



# RED RIDGE VILLAGE FISCAL IMPACT STUDY

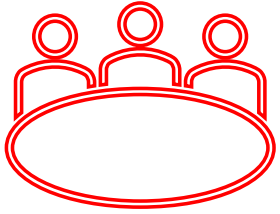
JUNE 25, 2026

## Presented by

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# BACKGROUND



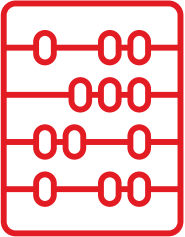
- Red Ridge Village is a proposed development for 2,250 acres in Valley County
- Growth adds structures, people, risk, and additional property tax revenues – increasing demand for services from multiple areas across the County including:
  - EMS;
  - Fire response;
  - Schools; and
  - Other general government services.
- Valley County retained BBC Research & Consulting to analyze the fiscal impacts of this development on Valley County governments



# STUDY TEAM

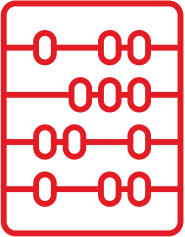
- Based in Denver, Colorado with expertise in fiscal and economic analysis across the Mountain West.
- More than 100 studies related to fiscal and economic impacts of growth and annexations
- Study led by Kevin Williams, with more than 20 years of experience working in rural mountain communities
- Supported by Dr. Michael Verdone, an expert in fiscal and economic analysis who provides consulting and litigation support to a public and private sector clients

# FISCAL IMPACT STUDY METHODS



- Review the steady state revenue and expenditures created by Red Ridge Village on the operation of Valley County, McCall Fire Protection District, Valley Countywide EMS District, McCall-Donnelly Joint School District No. 421
  - Estimate property taxes for each phase of development
  - Estimate expenditures required to serve new development
- Review economic impacts of residential, commercial, and support facility construction

# KEY CONSIDERATIONS



- **Concentration of non-primary and seasonal housing**
- **Impacts of Idaho House Bill 389:**
  - Limited capture of property tax from new growth (3 percent per year and 90 percent of value)
  - Statutory cap of 8 percent revenue growth per year
- **Homeowners Property Tax Exemption**
  - Reduction of taxable value by 50 percent up to \$125,000
  - Modeled using conservative assumptions for the RRV development
- **Timeline of Property Tax Realization**

# OVERVIEW OF ANALYSIS

- **Phased modeling** – BBC estimated revenues and expenditures for each phase and at buildout.
- **Sensitivity analysis** – BBC looked at “worst case” scenarios for lower than expected revenue and higher than expected expenditures.
- **Development timeline** – RRV will build out over 15-20 years. Some districts set a date for implementation three to six months into the future to avoid disrupting projects already underway. The exact timing of phase-in is flexible.

# KEY RESULTS

- **Overall magnitude:**
  - 5.3 percent increase in units over 15-20 years
  - 11.5 percent increase in property taxes at buildout
- **Impact at buildout** – likely that revenues will exceed expenditures on completion of each phase. Sensitivity analysis suggests fiscal impacts on operations will be positive.
- **Capital impacts** – a key element for consideration. Road and sanitation investment agreed to by developer. Public safety study is important. Impact fees and agreements with the developer are tools for the county.
- **Phasing** – HB 389 have a meaningful impact on initial impacts.
- **Economic impact** – Construction activities will create hundreds of jobs annually during development

# DEVELOPMENT PLAN

Red Ridge Village Product Type	Number of lots/units/SF for sale or lease					Buildout Total
	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	
	First Year Occupancy: 2031	First Year Occupancy: 2033	First Year Occupancy: 2035	First Year Occupancy: 2038	First Year Occupancy: 2042	
<b>Single family lots</b>						
3/4 acre	42	20	20	25	-	107
1 acre	-	25	23	19	-	67
2+ acre	51	33	29	-	-	113
5+ acre	-	-	-	-	15	15
<b>Local housing</b>						
Townhomes/duplexes	118	25	27	-	-	170
<b>Village Center residential</b>						
Condominiums	-	83	83	84	-	250
<b>Non-residential (SF)</b>						
Maintenance yard	30,000	-	-	-	-	30,000
Commercial	-	11,667	26,667	11,667	-	50,000

# GENERAL FUND - BUILDOUT

Valley Co. General Fund Revenues & Expenditures	Amount of Rev/Exp	Variable Residential	Amount per Housing Unit	Rev/Exp At Buildout	Sensitivity Analysis*
<b>Revenues</b>					
Property Taxes	\$ 7,168,010	modeled separately		\$ 827,066	\$ 744,360
Special Fees	-	-	-	-	-
Intergovernmental	\$ 1,869,448	65%	\$ 94	\$ 68,126	\$ 68,126
Charges for Services	\$ 2,629,920	65%	\$ 133	\$ 95,840	\$ 95,840
Grants and Contributions	\$ 858,740	0%	\$ -	\$ -	\$ -
Earnings on Investments	\$ 973,494	0%	\$ -	\$ -	\$ -
Other Revenues	\$ 446,297	65%	\$ 23	\$ 16,264	\$ 16,264
<b>General Fund Revenues</b>	<b>\$ 13,945,909</b>			<b>\$ 1,007,296</b>	<b>\$ 924,590</b>
<b>Expenditures</b>					
General Government	\$ 7,178,504	65%	\$ 362	\$ 261,599	\$ 261,599
Public Safety	\$ 5,894,378	65%	\$ 298	\$ 214,803	\$ 429,606
Highways and Streets	-	-	-	-	-
Sanitation	-	-	-	-	-
Health and Welfare	\$ 119	100%	\$ 0	\$ 7	\$ 7
Culture and Recreation	\$ 538,461	100%	\$ 42	\$ 30,189	\$ 30,189
Education	-	-	-	-	-
Capital Outlay	\$ 214,593	65%	\$ 11	\$ 7,820	\$ 11,730
<b>General Fund Expenditures</b>	<b>\$ 13,826,055</b>			<b>\$ 514,417</b>	<b>\$ 733,130</b>

# FIRE - BUILDOUT

McCall Fire Protection District	2026 Budget	Variable Residential	Amount per Housing Unit	Rev/Exp At Buildout	Sensitivity Analysis*
<b>Revenues</b>					
Property Tax Levy	\$ 2,329,187	modeled separately		\$ 630,482	\$ 567,433
Fire Service Contracts	\$ 20,000	65%	\$ 1	\$ 729	\$ 729
Valley County EMS Contract	\$ 1,185,000	65%	\$ 60	\$ 43,184	\$ 43,184
EMS Revenue	\$ 175,000	65%	\$ 9	\$ 6,377	\$ 6,377
Investment Interest	\$ 20,000	0%	\$ -	\$ -	\$ -
Propane Permits/ Code Fees	\$ 166,837	65%	\$ 8	\$ 6,080	\$ 6,080
MVA Fees	\$ 5,000	65%	\$ 0	\$ 182	\$ 182
Buildings and Grounds Carry Over	\$ 155,404	0%	\$ -	\$ -	\$ -
Sales Tax Revenue	\$ 100,000	65%	\$ 5	\$ 3,644	\$ 3,644
Grants - City of McCall/ State EMS	\$ 100,000	0%	\$ -	\$ -	\$ -
Wellness Reimbursement	\$ 4,000	0%	\$ -	\$ -	\$ -
Miscellaneous Income	\$ 10,000	0%	\$ -	\$ -	\$ -
<b>Revenues</b>	<b>\$ 4,270,428</b>			<b>\$ 690,678</b>	<b>\$ 627,630</b>
<b>Expenditures</b>					
Personnel Costs	\$ 2,756,000	65%	\$ 278	\$ 200,868	\$ 401,737
Benefits	\$ 571,043	65%	\$ 58	\$ 41,620	\$ 83,240
Operating Expenses	\$ 605,425	65%	\$ 61	\$ 44,126	\$ 88,252
Capital Outlay	\$ 337,960	65%	\$ 34	\$ 24,632	\$ 49,264
<b>Expenditures</b>	<b>\$ 4,270,428</b>			<b>\$ 311,246</b>	<b>\$ 622,492</b>

# EMS - BUILDOUT

Valley Countywide EMS District	2026 Budget	Variable Residential	Amount per Housing Unit	Rev/Exp At Buildout	Sensitivity Analysis*
<b>Revenues</b>					
Property Tax Levy	\$ 4,216,857	modeled separately		\$ 440,799	\$ 396,719
Ambulance EMS and Transport Fees	<u>\$ 200,000</u>	65%	\$ 10	<u>\$ 7,288</u>	<u>\$ 7,288</u>
<b>Revenues</b>	<b>\$ 4,416,857</b>			<b>\$ 448,087</b>	<b>\$ 404,007</b>
<b>Expenditures</b>					
Interagency Service Agreements	\$ 3,513,699	65%	\$ 177	\$ 128,046	\$ 256,092
Commissioner Meetings	\$ 6,000	65%	\$ 0	\$ 219	\$ 437
Insurance (Liability/Bond)	\$ 850	65%	\$ 0	\$ 31	\$ 62
Attorney/Accounting/Audit /Professional	\$ 25,000	65%	\$ 1	\$ 911	\$ 1,822
Medical Director	\$ 30,000	65%	\$ 2	\$ 1,093	\$ 2,187
Public Notice Publications	\$ 1,000	65%	\$ 0	\$ 36	\$ 73
Administrative Costs	\$ 150,000	65%	\$ 8	\$ 5,466	\$ 10,933
Misc. Office and Operational Expenses	\$ 15,308	65%	\$ 1	\$ 558	\$ 1,116
Ambulance Replacement	\$ 175,000	65%	\$ 9	\$ 6,377	\$ 12,755
Carryover to build reserve	<u>\$ 500,000</u>	65%	\$ 25	<u>\$ 18,221</u>	<u>\$ 36,442</u>
<b>Expenditures</b>	<b>\$ 7,930,556</b>			<b>\$ 160,959</b>	<b>\$ 321,918</b>

# SCHOOLS - BUILDOUT

McCall-Donnelly School District	General Fund Budget	Variable Residential	Amount per Student	Rev/Exp At Buildout	Sensitivity Analysis*
<b>Revenues</b>					
Local Taxes	\$ 6,408,105	modeled separately		\$ 747,954	\$ 673,158
Other Local Revenue	\$ 250,495	100%	\$ 180	\$ 15,972	\$ 15,972
State Revenue	\$ 12,489,262	100%	\$ 8,979	\$ 796,352	\$ 796,352
Federal Revenue	\$ -		\$ -	\$ -	\$ -
<b>General Fund Revenues</b>	<b>\$ 19,147,862</b>			<b>\$ 1,560,278</b>	<b>\$ 1,485,482</b>
<b>Expenditures</b>					
Institutional Programs	\$ 10,706,855	100%	\$ 7,697	\$ 682,700	\$ 853,375
Support Service Programs	\$ 7,600,139	100%	\$ 5,464	\$ 484,607	\$ 605,759
Non-Instructional Programs	\$ 108,627	100%	\$ 78	\$ 6,926	\$ 8,658
<b>General Fund Expenditures</b>	<b>\$ 18,415,621</b>			<b>\$ 1,174,234</b>	<b>\$ 1,467,792</b>

# ECONOMIC IMPACT

Category	Direct Output (\$ millions)	Total Output (\$ millions)	Total Earnings (\$ millions)	Total Value-Added (\$ millions)	Cumulative Job-Years	Average Annual Jobs
Residential	\$ 1,087.6	\$ 1,512.6	\$ 423.3	\$ 839.4	7,217	241
Non-Residential	\$ 12.0	\$ 15.1	\$ 3.6	\$ 7.9	61	2
Infrastructure	\$ 64.5	\$ 82.3	\$ 21.7	\$ 48.5	361	12
<b>Total Project</b>	<b>\$ 1,164.2</b>	<b>\$ 1,610.0</b>	<b>\$ 448.6</b>	<b>\$ 895.8</b>	<b>7,639</b>	<b>255</b>

# TIMELINE ANALYSIS

- **Property Tax Lag** – A property’s assessment does not change instantaneously when occupied. As a result there can be a “gap” between the time the county serves new residents and when it collects new property tax revenue. This gap can result in up to a 3 year gap in realization of total property value.
- **Red Ridge Village phasing** – The phasing of the RRV development impacts this gap.
- **Modeling approach** – Due to the minimum development timeline (15 years for 5 phases of housing), BBC assumed the quickest development scenario along with reduced collections for recent builds.

# EXAMPLE CALCULATION – PHASE 1

- **Consider:**
  - **Phase 1**
  - **Valley County General Fund Impacts**
- **Estimated annual cost to serve all phase 1 residents:**  
**\$150,335**
- **Estimated annual revenues from residents excluding property taxes:**  
**\$52,671**
- **Annual deficit:**  
**\$97,664**
- **Three year deficit (worst case):**  
**\$292,993**

# EXAMPLE CALCULATION – PHASE 2

- **Consider:**
  - **Phase 1 completed for three years**
  - **Phase 2 completed**
  - **Valley County General Fund Impacts**
- **Estimated annual cost to serve all phase 1 and phase 2 residents:**  
**\$282,858**
- **Estimated annual revenues from all residents excluding property taxes for phase 2 and only 90 percent of property taxes from phase 1:**  
**\$376,975**
- **Annual deficit surplus:**  
**\$94,117**
- **Time to recover deficit from Phase 1:**  
**~4 years**

# RESULTS FOR “GAP” ANALYSIS

- **Valley County General Fund** – Surplus by Phase 2. Recover deficit 3-4 years after Phase 2 buildout.
- **McCall-Donnelly School District #421** – Surplus by Phase 3. Recover deficit 6 years after Phase 3 buildout.
- **McCall Rural Fire District** – Surplus by Phase 2. Recover deficit after 2 years of Phase 3 buildout.
- **Valley County EMS** – Surplus by Phase 2. Recover deficit after 2 years of Phase 2 buildout.

# “GAP” ANALYSIS SUMMARY

- **Phase 1 Gap:** \$300,000 annually across all four entities
- **Mitigation:** Potential mitigation from developer
- **Long term outlook:** All entities collecting more revenue than required to serve RRV by Phase 3.

# KEY RESULTS REVISITED

- **Increased property taxes** – commensurate or exceeding operational expenses
- **Capital impacts** – developer agreements and impact fees
- **Phasing** – state law impacts how the county might consider pace of growth. Property tax lag or “gap” creates challenges in Phase 1. Growth eliminates gap by Phase 2 or 3.
- **Economic impact** – substantial job impacts during buildout



# THANK YOU

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