

Residential Fiscal Impact Assessment *Lancaster County, South Carolina*

**A Report To The
Council of Lancaster County**

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RESIDENTIAL FISCAL IMPACT ASSESSMENT

LANCASTER COUNTY, SOUTH CAROLINA

INTRODUCTION

This report estimates the future public cost to Lancaster County, South Carolina as a result of rapid population growth over the coming decade. It was prepared in response to a request from the Council of Lancaster County.

Lancaster County has been particularly rapid in the unincorporated Indian Land area, which is located within the unincorporated area adjacent to York County.¹ The Catawba Regional Council of Governments projects that the population of the unincorporated area will jump about 140 percent from just over 7,000 people in 2000 to 17,000 people in 2015.² Most of this anticipated growth is associated with expansion of the Charleston area. As of fall 2004, the county had approved over 11,000 new residential units for construction over the next few years. These new units could raise the total area residential units by over 100 percent. However, the authorities decided to use the Council's official projections because they are available in real time period. Lancaster County population growth will most likely exceed official projections. Most of these new residences will be constructed within the unincorporated area.

While the residential and commercial development associated with population growth increases county tax revenues, it also increases the demand for public services such as education and public safety. If the increase in revenues is not sufficient to cover the costs of increased demand for public services the unincorporated area community must be pursued: 1) taxes can be raised, 2) new services can be funded, or 3) service levels can be reduced. Growth—particularly rapid growth—also strains the capacity of existing physical infrastructure such as roads and highways.

Rapid population growth in Lancaster County, and especially in Indian Land, has already brought significant challenges to county government. The bulk of the county's service infrastructure is located 25 miles south of Indian Land and the city of

¹ Census tract 112; see map in Appendix C.

² Authority's consultation with Catawba Regional Council of Governments.

La caste . Many updated areas of the country, including India, have only limited public services. In addition to this study, La caste Country recently hired a consultant firm to review the impact of rapid development on the panchayat's primary water supply system, SRUite 521 and SCRUite 160.³

This report estimates the magnitude of the increases in La caste Country revenue and expenditures that are anticipated to be associated with projected population growth over the ten-year period from fiscal year 2005 to fiscal year 2014. The additional expenditures required to maintain existing service levels as the population grows are estimated to exceed the additional revenue generated by population growth by over \$5 million, based on this analysis.

This report is organized into six sections. The current section introduces the report. The second section gives a brief overview of research on the fiscal costs of population growth. The third section presents estimates of the impact of population growth on a rural country revenue and expenditures, including detail on major revenue sources and key spending areas. It also develops a limited estimate of the effect of population growth on school district property tax revenue. The fourth section identifies revenue sources that could be used to fund the projected net costs of population growth. The fifth section discusses options for managing population growth in La caste Country. The sixth section concludes the report. Appendixes contain detailed information on the methodology used and the estimated impact of population growth on revenue and expenditures.

³ The country entered into a contract with WorldPop Consultants in September 2002.

THE COSTS OF POPULATION GROWTH

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til the last few decades, population growth was usually considered to have a positive impact upon communities. The benefits of growth—increased tax base, jobs and economic opportunities—were the primary focus. But as the pace of growth has accelerated over the last 30 years, the research focus has expanded to include the costs of growth. Communities can generally accommodate the cost of increased services and demands resulting from a 1-2 percent annual growth rate. However, the perceptible growth changes when rapid growth begins to impede a community's capacity to provide essential services such as roads, educational facilities, and schools. Clacy Muller notes that "Rapid growth spurs excess of the perceptible amount likely to result in traffic congestion, overcrowded schools and rising tax and utility bills."⁴ U

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A largely unlitigated issue has been developed: the costs to expand and meet services and infrastructure services—waste disposal and businesses.⁵ Other studies have focused upon environmental issues associated with growth (e.g., excessive water consumption, air pollution, loss of wildlife habitat, and loss of farmland),⁶ the spatial and community costs,⁷ the social consequences of suburban growth,⁸ the impact of sprawl,⁹ and techniques to reduce public and private costs through development practices, i.e., "Smart Growth."¹⁰ U

⁴ Clacy Muller, *The Cost of Growth: A Brief Overview* (Austin, Texas: DuRoi Associates, March 2002). U

⁵ See, for example, publications on this topic available from the following organizations: the Lincoln Institute for Land Policy, <<http://www.lincolncollege.edu/index-hi.htm>>, the Northeast Midwest Institute <<http://www.nemw.org/epubs.htm#smartgrowth>>, and the National Center for Smart Growth Research and Education <<http://www.smartgrowth.umd.edu>>. U

⁶ See, for example, publications on this topic available from the following organizations: the American Farmland Trust <<http://www.farmland.org>>, the Farmland Foundation <<http://www.farmlandfoundation.org>>, and the U.S. Environmental Protection Agency <<http://www.epa.gov/livability>>. U

⁷ See, for example, publications on this topic available from the American Planning Association <<http://www.planning.org>>. U

⁸ Robert D. Utner, *Boiling Alone: The Collapse and Revival of an American Community* (New York: Simon & Schuster, 2000). See also publications on this topic available from the American Planning Association <<http://www.planning.org>>. U

⁹ www.planning.org, www.sieuaclub.org, William Cuyler, *The Fiscal Cost of Sprawl: How Sprawl Contributes to Local Governments' Budget Woe*, (Denver, CO: Environmental and Urban Research and Policy Center, December 2003). See also publications on this topic available from the American Planning Association <<http://www.planning.org>> and the Sieua Club <<http://www.sieuaclub.org>>. U

¹⁰ Dwight Yant, *Alternatives to Sprawl* (Cambridge, MA: Lincoln Institute for Land Policy, 1995). See notes 5, 6, and 7 and publications on this issue at the Brookings Institution <<http://www.brookings.edu>>. U

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Much of the research focused on the fiscal costs and benefits of growth which has included that residential development does not pay for itself. The American Farmland Trust (AFT) collected studies across the United States and determined that on average, residential development requires \$1.16 in community services for every \$1 of tax revenue it contributes.¹¹ In Culpeper County, Virginia, research shows that residential development costs \$1.25 in community services for every \$1 of revenue.¹² A 2002 University of Georgia study of four communities found that residential development required a unit of \$1.24 to \$2.26 in community services for every \$1 of tax revenue generated.¹³ Conclusions such as these are abated or defuted by the homebuilding industry, which argues that these analyses do not capture the associated taxes and dollars spent on home furnishings and services.¹⁴ However, most research concludes that residential development, especially mobile homes, puts a considerable strain on public services that commercial industrial development and dollars would not adequately revenue to support it. U

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One common misconception is that residential growth will always attract commercial growth. In fact, commercial growth is more likely to occur near established employment hubs than in “bedroom” communities. As a result, accelerated residential growth has created numerous bedroom communities that lack an adequate commercial and industrial economic base. An additional problem with commercial development is that even when sufficient population with commercial potential is available, it may not be developed. U

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Community development patterns are such that it can be difficult to attract commercial development to residential communities that are relatively far from employment centers. Employment patterns in South Carolina are characteristic of the past. Unemployment peaked at 40 percent for Lancaster County residents who lived in the county in 2000, compared to only 26.7 percent in the state.¹⁵ This low employment pattern can have a significant economic impact upon local communities because bedroom communities and residents tend to shop elsewhere for employment. Thus, as Mitch Reuker writes, U

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¹¹ American Farmland Trust, *Fact Sheet Cost of Community Services Studies*, (Washington, D.C.: American Farmland Trust, November 2002), p. 2. U

¹² Healy L. Diamond and Patrick F. Nolan, *Land Use in America* (Cambridge, MA: Lincoln Institute for Land Policy, 1996), p. 35. U

¹³ University of Georgia, *The Economic Costs of Development of Local Homefronts* (Athens, GA: University of Georgia, January 2002). U

¹⁴ National Association of Home Builders, *Smart Home, Smart Choices* (Washington, DC: National Association of Home Builders, 2002), U

<http://www.nahb.org/publications_details.aspx?sectionID=702&publicationID=15>. U

¹⁵ U.S., Census Bureau, *Percentage of Residents that Work Outside the County of Residence*, 2000 Census (Washington, DC: Census Bureau, 2002). U

“...the economic stimulus and attendant multiplier effects associated with that spending will be captured by businesses in the workplace community, not by the selected residential community. Spending by residential communities also boosts sales tax revenues for the workplace community, while at the same time causing ‘leakage’ of sales tax revenues from the residential community.”¹⁶

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Local governments cannot assume that population growth will bring them the revenues they need. Without spending growth in the residential tax base, local governments may not have sufficient revenues to cover the cost of new residential service demands and infrastructure needs.¹⁷ Furthermore, the heavy reliance on bed and community taxes residential property tax revenue to support government spending can contribute to fiscal shortfalls, especially in the anti-tax climate that is common today in South Carolina and many other parts of the country. This fiscal imbalance has caused many states and communities to reassess how they will deal with what will be responsible for the costs associated with growth.

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¹⁶ Mitch Rehw, “Population Decline and the Rural South,” *Southern Perspectives* 7 (Winter 2004), <<http://sorc.msstate.edu/publications/winter04.pdf>>, pp. 4-5.

¹⁷ Geoffrey Munn, *Land Supply and Infrastructure Capacity Monitoring of the South*, Lincoln Institute for Land Policy Working Paper 00GK1 (Cambridge, MA: Lincoln Institute for Land Policy, 2000), <<http://www.lincolncollege.edu/pubs/pub-detail.asp?id=96>>.

FISCAL IMPACT ANALYSIS

From the ten-year period beginning in fiscal year 2005 and ending in fiscal year 2014, we estimated the increases in Lancaster County's net expenditures and revenues associated with projected population growth. We also developed a limited estimate of the impact of population growth on Lancaster County's Scholastic District property tax revenue. This section of the report presents the population projection that is used as the basis for the fiscal impact analysis and summarizes the expenditure and revenue estimates. Detailed expenditures and revenue projections and a description of the assumptions and methodology used to prepare the estimates are provided in the appendices.

POPULATION PROJECTION

The projected population and annual increases in population and number of households for each year of the projection are displayed in Table 1. These projections provide the basis for the expenditure and revenue estimates. These projections assume an annual population growth rate of 2.2 percent and a household size of 2.6 persons.

EXPENDITURES

County activities are classified into the functional categories. Expenditures within each functional category are divided into three types: personnel, contract services, and capital. The estimated increase in expenditures of each type within each functional category is presented in Table 2.

EXPENDITURE TYPES

The three expenditure types are briefly described below. Detailed explanations of the methods and assumptions used to estimate increases in expenditures of each type are provided in Appendix A.

Operating Expenditures. These expenditures include employee salaries and fringe benefits, the costs of maintenance and operation vehicles and equipment, and other non-capital expenditures related to the activities of each department within Lancaster County's net expenditures.

Table 1 - Projected Population, Population Increase, and New Households, 2005 - 2014

Year	Projected Population	Population Increase Over Prior Year	Household Count Increase Over Prior Year
2005	65,301 ↓	1,406 ↓	541 ↓
2006	66,738 ↓	1,437 ↓	553 ↓
2007	68,206 ↓	1,468 ↓	565 ↓
2008	69,707 ↓	1,501 ↓	577 ↓
2009	71,240 ↓	1,534 ↓	590 ↓
2010	72,807 ↓	1,567 ↓	603 ↓
2011	74,409 ↓	1,602 ↓	616 ↓
2012	76,046 ↓	1,637 ↓	630 ↓
2013	77,719 ↓	1,673 ↓	643 ↓
2014	79,249 ↓	1,710 ↓	658 ↓
Total Increase		15,534	5,976

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Table 2 - Present Value of Estimated Expenditures by Expenditure Type and Functional Category, 2005 - 2014

Category	Operating	Contract Services	Capital Improvements	Total
General Administration	\$527,000 ↓	\$0 U	\$0 U	\$527,000 ↓
Planning and Code Enforcement	1,740,000 ↓	0 U	0 U	1,740,000 ↓
Tax Administration	1,936,000 ↓	0 U	209,000 U	2,145,000 ↓
Judicial Administration	1,737,000 ↓	0 U	0 U	1,737,000 ↓
Fire and EMS	4,390,000 ↓	1,113,000 U	729,000 U	6,232,000 ↓
Law Enforcement	4,673,000 ↓	0 U	360,000 U	5,033,000 ↓
Transportation	2,117,000 ↓	1,029,000 U	0 U	3,146,000 ↓
Solid Waste and Public Health	1,887,000 ↓	699,000 U	101,000 U	2,687,000 ↓
Recreation	606,000 ↓	0 U	1,346,000 U	1,952,000 ↓
Library	1,248,000 ↓	0 U	1,905,000 U	3,153,000 ↓
Total	\$20,861,000	\$2,841,000	\$4,650,000	\$28,352,000

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Contract Services Expenditures. These expenditures include payments by Lancaster County to the public and private organizations for the provision of county services. Examples include payments by the Public Works Department for landfill and waste hauling services and contracts by the County Fleet Commission for fleet department. U

Capital Improvement Expenditures. These expenditures include the costs of purchasing or constructing new public facilities, such as law enforcement substations and parks. U

EXPENDITURE INCREASES BY FUNCTIONAL CATEGORY

Estimated expenditure increases with each functional category are summarized below. In addition to the expenditure estimates, each category summary includes a brief description of the county activities included within the category and a brief list of the added personnel and facilities required to serve the increased population. Detailed estimate information is available in Appendix B. U

General Administration. Expenditures in the general administration functional category include those related to operations of the County Council, County Administration Office, Finance and Human Resources Department, elections, essential deeds, vehicle and building maintenance department, and the Finance market. Increases in general administration expenditures are summarized in Table 3. U

Table 3 – General Administration Expenditure Increases, 2005 - 2014

Expenditure Type	Required Additions	Present Value
Personnel and Other Operating	1 vehicle maintenance mechanic and 1 accident clerk, with new service vehicle for the maintenance mechanic	\$527,000
Contract Services	None	0
Capital Improvements	None	0
Total		\$527,000

Planning and Code Enforcement. Expenditures in the planning and code enforcement functional category include those related to planning, building and zoning, E-911, and economic development. Increases in planning and code enforcement expenditures are summarized in Table 4.

Table 4 - Planning and Code Enforcement Expenditures, 2005 - 2014

Expenditure Type	Required Additions	Present Value
Personnel and Other Operating	2 building inspectors, 1 code enforcement office and 1 plan with new vehicle for each	\$1,740,000
Contract Services	None	0
Capital Improvements	None	0
Total		\$1,740,000

Tax Administration. Expenditures in the tax administration functional category include those related to planning, building and zoning, E-911, and economic development. Increases in tax administration expenditures are summarized in Table 5.

Table 5 - Tax Administration Expenditures, 2005 - 2014

Expenditure Type	Required Additions	Present Value
Personnel and Other Operating	3 appraisers, 1 audit clerk, and 1 treasurer, with new vehicle for each appraiser	\$1,954,000
Contract Services	None	0
Capital Improvements	Computer system upgrade	209,000
Total		\$2,163,000

Judicial Administration. Expenditures in the judicial administration functional category include those related to the circuit, probate, and family courts, the Clerk of Circuit and County's Offices, and the magistrates. Increases in judicial administration expenditures are summarized in Table 6.

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Table 6 - Judicial Administration Expenditure Increases, 2005 - 2014

Expenditure Type	Required Additions	Present Value
Personnel and Other Operating	2 magistrates and 2 circuit clerks	\$1,737,000
Contract Services	None	0
Capital Improvements	None	0
Total		\$1,737,000

Fire and Emergency Medical Services. Expenditures in the fire and emergency medical services (EMS) functional category include those related to the provision of emergency medical services and financial aid to local fire departments. Increases in fire and EMS expenditures are summarized in Table 7.

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Table 7 - Fire and EMS Expenditure Increases, 2005 - 2014

Expenditure Type	Required Additions	Present Value
Personnel and Other Operating	8 EMS technicians, 2 EMS supervisors, and 2 billiard administrative employees, with new rapid response vehicle for each EMS technician	\$4,390,000
Contract Services	Funding to local fire departments to lease with population with	1,113,000
Capital Improvements	2 EMS substations to purchase	729,000
Total		\$6,232,000

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Law Enforcement. Expenditures in the law enforcement functional category include those related to the operations of the Sheriff's Department. Increases in law enforcement expenditures are summarized in Table 8.

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Table 8 - Law Enforcement Expenditure Increases, 2005 - 2014P

Expenditure Type	Required Additions	Present Value
Personnel and Other Operating	11 uniformed patrol officers, 1 uniformed patrol supervisor, and 2 detectives, with patrol vehicle for each.	\$4,673,000
Contract Services	None	0
Capital Improvements	New law enforcement substations and a facility.	360,000
Total		\$5,033,000P

Transportation. Expenditures in the transportation functional category include those related to the additional maintenance by the Public Works Department and the operations of the County Transportation Commission. Increases in transportation expenditures are summarized in Table 9.

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Table 9 - Transportation Expenditure Increases, 2005 - 2014P

Expenditure Type	Required Additions	Present Value
Personnel and Other Operating	4 equipment vehicles, with new maintenance equipment	\$2,117,000
Contract Services	County Transportation Commission contract payments increased with population	1,029,000
Capital Improvements	None	0
Total		\$3,146,000P

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Tab e 10 - So id Waste andP ub iPHearth ExpenditurePn reases, 2005 - 2014P

Expenditure TypeP	Required AdditionsP	resent VaRueP
ersonnePand OtherP Operating P	ublic WU ks U 2 t uck d iveU a d U 1 cU veUeUe ceUteUU atteUda t, with Uew vehicles U a d equipmeU U AUmal CU t U U 1 a imal cU t l fficeUa d U 1 a imal cU t l cust dia , U with Uew vehicle fU UfficeUU	\$1,887,000 U
ContraPt ServiPesP	La dfill a d waste hauliU U cU t act paymeUs iUeUasiU U with pUulatiU U wth U	699,000 U
CapitaP mprovementsP	1 small a imal cU t l shelte U	101,000 U
TotalP		\$2,687,000P

Recreation. Expenditures in the Recreation functional category include those related to the operation of the Recreation Department. It includes recreation expenditures as summarized in Table 11.

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Table 11 - Recreation Expenditures, 2005 - 2014

Expenditure Type	Required Additions	Present Value
Personnel and Other Operating	4 full-time equivalent employees	\$606,000
Contract Services	None	0
Capital Improvements	1 new Recreation facility including 6 ball fields, 2 soccer fields, and 2 double tennis courts	1,346,000
Total		\$1,952,000

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Library. Expenditures in the library functional category include those related to the operation of the Lancaster County Library system. It includes library expenditures as summarized in Table 12.

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Table 12 - Library Expenditures, 2005 - 2014

Expenditure Type	Required Additions	Present Value
Personnel and Other Operating	Operation expenditures for new library branch facility	\$1,248,000
Contract Services	None	0
Capital Improvements	1 library branch facility to purchase additional	1,905,000
Total		\$3,153,000

REVENUES

La Caste County has three main sources of revenue: property tax, local option sales tax, and other tax sources, such as fees and charges for services. The estimated increase in revenue from each source is presented in Table 13.

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Table 13 - Present Value of Estimated Revenue Increases by Source, 2005 - 2014

Source	Revenue
Property Tax Revenue	
Owner-occupied residential	\$9,960,000
Commercial and local	3,796,000
Local property	1,952,000
Business local property	601,000
Utility property	108,000
Municipal property	10,000
Total Property Tax Revenue	16,427,000
Net Local Option Sales Tax Revenue	1,020,000
Non-tax Revenue	
Licenses and permits	1,421,000
Charges for services	2,283,000
Fees, fines, and forfeitures	1,357,000
Other income	591,000
Total Non-tax Revenue	5,652,000
Total	\$23,099,000

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REVENUE SOURCES

Each revenue source is briefly described below. Detailed explanations of the methods and assumptions used in projecting revenue are provided in Appendix A.

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Property Tax Revenue. Property taxes provide La Caste County's largest source of revenue, approximately half of total local revenue. Property taxes are assessed on both local property and personal property. Real property includes owner-occupied residential property, commercial and local property, agricultural property, and manufacturing and industrial property. Personal property includes vehicles owned by individuals and business personal property. Utility and municipal property is also taxed.

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Local Option Sales Tax Revenue. Net revenue from the unapportioned local option sales tax (LOST) provides approximately 4 percent of Lancaster County's total revenue. A large portion of the revenue from the LOST is used for property tax millage, and a portion of the remaining is shared with cities in Lancaster County, and the rest is available to be used for the County's purposes.

Non-tax Revenue. Non-tax revenue provides approximately 20 percent of Lancaster County's total revenue. Non-tax revenue includes revenue from licenses and permits; charges for services; fines, fees and forfeitures; and other income.

COMPARISON OF EXPENDITURES AND REVENUES

Our analysis indicates that the additional expenditures required to maintain service levels as the population grows will exceed the additional revenue generated by population growth with evenly year of the study period, except the last. Projected expenditures and revenues for each year of the study period are presented in Table 14 below. The projected values of the projected increases in expenditures and revenues are presented in Table 15.

Table 14 - Projected Expenditures, Revenues, and Deficits, 2005 - 2014P

Year	Operating and Capital Services Expenditures	Capital Expenditures	Total Expenditures	Total Revenues	Total Deficit	Operating Deficit
2005P	\$678,000	\$103,000	\$781,000	\$404,000	(\$376,000)	(\$273,000)
2006P	999,000	-	999,000	827,000	(172,000)	(172,000)
2007P	1,542,000	380,000	1,992,000	1,268,000	(654,000)	(274,000)
2008P	2,069,000	3,909,000	5,978,000	1,747,000	(4,231,000)	(323,000)
2009P	2,600,000	-	2,600,000	2,255,000	(344,000)	(344,000)
2010P	2,998,000	235,000	3,233,000	2,796,000	(437,000)	(201,000)
2011P	3,776,000	-	3,776,000	3,371,000	(404,000)	(404,000)
2012P	4,223,000	435,000	4,658,000	3,982,000	(676,000)	(241,000)
2013P	4,713,000	-	4,713,000	4,631,000	(82,000)	(82,000)
2014P	5,272,000	-	5,272,000	5,319,000	48,000	48,000

Table 15 - Expenditure and Revenue Projections, Present Value, 2005 - 2014

Item	Present Value
Operating	\$20,861,000
Current Services	2,841,000
Total Non-Capital Expenditures	23,702,000
Capital Improvements Expenditures	4,650,000
Total Expenditures	28,352,000
Revenues	23,098,000
Total Deficit	(5,254,000)
Non-Capital Deficit	(604,000)

The present value of the projected deficit exceeds \$5.2 million. The cost of capital improvements is almost 90 percent of the total deficit. Under the assumptions used in this analysis, population growth is projected to increase expenditures by approximately \$1.23 for every \$1.00 it increases revenues.

COST OF GROWTH PER NEW HOUSEHOLD

On average, each new household contributes to the projected deficit by requiring new expenditures in excess of new revenues. The deficit per household could be calculated by dividing annual deficits by the number of new households each year. However, that method would not accurately allocate the costs of capital improvements since new households usually years contribute to the need for capital improvements that accumulate over years.

We computed an average cost of growth per new household by dividing the present value of the total deficit by the projected total of new households, with a equal new households each year weighted by the number of years they would be served during the study period. In the words, new households in the first year are weighted ten times as heavily as new households in the last year, because they receive services for ten years thereafter. Calculated by this method, the present value of the costs of new services the average new household over the next ten years exceeds the present value of the revenue allocated by approximately \$1,659.

IMPACT OF POPULATION GROWTH ON SCHOOL PROPERTY TAX REVENUE

We used information from the projection of Lancaster County property valuation to estimate a limited projection of the impact of population growth on the property tax revenues of the Lancaster County School District. We projected future property tax

revenue and enrollment levels for the Lancaster County School District. We used these values to project property tax revenue per pupil for the study period. We also calculated the current value of property tax revenue per pupil and calculated baseline values for future years by increasing the current value at the same rate as inflation. We compared the projected and baseline values to determine if per pupil property tax revenues could be expected to keep pace with inflation. As shown in Table 16 below, per pupil property tax revenues are not expected to keep pace with inflation. It is projected to fall further below the baseline each year.

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Table 16 - Projected and Baseline Per Pupil Property Tax Revenues, 2005 - 2014P

Fiscal Year	Enrollment	Projected Revenue	Projected Revenue per Pupil	Baseline Revenue per Pupil	Shortfall Relative to Baseline	Total Shortfall Relative to Baseline
						to Baseline
2005P	11,101	\$27,343,520	\$2,463	\$2,463	-	-
2006P	11,345	28,118,617	2,478	2,531	(\$52) ↓	(\$594,951) ↓
2007P	11,595	28,905,468	2,493	2,600	(108) ↓	(1,246,793) ↓
2008P	11,850	30,224,619	2,551	2,672	(121) ↓	(1,438,421) ↓
2009P	12,111	31,606,281	2,610	2,745	(136) ↓	(1,643,235) ↓
2010P	12,377	33,053,491	2,671	2,821	(150) ↓	(1,861,993) ↓
2011P	12,650	34,569,431	2,733	2,899	(166) ↓	(2,095,493) ↓
2012P	12,928	36,157,443	2,797	2,978	(181) ↓	(2,344,576) ↓
2013P	13,212	37,821,034	2,863	3,060	(198) ↓	(2,610,129) ↓
2014P	13,503	39,563,882	2,930	3,144	(214) ↓	(2,893,085) ↓

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The cumulative shortfall, over the years, between projected and baseline property tax revenues has a present value in excess of \$14 million. This difference is due to the fact that enrollment in the school system expenditures are required as a result of population growth. If population grows at the projected rate, the Lancaster County School District will likely need to expand classroom capacity. Therefore capital expenditures will increase the required baseline revenue, producing a revenue shortfall.

ENHANCED AND ALTERNATIVE REVENUE SOURCES

Who pays for it? Since the modern population growth is usually subsidized by the entire community--over time alike--through the payment of property taxes and other taxes, fees, and charges. Political support for these subsidies dissolves as the cost of rapid growth increases and the growth-related issues become apparent, however. When this occurs, local revenues and the public benefit to the question who should pay the public cost of growth.

As part of a national trend, local revenues are likely to differ in the way that capital costs that otherwise create the expense. Historical methods used to pay for additional community infrastructure have included issuing tax-exempt bonds for infrastructure and/or equity development to dedicate land, facilities, funds for public services. In the last three decades, impact fees for capital costs have become a commonly used technique to capture some of the additional public costs of growth. All these methods have benefits and drawbacks.

Our analysis suggests that residential development in the Los Angeles County will pay for itself. Specifically, we project that population growth over the coming decade will be sufficient to cover the costs of expanded public services and equity to serve the growing population. In response, the County should consider implementing a measure of the full range of methods of cost recovery.

SPECIAL TAX DISTRICTS

South California law allows counties to levy property taxes on selected areas of the county for specific purposes, such as street lighting and recreation.¹⁸ These special tax districts (STDs) are usually associated with unincorporated portions of the County that benefit from a specific service, including land use side effect developments. The County Council sets the tax rate usually based on the revenue requirements of the public service provided by the STD. The St. Catherine and San City developments are STDs in the Los Angeles County. The County collects property tax revenue from these STDs for library services, fire protection and other services.

Separate legislation, counties are allowed to create community recreation special tax districts where the pre-existing STDs or special purpose districts provide such

¹⁸ South California Code, sec. 4-9-30.

services.¹⁹ For example, six counties have created a community development special tax to directly address development needs within specific communities (Berkeley, Davidson, Georgetown, Greenville, Lexington and Richland).²⁰

Communitywide taxatively, STDs contain a smaller portion of taxpayers from which the law derives, but have a strong relationship between the tax paid and the demand for the service provided.

DEVELOPMENT EXACTIONS

Landscape community does not have a exactitude but does require development agreements for the provision of related infrastructure. Exactions are a part of the development approval process whether a local government requires a development to provide either a subdivision for a public building or park, requires the development to provide capital improvement or a fund the development, or accepts cash in lieu of land capital improvements.

These improvements can include utilities, roads, adjacent roadways and traffic signals, sewer and water lines, etc. and are usually set through a local formula. Exactions for capital improvements address on-site infrastructure needs but do not cover off-site public infrastructure such as emergency service facilities and libraries. The fees are usually set through a negotiated process between the developer and the local government. The process is popular with local officials because it provides lump-sum payments instead of a stream of payments and development is paid for itself. However, this method can be inconsistent and can be unfair to the developer. Additionally, exactions are commonly unenforced easily, especially from the courts.

BONDS

Bonds are commonly used by local governments for funding public facilities such as libraries, hospitals, schools, and development facilities. Bonds are a form of debt financing that provides local governments with access to the large sums of money required for capital projects. After the facility is constructed, bonds are repaid over time with either local funds (in the case of local utility bonds) or with funds levied by the facility itself (in the case of revenue bonds). Landscape community uses the traditional utility bonds to finance a variety of capital projects.

Local government bonds that fund new infrastructure associated with residential development are commonly more costly. The main concern is the fairness of the bond repayment terms to pre-existing residents. New homes are demanded for

¹⁹ South Carolina Code, sec. 4-20-10 et seq.

²⁰ South Carolina Association of Counties, *Alternative Sources of Revenue, Appendix B Special Taxes/Fees Imposed by Counties* (Columbia, SC: South Carolina Association of Counties, 2004), <<http://www.sccounties.org/eseach/AltSources/AppBSpecialTaxesFees.pdf>>.

public services beyond the level needed to serve the community population. New and improved roads and schools are common examples. Existing residents contribute to the debt service on the bonds through their tax payments, but depending on where they live, they may receive little or no benefit from the infrastructure constructed.

The equity issues associated with the new facility costs to existing residents are becoming a crucial issue with California. Richard D. Schuldist requested the state legislature to permit the use of school impact fees so that the district would not have to issue bonds for new school construction.

LOCAL SALES TAXES

Additional local sales taxes are levied upon the local community to explore. The local community already takes advantage of the new Local Optimal Sales Tax, which is used in a majority of counties in the state to fill back property taxes. In fiscal year 2002-03, the local community collected a total of \$4.4 million in the Local Optimal Sales Tax.²¹

State law also permits counties to impose additional local sales taxes on capital projects and transportation facilities.²² Capital projects may include county, municipal, and school facilities and are limited to a maximum term of project completion of seven years, whichever is shorter. For transportation facilities, counties are allowed to establish a transportation authority that has the power to impose a local sales tax on all the facilities specified projects. Local sales taxes on this purpose are permitted when they have raised sufficient funds for the project(s). They may be imposed on either 25 years. Counties may not impose more than a combined rate of local sales taxes on capital and transportation purposes. As of December 31, 2003, seven counties had a sales tax on county or municipal capital projects and three counties had a sales tax on school projects. Beaufort County had used a sales tax on transportation, but it ended in 2000.²³

IMPACT FEES

Impact fees are an alternative form of financing used off-site infrastructure that targets new residents and new businesses. Impact fees are a one-time, upfront charge imposed by a local government to recover the offset a project represents of the cost of public infrastructure required to accommodate new growth. Impact fees are derived from the land development regulation standards and a part of the local government's price per parcel. Impact fees are assessed in accordance with a predetermined standard formula

²¹ South California Department of Revenue, *2002-2003 Annual Report* (Columbia, SC: Department of Revenue, 2004), <<http://www.sctax.us/NR/rdonlyes/ACE93C42-9454-4464-B425-UDF3BAEA3A2FF/0/cumpletpdf.pdf>>.

²² South California Code, sec. 4-10-300 et seq. (Capital Project Sales Tax Act) and sec. 4-37-10 et seq. (Optimal Methods for Financing Transportation Facilities).

²³ South California Department of Revenue, *2002-2003 Annual Report*.

that takes into account the estimated capacity and cost of the new facilities required. Impact fee formulas allocate the cost to beneficiaries, which may be a community or new and old residents.

The assessment of impact fees is based upon the impact premises. First, there must be a reasonable connection between the need for a new facility and the growth resulting from new development. Second, there must be a reasonable connection between the expenditure and benefits received by those paying the fee. And third, the fee charged must be proportional to the cost incurred to accommodate those paying the fee.

The *South Carolina Development Impact Fee Act* establishes the rules under which South Carolina communities can develop and implement an impact fee ordinance.²⁴ The act permits the assessment of impact fees for a number of public facilities that include: water and wastewater; solid waste and recycling; roads, streets and bridges; storm water; public safety facilities; capital equipment and vehicles over \$100,000; and parks, libraries, and recreational facilities. The act does not permit the assessment of school impact fees, usually the largest public facility cost of new residential development. The state requires a community to have a comprehensive plan or capital improvement plan before it can implement impact fees. In addition, the state requires the local government to conduct impact studies. Development and implementation of an impact fee ordinance is not a easy process. Nevertheless, a number of South Carolina communities have adopted impact fee ordinances. The most comprehensive program is in the City of Mt. Pleasant.

There are positive and relative aspects to impact fees, as there are with the other techniques for financing the costs of new residential development. On the one hand, impact fees are inflexible and take time to develop and administer. Also, like most mechanisms they do not adequately capture all the public cost of new development. On the positive side, impact fees can be used for all types of development and add uniformity and fairness through a systematic process. Impact fees help keep property taxes low by assuring that the end use fee revenue is tied directly to the infrastructure demanded. They allow development to occur even when the local government cannot pay for new facilities through traditional methods. And sometimes, impact fees can even be applied to growth. There are a number of the factors associated with impact fees that cannot be addressed within this report format.

OTHER TAXES, FEES, AND CHARGES

South Carolina state law also permits communities to obtain revenue from a variety of fees and charges, including business license taxes, inspection fees, tourist infrastructure admission taxes, and tax increment financing. These methods of raising revenue are

²⁴ South Carolina Code, sec. 6-1-910 et seq. (*South Carolina Development Impact Fee Act*)

²⁵ Mt. Pleasant, South Carolina Code of Ordinances, Chapter 154: Municipal Impact Fees.

targeted towards specific groups and/or areas specific purposes and may be more acceptable to county decision makers and taxpayers than the general tax increases. The

Local County may be able to obtain additional revenues to address on- and off-site costs associated with rapid residential development by using some of the financing methods discussed above. How the county chooses to allocate the public costs of residential development and how residential is critical to ensure equity in taxation, adequate public services, and overall fiscal stability. The decision must be fair to all parties concerned and support the same set of values.

GROWTH MANAGEMENT OPTIONS

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Must urban and suburban communities in South Carolina have adopted comprehensive land use plans and zoning ordinances.²⁶ In fact, South Carolina communities must have a comprehensive plan in place before they are allowed to implement zoning. These principles are used by counties and municipalities to make a decision on what land use is most appropriate for specific locations and define the regulations for each zone. Lancaster County has both a comprehensive land use plan and zoning. The full width and brief descriptions of different zones with major elements of the plan.

COMPREHENSIVE LAND USE PLANNING

A comprehensive land use plan serves as a guide for communities to adopt land use regulations. A comprehensive land use plan "generally includes at least (1) a statement of the overall goals and the specific objectives of the several functional elements comprising the plan, and (2) a statement (usually in text and maps) of development and redevelopment proposals..."²⁷ for a specific timeframe. The plan describes and justifies the setting of the basic principles and development patterns of a community. However, a problem with comprehensive land use plans is that they do not address the late implementation of the plan.

ZONING

Zoning is defined as "...public regulations for the use of land. It involves the adoption of ordinances that divide a community into various districts or zones. Each district allows certain uses of land within the zone, such as residential, commercial and industrial. Typical zoning regulations address building height, buildable lot area, setbacks, parking, signage and density."²⁸ Zoning is very useful in defining what is allowed on a particular site. However, the regulations are sometimes very rigid and must address all with creativity in obtaining the best development.

²⁶ South Carolina Code, sec. 6-29-310 et seq. (*South Carolina Local Government Comprehensive Planning Enabling Act of 1994*)

²⁷ Edward J. Kaise and David R. Gudschalk, and F. Stuart Chapin, Jr., *Urban Land Use Planning*, 4th ed. U (Champaign, IL: University of Illinois Press, 1995), p. 63. U

²⁸ <<http://www.lcpldefinitiions.com>>. U

MORATORIUM ON DEVELOPMENT

ace U iversity Law Sch U l defines a mU at Uum U devel pmeU t as “a l cal law U U diLa ce that suspeU ds the U ht f pUpeUfy U w e s t UbtaiU devel pmeU t appU vals U while the cUmnu Uty takes time t cU sideU d aft a d ad Upt la d use pla s U ules t U espU d t Uew U cha UiU ciUmsta ces U t adequately dealt with by its cuUe t U laws.”²⁹ A mU at Uum all ws a cUmnu Uty t maiU taiU the status qu U while it ad Upts a U ew pU am U st ateUy t meet a peU ceived p Ublem. The suspeU siU U f pUpeUfy U i hts is a hiU hly cU te ti us act a d may be challeU ed iU the cUu ts. U iU t a y such U actiU , a cUmnu Uty Ueeds t cU viU ciU ly d UmeU t that it is faciU a t ue emeU eUcy. U U

URBAN GROWTH BOUNDARIES

ba GU wth BU da ies (UGBs) all w l cal U veU meU ts t dete miU e specific a eas U a u d a built cUmnu Uty wheU e public iU f ast uctu e seU vices will be p Uvided. U LimitiU wate a d seweU seU vices, atheU tha exte diU them cU sta tly t supp U t U devel pmeU t, eU fU ces the b U da y. The b U da y is used as a t U l t p U tect U fa mla d a d U atu al la ds fU m devel pmeU t, pUm te the devel pmeU t a d U eU devel pmeU t f la d withiU the u ba cU e, a d eU su e that public seU vice cU sts a e U used efficieU tly. The state U f O U has had the mU st expeU eU ce usiU ba GU wth U B u da ies. They have U t beeU utilized iU S uth Ca U li a. U U

SMART GROWTH

“Sma t GU wth” U eU s t devel pmeU t p actices that cU seU ve U peU space, take U adva ta e U existiU u ba iU f ast uctu e, a d p U duce a mU e cU mpact u ba U e viU meU t. These p actices seek, iU pa t, t cU mbat sp awl... aut mU bile-depeU deU t U devel pmeU t, hiU hly seU e ated la d uses, a d lack f cU ceU atiU a Uu d a ceU al U cU e a ea U city.”³⁰ S me U f the att ibutes U f Sma t GU wth a e: walkable cUmnu Uties; U a U U e U f h U siU pp U tu ities a d ch U ces; disti ctive, att active places a d a st U U seU se U f place; p edictable, faiU a d cU st effective devel pmeU t decisiU s; mixed la d U uses; p eseU vatiU f U atu al la ds, fa mla ds, a d cU tical eU viU meU tal a eas; a d U devel pmeU t diU cted t wa d st eU theU iU existiU cUmnu Uties a d seU vices. The U state U f Ma y la d a d a h U st f U theU l cal U veU meU ts have u U eU f ake Sma t U G wth iU tiatives. The New U ba ism mU vemeU t emb U lies ma y U f these U als. U U

ResideU tial U wth is U iU t cU ti ue iU La caste C U ty a d th u h ut the state U f U S uth Ca U li a; it is up t l cal U veU meU ts t decide if a d h U w it will be ma a ed. U The decisiU faced by La caste C U ty U f ficials a d U eU sideU ts is h U w best t bala ce U wth betweeU the U eed fU fiscal stability a d quality U f life issues, a d the U eeds U f U the devel pmeU t cUmnu Uty a d U ew U eU sideU ts. U U

²⁹ U ace U iversity, U ace Law Sch U l, defiU tiU U f “mU at Uum U devel pmeU t,” U <www.UymiUU /z U iU /Gl ssa y.html>. U

³⁰ <http://www.k U wled U eplex.U>, T U pic: Sma t GU wth. U

SUMMARY

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La caste CUu ty is expeUeUciU the effects Uf Uapid UesideUial U wth. This U wth is U predicted t cU tiUe fU the Uext 10 yea s with the bulk Uf the devel pmeU t Ucu UiU U i a d a Uu d the IUdia La d cUmnu Uty. Du iU this time peU d, 80% Uf the Uew U devel pmeU t is pUjected t be siU le-family h Ues. The cUst-beUefit mUdel used iU this U epU t estimates that additi al eveUe fU m UesideUial U wth will cUveUmUst f the U assUciated iU ease iU CUu ty UpeUatiU expeUditu es. OveU \$4 milliU f Uew capital U c sts will U t be cUveUed fU m iU ease iU eveUes, h UweUeU IU additiU , peU pupil U pUpeUfy tax UeveUes Uf the La caste CUu ty Sch U I Dist ict a e pUjected t fail t U keep pace with iUflatiU . The pUjected te -yea deficit has a p eseU t value iU excess Uf U \$14 milliU . U

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With this iU f matiU , La caste CUu ty must decide what p Uicies a d t Uls it will use U t add ess the estimated UeveUe sh U tfall. This U ep U t eviewed a UumbeU f diffeU t U t ls that ca be used but it up t CUu ty citizeUs a d decisiU make s h Uw the CUu ty U will U w a d pay fU devel pmeU t. U

APPENDICES

APPENDIX A: ASSUMPTIONS AND PROJECTION METHODOLOGY

This appendix describes the assumptions and methodology used to estimate the incidence of caste community-level expenditures and levies associated with projected population growth during the ten-year period from fiscal year 2005 to fiscal year 2014.

EXPENDITURES

A basic population equilibrium expenditure of public funds to maintain the existing quality of public services. However, expenditures do not necessarily increase proportionately with the population. In the U.S., a population increase is not necessarily an increase in expenditures by the public. Some public services such as public safety are highly dependent on population service delivery. Availability varies and growth with the population as a benefit costs will drive future spending equilibrium in these areas. Other public services are more capital-intensive, and the anticipated cost of new facilities will be the maintenance of future spending.

We estimated the population-related incidence of community spending in the states. First, we classified community activities by function (public safety, judicial administration, etc.). Next, we allocated spending within each functional category into three expenditure types: personnel, contract services, and capital. Finally, we estimated the population-related incidence of each expenditure type within each functional category.

ASSUMPTIONS

In projecting future expenditures, we make certain assumptions about the caste community's future economic and demographic situation. Our primary assumptions concern the population growth rate, the inflation rate, and the discount rate to be used in computing present values of future expenditures.

Population Growth Rate. We assumed that the caste community population would grow at a rate of 2.2 percent per year over the ten-year period covered by our estimate. This

ate is based on a projection by the Catawba Regional Council of Government.³¹ This projection is based on recent trends in Lancaster County building permit activity. U

Inflation Rate. The assumed inflation rate is based on data from the U.S. Department of Labor, Bureau of Labor Statistics (BLS). BLS data indicate that over the past ten years the average annual change in the consumer price index for the urban basket has been approximately 2.3 percent. We assumed a slightly higher rate of 2.75 percent because data from recent years indicates an upward trend. Most expenditures were assumed to increase at the same rate as inflation. Except for this default assumption, we are explained in the description of projection methodology. U

Present Values and the Discount Rate. We compare expenditures at different years to current values. The present value of a future expenditure is the amount you would need to invest today to have the expenditure amount in the future. For example, if you wanted to have \$1,000 one year from now and could earn 2 percent on your investments, you would need to invest \$980.39 today, since $980.39 \times 1.02 = 1000.00$. We have used a discount rate of 2 percent in calculating future expenditures at different amounts to present values. U

EXPENDITURE PROJECTION METHODOLOGY

The three expenditure types are operating expenditures, current service expenditures, and capital expenditures. The methods used to project expenditure increases for each type are described below. U

Operating Expenditures. As Lancaster County population increases, additional employees will be required to maintain service quality at existing levels. Higher additional employees will increase the amount of monthly employee salaries, utility benefits, and other expenditures related to department operations. U

Population increases create a need for additional employees in some classifications throughout the county. We used data from the most recent wage and salary report³² produced by the South Carolina Association of Counties to determine which employee classifications are likely to require additional staff to maintain service levels as the population increases. The report divides South Carolina counties by population into five groups and reports the number of employees in each classification for nearly all counties in the state. Lancaster County is in Group 2: counties with population between 50,000 to 100,000. Group 1 consists of counties with population between 100,000. U

³¹ Catawba Regional Council of Government, *Lancaster County Housing Trends* (Rock Hill, SC: Catawba Regional Council of Government, 2003), <<http://www.catawbacounty.org/upladimages/HERE/Lancaster%20County%20Growth%20Trends.pdf>>. U

³² S.C. Association of Counties, *2004 Wage and Salary Report* (Columbia, SC: S.C. Association of Counties, 2004), <<http://www.sccounties.org/eseach/WS/2004WageandSalaryRepUt.pdf>> U

For each job classification we computed the number of employees per 10,000 residents in the labor force. We used all the data up to 2002, and all data up to 2001. We identified the classifications in which staff wages increased approximately 10 percent as population increased. We assumed that as population increased, new employees would be hired in each of these classifications to maintain staff wages at existing levels. The wage and salary levels provided information about the salary levels for each classification. We estimated salary expenditures for the new employees by assuming that each new employee would be paid a salary at the lowest end of the wage level for the labor force in the year.

We estimated the benefit expenditures by examining the relationship between the benefit and salary expenditures in each year's budget. For most departments, the benefit expenditures are approximately 28 percent of salary expenditures, though they range from as low as 15 percent to as high as 39 percent. We projected increases in the benefit expenditures by multiplying a new salary expenditure in each department by the benefit percentage for that department.

As departments increase their workload, the percentage of total expenditures as well as salaries and benefits. We projected these expenditures by a method similar to that used for projecting the benefits. We examined the relationship between the percentage of total expenditures and salary expenditures reflected in each year's budget. For most departments, the percentage of total expenditures have been between 20 and 30 percent of salary expenditures, though they have ranged from as low as 15 percent to as high as 80 percent, depending on the department. We projected increases in the percentage of total expenditures by multiplying a new salary expenditure in each department by the percentage of total expenditures for that department.

We also projected increases in vehicle expenditures associated with the addition of new employees, where applicable. Wherever staff reviewed the projected staff increases, they provided information about additional vehicle requirements for new employees in each classification. We valued the estimated new vehicle cost per employee in a total cost by dividing by the number of years between replacement. This total expenditure was added to the other percentage expenditures.

We assumed that salaries and other percentage expenditures, except for the benefits, would increase at the same rate as inflation. BLS data indicate that inflation over the past decade has increased at a rate that is more than the percentage of total expenditures. For example, the inflation rate for the benefit costs in excess of inflation has been increasing over the past decade; in 1994 the employee benefits increased faster than the rate of inflation. To account for the rapid increase in the benefit costs, we assumed that the benefit expenditures would increase at a rate six percentage points greater than the rate of inflation. Using this rate of increase with the benefit costs implies that total percentage expenditures will increase at a rate that is approximately 1.3 percentage points greater than the rate of inflation.

Contract Services Expenditures. Some departments provide services by contract with the public or private entities. For example, the Public Works Department contracts for landfill and waste hauling services and the County Filtration Commission provides funding for local filtration departments. We projected that these expenditures, adjusted for inflation, will increase proportionately with the population.

Capital Improvement Expenditures. In consultation with County staff, we identified new facilities that will be needed to maintain service quality at existing levels. In some cases, County staff provided an estimate of the projected cost of the facilities. In other cases, we projected the costs by examining the book values of similar facilities already owned by the County.

REVENUES

As population increases, new construction and increased commercial activity expands the County's tax base. The expansion of tax base and increased commercial activity lead to increases in County tax and utility revenues. The major revenue sources that are expected to grow with population are property taxes, sales taxes, and utility revenues.

We estimated population-related revenue increases in two stages. First, for each revenue source, we estimated the increase in tax base or commercial activity associated with the increase in population. Then, we estimated the increase in revenue associated with the increase in tax base or commercial activity.

ASSUMPTIONS

In future revenues we assumed that we make certain assumptions about Lancaster County's future economic and demographic situation. Our primary assumptions are average household sizes, average household values, and the percentage of households that are single-family homes. For population growth, the inflation rate, and the discount rate we used the same assumptions as in estimating expenditures.

Household Size. Census Bureau data indicate that from 1990 to 2000, average household size in Lancaster County declined from 2.7 to 2.6 persons per household. We assumed that average household size would remain constant at 2.6 persons per household during the period of the projection.

Home Value. Lancaster County building permit data indicate that real average household value has increased from a low of \$93,000 in 1996 to a high of \$178,000 in 2002. In 2003, the most recent year for which data is available, real average household value was \$157,000. For the purposes of this study we assumed an initial average household value of \$150,000. We assumed that the average household value would increase annually at the inflation rate.

Proportion of Single-Family Residences. Lancaster County building permit data indicates that the proportion of new residential construction consisting of single-family residences has increased dramatically over the past several years. In 1996, approximately 20 percent of all new residential units consisted of single-family residences; the rest were multi-family or mobile homes. In 2003, the single-family percentage was 72 percent. For the first quarter of 2004, the percentage was 75 percent. For the purposes of this study, we assumed that single-family construction will make up 80 percent of new residential construction. The projected number of new households and single-family residences for each year are presented in Table 17.

Table 17 - Projected New Households and Single-Family Residences, 2005 - 2014

Year	New Households	New Single-Family Residences
2005	541	433
2006	553	442
2007	565	452
2008	577	462
2009	590	472
2010	603	482
2011	616	493
2012	630	504
2013	643	515
2014	658	526
Total Increase	5,976	4,781

Tax Rates, Assessment Ratios, and Reassessment. For the purposes of this study, we assumed that property tax millage rates will remain at the levels reported in the Lancaster County budget for fiscal year 2003-04. We assumed that assessment ratios would remain as specified by existing law. We did not attempt to account for the effects of any reassessment that could occur in the period under study or assessed property values.

REVENUE PROJECTION METHODOLOGY

Different estimates produced for each revenue source. The methods used to project increases in revenue for each source are described below.

Property Tax Revenues. Property taxes are assessed on both real property and personal property. Real property includes owner-occupied residential property, commercial and industrial property, agricultural property, and industrial property. Personal property includes vehicles owned by individuals and personal property. Utility and motor vehicle property is also taxed.

The population-related increases in property tax revenues from each class of property were estimated using the same method. First, we estimated the effect of population growth on total property valuation within the property class. Then we multiplied the valuation increase by the applicable assessment rates. Finally we multiplied the increase in assessed valuation by the applicable millage rate to estimate the amount of new tax revenue. The methods used for each property class are discussed separately below.

Owner-occupied residential: We estimated the population-related increase in valuation of owner-occupied residential property for each year by dividing the projected annual population increase by the average household size to project the number of new households. The number of new households was multiplied by the single-family residential percentage to project the number of new single-family homes. The number of single-family homes was multiplied by the average new home value to project the annual increase in valuation. The assessed value was calculated by multiplying valuation by the assessment rate. The cumulative increase in assessed value was used to project the increase in property tax revenue from taxes on owner-occupied residential property.

Commercial and rental property: Commercial and industrial property includes residential property occupied by business and industrial business property. We assumed that except for the effects of assessment, real per capita valuation of commercial and industrial property has been fairly stable over the last several years. We projected the population-related increase in valuation of owner-occupied residential property for each year by multiplying the annual population increase by the inflation-adjusted per capita assessed valuation. The assessed value was calculated by multiplying the valuation by the applicable assessment rate. The cumulative increase in assessed value was used to project the increase in property tax revenue from taxes on commercial and industrial property.

Agricultural property: Real per capita valuation of agricultural property has been declining over time, most likely because of residential development. We assumed the population-related increase in property tax revenue from agricultural property.

Manufacturing property: Changes in real per capita valuation of manufacturing property depend on the decisions of manufacturers to locate new facilities within the county or to locate facilities elsewhere. We assumed that would be population-related increase in property tax revenue from manufacturing property.

Pers nal, b siness pers nal, tilit , and m t r carrier pr pert : We used that local U
per capita values of these classes of property have been relatively stable over the U
past several years. We estimated the population-related increases in average income taxes U
these classes of property by the same method used for commercial and local U
property. U

Local Option Sales Tax Revenue. A local property tax of the average form the local U
sales tax (LOST) is used for property tax relief, a property tax of the maintenance sha ed U
with cities in Lancaster County, and the rest is available to be used for the utility U
purposes. The average level created by the LOST depends on the level of net taxable sales U
within the county. Real per capita net taxable sales have been relatively stable over the U
past several years. We assumed that available LOST average after property tax relief U
and share would grow proportionately with the population. U

Non-tax Revenue. Non-tax revenue includes licenses and permits; charges for services; U
fines, fees and franchises; and other income. Real per capita revenue in each of these U
categories has been relatively stable over the past few years. We assumed that average U
in each category would grow proportionately with the population. U

SCHOOL FINANCES

Future per pupil property tax revenues were equated that we make certain U
assumptions about Lancaster County School District's future enrollment levels and U
property tax revenues. We assumed that enrollment would remain approximately 17 U
percent of county population, as it has been for the past several years. We used the U
projected increase in county assessed values to estimate future property tax revenue U
Lancaster County Schools. We assumed that property tax millage rates will remain U
the levels adopted for fiscal year 2003-04. We assumed that assessment rates will U
remain as specified by existing law. We did not attempt to account for the effects of a U
reassessment to coincide with the period under study or assessed property values. U
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APPENDIX B: PROJECTION DETAILS

GENERAL ADMINISTRATION

**Table 18 - General Administration, Projected
Base Year Operating Expenditure Assumptions by Employee Classification**

Classification	2004		Non-Personnel %	Annual Vehicle	2004 Base Expenditure
	Base Salary	Benefit %			
Vehicle Mechanic	\$26,300	34.5%	39%	\$5,000	\$50,631
Accounting Clerk	27,200	28.5%	24%	-	41,480

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**Table 19 - General Administration, Projected
Budget Impact of Staff Additions by Employee Classification, 2005 - 2014**

Year	Vehicle Mechanic		Accounting Clerk		Total
	Number	Expenditure	Number	Expenditure	
2005	-	-	-	-	-
2006	-	-	-	-	-
2007	-	-	-	-	-
2008	-	-	-	-	-
2009	-	-	1	\$50,588	\$50,588
2010	-	-	1	52,637	52,637
2011	1	\$66,295	1	54,769	121,063
2012	1	68,901	1	56,987	125,888
2013	1	71,611	1	59,295	130,906
2014	1	74,428	1	61,696	136,124

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**Table 20 - General Administration,
Present Value of Projected Budget Impacts, AP Types, 2005 - 2014**

Addition	Present Value
Staff Additions	1
Vehicle Mechanics U	\$237,497 U
Accounting Clerks U	289,105 U
Total Staff Additions	526,602 P
Contract Services	0 P
Capital Improvements	0 P
Total Additions	\$526,602 P

PLANNING AND CODE ENFORCEMENT

**Table 21 - Planning and Code Enforcement,
Base Year Operating Expenditure Assumptions by Employee Classification**

Classification	2004		Non-Personnel %	Annual Vehicle	2004 Base Expenditure
	Base Salary	Benefit %			
Bldg Inspector/ Code Enforcement	\$31,100	29.5%	13%	\$3,750	\$48,068
Enforcer	31,500	27.5%	34%	3,750	54,625

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**Table 22 - Planning and Code Enforcement,
Projected Budget Impact of Staff Additions by Employee Classification, 2005 - 2014**

Year	Vehicle Mechanic		Accounting Clerk		Total
	Number	Expenditure	Number	Expenditure	
2005	1	\$49,965	-	-	\$49,965
2006	2	103,878	-	-	103,878
2007	2	107,982	1	\$61,375	169,357
2008	2	112,250	1	63,808	176,058
2009	2	116,687	1	66,338	183,025
2010	2	121,301	1	68,969	190,270
2011	3	189,149	1	71,704	260,853
2012	3	196,632	1	74,550	271,182
2013	3	204,414	1	77,508	281,922
2014	3	212,506	1	80,586	293,092

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**Table 23 - Planning and Code Enforcement,
Present Value of Projected Budget Impacts, AP Types, 2005 - 2014**

Addition	Present Value
Staff Additions	
Bldg Inspector/ Code Enforcement	\$1,245,548
Enforcer	494,835
Total Staff Additions	1,740,383
Contract Services	0
Capital Improvements	0
Total Additions	\$1,740,383

TAX ADMINISTRATION

**Table 24 - Tax Administration,
Base Year Operating Expenditure Assumptions by Employee Classification**

Classification	2004		Non-Personnel %	Annual Vehicle	2004 Base Expenditure
	Base Salary	Benefit %			
Appraiser	\$30,000	28.5%	11%	\$3,750	\$45,600
Auditor Clerk	19,000	34.0%	46%	-	34,200
Treasurer Clerk	22,000	34.0%	46%	-	39,600

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**Table 25 - Tax Administration,
Projected Budget Impact of Staff Additions by Employee Classification, 2005 - 2014**

Year	Appraiser		Auditor Clerk		Treasurer Clerk		Total
	Number	Expenditure	Number	Expenditure	Number	Expenditure	
2005	3	\$142,194	-	-	-	-	\$142,194
2006	3	147,803	-	-	-	-	147,803
2007	3	153,634	-	-	-	-	153,634
2008	3	159,698	-	-	-	-	159,698
2009	3	166,003	-	-	1	\$48,295	214,298
2010	3	172,558	-	-	1	50,251	222,810
2011	3	179,375	1	\$44,253	1	52,287	275,914
2012	3	186,463	1	45,913	1	54,404	286,779
2013	3	193,833	1	47,634	1	56,607	298,074
2014	3	201,496	1	49,421	1	58,900	309,817

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**Table 26 - Tax Administration,
Base Year Capital Improvements Unit Cost Assumptions**

Item	2004 Unit Cost
Computer System Upgrade	\$200,000

Table 27 - Tax Administration, Present Value of Projected Budget Impacts of Capital Improvements, 2005 - 2014

Year	Computer System Upgrade
2005	-
2006	-
2007	-
2008	-
2009	-
2010	\$235,354
2011	-
2012	-
2013	-
2014	-

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Table 28 - Tax Administration, Present Value of Projected Budget Impacts, AP Types, 2005 - 2014

Addition	Present Value
Staff Additions	
Appraise	\$1,502,147
Audit Clerk	158,111
Treasurer Clerk	276,002
Total Staff Additions	1,954,260
Contract Services	0
Capital Improvements	
Computer System Upgrade	208,987
Total Capital Improvements	208,987
Total Additions	\$2,163,247

JUDICIAL ADMINISTRATION

Table 29 - Judicial Administration, Present Value of Projected Budget Impacts by Employee Classification

Classification	2004				2004 Base Expenditure
	Base Salary	Benefit %	Non-Personnel %	Annual Vehicle	
Magistrate	\$48,000	32.5%	30%	-	\$78,000
Clerk	24,000	32.5%	30%	-	39,000

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Table 30 - Judicial Administration, Projected Budget Impacts of Staff Additions by Employee Classification, 2005 - 2014

Year	Magistrate		Clerk		Total
	Number	Expenditure	Number	Expenditure	
2005	-	-	1	\$40,580	\$40,580
2006	-	-	1	42,223	42,223
2007	1	\$87,866	2	87,866	175,732
2008	1	91,425	2	91,425	182,849
2009	1	95,127	2	95,127	190,255
2010	1	98,980	2	98,980	197,960
2011	1	102,989	2	102,989	205,977
2012	1	107,160	3	160,739	267,899
2013	1	111,500	3	167,249	278,749
2014	2	232,031	3	174,023	406,054

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Table 31 - Judicial Administration, Present Value of Projected Budget Impacts, AP Types, 2005 - 2014

Addition	Present Value
Staff Additions	1
Magistrate	\$806,073
Clerk	931,232
Total Staff Additions	1,737,305
Contract Services	0
Capital Improvements	0
Total Additions	\$1,737,305

LAW ENFORCEMENT

**Table 32 - Law Enforcement,
Base Year Operating Expenditure Assumptions by Employee Classification**

Classification	2004				2004 Base Expenditure
	Base Salary	Range Benefit %	Non-Personnel %	Annual Vehicle	
Uniform Patrol	\$25,000	35.5%	18%	\$5,500	\$43,875
Detective	28,700	35.5%	18%	5,500	49,555
Supervisor	34,800	35.5%	18%	5,500	58,918

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**Table 33 - Law Enforcement,
Projected Budget Impact of Staff Additions by Employee Classification, 2005 - 2014**

Year	Uniform Patrol		Detective		Supervisor		Total
	Number	Expenditure	Number	Expenditure	Number	Expenditure	
2005	2	\$91,304	-	-	-	-	\$91,304
2006	3	142,503	1	\$53,650	-	-	196,152
2007	4	197,699	1	55,823	-	-	253,521
2008	5	257,132	1	58,083	-	-	315,215
2009	6	321,055	1	60,436	1	\$71,855	453,345
2010	8	445,410	1	62,883	1	74,765	583,058
2011	9	521,380	2	130,860	1	77,793	730,033
2012	10	602,773	2	136,160	1	80,944	819,877
2013	11	689,904	2	141,675	1	84,222	915,801
2014	12	783,104	2	147,412	1	87,633	1,018,149

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**Table 34 - Law Enforcement,
Base Year Capital Improvements Unit Cost Assumptions**

Item	2004 Unit Cost
Law Enforcement	\$350,000
Substation	

**Table 35 - Law Enforcement,
Projected Budget Impacts of Capital Improvements, 2005 - 2014**

Year	Law Enforcement Substation
2005	-
2006	-
2007	-
2008	\$390,117
2009	-
2010	-
2011	-
2012	-
2013	-
2014	-

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**Table 36 - Law Enforcement,
Present Value of Projected Budget Impacts, AP Types, 2005 - 2014**

Addition	Present Value
Staff Additions	1
Uniform Unit	\$3,524,680
Detective	738,016
Supervisor	410,643
Total Staff Additions	4,673,339
Contract Services	0
Capital Improvements	1
Law Enforcement Substation	360,408
Total Capital Improvements	360,408
Total Additions	\$6,836,586

FIRE AND EMS

**Table 37 - Fire and EMS,
Base Year Operating Expenditure Assumptions by Employee Classification**

Classification	2004		Non-Personnel %	Annual Vehicle	2004 Base Expenditure
	Base Salary	Benefit %			
EMS Technician	\$28,700	35.5%	23%	\$5,000	\$50,490
Admin/Billing	22,000	30.0%	23%	-	33,660
Supervisor	36,000	35.5%	23%	-	57,060

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**Table 38 - Fire and EMS,
Projected Budget Impact of Staff Additions by Employee Classification, 2005 - 2014**

Year	EMS Technician		Admin/Billing		Supervisor		Total
	Number	Expenditure	Number	Expenditure	Number	Expenditure	
2005	2	\$104,939	-	-	1	\$35,023	\$139,962
2006	2	109,055	1	\$61,420	1	36,442	206,917
2007	3	170,002	1	63,723	1	37,918	271,642
2008	4	235,567	1	66,113	1	39,453	341,133
2009	5	306,022	1	68,592	1	41,051	415,665
2010	6	381,653	1	71,164	2	85,427	538,244
2011	6	396,651	2	147,665	2	88,887	633,203
2012	7	480,951	2	153,203	2	92,487	726,641
2013	8	571,273	2	158,948	2	96,233	826,454
2014	9	667,964	2	164,908	2	100,130	933,003

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Table 39 - Fire and EMS, Projections in Contract Services Expenditures, 2005 - 2014

Year	Payments to Local Fire Departments Projected Annually
2005	\$21,068
2006	42,828
2007	65,301
2008	88,507
2009	112,466
2010	137,200
2011	162,730
2012	189,080
2013	216,272
2014	244,329

Note: Amounts are based on 2003-04 per capita expenditures of \$14.59

Table 40 - Fire and EMS, Base Year Capital Improvements Unit Cost Assumptions

Item	2004 Unit Cost
EMS Substation	\$350,000

Table 41 - Fire and EMS, Projected Budget Impact of Capital Improvements, 2005 - 2014

Year	EMS Substation
2005	-
2006	-
2007	\$379,676
2008	-
2009	-
2010	-
2011	-
2012	434,833
2013	-
2014	-

Table 42 - Fire and EMS, Present Value of Projected Budget Impacts, AP Types, 2005 - 2014

Additions	Present Value
Staff Additions	
EMS Technicians	\$2,983,371
Admin/Billing	833,069
Supervisors	573,564
Total Staff Additions	4,390,004
Contract Services	
Payments to Local Fire Departments	1,113,261
Total Contract Services	1,113,261
Capital Improvements	
EMS Substations	728,903
Total Capital Improvements	728,903
Total Additions	\$6,232,168

TRANSPORTATION

**Table 43 - Transportation, Proposed
Base Year Operating Expenditure Assumptions by Employee Classification**

Classification	2004		Non-Personnel %	Annual Vehicle	2004 Base Expenditure
	Base Salary	Benefit %			
Equipment Operator	\$27,000	39.5%	77%	\$23,750	\$82,205

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**Table 44 - Transportation, Proposed
Projected Budget Impact of Staff
Additions by Employee Classification, 2005 - 2014**

Year	Equipment Operator	
	Number	Expenditure
2005	1	\$85,226
2006	1	88,360
2007	1	91,613
2008	2	189,976
2009	2	196,982
2010	2	204,252
2011	3	317,697
2012	3	329,443
2013	4	455,513
2014	4	472,385

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Table 45 - Transportation, Present Value of Projected Budget Impacts, AP Types, 2005 - 2014

Year	County Transportation Commission Present Value of Projected Annual Expenditures
2005	\$19,486
2006	39,612
2007	60,397
2008	81,860
2009	104,019
2010	126,895
2011	150,508
2012	174,878
2013	200,028
2014	225,979

Note: Amounts are based on 2003-04 per capita expenditures of \$13.49

Table 46 - Transportation, Present Value of Projected Budget Impacts, AP Types, 2005 - 2014

Addition	Present Value
Staff Additions	1
Equipment Operation	\$2,116,527
Total Staff Additions	2,116,527
Contract Services	1
Transportation Services	1,029,647
Total Contract Services	1,029,647
Capital Improvements	0
Total Additions	\$3,146,174

SOLID WASTE/ANIMAL CONTROL

Table 47 - Solid Waste and Animal Control, Proposed Base Year Operating Expenditure Assumptions by Employee Classification

Classification	2004 Base Salary	2004 Range Benefit %	Non-Personnel %	Annual Vehicle	2004 Base Expenditure
Truck Driver	\$27,000	38.5%	30%	\$37,500	\$82,995
Convenience Center Attendant	12,000	38.5%	30%	-	20,220
Animal Control Officer	22,000	38.5%	30%	3,750	40,820
Animal Control Custodian	15,000	38.5%	30%	-	25,275

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Table 48 - Solid Waste and Animal Control, Projected Budget Impact of Staff Additions by Employee Classification, 2005 - 2014

Year	Truck Driver	Convenience Center Attendant	Animal Control Officer	Animal Control Custodian	Total				
Year	Number	Expenditure	Number	Expenditure	Number	Expenditure	Total		
2005	-	-	1	\$20,978	-	-	1	\$26,223	\$47,201
2006	-	-	1	21,765	-	-	1	27,206	48,971
2007	1	\$91,929	1	22,581	-	-	1	28,226	142,737
2008	1	95,123	1	23,428	-	-	1	29,285	147,836
2009	1	98,433	1	24,306	1	\$49,505	1	30,383	202,627
2010	1	101,861	1	25,218	1	51,454	1	31,522	210,055
2011	2	210,825	1	26,164	1	53,480	1	32,705	323,173
2012	2	218,184	1	27,145	1	55,587	1	33,931	334,847
2013	2	225,810	1	28,163	1	57,778	1	35,203	346,954
2014	2	233,710	1	29,219	1	60,056	1	36,523	359,508

Table 49 - Solid Waste and Animal Control, Projected Increase in Contract Services Expenditures, 2005 - 2014

Year	Landfill	Collection	Total
2005	\$1,255	\$11,981	\$13,235
2006	2,550	24,355	26,906
2007	3,889	37,135	41,024
2008	5,271	50,331	55,602
2009	6,697	63,956	70,653
2010	8,170	78,021	86,192
2011	9,690	92,540	102,230
2012	11,260	107,524	118,783
2013	12,879	122,987	135,866
2014	14,550	138,943	153,492

Note: Amounts are based on 2004 per capita expenditures of \$0.87 for Landfill and \$8.29 for Collection.

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Table 50 - Solid Waste and Animal Control, Base Year Capital Improvements Unit Cost Assumptions

Item	2004 Unit Cost
Animal Control Shelter	\$100,000

Table 51 - Solid Waste and Animal Control, Projected Budget Impact of Capital Improvements, 2005 - 2014

Year	Animal Control Shelter
2005	\$102,750
2006	-
2007	-
2008	-
2009	-
2010	-
2011	-
2012	-
2013	-
2014	-

Table 52 - Solid Waste and Animal Control, Present Value of Projected Budget Impacts, AP Types, 2005 - 2014

Addition	Present Value
Staff Additions	
Tuition	\$1,104,534
Contractual Services	222,297
Animal Control Office	282,141
Animal Control Custodial	277,871
Total Staff Additions	1,886,843
Contract Services	
Landfill	66,294
Collection	633,078
Total Contract Services	699,372
Capital Improvements	
Animal Control Shelter	100,735
Total Capital Improvements	100,735
Total Additions	\$2,686,950

RECREATION

**Table 53 - Recreation, P
Base Year Operating Expenditure Assumptions by Employee Classification**

Classification	2004				2004 Base Expenditure
	Base Salary	Range Benefit %	Non-Personnel %	Annual Vehicle	
Recreation Worker	\$20,000	30.0%	15%	-	\$29,000

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**Table 54 - Recreation, P
Projected Budget Impact of Staff Additions
by Employee Classification, 2005 - 2014**

Year	Recreation Worker	
	Number	Expenditure
2005	-	-
2006	-	-
2007	1	\$32,668
2008	1	33,991
2009	2	70,736
2010	2	73,600
2011	2	76,581
2012	3	119,524
2013	3	124,365
2014	4	172,536

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**Table 55 - Recreation, P
Base Year Capital Improvements Unit Cost Assumptions**

Item	2004 Unit Cost	Quantity	2004 Total Unit Cost
Baseball	35,400	6	\$212,400
Soccer	29,500	2	59,000
Tennis Court	17,700	2	35,400
Land (per acre)	25,000	40	1,000,000
Total Facility Cost			\$1,306,800

Table 56 - Recreation, Present Value of Projected Budget Impacts of Capital Improvements, 2005 - 2014

Year	Recreation Facility
2005	-
2006	-
2007	-
2008	\$1,456,587
2009	-
2010	-
2011	-
2012	-
2013	-
2014	-

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Table 57 - Recreation, Present Value of Projected Budget Impacts, AP Types, 2005 - 2014

Addition	Present Value
Staff Additions	0
Recreation Workforce	\$605,893
Total Staff Additions	605,893
Contract Services	0
Capital Improvements	0
Recreation Facility	1,345,661
Total Capital Improvements	1,345,661
Total Additions	\$1,951,554

LIBRARY

Table 58 - Library,

Base Year Operating Expenditure Assumptions by Employee Classification

Classification	2004				2004 Base Expenditure
	Base Salary	Benefit %	Non-Personnel %	Annual Vehicle	
Branch Operating Expenditures	\$155,000	0.0%	0%	-	\$155,000

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**Table 59 - Library,
Projected Budget Impact of Library Expansion,
Operating Expenditures, 2005 - 2014**

Year	Branch Operating Expenditures	Total
2005	-	-
2006	-	-
2007	-	-
2008	\$181,677	\$181,677
2009	189,035	189,035
2010	196,691	196,691
2011	204,657	204,657
2012	212,945	212,945
2013	221,570	221,570
2014	230,543	230,543

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Table 60 - Library,

Base Year Capital Improvements Unit Cost Assumptions

Item	2004 Unit Cost
Library Branch Property	\$1,850,000

Table 61 - Library, Present Value of Projected Budget Impacts of Capital Improvements, 2005 - 2014

Year	Library Branch	Present Value
2005		-
2006		-
2007		-
2008		\$2,062,049
2009		-
2010		-
2011		-
2012		-
2013		-
2014		-

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Table 62 - Library, Present Value of Projected Budget Impacts, AP Types, 2005 - 2014

Addition	Present Value
Staff Additions	1
Branch Operating Expenses	\$1,248,151
Total Staff Additions	1,248,151
Contract Services	0
Capital Improvements	1
Library Branch Facility	1,905,015
Total Capital Improvements	1,905,015
Total Additions	\$3,153,166

PROPERTY TAX VALUATION AND REVENUE

Table 63 - Estimated Increases in Total and Assessed Values and Revenue, Real Property, 2005 - 2014

Year	Owner-Occupied Residential				Business/Commercial			
	Total	Ratio	Assessed	Revenue	Total	Ratio	Assessed	Revenue
2005	\$66,662,764	0.04	\$2,666,511	\$178,656	\$15,668,227	0.06	\$940,094	\$62,986
2006	136,665,665	0.04	5,466,627	366,264	32,552,388	0.06	1,953,143	130,861
2007	210,176,062	0.04	8,407,042	563,272	50,725,254	0.06	3,043,515	203,916
2008	287,369,698	0.04	11,494,788	770,151	70,263,572	0.06	4,215,814	282,460
2009	368,431,120	0.04	14,737,245	987,395	91,248,268	0.06	5,474,896	366,818
2000	453,554,125	0.04	18,142,165	1,215,525	113,764,666	0.06	6,825,880	457,334
2011	542,942,218	0.04	21,717,689	1,455,085	137,902,719	0.06	8,274,163	554,369
2012	636,809,102	0.04	25,472,364	1,706,648	163,757,251	0.06	9,825,435	658,304
2013	735,379,186	0.04	29,415,167	1,970,816	191,428,209	0.06	11,485,693	769,541
2014	838,888,124	0.04	33,555,525	2,248,220	221,020,932	0.06	13,261,256	888,504

Note: Estimated value increases are cumulative amounts; estimated revenue increases are annual amounts.

Table 64 - Estimated Increases in Total and Assessed Values and Revenue, Personal Property, 2005 - 2014

Year	Total	Personal Property			Business Personal Property			
		Ratio	Assessed	Revenue	Total	Ratio	Assessed	Revenue
2005	\$7,990,796	0.0750	\$599,310	\$40,154	\$1,417,975	0.105	\$148,887	\$9,975
2006	16,601,718	0.0675	1,120,616	75,081	2,945,991	0.105	309,329	20,725
2007	25,869,880	0.0600	1,552,193	103,997	4,590,636	0.105	482,017	32,295
2008	35,834,422	0.0600	2,150,065	144,054	6,358,853	0.105	667,680	44,735
2009	46,536,617	0.0600	2,792,197	187,077	8,257,968	0.105	867,087	58,095
2000	58,019,980	0.0600	3,481,199	233,240	10,295,702	0.105	1,081,049	72,430
2011	70,330,387	0.0600	4,219,823	282,728	12,480,196	0.105	1,310,421	87,798
2012	83,516,198	0.0600	5,010,972	335,735	14,820,031	0.105	1,556,103	104,259
2013	97,628,386	0.0600	5,857,703	392,466	17,324,253	0.105	1,819,047	121,876
2014	112,720,676	0.0600	6,763,241	453,137	20,002,394	0.105	2,100,251	140,717

Note: Estimated value increases are cumulative amounts; estimated revenue increases are annual amounts.

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Table 65 - Estimated Increases in Total and Assessed Values and Revenue, Utility and Motor Carrier Property, 2005 - 2014

Year	Personal Property				Business Personal Property			
	Total	Ratio	Assessed	Revenue	Total	Ratio	Assessed	Revenue
2005	\$253,825	0.105	\$26,652	\$1,786	\$26,636	0.095	\$2,530	\$170
2006	527,349	0.105	55,372	3,710	55,339	0.095	5,257	352
2007	821,749	0.105	86,284	5,781	86,233	0.095	8,192	549
2008	1,138,270	0.105	119,518	8,008	119,448	0.095	11,348	760
2009	1,478,222	0.105	155,213	10,399	155,122	0.095	14,737	987
2000	1,842,988	0.105	193,514	12,965	193,400	0.095	18,373	1,231
2011	2,234,024	0.105	234,573	15,716	234,435	0.095	22,271	1,492
2012	2,652,867	0.105	278,551	18,663	278,387	0.095	26,447	1,772
2013	3,101,137	0.105	325,619	21,816	325,428	0.095	30,916	2,071
2014	3,580,539	0.105	375,957	25,189	375,736	0.095	35,695	2,392

Note: Estimated value increases are cumulative amounts; estimated revenue increases are a total amount.

Table 66 - Estimated Percentage Increases in Total and Assessed Values and Revenue, by Property Types, 2005 - 2014

Year	Total Value	Assessed Value	Property Tax Revenue
2005	\$92,020,223	\$4,383,983	\$293,727
2006	189,348,450	8,910,344	596,993
2007	292,269,814	13,579,243	909,809
2008	401,084,263	18,659,213	1,250,167
2009	516,107,317	24,041,374	1,610,772
2010	637,670,861	29,742,179	1,992,726
2011	766,123,979	35,778,939	2,397,189
2012	901,833,836	42,169,872	2,825,381
2013	1,045,186,599	48,934,145	3,278,588
2014	1,196,588,401	56,091,924	3,758,159

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NON-TAX REVENUE

Table 67 - Estimated Increases in Non-Tax Revenues, 2005 - 2014

Fiscal Year	Licenses & Permits	Service Charges	Fees & Charges	Other	Total Non-tax
2005	\$23,572	\$37,871	\$22,518	\$9,807	\$93,768
2006	48,973	78,681	46,783	20,375	194,812
2007	76,313	122,606	72,900	31,750	303,569
2008	105,707	169,831	100,979	43,980	420,497
2009	137,277	220,552	131,137	57,115	546,082
2010	171,152	274,976	163,496	71,208	680,833
2011	207,466	333,319	198,186	86,317	825,289
2012	246,363	395,811	235,343	102,500	980,017
2013	287,992	462,693	275,110	119,820	1,145,616
2014	332,513	534,221	317,639	138,343	1,322,715

Note: Amounts based on five-year average per capita revenue of \$16.32 for Licenses and Permits, \$26.22 for Service Charges, \$15.59 for Fees and Charges, and \$6.79 for Other.

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LOCAL OPTION SALES TAX REVENUE

Table 68 - Net Local Option Sales Tax Assumptions

Classification	2000 Base
Net Taxable Sales per Capita	\$6,890
Rollback	75%
Municipal Share	31%

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Table 69 - Estimated Net Local Option Sales Tax Revenue, 2005 - 2014

Year	Net LOST Revenue
2005	\$16,916
2006	35,144
2007	54,764
2008	75,858
2009	98,513
2010	122,823
2011	148,883
2012	176,796
2013	206,670
2014	238,619

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APPENDIX C: CENSUS TRACT MAP

figure 1 - LanPaster County Census TraPt MapP

