainage facilities; and to ensure that private development adheres to certain City regulations. The first year's cost to provide these services to the proposed areas is estimated to be \$25,000.

The Land Development Division is responsible for engineering services for other City businesses, and for administration of certain City regulations relative to development. The Landscape Management Division is the beautification arm of the City and is responsible for removing safety-obstructing vegetation. Its functions involve the mowing of street right of way, construction and

maintenance of urban beautification projects, and maintaining median strips along major thoroughfares. The division also responds to public requests. A total of \$20,000 is needed to provide additional right of way mowing and tree maintenance in the annexation areas.

The Survey/Mapping Division is responsible for providing survey and mapping services to transportation projects, sidewalk projects, storm water projects, and land development projects. An additional \$5,000 is required to obtain additional topographic maps of the annexation areas.

SOLID WASTE SERVICES (\$415,577). This key business offers a diverse range of services to City residents, including refuse, yard waste, and recyclables collections, and street cleaning. First year costs for the business totaling \$415,577 are detailed below according to its major divisions. Included in this total request is \$140,167 for landfill service charges.

Collections Division (\$271,634).

The objective of the Collections Division is to provide weekly residential garbage, yard waste, and recyclables pick-up and bulky item collection. The City also contracts with private collectors to provide bin collection services to some multi-family complexes and for curbside pick-up for single family neighborhoods in some parts of the City. In order for the Collections Division to supply these services to the proposed annexation areas, its operations budget will increase by a total of \$271,634 for residential collections in the following areas: \$9,000 for the North Quadrant and \$100,904 for the South Quadrant. Collections Division's contractual services budget will also increase by \$93,781 for contract payments to Inland Services Corporation for the additional annexation customers served by this private contractor in the West Quadrant. There will be no impact in the East Quadrant from the June 30, 2007 annexation. New roll-out containers will also be required for the additional annexation customers, at a cost of \$8,028. The contract with Allied Waste for multi-family garbage collection will be increased by \$59,921 as the result of the annexation.

A contract with a private solid waste collection firm to provide the collection service is an acceptable method of providing such service in the proposed annexation areas. If a private solid waste collection firm of sufficient size is providing the collection service in one or more of the proposed annexation areas requests a contract, the City is required to either contract with such firm for a period of two years after the effective date of annexation or pay to such firm in lieu of a contract a sum equal to a determined economic loss. The written request for a contract must be delivered to the City Clerk at least 10 days before the annexation public hearing. The estimated economic loss for private

solid waste collection firms affected by this annexation is \$253,615.

Customer and Public Services (\$3,776).

The Customer Services division serves as the first point of contact with Charlotte citizens with questions and requests for information related to the services provided by the Solid Waste Services Key Business. First year funding for Customer Services totaling \$2,816 will be needed in this proposed annexation for one additional Customer Services Representative. The Public Services division develops and implements public information programs, public education initiatives, and media-related services. The division also monitors daily field operations to ensure contract compliance and customer satisfaction. First year funding for Customer & Public Services and contract monitoring totals \$960.

CHARLOTTE-MECKLENBURG UTILITIES (\$1,206,538 CAPITAL). This key business is responsible for the design and construction of water and sewer systems throughout the City and County. The cost of providing water and sewer services to the proposed annexation areas-- in a manner consistent with the existing annexation laws and the Water/Sewer Extension Policy-- is estimated to be \$1,206,538. The plans for construction of water and sewer extensions must be completed within two years of the effective date of annexation.

AREA	WATER	SEWER	TOTAL
Ardrey	\$0	\$0	\$0
Mallard Creek Church E.	\$99,450	\$172,200	\$271,650
Moore's Chapel	\$285,638	\$408,700	\$694,338
Providence Pointe	\$137,500	\$103,050	\$240,550
Tom Short	\$0	\$0	\$0
TOTALS	\$522,588	\$683,950	\$1,206,538

This method of providing water and sewer services to the proposed annexation areas offers the following:

(1) Provision of a service level that is defined in the Water/Sewer Extension Policy as adopted by the

Charlotte City Council allows uniform and consistent extensions and service connections whether in the newly annexed areas or in the existing City limits. All residents are provided the same basic level of service.

- (2) The Water/Sewer Extension Policy as adopted by the Charlotte City Council mandates that extension of water and sewer street mains from the basic system of fire hydrants and the basic system of outfalls will be financed by the user through the payment of tapping privilege fees. This makes possible the equitable uniform user charge for sewer service as required by the Environmental Protection Agency.
- (3) The basic system of fire hydrants and sewer outfalls to the street will be provided in accordance with the Water/Sewer Extension Policy as adopted by the Charlotte City Council. Water and sewer extensions will be made in streets to serve residents in the newly annexed areas at the time residents apply for the service, pay the tapping privilege fee, and when the total tapping privilege fees collected will pay for at least one-half of the estimated construction cost of the extension unless modified by a public health hazard.
- (4) The Water/Sewer Extension Policy as adopted by the Charlotte City Council does provide a method for more timely installation of water/sewer street mains-- that is, when residents need and request them. It minimizes a costly capital outlay that may not be used because owners have wells and septic tanks that are operating properly. The system of resident application, petition, and financing at the time of his need allows maximum customer participation in selecting when the improvements will be made.

ANNEXATION START-UP COSTS

In addition to the annual operating costs for provision of services to the annexation areas, it is necessary to provide funding prior to the effective annexation date to hire, train, and equip employees in certain departments. This funding will be necessary in December of 2006. For the June 30, 2007 annexation areas, the following start-up costs will be required:

<u>Key Business</u>	<u>Personnel</u>	<u>Operating Expenses</u>	<u>Capital Expenses</u>	<u>Total</u>
Solid Waste Services	\$4,898	\$254,931	\$0	\$259,829
Water/Sewer Utilities	\$0	\$0	\$1,206,538	\$1,206,538
Corporate Communications	\$0	\$103,905	\$0	\$103,905
Economic Loss	\$0	\$640,473	\$0	\$640,473
Total	\$4,898	\$999,309	\$1,206,538	\$2,210,745

Solid Waste Services start-up costs of \$259,829 include \$9,158 for salaries, supplies and equipment for one position; \$8,055 for the purchase of recycle bins; \$61,844 for public information materials production and distribution; and \$180,772 for the purchase of one refuse collection vehicle.

The cost of providing water and sewer services to the proposed annexation areas, in a manner consistent with the existing annexation laws and the Water/Sewer Extension Policy, is estimated to be \$1,206,538, all of which is appropriated in FY2007 in the approved capital program.

Corporate Communications start-up costs of \$103,905 include advertising, printing and postage expenses related to the publishing of required public notices, newspaper ads and public information.

Economic loss start-up costs of \$640,473 provide for a reserve for anticipated contracts for volunteer fire departments and private solid waste collection firms.

Annexation Start-Up Funding Strategy

The start-up costs identified above will be needed in January 2007 to implement the proposed annexation of the five areas. Funding for these start-up costs is recommended to come from the following sources:

- Contribution from FY 2007 General Fund – Reserve for Annexation \$500,000

➤	<u>Contribution from General Fund Fund Balance</u>	\$504,207
➤	<u>FY2007-2011 Capital Investment Plan (Approved)</u>	\$1,206,538
	TOTAL	\$2,210,745

ANNEXATION ONE-TIME COSTS

One-time costs are for materials and equipment that would be included in the FY08 budget, but would not be budgeted in subsequent years.

One-time costs in the proposed 2007 Annexation for the five annexation areas total \$432,041. Included in these costs is \$426,810 for electronic traffic systems improvements, pavement marking and street signage materials, contracted installation of signalized intersection equipment, and contracted road resurfacing; \$2,500 for landscape maintenance; and \$2,731 for Solid Waste equipment.

ANNEXATION RECURRING COSTS

Recurring costs are on-going operating expenses for the proposed annexation which will be included in the FY08 and subsequent-years budgets. Additional funds are needed to provide services to the proposed annexation areas commensurate with the service levels currently provided to existing areas of the City.

Recurring expenses for the five proposed annexation areas in the 2007 Annexation total \$778,073. Included in these expenses is \$412,844 for garbage pick-up, \$342,729 for street maintenance and street lighting, \$22,500 for engineering survey, mapping, and landscape maintenance expenses.

ECONOMIC ANALYSES:

Summary and Qualifying Areas

2007 Annexation Area Economic Analysis: Consolidated

	FY07	FY08			FY09
	<u>Start-Up</u>	<u>One-Time</u>	<u>Recurring</u>	<u>Total</u>	<u>Total</u>
EXPENDITURES					
TRANSPORTATION					
Street Lighting	0	0	56,800	56,800	56,800
Operations	0	134,810	0	134,810	0
Street Maintenance	0	0	13,947	13,947	13,947
Electronic Systems	0	115,000	0	115,000	0
FIRE					
Operations	0	0	0	0	0
SOLID WASTE SERVICES	259,829	2,731	412,844	415,575	454,420
ENGINEERING					
Operations	0	2,500	22,500	25,000	22,500
CITY MANAGER'S OFFICE					
Corporate Communications	103,905	0	0	0	0
NEIGHBORHOOD DEVELOPMENT	0	0	0	0	0
BUSINESS SUPPORT SERVICES	0	0	0	0	0
ECONOMIC LOSS					
Volunteer Fire Departments	386,858	0	0	0	0
Private Solid Waste Collection Firms	253,615	0	0	0	0
TOTAL GENERAL FUND	1,004,207	255,041	506,091	761,132	547,667
POWELL BILL FUND					
Street Maintenance	0	177,000	271,982	448,982	678,577
STORM WATER FUND	0	0	0	0	0
TOTAL OPERATING EXPENDITURES	1,004,207	432,041	778,073	1,210,114	1,226,244
GENERAL CAPITAL					
Fire Stations	0	0	0	0	0
UTILITIES (Capital Expend)					
Water	522,588	0	0	0	0
Sewer	683,950	0	0	0	0
TOTAL EXPENDITURES	2,210,745	432,041	778,073	1,210,114	1,226,244

2007 Annexation Area Economic Analysis: Consolidated

	FY07	FY08			FY09
	<u>Start-Up</u>	<u>One-Time</u>	<u>Recurring</u>	<u>Total</u>	<u>Total</u>
REVENUES					
TAXES AND FEES					
Property Taxes ⁽¹⁾	0	0	2,468,099	2,468,099	2,542,142
Business Privilege	0	0	208,060	208,060	214,302
Cable TV Franchise	0	0	76,276	76,276	78,564
Animal Control	0	0	5,334	5,334	5,521
Utility Franchise	0	0	291,671	291,671	300,421
Sales Tax ⁽¹⁾	0	0	42,576	42,576	487,064
Beer and Wine Tax	0	0	27,038	27,038	27,850
Motor Vehicle License	0	0	27,852	27,852	28,409
Solid Waste Disposal	0	0	134,865	134,865	138,911
User Fees	0	0	0	0	0
TOTAL GENERAL FUND	0	0	3,281,771	3,281,771	3,823,183
POWELL BILL FUND	0	0	232,811	232,811	239,795
MUNICIPAL DEBT SERVICE FUND (1)	0	0	500,238	500,238	602,208
PAY-AS-YOU-GO FUND (1)	0	0	248,439	248,439	341,928
STORM WATER FUND	0	0	302,317	302,317	333,268
TOTAL OPERATING REVENUES	0	0	4,565,576	4,565,576	5,340,383
FY2007-FY2011 CIP	0	0	0	0	0
WATER AND SEWER REVENUE BONDS	1,206,538	0	0	0	0
TOTAL ALL REVENUES	1,206,538	0	4,565,576	4,565,576	5,340,383
REVENUES OVER EXPENDITURES	(1,004,207)	(432,041)	3,787,503	3,355,462	4,114,139
Net Impact to General Fund	(1,004,207)	(255,041)	2,775,680	2,520,639	3,275,516

Note

⁽¹⁾ portions of the property tax and sales tax are allocated to the Pay-As-You-Go and Municipal Debt Service Funds based on the property tax distribution.

2007 Annexation Area Economic Analysis: Ardrey

	FY07	FY08			FY09
	<u>Start-Up</u>	<u>One-Time</u>	<u>Recurring</u>	<u>Total</u>	<u>Total</u>
EXPENDITURES					
TRANSPORTATION					
Street Lighting	0	0	2,742	2,742	2,742
Operations	0	82,374	0	82,374	0
Street Maintenance	0	0	2,185	2,185	2,185
Electronic Systems	0	0	0	0	0
FIRE					
Operations	0	0	0	0	0
SOLID WASTE	57,194	414	30,059	30,473	33,326
ENGINEERING					
Operations	0	0	1,000	1,000	1,000
CITY MANAGER'S OFFICE					
Corporate Communications	19,915	0	0	0	0
NEIGHBORHOOD DEVELOPMENT	0	0	0	0	0
BUSINESS SUPPORT SERVICES	0	0	0	0	0
ECONOMIC LOSS					
Volunteer Fire Departments	5,489	0	0	0	0
Private Solid Waste Collection Firms	0	0	0	0	0
TOTAL GENERAL FUND	82,598	82,788	35,986	118,774	39,253
POWELL BILL FUND					
Street Maintenance	0	27,736	42,618	70,354	43,808
CIP - Bridge Improvements	0	0	0	0	0
STORM WATER FUND	0	0	0	0	0
TOTAL OPERATING EXPENDITURES	82,598	110,524	78,604	189,128	83,061
GENERAL CAPITAL					
Fire Station	0	0	0	0	0
Transportation	0	0	0	0	0
UTILITIES (Capital Expend)					
Water	0	0	0	0	0
Sewer	0	0	0	0	0
TOTAL EXPENDITURES	82,598	110,524	78,604	189,128	83,061

2007 Annexation Area Economic Analysis: Ardrey

	FY07	FY08			FY09
	<u>Start-Up</u>	<u>One-Time</u>	<u>Recurring</u>	<u>Total</u>	<u>Total</u>
REVENUES					
TAXES AND FEES					
Property Taxes ⁽¹⁾	0	0	152,537	152,537	157,113
Business Privilege	0	0	0	0	0
Cable TV Franchise	0	0	4,118	4,118	4,242
Animal Control	0	0	288	288	298
Utility Franchise	0	0	13,052	13,052	13,444
Sales Tax ⁽¹⁾	0	0	2,633	2,633	30,117
Beer and Wine Tax	0	0	2,233	2,233	2,299
Motor Vehicle License	0	0	2,323	2,323	2,369
Solid Waste Disposal	0	0	7,282	7,282	7,500
User Fees	0	0	0	0	0
TOTAL GENERAL FUND	0	0	184,466	184,466	217,383
POWELL BILL FUND	0	0	23,860	23,860	24,576
MUNICIPAL DEBT SERVICE FUND ⁽¹⁾	0	0	30,917	30,917	37,221
PAY-AS-YOU-GO FUND ⁽¹⁾	0	0	18,363	18,363	24,203
STORM WATER FUND	0	0	14,487	14,487	15,976
TOTAL OPERATING REVENUES	0	0	272,092	272,092	319,360
FY2007-FY2011 CIP	0	0	0	0	0
WATER AND SEWER REVENUE BONDS	0	0	0	0	0
TOTAL ALL REVENUES	0	0	272,092	272,092	319,360
REVENUES OVER EXPENDITURES	(82,598)	(110,524)	193,488	82,964	236,299
Net Impact to General Fund	(82,598)	(82,788)	148,480	65,692	178,130

Note

⁽¹⁾ portions of the property tax and sales tax are allocated to the Pay-As-You-Go and Municipal Debt Service Funds based on the property tax distribution.

2007 Annexation Area Economic Analysis: Mallard Creek Church East

	FY07	FY08			FY09
	<u>Start-Up</u>	<u>One-Time</u>	<u>Recurring</u>	<u>Total</u>	<u>Total</u>
EXPENDITURES					
TRANSPORTATION					
Street Lighting	0	0	17,925	17,925	17,925
Operations	0	0	0	0	0
Street Maintenance	0	0	3,020	3,020	3,020
Electronic Systems	0	85,000	0	85,000	0
FIRE					
Operations	0	0	0	0	0
SOLID WASTE	11,728	279	133,153	133,432	152,665
ENGINEERING					
Operations	0	0	13,500	13,500	13,500
CITY MANAGER'S OFFICE					
Corporate Communications	38,152	0	0	0	0
NEIGHBORHOOD DEVELOPMENT	0	0	0	0	0
BUSINESS SUPPORT SERVICES	0	0	0	0	0
ECONOMIC LOSS					
Volunteer Fire Departments	0	0	0	0	0
Private Solid Waste Collection Firms	28,897	0	0	0	0
TOTAL GENERAL FUND	78,777	85,279	167,598	252,877	187,110
POWELL BILL FUND					
Street Maintenance	0	38,324	58,892	97,216	60,536
STORM WATER FUND	0	0	0	0	0
TOTAL OPERATING EXPENDITURES	78,777	123,603	226,490	350,093	247,646
GENERAL CAPITAL					
Fire Station	0	0	0	0	0
Transportation	0	0	0	0	0
UTILITIES (Capital Expend)					
Water	99,450	0	0	0	0
Sewer	172,200	0	0	0	0
TOTAL EXPENDITURES	350,427	123,603	226,490	350,093	247,646

2007 Annexation Area Economic Analysis: Mallard Creek Church East

	FY07		FY08		FY09
	<u>Start-Up</u>	<u>One-Time</u>	<u>Recurring</u>	<u>Total</u>	<u>Total</u>
REVENUES					
Property Taxes ⁽¹⁾	0	0	1,046,477	1,046,477	1,077,871
Business Privilege	0	0	41,200	41,200	42,436
Cable TV Franchise	0	0	34,770	34,770	35,814
Animal Control	0	0	2,432	2,432	2,517
Utility Franchise	0	0	120,084	120,084	123,686
Sales Tax ⁽¹⁾	0	0	18,048	18,048	206,470
Beer and Wine Tax	0	0	9,805	9,805	10,100
Motor Vehicle License	0	0	5,304	5,304	5,410
Solid Waste Disposal	0	0	61,478	61,478	63,322
User Fees	0	0	0	0	0
TOTAL GENERAL FUND	0	0	1,339,597	1,339,597	1,567,625
POWELL BILL FUND	0	0	75,286	75,286	77,545
MUNICIPAL DEBT SERVICE FUND ⁽¹⁾	0	0	212,101	212,101	255,328
PAY-AS-YOU-GO FUND ⁽¹⁾	0	0	72,809	72,809	111,790
STORM WATER FUND	0	0	125,179	125,179	137,964
TOTAL OPERATING REVENUES	0	0	1,824,972	1,824,972	2,150,252
 FY2007-FY2011 CIP	 0	 0	 0	 0	 0
WATER AND SEWER REVENUE BONDS	271,650	0	0	0	0
TOTAL ALL REVENUES	271,650	0	1,824,972	1,824,972	2,150,252
REVENUES OVER EXPENDITURES	(78,777)	(123,603)	1,598,482	1,474,879	1,902,606
 Net Impact to General Fund	 (78,777)	 (85,279)	 1,171,999	 1,086,720	 1,380,515

Note

⁽¹⁾ portions of the property tax and sales tax are allocated to the Pay-As-You-Go and Municipal Debt Service Funds based on the property tax distribution.

2007 Annexation Area Economic Analysis: Moores Chapel

	FY07	FY08		FY09	
	<u>Start-Up</u>	<u>One-Time</u>	<u>Recurring</u>	<u>Total</u>	<u>Total</u>
EXPENDITURES					
TRANSPORTATION					
Street Lighting	0	0	6,365	6,365	6,365
Operations	0	28,655	0	28,655	0
Street Maintenance	0	0	3,815	3,815	3,815
Electronic Systems	0	30,000	0	30,000	0
FIRE					
Operations	0	0	0	0	0
SOLID WASTE	17,267	936	123,786	124,722	128,876
ENGINEERING					
Operations	0	2,500	6,000	8,500	6,000
CITY MANAGER'S OFFICE					
Corporate Communications	4,487	0	0	0	0
NEIGHBORHOOD DEVELOPMENT	0	0	0	0	0
BUSINESS SUPPORT SERVICES	0	0	0	0	0
ECONOMIC LOSS					
Volunteer Fire Departments	55,081	0	0	0	0
Private Solid Waste Collection Firms	87,669	0	0	0	0
TOTAL GENERAL FUND	164,504	62,091	139,966	202,057	145,056
POWELL BILL FUND					
Street Maintenance	0	48,410	74,388	122,798	475,466
CIP - Bridge Improvements	0	0	0	0	0
STORM WATER FUND	0	0	0	0	0
TOTAL OPERATING EXPENDITURES	164,504	110,501	214,354	324,855	620,522
GENERAL CAPITAL					
Fire Station	0	0	0	0	0
Transportation	0	0	0	0	0
UTILITIES (Capital Expend)					
Water	285,638	0	0	0	0
Sewer	408,700	0	0	0	0
TOTAL EXPENDITURES	858,842	110,501	214,354	324,855	620,522

2007 Annexation Area Economic Analysis: Moores Chapel

	FY07	FY08			FY09
	<u>Start-Up</u>	<u>One-Time</u>	<u>Recurring</u>	<u>Total</u>	<u>Total</u>
REVENUES					
TAXES AND FEES					
Property Taxes ⁽¹⁾	0	0	341,158	341,158	351,393
Business Privilege	0	0	24,720	24,720	25,462
Cable TV Franchise	0	0	14,372	14,372	14,803
Animal Control	0	0	1,005	1,005	1,040
Utility Franchise	0	0	51,479	51,479	53,024
Sales Tax ⁽¹⁾	0	0	5,887	5,887	67,347
Beer and Wine Tax	0	0	6,353	6,353	6,544
Motor Vehicle License	0	0	9,230	9,230	9,414
Solid Waste Disposal	0	0	25,410	25,410	26,173
User Fees	0	0	0	0	0
TOTAL GENERAL FUND	0	0	479,615	479,615	555,200
POWELL BILL FUND	0	0	57,116	57,116	58,829
MUNICIPAL DEBT SERVICE FUND ⁽¹⁾	0	0	69,147	69,147	83,246
PAY-AS-YOU-GO FUND ⁽¹⁾	0	0	61,240	61,240	74,705
STORM WATER FUND	0	0	62,573	62,573	68,997
TOTAL OPERATING REVENUES	0	0	729,690	729,690	840,977
FY2007-FY2011 CIP	0	0	0	0	0
WATER AND SEWER REVENUE BONDS	694,338	0	0	0	0
TOTAL ALL REVENUES	694,338	0	729,690	729,690	840,977
REVENUES OVER EXPENDITURES	(164,504)	(110,501)	515,336	404,835	220,455
Net Impact to General Fund	(164,504)	(62,091)	339,649	277,558	410,144

Note

⁽¹⁾ portions of the property tax and sales tax are allocated to the Pay-As-You-Go and Municipal Debt Service Funds based on the property tax distribution.

2007 Annexation Area Economic Analysis: Providence Pointe

	FY07	FY08			FY09
	<u>Start-Up</u>	<u>One-Time</u>	<u>Recurring</u>	<u>Total</u>	<u>Total</u>
EXPENDITURES					
TRANSPORTATION					
Street Lighting	0	0	14,076	14,076	14,076
Operations	0	2,040	0	2,040	0
Street Maintenance	0	0	1,272	1,272	1,272
Electronic Systems	0	0	0	0	0
FIRE					
Operations	0	0	0	0	0
SOLID WASTE	68,060	464	40,150	40,614	44,561
ENGINEERING					
Operations	0	0	1,000	1,000	1,000
CITY MANAGER'S OFFICE					
Corporate Communications	19,934	0	0	0	0
NEIGHBORHOOD DEVELOPMENT	0	0	0	0	0
BUSINESS SUPPORT SERVICES	0	0	0	0	0
ECONOMIC LOSS					
Volunteer Fire Departments	4,870	0	0	0	0
Private Solid Waste Collection Firms	52,884	0	0	0	0
TOTAL GENERAL FUND	145,748	2,504	56,498	59,002	60,909
POWELL BILL FUND					
Street Maintenance	0	16,137	24,795	40,932	25,488
CIP - Bridge Improvements	0	0	0	0	0
STORM WATER FUND	0	0	0	0	0
TOTAL OPERATING EXPENDITURES	145,748	18,641	81,293	99,934	86,397
GENERAL CAPITAL					
Fire Station	0	0	0	0	0
Transportation	0	0	0	0	0
UTILITIES (Capital Expend)					
Water	137,500	0	0	0	0
Sewer	103,050	0	0	0	0
TOTAL EXPENDITURES	386,298	18,641	81,293	99,934	86,397

2007 Annexation Area Economic Analysis: Providence Pointe

	FY07		FY08		FY09
	<u>Start-Up</u>	<u>One-Time</u>	<u>Recurring</u>	<u>Total</u>	<u>Total</u>
REVENUES					
TAXES AND FEES					
Property Taxes ⁽¹⁾	0	0	135,071	135,071	139,123
Business Privilege	0	0	0	0	0
Cable TV Franchise	0	0	5,105	5,105	5,258
Animal Control	0	0	357	357	370
Utility Franchise	0	0	16,179	16,179	16,665
Sales Tax ⁽¹⁾	0	0	2,331	2,331	26,668
Beer and Wine Tax	0	0	2,546	2,546	2,622
Motor Vehicle License	0	0	3,549	3,549	3,620
Solid Waste Disposal	0	0	9,026	9,026	9,297
User Fees	0	0	0	0	0
TOTAL GENERAL FUND	0	0	174,165	174,165	203,624
POWELL BILL FUND	0	0	21,734	21,734	22,386
MUNICIPAL DEBT SERVICE FUND ⁽¹⁾	0	0	27,377	27,377	32,959
PAY-AS-YOU-GO FUND ⁽¹⁾	0	0	23,720	23,720	29,041
STORM WATER FUND	0	0	17,957	17,957	19,804
TOTAL OPERATING REVENUES	0	0	264,953	264,953	307,815
FY2007-FY2011 CIP	0	0	0	0	0
WATER AND SEWER REVENUE BONDS	240,550	0	0	0	0
TOTAL ALL REVENUES	240,550	0	264,953	264,953	307,815
REVENUES OVER EXPENDITURES	(145,748)	(18,641)	183,660	165,019	221,418
Net Impact to General Fund	(145,748)	(2,504)	117,667	115,163	142,715

Note

⁽¹⁾ portions of the property tax and sales tax are allocated to the Pay-As-You-Go and Municipal Debt Service Funds based on the property tax distribution.

2007 Annexation Area Economic Analysis: Tom Short

	FY07	FY08			FY09
	<u>Start-Up</u>	<u>One-Time</u>	<u>Recurring</u>	<u>Total</u>	<u>Total</u>
EXPENDITURES					
TRANSPORTATION					
Street Lighting	0	0	15,692	15,692	15,692
Operations	0	21,741	0	21,741	0
Street Maintenance	0	0	3,655	3,655	3,655
Electronic Systems	0	0	0	0	0
FIRE					
Operations	0	0	0	0	0
SOLID WASTE	105,580	638	85,696	86,334	94,992
ENGINEERING					
Operations	0	0	1,000	1,000	1,000
CITY MANAGER'S OFFICE					
Corporate Communications	21,417	0	0	0	0
NEIGHBORHOOD DEVELOPMENT	0	0	0	0	0
BUSINESS SUPPORT SERVICES	0	0	0	0	0
ECONOMIC LOSS					
Volunteer Fire Departments	321,418	0	0	0	0
Private Solid Waste Collection Firms	84,165	0	0	0	0
TOTAL GENERAL FUND	532,580	22,379	106,043	128,422	115,339
POWELL BILL FUND					
Street Maintenance	0	46,393	71,289	117,682	73,279
CIP - Bridge Improvements	0	0	0	0	0
STORM WATER FUND	0	0	0	0	0
TOTAL OPERATING EXPENDITURES	532,580	68,772	177,332	246,104	188,618
GENERAL CAPITAL					
Fire Station	0	0	0	0	0
Transportation	0	0	0	0	0
UTILITIES (Capital Expend)					
Water	0	0	0	0	0
Sewer	0	0	0	0	0
TOTAL EXPENDITURES	532,580	68,772	177,332	246,104	188,618

2007 Annexation Area Economic Analysis: Tom Short

	FY07	FY08			FY09
	<u>Start-Up</u>	<u>One-Time</u>	<u>Recurring</u>	<u>Total</u>	<u>Total</u>
REVENUES					
TAXES AND FEES					
Property Taxes ⁽¹⁾	0	0	792,855	792,855	816,641
Business Privilege	0	0	142,140	142,140	146,404
Cable TV Franchise	0	0	17,911	17,911	18,448
Animal Control	0	0	1,253	1,253	1,296
Utility Franchise	0	0	90,877	90,877	93,603
Sales Tax ⁽¹⁾	0	0	13,677	13,677	156,461
Beer and Wine Tax	0	0	6,101	6,101	6,284
Motor Vehicle License	0	0	7,447	7,447	7,596
Solid Waste Disposal	0	0	31,668	31,668	32,618
User Fees	0	0	0	0	0
TOTAL GENERAL FUND	0	0	1,103,928	1,103,928	1,279,352
POWELL BILL FUND	0	0	54,814	54,814	56,459
MUNICIPAL DEBT SERVICE FUND ⁽¹⁾	0	0	160,697	160,697	193,453
PAY-AS-YOU-GO FUND ⁽¹⁾	0	0	72,307	72,307	102,189
STORM WATER FUND	0	0	82,121	82,121	90,527
TOTAL OPERATING REVENUES	0	0	1,473,868	1,473,868	1,721,980
FY2007-FY2011 CIP	0	0	0	0	0
WATER AND SEWER REVENUE BONDS	0	0	0	0	0
TOTAL ALL REVENUES	0	0	1,473,868	1,473,868	1,721,980
REVENUES OVER EXPENDITURES	(532,580)	(68,772)	1,296,536	1,227,764	1,533,362
Net Impact to General Fund	(532,580)	(22,379)	997,885	975,506	1,164,013

Note

⁽¹⁾ portions of the property tax and sales tax are allocated to the Pay-As-You-Go and Municipal Debt Service Funds based on the property tax distribution.