

## **Proposed Scope of Services for Annexation Feasibility Analysis**

- The primary intent of the Annexation Feasibility Analysis (AFA) is to gauge the probable fiscal impact of a specific annexation plan.
- This fiscal impact analysis will look at areas immediately adjacent to or currently surrounded by the city and eligible for annexation under the current state legislation that governs the annexation process.
- Based on the fiscal impact and/or strategic desirability of the targeted areas, a realistic, fiscally responsible plan for potential implementation will be developed.
- An additional goal of the plan will be to identify, analyze and prioritize other areas in the immediate vicinity of the city, but not currently adjacent to or surrounded by the current city limits.
- This plan will be coordinated with the Elected Officials, City Administration, and affected City Departments.
- Staff from the Planning Division of the Community Development Department will provide technical assistance and project management for the initiative.
- A technical advisory committee will be established for the purpose of providing direction and feedback during the annexation study process.
- The members of this technical advisory committee will be appointed by the Office of the City Administrator.
- A Request for Proposals will be solicited and a third party, with specific experience in conducting fiscal Impact analysis, will be engaged.

### **Deliverables**

Generally, the following components would be deliverables resulting from the analysis:

- Background and demographic profile information on Smyrna and the Targeted Study Areas.
- **Study Area Revenues**
  - General Fund Revenues
  - Revenues Attributable to Service Departments
  - Summary of Revenues
- **Study Area Expenditures**
  - Departmental Per Unit Estimates (determines the primary cost driver for each department and development of a per unit measure to provide services to the identified annexation areas)
  - Case Study (interviews with city staff combined with other cost projections to create an overall estimate of fiscal impact)

- Summary and Comparison of Expenditure Methods
- **Net Fiscal Impact**
  - Comparison of Revenues and Expenditures/Study Area
- The revenues and expenditures would be calculated for, but not limited to:
  - General Government Services
  - City Administration
  - Public Safety (Fire and Police)
  - Parks
  - Public Works
  - Municipal Court