

**A FISCAL IMPACT ANALYSIS OF
THE WILLIAMS POND DEVELOPMENT**

PREPARED FOR

THE DEVELOPERS -
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A FISCAL IMPACT ANALYSIS OF THE WILLIAMS POND DEVELOPMENT

1. INTRODUCTION

This study evaluates the fiscal impacts of the proposed Williams Pond development on the Chatham County government and the Chatham County Board of Education. This analysis is intended to provide Chatham County and the Chatham County Board of Education with detailed information that will help them evaluate the impacts the development will have on the community. This information will help the County and the School Board plan for changes in the demand for services that will occur over the project's buildout.

2. PROJECT DESCRIPTION

Williams Pond is an executive home community planned for development on 648 acres of land in northeastern Chatham County. The 185 estate lots will be nestled in a gated community that features private roads and neighborhood amenities such as a pool, clubhouse and tennis courts. The estate lots will average approximately 3.5 acres in size with the home prices averaging approximately \$800,000.

The project will be developed by Robert D. Swain, Thomas L. Fonville, Frank L. Robuck, and John C. Morisey (the "Developers"). The development team has been active in residential real estate development in the Triangle North Carolina market for the past 30 years. Mr. Fonville, Mr. Morisey and Mr. Robuck are the owners of Fonville Morisey Realty, one of the fifty largest residential brokerage firms in the United States. Together, the team has developed many luxury home neighborhoods in the Triangle area, including Swans Mill, Wyndfall, Barrington, Kensington and Faircroft.

The Developers have estimated an absorption rate of, on average, 19 dwelling units per year resulting in a buildout period of about 10 years.

3. EXECUTIVE SUMMARY

The Williams Pond project will create an impressive residential real estate tax base of \$147 million for Chatham County. As outlined in the accompanying analysis, it is clear that the Williams Pond project will have a positive net fiscal impact on the Chatham County government and the Chatham County School Board. *As seen in Table 1, the net present value of the stream of annual surpluses at expanded service levels during the buildout period is \$1.7 million, assuming a discount rate of 6%.*

The following summary of revenues and expenditures at the time of the Williams Pond buildout also clearly shows the positive fiscal impacts of the proposed development on Chatham County and the Chatham County Board of Education.

CHATHAM COUNTY GENERAL FUND ANNUAL FISCAL IMPACT OF WILLIAMS POND AT BUILDOUT		
INCREMENTAL REVENUES		
PROPERTY TAXES	\$ 956,308	
SALES TAXES	<u>48,818</u>	
TOTAL INCREMENTAL REVENUES		\$1,005,126
INCREMENTAL EXPENDITURES		
CHATHAM COUNTY	\$ 167,543	
CHATHAM COUNTY SCHOOLS		
OPERATING	166,903	
DEBT SERVICE - CAPITAL	<u>97,215</u>	
TOTAL INCREMENTAL EXPENDITURES		<u>431,661</u>
ANNUAL INCREMENTAL BENEFIT AT EXISTING SERVICE LEVELS		573,465
INCREMENTAL COUNTY EXPENDITURES WITH EXPANDED SERVICES		<u>29,624</u>
ANNUAL INCREMENTAL BENEFIT, EXPANDED SERVICE LEVELS		<u>\$ 543,841</u>

4. FISCAL IMPACTS ON THE CHATHAM COUNTY GENERAL FUND

REVENUE IMPACTS

The impacts of Williams Pond on the revenues of the Chatham County government are outlined in this section. The primary County revenues generated by the Williams Pond project will be property taxes, sales taxes and impact fees.

The estimated revenues from all sources, generated over the 10-year buildout of the project's development, are provided in Table 1. Annual County revenues grow from \$87,000 in Year 1 to over \$1.0 million a year in the tenth year. Table 2 provides a detailed analysis of all County revenues from Williams Pond at the development's buildout.

As seen in Table 2, the residential property values in Williams Pond are expected to increase by \$147 million at buildout. Annual residential property taxes will be \$928,000, and property taxes from vehicles owned by Williams Pond residents are estimated to be \$28,000 per year.

Williams Pond will also generate considerable economic activity that will result in increased sales tax collections for Chatham County government. It is estimated that sales taxes will increase by \$49,000 a year at the time of the development's buildout. As seen in Tables 2 and 2A, these sales taxes will be generated by Articles 39, 40, 42 and 44 collections.

In addition to property taxes, the project will generate substantial revenues from impact fees. The County's existing impact fee of \$1,500 per dwelling unit will generate \$277,500 for school construction at the project's buildout. Table 15 provides a description of fees and costs for new school construction as a result of the Williams Pond project.

ONE TIME REVENUES TO CHATHAM COUNTY

SCHOOL IMPACT FEES	<u>\$ 277,500</u>
RECREATION EXACTION FEES	<u>\$ 148,000</u>

TABLE 1

WILLIAMS POND - CHATHAM COUNTY FISCAL IMPACT STUDY
BUILDOUT ANALYSIS

	Total	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Annual Residential Sales	\$ 146,900,000	\$ 12,700,000	\$ 13,500,000	\$ 13,300,000	\$ 12,100,000	\$ 13,300,000	\$ 13,800,000	\$ 15,700,000	\$ 16,200,000	\$ 16,200,000	\$ 20,100,000
Annual Unit Sales	185	19	19	19	19	19	18	18	18	18	18
Cumulative Residential Sales	\$ 146,900,000	\$ 12,700,000	\$ 26,200,000	\$ 39,500,000	\$ 51,600,000	\$ 64,900,000	\$ 78,700,000	\$ 94,400,000	\$ 110,600,000	\$ 126,800,000	\$ 146,900,000
Cumulative # of Units	185	19	38	57	76	95	113	131	149	167	185
Per Capita Revenues:											
Property Taxes	\$ 1,761.69	\$ 1,817.18	\$ 1,826.42	\$ 1,789.43	\$ 1,800.53	\$ 1,835.59	\$ 1,899.24	\$ 1,956.36	\$ 2,001.16	\$ 2,092.81	
Sales Taxes	89.93	92.76	93.24	91.35	91.91	93.70	96.95	99.87	102.16	106.83	
Total Revenues - Per Capita	\$ 1,851.62	\$ 1,909.94	\$ 1,919.66	\$ 1,880.78	\$ 1,892.44	\$ 1,929.29	\$ 1,996.19	\$ 2,056.23	\$ 2,103.32	\$ 2,199.64	
Per Capita Expenditures:											
Direct Expenditures Per Capita at Existing Service Levels, including Public School Operating Costs	\$ 731.91	\$ 731.91	\$ 731.91	\$ 731.91	\$ 731.91	\$ 731.91	\$ 731.91	\$ 731.91	\$ 731.91	\$ 731.91	\$ 731.91
School Capital Debt Service - Per Capita	212.75	212.75	212.75	212.75	212.75	212.75	212.75	212.75	212.75	212.75	212.75
Expanded Service Levels Per Capita	64.83	64.83	64.83	64.83	64.83	64.83	64.83	64.83	64.83	64.83	64.83
Total Expenditures - Per Capita	1,009.49	1,009.49	1,009.49	1,009.49	1,009.49	1,009.49	1,009.49	1,009.49	1,009.49	1,009.49	1,009.49
Per Capita Surplus	\$ 842.13	\$ 900.45	\$ 910.17	\$ 871.29	\$ 882.96	\$ 919.80	\$ 986.71	\$ 1,046.74	\$ 1,093.83	\$ 1,190.15	
Buildout Analysis:											
Revenues:											
Revenues	\$ 86,897	\$ 179,267	\$ 270,269	\$ 353,060	\$ 444,062	\$ 538,485	\$ 645,908	\$ 756,753	\$ 867,597	\$ 1,005,126	
Total Revenues	86,897	179,267	270,269	353,060	444,062	538,485	645,908	756,753	867,597	1,005,126	
Expenditures:											
Expenditures at Existing Service Levels	\$ 34,349	\$ 68,697	\$ 103,046	\$ 137,394	\$ 171,743	\$ 204,284	\$ 236,824	\$ 269,365	\$ 301,906	\$ 334,446	
School Capital Debt Service	9,984	19,969	29,953	39,937	49,921	59,380	68,839	78,298	87,757	97,215	
Total Expenditures	\$ 44,333	\$ 88,666	\$ 132,999	\$ 177,331	\$ 221,664	\$ 263,664	\$ 305,663	\$ 347,663	\$ 389,662	\$ 431,662	
Net Surplus at Existing Service Levels	\$ 42,564	\$ 90,601	\$ 137,270	\$ 175,729	\$ 222,398	\$ 274,821	\$ 340,245	\$ 409,090	\$ 477,935	\$ 573,464	
Expenditures at Expanded Service Levels	3,042	6,085	9,127	12,170	15,212	18,094	20,977	23,859	26,741	29,624	
Net Surplus with Expanded Service Levels	\$ 39,521	\$ 84,516	\$ 128,143	\$ 163,559	\$ 207,186	\$ 256,727	\$ 319,268	\$ 385,231	\$ 451,193	\$ 543,841	
Cumulative Net Surplus at Expanded Service Levels - Net Present Value (NPV) with Discount Rate of 6%	\$ 1,710,221										
Expected New Residents	457	47	94	141	188	235	279	324	368	412	457
Public School Students	74	8	8	8	8	8	7	7	7	7	7
Cumulative Public School Students	74	8	15	23	30	38	45	52	60	67	74

TABLE 2

**WILLIAMS POND FISCAL IMPACT STUDY
CHATHAM COUNTY TAX REVENUE**

Residential Property Taxes:

Residential tax base	\$	146,900,000
Tax rate		0.6464%
Collection %		97.78%

Total estimated residential property taxes	\$	<u>928,481</u>
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Motor Vehicle Property Taxes:

Average motor vehicle value per household, based on Federal Reserve Bulletin survey	\$	26,350
# of Households		185
Motor vehicle tax base		<u>4,874,750</u>
Tax rate		0.6464%
Collection %		<u>88.31%</u>

Total estimated motor vehicle property taxes	\$	<u>27,827</u>
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Total Property Tax Revenues	\$	<u>956,308</u>
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Article 39 Sales Tax:

Residential tax base	\$	146,900,000
# of households		185
Average value		<u>794,000</u>
Earnings multiple		2.90
Estimated household earnings	\$	274,000
Estimated % of earnings for Chatham County purchases		5.81%
Estimated Williams Pond/Chatham County purchases	\$	2,945,570
Article 39 Sales Tax Rate		<u>1.00%</u>

Article 39 Sales Tax	\$	<u>29,456</u>
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Note: Qualifying sales tax purchases limited to food, gas and oil, household supplies and incidentals.

Articles 40 and 42 Sales Taxes:

Estimated Williams Pond Population		185
FY04 Per Capita Rate - Table 2A	\$	71.69
	\$	<u>13,262</u>

Article 44 Sales Tax:

Estimated Williams Pond Population		185
FY04 Per Capita Rate - Table 2A	\$	32.97
	\$	<u>6,100</u>

Total Sales Tax Revenues	\$	<u>48,818</u>
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Total Tax Revenues	\$	<u>1,005,126</u>
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TABLE 2A

WILLIAMS POND FISCAL IMPACT STUDY
EXPANDED ANALYSIS OF SALES TAX ALLOCATIONS

Source: NC Department of Revenue Local Government Distributions and Reimbursements:

Chatham County	Article 40 1/2%	Article 42 1/2%	Article 39 1%	Article 44 1/2%	Total	Population
July 2003	\$ 141,567	\$ 140,422	\$ 151,141	\$ 87,659	\$ 520,789	2,267
August 2003	191,192	189,893	225,646	133,624	740,355	2,307
September 2003	199,843	198,694	210,014	131,881	740,432	2,307
October 2003	166,943	165,564	206,496	123,844	662,847	2,307
November 2003	156,932	155,732	221,471	118,358	652,493	2,307
December 2003	171,545	170,063	284,772	139,923	766,303	2,307
January 2004	207,449	206,313	277,099	155,240	846,101	2,307
February 2004	159,383	158,235	215,510	119,588	652,716	2,307
March 2004	158,953	157,570	256,843	126,300	699,666	2,307
April 2004	172,902	171,824	241,606	131,100	717,432	2,307
May 2004	189,081	187,713	298,016	146,246	821,056	2,307
June 2004	197,686	197,686	290,791	155,069	841,232	2,307
	\$ 2,113,476	\$ 2,099,709	\$ 2,879,405	\$ 1,568,832	\$ 8,661,422	
Per Capita	\$ 916.11	\$ 910.15	\$ 680.03	\$ 680.03	\$ 1,826.26	
Total Articles 40 and 42						
North Carolina:						
						Population
July 2003						
Total Distributed Ad Valorem Basis	\$ 11,313,919	\$ 11,127,100	\$ 24,870,979	\$ 8,773,310	\$ 56,085,308	
Total Distributed Per Capita Basis	15,248,288	15,031,748	28,253,007	11,524,904	70,057,947	6,747,021
Total Distributed For Both	\$ 26,562,207	\$ 26,158,848	\$ 53,123,986	\$ 20,298,214	\$ 126,143,255	
August 2003						
Total Distributed Ad Valorem Basis	\$ 15,048,766	\$ 14,852,293	\$ 34,718,334	\$ 14,768,795	\$ 79,388,188	
Total Distributed Per Capita Basis	20,253,382	20,046,497	35,885,674	17,342,468	93,528,021	6,881,322
Total Distributed For Both	\$ 35,302,148	\$ 34,898,790	\$ 70,604,008	\$ 32,111,263	\$ 172,916,209	
September 2003						
Total Distributed Ad Valorem Basis	\$ 15,729,672	\$ 15,537,686	\$ 35,354,908	\$ 14,959,163	\$ 81,581,429	
Total Distributed Per Capita Basis	21,156,953	20,945,580	38,418,119	17,751,638	98,272,290	6,876,219
Total Distributed For Both	\$ 36,886,625	\$ 36,483,266	\$ 73,773,027	\$ 32,710,801	\$ 179,853,719	
October 2003						
Total Distributed Ad Valorem Basis	\$ 13,140,145	\$ 12,945,126	\$ 30,116,427	\$ 13,388,170	\$ 69,589,868	
Total Distributed Per Capita Basis	17,673,950	17,465,611	31,525,952	15,695,337	82,360,850	6,876,219
Total Distributed For Both	\$ 30,814,095	\$ 30,410,737	\$ 61,642,379	\$ 29,083,507	\$ 151,950,718	
November 2003						
Total Distributed Ad Valorem Basis	\$ 12,352,137	\$ 12,137,294	\$ 36,989,505	\$ 13,708,699	\$ 75,187,635	
Total Distributed Per Capita Basis	16,614,051	16,425,535	33,783,925	14,967,521	81,791,032	6,876,219
Total Distributed For Both	\$ 28,966,188	\$ 28,562,829	\$ 70,773,430	\$ 28,676,220	\$ 156,978,667	
December 2003						
Total Distributed Ad Valorem Basis	\$ 13,502,382	\$ 13,309,344	\$ 36,628,241	\$ 14,356,030	\$ 77,795,997	
Total Distributed Per Capita Basis	18,161,171	17,950,737	40,028,407	17,206,877	93,347,192	6,876,219
Total Distributed For Both	\$ 31,663,553	\$ 31,260,081	\$ 76,656,648	\$ 31,562,907	\$ 171,143,189	
January 2004						
Total Distributed Ad Valorem Basis	\$ 16,328,361	\$ 16,133,272	\$ 44,569,300	\$ 17,490,835	\$ 94,521,768	
Total Distributed Per Capita Basis	21,962,210	21,753,827	47,460,405	20,687,697	111,864,139	6,876,219
Total Distributed For Both	\$ 38,290,571	\$ 37,887,099	\$ 92,029,705	\$ 38,178,532	\$ 206,385,907	
February 2004						
Total Distributed Ad Valorem Basis	\$ 12,545,110	\$ 12,351,184	\$ 34,296,096	\$ 13,412,754	\$ 72,605,144	
Total Distributed Per Capita Basis	16,873,607	16,664,060	36,748,211	15,919,640	86,205,518	6,876,219
Total Distributed For Both	\$ 29,418,717	\$ 29,015,244	\$ 71,044,307	\$ 29,332,394	\$ 158,810,662	
March 2004						
Total Distributed Ad Valorem Basis	\$ 12,511,230	\$ 12,320,796	\$ 34,419,409	\$ 13,416,933	\$ 72,668,368	
Total Distributed Per Capita Basis	16,828,038	16,615,001	38,255,727	16,051,557	87,750,323	6,876,219
Total Distributed For Both	\$ 29,339,268	\$ 28,935,797	\$ 72,675,136	\$ 29,468,490	\$ 160,418,691	
April 2004						
Total Distributed Ad Valorem Basis	\$ 13,609,164	\$ 13,417,499	\$ 38,796,077	\$ 14,565,906	\$ 80,388,646	
Total Distributed Per Capita Basis	18,304,797	18,092,990	42,865,978	17,377,081	96,640,846	6,876,219
Total Distributed For Both	\$ 31,913,961	\$ 31,510,489	\$ 81,662,055	\$ 31,942,987	\$ 177,029,492	
May 2004						
Total Distributed Ad Valorem Basis	\$ 15,691,609	\$ 15,482,526	\$ 43,985,521	\$ 16,827,973	\$ 91,987,629	
Total Distributed Per Capita Basis	19,208,691	19,014,302	41,639,963	17,629,568	97,492,524	6,576,200
Total Distributed For Both	\$ 34,900,300	\$ 34,496,828	\$ 85,625,484	\$ 34,457,541	\$ 189,480,153	
June 2004						
Total Distributed Ad Valorem Basis	\$ 16,405,688	\$ 16,405,688	\$ 44,080,411	\$ 17,339,176	\$ 94,230,963	
Total Distributed Per Capita Basis	20,082,822	20,082,822	45,325,030	19,109,170	104,599,844	6,576,200
Total Distributed For Both	\$ 36,488,510	\$ 36,488,510	\$ 89,405,441	\$ 36,448,346	\$ 198,830,807	
Total	\$ 238,773,648	\$ 236,494,398	\$ 589,405,441	\$ 218,602,634	\$ 1,283,276,120	
Per Capita	\$ 34.72	\$ 34.39	\$ 85.39	\$ 31.79	\$ 186.29	
Total Articles 40 and 42 Per Capita					\$ 69.12	
State of North Carolina Population 6,576,200						
Williams Pond Population 457						
Chatham County Population Before Williams Pond:						
Chatham County	52,582					
Cary	35					
Goldston	331					
Pittsboro	2,307	\$ 1,909,187	\$ 1,890,963	\$ 1,747,904	\$ 5,548,053	
Siler City	7,407					
Total	62,662					
Chatham County Population After Williams Pond:						
Chatham County	53,039					
Cary	35					
Goldston	331					
Pittsboro	2,307	\$ 1,925,645	\$ 1,907,263	\$ 1,762,971	\$ 5,595,878	
Siler City	7,407					
Total	63,119					
Net Difference, Sales Tax Attributable to Williams Pond	\$ 16,457	\$ 16,300	\$ 15,067	\$ 47,825		
Sales Tax Per Capita - Williams Pond Allocation	\$ 36.02	\$ 35.67	\$ 32.97			

EXPENDITURE IMPACTS

Along with the substantial revenue impacts generated by Williams Pond, there will be increased demands on the County and the School Board to meet the needs of the residents of the development. This section of the report describes Williams Pond impacts on the expenditures required of Chatham County government to meet those needs.

In general, the expenditure analysis assumes the existing levels of service currently provided by Chatham County will be provided to all Williams Pond citizens. In discussions with County staff and officials, it was deemed appropriate to evaluate impacts on certain County expenditures and departments on a marginal cost basis, including capital as well as operating impacts. The following departments were analyzed using a marginal cost approach:

Public Safety	Human Services
Public Schools - Operating and Capital	North Chatham Fire District
Emergency Medical Services	Water Utility Fund
Capital Improvements Program	

The analysis estimates the additional costs of the services to the County by major department. Table 3 estimates the annual costs at existing service levels to the County by department at Williams Pond's buildout. These estimates are based on a modified marginal cost approach including per capita costs calculated from the County's FY2004-05 budget. Additional detail of the impact on individual departments is provided in Tables 4 – 15A.

EXISTING SERVICE LEVELS

As seen in Table 3, at Williams Pond's buildout it is estimated that the County's cost of providing services will increase by approximately \$334,000 per year. Major components of this increase include additional Human Services costs of \$43,000, and additional Public Safety costs of \$60,500 which are primarily due to the demands on emergency medical services (EMS) and the Sheriff's department.

EXPANDED SERVICE LEVELS

In an effort to provide additional information for the County, this analysis also estimates the costs to the County if the County were to increase the level of services to residents in Chatham County above those supported in the 2004-05 Budget. The County may need or want to increase the level of service of various departments. In an effort to anticipate some of the additional costs if the County decided to raise the level of service to all County residents, we estimated the cost of increasing the level of service in the Public Safety department and implementing the County's Capital Improvements Program (CIP). Section 8 provides a description of these increased service levels.

The costs of these expanded levels of service are shown in Table 10. The total annual costs of these expanded service levels are estimated to be \$19,000 more than those estimated at the existing level of service. These cost increases are primarily associated with an expansion in emergency medical services (Table 9A) and public safety (Table 9B).

CHATHAM COUNTY'S CAPITAL IMPROVEMENT PROGRAM (CIP)

In addition to the potential impact of the County choosing to increase the level of services countywide, the County is also considering a Capital Improvements Program that includes approximately \$22 million in new projects. The proposed 2005-2009 CIP is provided in Table 11 and outlines the projects to be funded. County officials have estimated that recreation exaction fees for the Williams Pond project will be \$148,000. After applying appropriate exaction fee credits against the CIP projects, annual CIP expenditures of about \$10,500 are allocable to Williams Pond residents at buildout (Table 11).

However as seen in Table 10, even at these expanded levels of service and including the County CIP, the net fiscal surplus to Chatham County at Williams Pond's buildout is substantial. At buildout, the County is expected to receive a net surplus above costs of approximately \$544,000 per year.

TABLE 3

**WILLIAMS POND FISCAL IMPACT STUDY
CHATHAM COUNTY ANNUAL FISCAL IMPACT - AT BUILDOUT
AT EXISTING SERVICE LEVELS**

Incremental Tax Revenues:

Property Taxes

Residential	\$ 928,481	
Motor Vehicle	27,827	
Total Property Taxes	<u> </u>	\$ 956,308

Sales Taxes

Article 39	\$ 29,456	
Articles 40 and 42	13,262	
Article 44	6,100	
Total Sales Taxes	<u> </u>	48,818

Total Incremental Tax Revenues **\$ 1,005,126**

Incremental Expenditures at Existing Service Levels:

Chatham County Government

Administration	\$ 32,075	
Education, Culture, and Recreation (excluding schools)	14,554	
General Government	9,754	
Human Services	42,678	
Natural Resource Management	7,972	
Public Safety	60,509	
	<u> </u>	

Total Chatham County Government Incremental Expenditures \$ 167,543

Chatham County Schools Operating Costs 166,903

Total Incremental Expenditures at Existing Service Levels **334,446**

Incremental Capital Costs:

Chatham County Schools - Annual Debt Service

School Facilities	93,459	
School Transportation	3,756	
	<u> </u>	<u>97,215</u>

Incremental Surplus at Existing Service Levels **\$ 573,465**

TABLE 4

WILLIAMS POND FISCAL IMPACT STUDY
 ANALYSIS OF CHATHAM COUNTY FY05 BUDGET
 ADMINISTRATION SUMMARY

	Buildings & Grounds	County Attorney	County Manager	Court Facilities	Finance Office	Fleet Management	General Services	Information Technology	Total
Expenditures:									
Salaries	\$ 207,382	\$ -	\$ 243,966	\$ -	\$ 320,892	\$ 59,482	\$ -	\$ 307,140	\$ 1,138,862
Other personnel costs	104,966	-	67,045	-	96,906	24,296	-	92,941	386,154
Operating	712,820	62,500	56,642	57,500	109,268	27,607	321,762	174,367	1,522,466
Public assistance, grants, and special programs	-	-	-	-	-	-	13,500	-	13,500
Debt	122,029	-	-	-	-	-	-	-	122,029
Transfers	-	-	-	-	-	-	500,000	-	500,000
Capital outlay	-	-	-	-	65,000	141,995	146,000	10,000	362,995
Total expenditures	\$ 1,147,197	\$ 62,500	\$ 367,653	\$ 57,500	\$ 592,066	\$ 253,380	\$ 981,262	\$ 584,448	\$ 4,046,006
Revenues:									
Fees and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	-	-
Sales & service	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Fund balance	-	-	-	-	-	-	-	-	-
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net cost - excluding sales and property taxes	\$ 1,147,197	\$ 62,500	\$ 367,653	\$ 57,500	\$ 592,066	\$ 253,380	\$ 981,262	\$ 584,448	\$ 4,046,006
FTE's	8.00	-	4.00	-	7.00	2.00	-	7.00	28.00
Chatham County Populatio	57,640	57,640	57,640	57,640	57,640	57,640	57,640	57,640	57,640
Chatham County Per Capita Net Cost	\$ 19.90	\$ 1.08	\$ 6.38	\$ 1.00	\$ 10.27	\$ 4.40	\$ 17.02	\$ 10.14	\$ 70.19
Estimated Marginal County Costs for Williams Pond:									
Estimated Williams Pond Populatio	457	457	457	457	457	457	457	457	457
Marginal Operating Costs	\$ 9,095	\$ 495	\$ 2,915	\$ 456	\$ 4,694	\$ 2,009	\$ 7,779	\$ 4,633	\$ 32,075
Additional FTE's Anticipated	0.06	-	0.03	-	0.06	0.02	-	0.06	0.22
Total Anticipated FTE's	8.06	-	4.03	-	7.06	2.02	-	7.06	28.22

FTE = Full-time equivalent personnel

TABLE 5

WILLIAMS POND FISCAL IMPACT STUDY
ANALYSIS OF CHATHAM COUNTY FY05 BUDGET
EDUCATION, CULTURE AND RECREATION SUMMARY

	Central Carolina Comm. Coll.	Chatham County Schools	Cooperative Extension Service	Library	Recreation Department	Total	Total Excluding Schools
Expenditures:							
Salaries	\$ -	\$ -	\$ -	\$ 291,056	\$ 91,933	\$ 382,989	\$ 382,989
Other personnel costs	-	-	-	117,316	61,357	178,673	178,673
Operating	314,124	17,972,623	259,257	336,558	40,842	18,923,404	950,781
Public assistance, grants, and special programs	48,620	2,740,148	3,600	4,000	135,928	2,932,296	192,148
Debt	73,913	-	-	-	-	73,913	73,913
Transfers	-	-	-	-	-	-	-
Capital outlay	200,000	-	-	1,000	-	201,000	201,000
Total expenditures	\$ 636,657	\$ 20,712,771	\$ 262,857	\$ 749,930	\$ 330,060	\$ 22,692,275	\$ 1,979,504
Revenues:							
Fees and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants	-	-	-	134,000	-	134,000	134,000
Interest	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-
Sales & service	-	-	-	20,000	31,000	51,000	51,000
Transfers	-	504,172	-	-	-	504,172	-
Fund balance	-	-	-	-	-	-	-
Total revenues	\$ -	\$ 504,172	\$ -	\$ 154,000	\$ 31,000	\$ 689,172	\$ 185,000
Net cost - excluding sales and property taxes	\$ 636,657	\$ 20,208,599	\$ 262,857	\$ 595,930	\$ 299,060	\$ 22,003,103	\$ 1,794,504
FTE's	-	-	-	9.00	2.50	11.50	11.50
Chatham County Population	57,640	57,640	57,640	57,640	57,640	57,640	57,640
Less Siler City, provides recreation services					(7,002)		
Adjusted Population					50,638		
Chatham County Per Capita Net Cost	\$ 11.05	\$ 350.60	\$ 4.56	\$ 10.34	\$ 5.91	\$ 382.45	\$ 31.85
Estimated Marginal County Costs for Williams Pond:							
Estimated Williams Pond Population	457	457	457	457	457	457	457
Marginal Operating Costs	\$ 5,047	\$ 160,207	\$ 2,084	\$ 4,724	\$ 2,699	\$ 174,761	\$ 14,554
Additional FTE's Anticipated	-	-	-	0.07	0.02	0.09	0.09
Total Anticipated FTE's	-	-	-	9.07	2.52	11.59	11.59

FTE = Full-time equivalent personnel

Chatham County Schools Fund Balance Transfers:

According to the FY05 Budget, the Board of Commissioners approved \$761,009 in additional funding over the recommended budget. \$322,465 for mobile classrooms is funded through a transfer from Impact Fee Reserve. \$256,837 is a one-time special appropriation funded by unanticipated State school capital funding in FY04, and \$181,707 one-time special appropriation funded through a transfer from School Capital Reserve for a net cost of \$256,837.

TABLE 6

WILLIAMS POND FISCAL IMPACT STUDY
ANALYSIS OF CHATHAM COUNTY FY05 BUDGET
GENERAL GOVERNMENT SUMMARY

	Elections	Governing Board	Register of Deeds	Tax Administration	Tax - Land Records	Tax - Revaluation	Total
Expenditures:							
Salaries	\$ 68,852	\$ 141,793	\$ 201,954	\$ 292,292	\$ 66,699	\$ 133,147	\$ 904,737
Other personnel costs	55,122	81,842	90,433	98,841	23,368	59,383	408,989
Operating	111,936	79,898	124,476	182,450	9,747	129,964	638,471
Public assistance, grants, and special programs	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Capital outlay	4,680	-	-	-	-	-	4,680
Total expenditures	\$ 240,590	\$ 303,533	\$ 416,863	\$ 573,583	\$ 99,814	\$ 322,494	\$ 1,956,877
Revenues:							
Fees and permits	\$ -	\$ -	\$ 365,000	\$ -	\$ -	\$ -	\$ 365,000
Grants	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Miscellaneous	-	-	350,000	(10,000)	-	-	340,000
Other taxes	-	-	-	-	-	-	-
Sales & service	-	-	-	21,500	-	-	21,500
Transfers	-	-	-	-	-	-	-
Fund balance	-	-	-	-	-	-	-
Total revenues	\$ -	\$ -	\$ 715,000	\$ 11,500	\$ -	\$ -	\$ 726,500
Net cost - excluding sales and property taxes	\$ 240,590	\$ 303,533	\$ (298,137)	\$ 562,083	\$ 99,814	\$ 322,494	\$ 1,230,377
FTE's	2.00	7.00	6.00	8.00	2.00	4.00	29.00
Chatham County Population	57,640	57,640	57,640	57,640	57,640	57,640	57,640
Chatham County Per Capita Net Cost	\$ 4.17	\$ 5.27	\$ (5.17)	\$ 9.75	\$ 1.73	\$ 5.59	\$ 21.35
Estimated Marginal County Costs for Williams Pond:							
Estimated Williams Pond Population	457	457	457	457	457	457	457
Marginal Operating Costs	\$ 1,907	\$ 2,406	\$ (2,364)	\$ 4,456	\$ 791	\$ 2,557	\$ 9,754
Additional FTE's Anticipated	0.02	0.06	0.05	0.06	0.02	0.03	0.23
Total Anticipated FTE's	2.02	7.06	6.05	8.06	2.02	4.03	29.23

FTE = Full-time equivalent personnel

TABLE 7

**WILLIAMS POND FISCAL IMPACT STUDY
ANALYSIS OF CHATHAM COUNTY FY05 BUDGET
HUMAN SERVICES SUMMARY**

	Council on Aging	Health Administration	Health - Comm. Promotion and Advocacy	Family Resource Center	Family Outreach Support	Health Preparedness & Surveillance	Health Preventive Services	Human Service Agencies	OPC Mental Health Area Program	Social Services	Total
Expenditures:											
Salaries	\$ 91,259	\$ 188,297	\$ 453,092	\$ 46,533	\$ 475,812	\$ 261,100	\$ 941,613	\$ -	\$ -	\$ 2,380,259	\$ 4,837,965
Other personnel costs	27,638	56,374	149,727	14,008	165,484	87,456	331,741	-	-	834,941	1,667,369
Operating	472,553	49,283	45,235	3,500	31,630	15,999	413,039	251,562	518,554	593,851	2,395,206
Public assistance, grants and special programs	-	-	187,525	-	50,094	55,088	14,437	-	-	5,358,665	5,665,809
Debt	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	12,400	-	-	-	12,400
Total expenditures	\$ 591,450	\$ 293,954	\$ 835,579	\$ 64,041	\$ 723,020	\$ 419,643	\$ 1,713,230	\$ 251,562	\$ 518,554	\$ 9,167,716	\$ 14,578,749
Revenues:											
Fees and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants	-	17,708	-	-	290,359	107,111	285,673	-	8,000	4,486,187	5,195,038
Interest	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	449,374	-	-	-	-	-	-	-	449,374
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	-	-	-	-
Sales & service	-	-	20,300	-	243,450	3,000	510,960	-	-	20,000	797,710
Transfers	-	-	-	-	-	-	-	-	-	-	-
Fund balance	-	-	-	-	-	-	-	-	-	-	-
Total revenues	\$ -	\$ 17,708	\$ 469,674	\$ -	\$ 533,809	\$ 110,111	\$ 796,633	\$ -	\$ 8,000	\$ 4,506,187	\$ 6,442,122
Net cost - excluding sales and property taxes	\$ 591,450	\$ 276,246	\$ 365,905	\$ 64,041	\$ 189,211	\$ 309,532	\$ 916,597	\$ 251,562	\$ 510,554	\$ 4,661,529	\$ 8,136,627
FTE's	2.00	4.00	13.35	1.00	14.15	5.75	26.80	-	-	67.25	134.30
Net Chatham County Non-Income Dependent Programs, per Chatham County officials	\$ 591,450	\$ 276,246	\$ 365,905	\$ 64,041	\$ 189,211	\$ 309,532	\$ 916,597	\$ 251,562	\$ 510,554	\$ 1,908,340	\$ 5,383,438
Chatham County Population	57,640	57,640	57,640	57,640	57,640	57,640	57,640	57,640	57,640	57,640	57,640
Chatham County Per Capita Net Cost	\$ 10.26	\$ 4.79	\$ 6.35	\$ 1.11	\$ 3.28	\$ 5.37	\$ 15.90	\$ 4.36	\$ 8.86	\$ 33.11	\$ 93.40
FTE's - Non-Income Dependent Programs	2.00	4.00	13.35	1.00	14.15	5.75	26.80	-	-	27.53	94.58
Estimated Marginal County Costs for Williams Pond:											
Estimated Williams Pond Population	457	457	457	457	457	457	457	457	457	457	457
Marginal Operating Costs	\$ 4,689	\$ 2,190	\$ 2,901	\$ 508	\$ 1,500	\$ 2,454	\$ 7,266	\$ 1,994	\$ 4,048	\$ 15,129	\$ 42,678
Additional FTE's Anticipated	0.02	0.03	0.11	0.01	0.11	0.05	0.21	-	-	0.22	0.75
Total Anticipated FTE's	2.02	4.03	13.46	1.01	14.26	5.80	27.01	-	-	67.47	135.05

FTE = Full-time equivalent personnel

TABLE 8

WILLIAMS POND FISCAL IMPACT STUDY
ANALYSIS OF CHATHAM COUNTY FY05 BUDGET
NATURAL RESOURCE MANAGEMENT SUMMARY

	Central Permitting	Economic Development	Environmental Health	Inspections	Planning Department	Pittsboro- Siler City CVB	Public Works Transfers	Sedimentation & Erosion Control	Soil & Water Conservation District	Total
Expenditures:										
Salaries	\$ 143,489	\$ -	\$ 536,189	\$ 355,288	\$ 216,247	\$ 47,584	\$ -	\$ 37,172	\$ 119,042	\$ 1,455,011
Other personnel costs	49,264	164,891	168,763	114,616	69,012	14,130	-	12,322	39,682	632,680
Operating	35,275	-	69,605	61,985	32,816	24,662	-	11,075	16,347	251,765
Public assistance, grants and special programs	-	-	2,000	-	-	-	-	-	-	2,000
Debt	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	500,000	-	-	500,000
** Transfers excluded per Chatham County, no marginal costs anticipated	-	-	-	-	-	-	(500,000)	-	-	(500,000)
Capital outlay	-	-	20,000	40,800	-	-	-	14,000	-	74,800
Total expenditures	\$ 228,028	\$ 164,891	\$ 796,557	\$ 572,689	\$ 318,075	\$ 86,376	\$ -	\$ 74,569	\$ 175,071	\$ 2,416,256
Revenues:										
Fees and permits	\$ -	\$ -	\$ -	\$ 800,878	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 800,878
Grants	-	-	8,250	-	-	-	-	29,826	37,000	75,076
Interest	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	1,500	1,500
Other taxes	-	-	-	-	-	86,377	-	-	-	86,377
Sales & service	-	-	356,840	-	45,000	-	-	44,743	200	446,783
Transfers	-	-	-	-	-	-	-	-	-	-
Fund balance	-	-	-	-	-	-	-	-	-	-
Total revenues	\$ -	\$ -	\$ 365,090	\$ 800,878	\$ 45,000	\$ 86,377	\$ -	\$ 74,569	\$ 38,700	\$ 1,410,614
Net cost - excluding sales and property taxes	\$ 228,028	\$ 164,891	\$ 431,467	\$ (228,189)	\$ 273,075	\$ (1)	\$ -	\$ -	\$ 136,371	\$ 1,005,642
FTE's	4.00	-	13.00	8.00	5.00	1.00	-	1.00	3.00	35.00
Chatham County Population	57,640	57,640	57,640	57,640	57,640	57,640	57,640	57,640	57,640	57,640
Chatham County Per Capita Net Cost	\$ 3.96	\$ 2.86	\$ 7.49	\$ (3.96)	\$ 4.74	\$ (0.00)	\$ -	\$ -	\$ 2.37	\$ 17.45
Estimated Marginal County Costs for Williams Pond:										
Estimated Williams Pond Population	457	457	457	457	457	457	457	457	457	457
Marginal Operating Costs	\$ 1,808	\$ 1,307	\$ 3,421	\$ (1,809)	\$ 2,165	\$ (0)	\$ -	\$ -	\$ 1,081	\$ 7,972
Additional FTE's Anticipated	0.03	-	0.10	0.06	0.04	0.01	-	0.01	0.02	0.28
Total Anticipated FTE's	4.03	-	13.10	8.06	5.04	1.01	-	1.01	3.02	35.28

FTE = Full-time equivalent personnel

TABLE 9

WILLIAMS POND FISCAL IMPACT STUDY
ANALYSIS OF CHATHAM COUNTY FY05 BUDGET
PUBLIC SAFETY SUMMARY

	Court- Related Programs	EMS	Emergency Operations	Emergency Telecom	Fire Marshal	Animal Control	Sheriff's Office	Sheriff - Jail	Total
Expenditures:									
Salaries	\$ 167,372	\$ -	\$ 116,381	\$ 388,221	\$ 133,376	\$ 175,307	\$ 2,103,890	\$ 433,064	\$ 3,517,611
Other personnel costs	48,551	-	38,759	278,378	48,746	86,070	860,880	202,597	1,563,981
Operating	201,149	1,439,318	199,923	102,496	19,535	66,958	474,062	203,902	2,707,343
Public assistance, grants and special programs	74,679	-	28,000	-	-	-	-	-	102,679
Debt	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	45,418	23,500	290,000	-	358,918
Total expenditures	\$ 491,751	\$ 1,439,318	\$ 383,063	\$ 769,095	\$ 247,075	\$ 351,835	\$ 3,728,832	\$ 839,563	\$ 8,250,532
Revenues:									
Fees and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,000	\$ -	\$ 9,000
Grants	321,313	-	44,912	-	-	1,800	120,404	30,020	518,449
Interest	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	-	-
Sales & service	-	-	-	-	45,000	28,500	13,900	3,000	90,400
Transfers	-	-	-	-	-	-	-	-	-
Fund balance	-	-	-	-	-	-	-	-	-
Total revenues	\$ 321,313	\$ -	\$ 44,912	\$ -	\$ 45,000	\$ 30,300	\$ 143,304	\$ 33,020	\$ 617,849
Net cost - excluding sales and property taxes	\$ 170,438	\$ 1,439,318	\$ 338,151	\$ 769,095	\$ 202,075	\$ 321,535	\$ 3,585,528	\$ 806,543	\$ 7,632,683
FTE's	5.25	-	3.00	12.00	3.00	6.00	62.00	16.00	107.25
Chatham County Population	57,640	57,640	57,640	57,640	57,640	57,640	57,640	57,640	57,640
Chatham County Per Capita Net Cost	\$ 2.96	\$ 24.97	\$ 5.87	\$ 13.34	\$ 3.51	\$ 5.58	\$ 62.21	\$ 13.99	\$ 132.42
Estimated Marginal County Costs for Williams Pond:									
Estimated Williams Pond Population	457	457	457	457	457	457	457	457	457
Marginal Operating Costs	\$ 1,351	\$ 11,410	\$ 2,681	\$ 6,097	\$ 1,602	\$ 2,549	\$ 28,425	\$ 6,394	\$ 60,509
Adjusted Marginal Costs	\$ 1,351	\$ 11,410	\$ 2,681	\$ 6,097	\$ 1,602	\$ 2,549	\$ 28,425	\$ 6,394	\$ 60,509
Additional FTE's Anticipated	0.04	-	0.02	0.10	0.02	0.05	0.49	0.13	0.85
Total Antipated FTE's	5.29	-	3.02	12.10	3.02	6.05	62.49	16.13	108.10
FTE = Full-time equivalent personnel									

TABLE 9A

**WILLIAMS POND FICAL IMPACT STUDY
ANALYSIS OF CHATHAM COUNTY FY05 BUDGET
EXPANDED ANALYSIS OF EMS**

Assumptions:

Estimated cost of new EMS Base	\$ 275,000	Financing Terms:	
Annual Debt Service for EMS Base	\$ 62,275	Interest Rate	5.00%
Population Served	10,000		
Debt Service Allocation to Williams Pond	\$ 2,846		
Annual operating cost of EMS Unit	\$ 192,000	Term - in years	5
# of Units Needed	2		
Total EMS Units Annual Operating Cost	\$ 384,000		
Population Served	10,000		
Annual EMS Units Operating Cost Allocated to Williams Pond	\$ 17,547		

**EMS
Operating**

Expenditures:

Salaries	
Other personnel costs	\$ -
Operating	-
Public assistance	1,439,318
Debt	-
Transfers	-
Capital outlay	-
	-
Total expenditures	<u> </u>

\$ 1,439,318

Revenues:

Fees and permits	
Grants	\$ -
Interest	-
Intergovernmental	-
Miscellaneous	-
Other taxes	-
Sales & service	-
Transfers	-
Fund balance	-
	-
Total revenues	<u> </u>

\$ -

Net cost - excluding sales and property taxes

\$ 1,439,318

Estimated Costs Assuming Per Capita Approach:

Chatham County Population:	57,640
Chatham County Per Capita Net Cost	\$ 24.97
Estimated Marginal County Costs for Williams Pond:	
Estimated Williams Pond Population:	457
Marginal Operating Costs	<u><u>\$ 11,410</u></u>

Estimated Costs Assuming Increased Levels of Service:

Per Capita Allocation of Transfer to Capital Reserve	\$ -
Annual debt service for new EMS base	2,846
Annual operating costs of new EMS unit:	<u>17,547</u>
Total Anticipated Costs	<u><u>\$ 20,393</u></u>
Additional Annual Costs Related to Increased Levels of Service	<u><u>\$ 8,982</u></u>

TABLE 9B

**WILLIAMS POND FICAL IMPACT STUDY
ANALYSIS OF CHATHAM COUNTY FY05 BUDGET
EXPANDED PUBLIC SAFETY ANALYSIS**

FY05 Departmental Budget - Net Costs:	FY05 Requested	FY05 Approved
Central Permitting - Fire Marshal	\$ 261,848	\$ 202,075
Health - Animal Control	349,435	321,535
Sheriff's Department - Law Enforcement	4,683,105	3,585,528
Sheriff's Department - Jail	<u>905,657</u>	<u>806,543</u>
Total	<u>\$ 6,200,045</u>	<u>\$ 4,915,681</u>
Chatham County Population	57,640	57,640
Chatham County Per Capita Net Cost	\$ 107.57	\$ 85.28
Estimated Marginal County Costs for Williams Pond - Expanded Services:		
Estimated Williams Pond Population	457	457
Marginal Operating Costs - Expanded Services	<u>\$ 49,152</u>	<u>\$ 38,970</u>
Expanded Service Cost Differential Allocated to Williams Pond	<u>\$ 10,182</u>	

TABLE 10

**WILLIAMS POND FISCAL IMPACT STUDY
CHATHAM COUNTY ANNUAL FISCAL IMPACT - AT BUILDOUT
AT EXPANDED SERVICE LEVELS**

Incremental Tax Revenues:		
Property Taxes		
Residential	\$ 928,481	
Motor Vehicle	27,827	
Total Property Taxes	<u>956,308</u>	\$ 956,308
Sales Taxes		
Article 39	\$ 29,456	
Articles 40 and 42	13,262	
Article 44	6,100	
Total Sales Taxes	<u>48,818</u>	
Total Incremental Tax Revenues		\$ 1,005,126
 Incremental Expenditures at Existing Service Levels:		
Chatham County Government		
Administration	\$ 32,075	
Education, Culture, and Recreation (excluding schools)	14,554	
General Government	9,754	
Human Services	42,678	
Natural Resource Management	7,972	
Public Safety	60,509	
Total Chatham County Government Incremental Expenditures	<u>167,543</u>	\$ 167,543
Chatham County Schools Operating Costs		<u>166,903</u>
Total Incremental Expenditures at Existing Service Levels		334,446
 Incremental Capital Costs:		
Chatham County Schools - Annual Debt Service		
School Facilities	93,459	
School Transportation	3,756	
	<u>97,215</u>	97,215
Incremental Surplus at Existing Service Levels		\$ 573,465
 Expanded Service Level Expenditures:		
Public Safety:		
Emergency Medical Services	\$ 8,982	
Public Safety	10,182	
Total Public Safety	<u>19,164</u>	\$ 19,164
Contribution to Countywide CIP Program:	<u>10,460</u>	\$ 10,460
Total Expanded Service Level Expenditures		29,624
 Annual Incremental Surplus at Expanded Service Levels		 \$ 543,841

TABLE 11

**WILLIAMS POND FISCAL IMPACT STUDY
CHATHAM COUNTY 2005 - 2009 CAPITAL IMPROVEMENTS PROGRAM**

Project:	Project Cost	FY05 to FY09 Operating Revenue Funding	Projected Debt	Annual Debt Service	Increased (Decreased) Costs	Increased (Decreased) Operating Costs	Annual Operating Impact
Judicial Center	\$ 8,150,000	\$ -	\$ 8,150,000	\$ 896,333	\$ (14,400)	\$ 108,160	\$ 93,760
American Tobacco Trail	1,200,000	200,000	-	-	-	-	-
Bells Landing Park	231,250	125,000	-	-	-	43,264	43,264
Community College Renovations **	551,903	551,903	-	-	-	6,000	6,000
Community Park - Southwest	575,566	325,566	-	-	-	46,800	46,800
Community Parks System - Countywide	1,040,000	540,000	-	-	-	60,000	60,000
Evidence Room	150,000	150,000	-	-	-	1,000	1,000
Imaging	500,000	500,000	-	-	42,000	100,000	142,000
Northeast Library - 23,000 sq ft facility	4,240,417	-	4,240,417	593,658	-	750,000	750,000
Social Services Building Renovation and Expansion	2,846,480	40,000	2,806,480	392,910	-	50,000	50,000
Telephone System Replacement	240,000	-	240,000	-	-	40,000	40,000
Voice-activated Software for Central Permitting	40,000	400,000	-	-	-	4,000	4,000
Voting Machines	525,000	-	525,000	110,250	(9,500)	-	(9,500)
West Chatham Senior Center	2,050,000	-	1,000,000	135,000	-	-	-
	\$ 22,340,616	\$ 2,832,469	\$ 16,961,897	\$ 2,128,151	\$ 18,100	\$ 1,209,224	\$ 1,227,324
Capital Cost Allocation to Williams Pond	\$ 175,716						
Less Recreation Exaction Fee - see below	(148,000)						
Net Capital Cost Allocated to Williams Pond	<u>\$ 27,716</u>						
Estimated Annual Debt Service	\$ 3,528						
Less Williams Pond Allocation of FY05 Budgeted CIP Funding	(2,721)						
Additional Annual Funding by Williams Pond	<u>\$ 806</u>						
			Chatham County Population, including Williams Pond				58,097
			Per Capita Allocation				\$ 21.13
			CIP Operating Costs Allocable to Williams Pond				9,653
			Plus Calculated Additional Annual Funding				806
			Williams Pond Annual CIP Cost Allocation				\$ 10,460

Debt Service Assumptions per Chatham County Management:

Voting Machines - 5% interest, 5-year term, lease/lease purchase
 Social Service Building Expansion - 5% interest, 10-year term, installment purchase
 Senior Center and Northeast Library - 5% interest, 10-year term, GO Bond or installment purchase
 Judicial Center - 5% interest, 15 year term, installment purchase

Recreation Exaction Fees:

Recreation Exaction Fee per lot	\$ 800
Total number of lots	185
Total Recreation Exaction Fees	\$ 148,000

FY 08-09 Operating Effect information was used to estimate annual impact

** Cost reduced by projected \$420,000 grant

TABLE 12

**WILLIAMS POND FISCAL IMPACT STUDY
CHATHAM COUNTY POPULATION AND HOUSEHOLD ESTIMATES**

Chatham County Population as Reported to N. C. State Treasurer:

As of July 1	Reported Population	Annual Change	%	Cumulative Change	%	# of Units	
1997	45,130						
1998	45,938	808	1.79%	808	1.79%		
1999	47,264	1,326	2.89%	2,134	4.73%		
2000	49,588	2,324	4.92%	4,458	9.88%	19,741	U. S. Census
2001	50,954	1,366	2.75%	5,824	12.90%	20,285	Estimated
2002	52,582	1,628	3.20%	7,452	16.51%	20,933	Estimated
Average growth during period		1,490	3.11%				

Projected Population Based on Growth Trend Over the Last Five Years:

				# of Units	
2003	54,217	1,635	3.11%	21,584	Estimated
2004	55,902	1,685	3.11%	22,255	Estimated
2005	57,640	1,738	3.11%	22,946	Estimated

U. S. Census Bureau:

Population 2000	49,329
2001 Estimate	51,645
Percentage Change	4.70%

Northwood School District

Per 1999 Master Plan Study:		23,300
Estimated	2000	24,024
Using	2001	24,771
Percentage	2002	25,541
Calculated	2003	26,335
Above	2004	27,154
	2005	27,998

5. FISCAL IMPACTS ON THE CHATHAM COUNTY SCHOOLS

Estimates of the increased costs incurred by the Chatham County Board of Education from Williams Pond for operations and capital needs are described in this section. These costs are based on the School District's FY 2004-05 Budget and the projections of capital costs. The costs to the District will primarily be driven by the number of students generated by the new residents of Williams Pond.

A critical assumption in the analysis is the estimate of the Student Generation Rate (SGR). In 1996, the County contracted with Tischler & Associates, Inc. (TA) to provide analysis of the impacts on schools in Chatham County. TA's report estimates student generation rates (SGR) for various types of housing and provides the County with an estimate of the appropriate impact fees necessary to offset the costs of new residents to the school system.

TA's 1996 report uses data from the 1990 Census. The study incorporates methodologies that are frequently used in the industry. It should be noted that as of the 2000 Census, the average student per housing unit in Chatham County has not changed substantially from that estimated by TA using 1990 data. According to the more recent 2000 Census data, the average SGR for Chatham County was equal to .37. That is on average, there were 37 school-aged children attending public schools in Chatham County for every 100 dwelling units in the County. This rate is very similar to the SGRs estimated by TA in the 1996 report.

The following analysis assumes an SGR of .40 meaning that for every 100 new dwelling units in Williams Pond, there will be 40 more students generated in the School District. This rate is slightly above the rate indicated in the 2000 Census and quite similar to the single-family dwelling unit rate estimated by Tischler & Associates in 1996. The Chatham County School Superintendent also considered a SGR of .40 appropriate. The SGR rate included in this study is further supported by a report published on June 21, 2004 by the Operations Research and Education Laboratory at North Carolina State University entitled *Chatham County School Integrated Planning for School and Community (IPSAC)- Land Use Study*¹. The baseline analysis of this study indicates the current SGR in Chatham County Schools is .322 to .363. Furthermore, the study projects the SGR for proposed subdivisions within the County will range from .2759 to .3232.

The estimated SGR of .40 is also supported by a report, *Student Generation Rate (SGR) Analysis –Estimating Briar Chapel Impacts on Chatham County Schools*², published on June 8, 2004. This study analyzed 2000 Census data at the block group level focusing on the median value of the housing units and the number of school-aged children attending

¹ Operations Research and Education Laboratory Institute for Transportation Research and Education, North Carolina State University, Chatham County Schools Integrated Planning for School and Community Land Use Study Report, June 21, 2004, pages 17 – 21.

² Published by Harry W. Miley, Jr., Ph.D., President of Miley & Associates, Inc. and David J. Cowen, Ph.D., Professor and Chairman of the Department of Geography, University of South Carolina, Columbia, SC, June 8, 2004, pages 7 – 10.

public schools. The study revealed SGRs of .34 to .44 for block group totals with housing values ranging from \$250,000 to \$770,800. The study area included applicable block groups from Chatham County as well as the eight surrounding counties.

Based on an SGR of .40, it is estimated that Williams Pond will have 74 new students enrolled in Chatham County Schools at the development's buildout. Approximately 35 of these students will be at the elementary grade level. Of the remainder, 17 will be new middle school students and 22 will be new high school students. The derivation of these new students by type of school is shown in Table 13.

As shown in Table 14, these 74 new Williams Pond students will cost the District approximately \$167,000 in annual operating expenses. The estimate is based on a per student operating cost of \$2,255.

In addition to these operating costs to the District, there will be additional capital costs required for these new students. Based current estimates of capital costs and building capacities, it is estimated that the District will incur capital costs of approximately \$1.6 million to accommodate the 74 new students. The capital costs by type of school are shown in Table 15. However, these capital costs will be partially offset by impact fees of \$1,500 per dwelling unit. Therefore, the District will receive a total of \$277,500 of offsetting revenues (Table 15), resulting in a net capital cost of \$1.3 million. The annual debt service for the \$1.3 million is estimated to be \$93,000.

TABLE 13

**WILLIAMS POND FISCAL IMPACT STUDY
CHATHAM COUNTY SCHOOLS - STUDENT GENERATION RATE**

Source: 1996 Chatham County Public School Impact Fee Report - Tischler and Associates, Inc.

Adjusted Public School Students Per Household

	Elementary	Middle	High	Total
Single Family	0.19	0.09	0.12	0.40
Multifamily	0.08	0.02	0.04	0.15
Mobile Homes & Other	0.19	0.09	0.09	0.37
ALL TYPES	0.17	0.08	0.09	0.33

Estimated Williams Pond Public School Students

	Elementary	Middle	High	Total
Single Family	35.2	16.7	22.2	74
Total	35	17	22	74

TABLE 14

**WILLIAMS POND FISCAL IMPACT STUDY
ANALYSIS OF CHATHAM COUNTY FY05 BUDGET
CHATHAM COUNTY SCHOOLS OPERATING COSTS**

Expenditures:	
Salaries	\$ -
Other personnel costs	-
Operating	17,972,623
Public assistance	-
Debt	2,740,148
Transfers	-
Capital outlay	-
Less Debt - New School Debt Service Evaluated Separately	<u>(2,740,148)</u>
Total expenditures	<u>\$ 17,972,623</u>
Revenues:	
Fees and permits	\$ -
Grants	-
Interest	-
Intergovernmental	-
Miscellaneous	-
Other taxes	-
Sales & service	-
Transfers	504,172
Fund balance	<u>-</u>
Total revenues	<u>\$ 504,172</u>
Net cost - excluding sales and property taxes	<u>\$ 17,468,451</u>
Chatham County Public School Enrollment	7,745
Chatham County Per Student Net Cost	\$ 2,255.45
Estimated Marginal County Costs for Williams Pond:	
Estimated Williams Pond Public School Students	<u>74</u>
Marginal Operating Costs	<u><u>\$ 166,903</u></u>

TABLE 15

WILLIAMS POND FISCAL IMPACT STUDY
CHATHAM COUNTY SCHOOLS - CAPITAL COSTS

<u>Based on Current Estimates</u>	<u>Elementary</u>	<u>Middle</u>	<u>High School</u>	
Land - Unimproved Acreage	\$ 400,000	\$ 800,000	\$ 1,200,000	
Building & Equipment	12,800,000	22,200,000	31,200,000	
Total Cost	13,200,000	23,000,000	32,400,000	
Student Capacity	800	1,000	1,200	
Capital Cost per Student	\$ 16,500	\$ 23,000	\$ 27,000	
				Total
Williams Pond Students	35	17	22	74
Capital Costs Allocable to Williams Pond	\$ 579,975	\$ 382,950	\$ 599,400	\$ 1,562,325
Less:				
Impact Fees	\$ -	\$ -	\$ -	\$ -
	131,813	62,438	83,250	277,500
	131,813	62,438	83,250	277,500
Net Chatham County School Capital Cost Attributable to Williams Pond	\$ 448,163	\$ 320,513	\$ 516,150	\$ 1,284,825
Annual Debt Service	\$ 32,600	\$ 23,314	\$ 37,545	\$ 93,459

Capital Costs Estimates Above Compared to 1996 Public School Impact Fee Report by Tischler and Associates, Inc.

<u>Level of Service</u>	<u>K - 8</u>	<u>High School</u>	<u>Total</u>
Building Sq. Ft. Per Student	113	163	
Net Local Capital Cost Per Sq. Ft.	\$ 102.19	\$ 107.19	
Capital Cost Per Student	\$ 11,547	\$ 17,472	
Estimated Williams Pond Students	52	22	74
Estimated Capital Costs	\$ 598,159	\$ 387,878	\$ 986,037

Conclusion: To more realistically project capital costs for Chatham County Schools, the approach above, which utilizes more current construction cost information, will be used in lieu of the capital cost estimates included in the 1996 Tischler report.

Chatham County School Transportation Capital Costs

Williams Pond Estimated Enrollment	74
Chatham County School bus ridership rate	49%
Estimated Williams Pond bus riders	36
School Bus Capacity	60
New School Buses Required	0.60
Cost of New School Bus	70,000
Annual Debt Service Per School Bus	\$ 20,201
Total Debt Service for Williams Pond Buses	\$ 48,834
Amortization Period - State Replaces Bus in Year	13
Annual School Bus Transportation Capital Cost	\$ 3,756

TABLE 15A

WILLIAMS POND FISCAL IMPACT STUDY
CHATHAM COUNTY SCHOOLS - CAPITAL COSTS
EXPANDED ANALYSIS

NC. PROTOTYPE SCHOOL DESIGN CLEARINGHOUSE
COSTS OF RECENT PROJECTS

Monday, September 13, 2004

DSP NO.	ADMINISTRATIVE UNIT	SCHOOL	DATE	AREA (s.f.)	COST	WORK	TOTAL COST	ADM	COST PER PUPIL
ELEMENTARY									
Williams Pond - Estimated cost excluding land, furnishings, design/administration			0K-05		\$ 11,008,000	incl.	\$ 11,008,000	800	\$ 13,760
340-4437	Forsyth County	Middle Fork Elem	0K-05	1/21/2004	77,283	\$ 6,545,000	incl. \$ 6,545,000	740	\$ 8,845
800-4450	Rowan-Salisbury	West Rowan ES	0K-05	3/4/2004	84,458	\$ 8,021,406	incl. \$ 8,021,406	700	\$ 11,459
740-4337	Pitt County	Forlines Road Elem	0K-05	2/18/2004	81,087	\$ 8,317,022	incl. \$ 8,317,022	675	\$ 12,322
290-4453	Davidson County	Ledford Elem	0K-05	2/17/2004	75,597	\$ 8,587,000	incl. \$ 8,587,000	650	\$ 13,211
900-4468	Union County	Kensington Elem	0K-05	6/8/2004	77,491	\$ 9,038,350	incl. \$ 9,038,350	750	\$ 12,051
TOTAL 2003 PROJECTS			0K-05	2003			\$ 106,378,674	9,166	\$ 11,606
MIDDLE									
Williams Pond - Estimated cost excluding land, furnishings, design/administration			06-08		\$ 19,092,000	incl.	\$ 19,092,000	1,000	\$ 19,092
750-4454	Polk County	Polk County MS	06-08	3/2/2004	106,438	\$ 11,121,952	incl. \$ 11,121,952	650	\$ 17,111
280-4435	Dare County	Manteo MS	06-08	3/25/2004	91,879	\$ 12,534,500	\$ 1,015,500 \$ 13,550,000	450	\$ 27,854
TOTAL 2003 PROJECTS			06-08	2003			\$ 54,946,432	4,175	\$ 13,161
HIGH SCHOOL									
Williams Pond - Estimated cost excluding land, furnishings, design/administration			09-12		\$ 26,832,000	incl.	\$ 26,832,000	1,200	\$ 22,360
180-4456	Catawba County	New Maiden HS	09-12	5/26/2004	250,000	\$ 27,493,881	incl. \$ 27,493,881	1,000	\$ 27,494
920-4433	Wake County	Panther Creek HS	09-12	3/11/2004	275,900	\$ 32,136,113	incl. \$ 32,136,113	1,600	\$ 20,085
920-4441	Wake County	New H5 HS/Holly Springs	09-12	2/12/2004	272,751	\$ 33,132,000	incl. \$ 33,132,000	1,600	\$ 20,708
600-4442	Mecklenburg County	Ardrey Kell HS	09-12	6/3/2004	301,602	\$ 34,649,340	\$ 1,963,460 \$ 36,612,800	2,000	\$ 17,325
TOTAL 2003 PROJECTS			09-12	2003			\$ 83,834,609	4,600	\$ 18,225

The projected Williams Pond school building costs have been adjusted by 86% to exclude furnishings and design/administration costs for appropriate comparison.

6. FISCAL IMPACTS ON THE CHATHAM COUNTY SPECIAL REVENUE AND ENTERPRISE FUNDS

Tables 16 – 18 reflect the impacts of Williams Pond on the North Chatham Fire District, the Utility Fund and the Waste Management Fund.

North Chatham Fire District – Table 16

Based on a 0.06% tax rate, annual revenues at buildout are expected to be \$86,000. Estimated expenses attributable to Williams Pond residents are \$25,000 thereby producing a net annual surplus of \$61,000.

Utility Fund – Table 17

The Williams Pond project includes a conventional septic system. Water service to the residents will be provided by Chatham County. Table 17 indicates the availability fees will offset the allocated water plant expansion costs by \$77,000.

The incremental operating cost per residential customer was not available at the publication date of this report. However, the FY05 budget reflects the fund as self-supporting, meaning that revenues collected equal or exceed operating expenses without general fund support.

Waste Management Fund – Table 18

The residents of Williams Pond are assumed to have trash and recycling services provided through private contractors. A net annual surplus of \$9,100 is expected for this fund.

TABLE 16

**WILLIAMS POND FISCAL IMPACT STUDY
ANALYSIS OF CHATHAM COUNTY FY05 BUDGET
NORTH CHATHAM FIRE DISTRICT - SPECIAL REVENUE FUND**

Incremental Revenue:

Property Tax Base:

Residential	\$	146,900,000
North Chatham Fire Tax Rate		0.0600%
Collection %		<u>97.78%</u>

Incremental Fire Department Revenue **\$ 86,183**

Incremental Expenditures:

Estimated Operating Costs:

Annual operating budget of a station with three full-time personnel per Deputy Fire Chief \$ 360,000

Estimated Capital Costs:

	Cost
New station	\$ 325,000
New fire engine	329,000
New aerial truck with 75' ladder	500,000
Total Capital Costs	<u>\$ 1,154,000</u>

Annual debt service - 5% for five years 261,329

Total Annual Cost \$ 621,329

Estimated population served - per Deputy Fire Chief 11,250

Estimated Williams Pond Population 457

Estimated Annual Cost Allocated to Williams Pond \$ 25,237

Incremental Fire Department Expenditures 25,237

Annual Net Surplus \$ 60,946

TABLE 17

**WILLIAMS POND FISCAL IMPACT STUDY
ANALYSIS OF CHATHAM COUNTY FY05 BUDGET
UTILITY FUND - ENTERPRISE FUND**

Summary of Operating Activity:

Incremental Revenue:

Average North Chatham Water Bill	\$	44.21	
Annual North Chatham Water Bill	\$	530.52	
# of Williams Pond Households		185	
Annual Utility Fund Revenue			<u>185</u>

Incremental Expenditures:

**Not available at publication date
of this report.**

Combined Customers - current Chatham County and Williams Pond	4,987	
Average Cost Per Household		
# of Williams Pond Households	185	
Annual Utility Fund Expenditures		<u>185</u>

Net Surplus

\$ -

Summary of Capital Activity:

Revenues:

Per Unit Availability Fee	\$	2,040	
# of Williams Pond Units		185	
Total Unit Fees			<u><u>\$ 377,400</u></u>

Expenditures:

Tap Setting	\$	425	
# of Williams Pond Units		185	
Total Tap Setting			<u>78,625</u>

Total Cost of Required Water Plant Expansion	\$	6,000,000	
Water Plant Expansion Capacity - gallons per day		2,000,000	
Williams Pond estimated usage - 400 gallons per day per unit		74,000	
Allocation of Water Plant Expansion to Williams Pond	\$	222,000	
Allocation to Williams Pond			<u>222,000</u>

Total Expenditures

300,625

Net Surplus

\$ 76,775

TABLE 18

**WILLIAMS POND FISCAL IMPACT STUDY
ANALYSIS OF CHATHAM COUNTY FY05 BUDGET
WASTE MANAGEMENT - ENTERPRISE FUND**

Incremental Availability Fee Revenue:

Annual Availability Fee	\$	81.00	
# of Williams Pond Households		<u>185</u>	
Annual Availability Fee Revenue			\$ 14,985

Incremental Expenditures:

Per Household Cost Estimates Provided by Chatham County Staff

Garbage	\$	10.97	
Recyclables		7.25	
White goods		2.10	
Scrap tires		0.84	
Administration		7.50	
HHW		<u>2.89</u>	
Costs Per Household	\$	31.55	
# of Williams Pond Households		<u>185</u>	
Annual Expenditures			<u>5,837</u>
Annual Net Surplus	\$		<u><u>9,148</u></u>

7. SENSITIVITY ANALYSIS

This fiscal impact analysis of the Williams Pond development incorporates several critical assumptions. These assumptions include (1) the number of persons per household (2) the number of public school-aged children per household and (3) the average housing unit value.

According to the 2000 Census, the average number of persons per household in Chatham County was 2.47. The statewide rate of 2.49 compares favorably to the Chatham County persons per household rate of 2.47, according to the 2000 Census. Therefore the County rate was deemed appropriate for this analysis.

The estimated student generation rate of .40 is consistent with the 1996 study prepared by Tischler & Associates, Inc. and is considered reasonable by the Chatham County School Superintendent. Furthermore, a rate of .40 is actually higher than the rate for proposed developments published on June 21, 2004 by the Operations Research and Education Laboratory at North Carolina State University entitled *Chatham County School Integrated Planning for School and Community (IPSAC)- Land Use Study*. In addition, the rate is further supported by the June 8, 2004 report published by Harry W. Miley, Jr., Ph.D. and David J. Cowen, Ph.D., *Student Generation Rate (SGR) Analysis –Estimating Briar Chapel Impacts on Chatham County Schools*.

The profile of Williams Pond homeowners is expected to be similar to homeowners in the Governors Club. Therefore, it is likely that the SGR for Williams Pond will correspond to the SGR of Governors Club (.11 in April 2004). If an SGR of .11 was assumed in this analysis, the net annual surplus at buildout with expanded service levels would be \$750,000.

The housing prices and absorption rates are based on absorption pace and price points projected by the development team. These developers have been active in residential real estate developments in the Triangle North Carolina market for the past 30 years and have developed many luxury home neighborhoods including Swans Mill, Wyndfall, Barrington, Kensington and Faircroft. If housing prices were to deviate 10% [average unit sales price of \$715,000] from the assumed average unit value of \$794,000, the net annual surplus at buildout with expanded service levels would be \$452,000.

Additional consideration was also given to the new school facility cost assumptions. Data from the Chatham County School Board and the North Carolina Department of Public Instruction - Prototype School Design Clearinghouse (Table 15A) was used to evaluate the reasonableness of the school capital cost estimates.

8. METHODOLOGY AND ASSUMPTIONS

A modified per capita, case-study type approach was used to estimate the costs and revenues associated with the proposed Williams Pond development. This approach was considered to be the most fiscally conservative method since it assumes that (1) 100% of government costs vary according to population changes and (2) all government services are currently provided at full capacity. As a result, the projected governmental expenditures in this report are most likely overstated because fixed cost relationships are inherent, to a degree, in every budget. Moreover, based on information obtained in personal interviews with Chatham County officials, certain departmental budgets will be more modestly affected by the Williams Pond development than projected in this report.

Each of the following Chatham County departments was subject to further analysis based on an assessment that indicated these budgets and the related services had increased sensitivity to the proposed development. Marginal costs associated with the demand identified for new and/or increased levels of service were estimated and are reflected in the accompanying report.

Public Safety	Human Services
Public Schools – Operating and Capital	Emergency Medical Services
North Chatham Fire District	Water Utility Fund
Capital Improvements Program	

In general, the impacts are identified on an annual basis and are then summarized at the time of the project's buildout. All revenues and expenditures are based on constant 2004 dollars, and the analysis includes no inflation during the project's buildout. This approach is based on the assumption that over the buildout period, both revenues and expenditures will rise proportionately, and therefore, inflation will have little if any affect on the net results of the analysis. A constant dollar approach is commonly used in fiscal impact analysis since many local governments do not have the resources necessary to adequately perform the sophisticated financial modeling required to produce credible alternative assumptions. The constant dollar assumption applies to all estimates in this analysis, including: property values, incomes, sales, County revenues and expenditures and School District operating and capital expenditures.

CHATHAM COUNTY REVENUE PROJECTIONS – REPORT TABLES 2 AND 2A

PROPERTY TAX REVENUES

The estimates for Chatham County General Fund revenues are based on property taxes generated by the improvements on homes owned by the residents living in Williams Pond. The property tax rate for the County is assumed to be constant throughout the buildout period and is equal to the existing rate of 0.6464%. It is assumed that the property tax collection rate is constant throughout the period and is equal to the County's budgeted rate of 97.78%.

The average dwelling unit included in the analysis is valued at \$794,000 and is based on the weighted average value of all 185 units. It is assumed that there are 2.47 persons per household (2000 Census for Chatham County, North Carolina) resulting in an estimated population in Williams Pond of 457. The Developers estimate the absorption rate to be, on average, 19 units per year with a corresponding buildout period of 10 years.

IMPACT FEES

All dwelling units are assumed to pay the required school impact fee of \$1,500. These fees are paid at time of construction. The County's Planning Director estimated the recreation exaction fee to be \$800 per lot.

CHATHAM COUNTY EXPENDITURE PROJECTIONS

EXISTING SERVICE LEVELS – REPORT TABLES 4 – 9

It is assumed that all Chatham County services will be provided in the future at the existing levels of service currently provided by Chatham County to all citizens living in the County. In discussions with County officials, it was deemed appropriate to evaluate impacts on certain County expenditures and departments on a marginal cost basis, including capital as well as operating impacts. All County operating expenditures are estimated on a net cost basis, consistent with the official County Budget Report. The budget data are from the current FY 2004-05 County Budget. The County's current population is estimated at 57,640 and is calculated on Table 12 by extrapolating the County's reported population and associated growth trends since 1997. Total department budgets are computed on a per capita basis based on the County's existing residents. This per capita cost is then multiplied by the number of anticipated residents in Williams Pond to estimate the total cost of providing that particular service to Williams Pond. Table 3 provides a summary of these departmental impacts.

Human Service costs on Table 7 reflect a per capita allocation of all Council on Aging and Health Department net costs. County staff provided the estimated net costs associated with non-income dependent programs of the Department of Social Service.

EXPANDED SERVICE LEVELS AND CAPITAL IMPROVEMENTS – REPORT TABLES 9A, 9B AND 11

The expenditure estimates are based on the assumption that the County will maintain the existing level of service to the residents of Williams Pond as currently provided to all residents living in Chatham County. This assumption is relaxed in the Report to determine the costs to the County if certain County services are increased in the future relative to what they are today. Table 10 provides a summary of these departmental impacts and the resulting positive net surplus to the County's general fund of \$544,000 per year at the project's buildout. Methodologies and assumptions supporting the expanded service level analyses are as follows:

PUBLIC SAFETY – Table 9A, Expanded Analysis of Emergency Medical Services, projects the additional costs necessary to accommodate annual debt service for an EMS base as well as to operate two EMS units. The worksheet also allocates these costs proportionately to Williams Pond residents.

Based on discussions with County officials, the FY05 Requested Budgets reflect a more appropriate level of service for those Public Safety departments identified in Table 9B, Expanded Public Safety Analysis. The allocable difference between the Requested and the Approved budgets is shown as an expanded level of service cost.

TABLE A-1

WILLIAMS POND FISCAL IMPACT STUDY
SOURCE DATA

	Color Index	
Input		
Calculated in Table A-1		
Calculated in Another Table		
Williams Pond		Information Source
Project Name	Williams Pond	
Total Acreage	648.00	Developer
Total Units	185	Table A-2
Affordable Housing Units	-	Developer
Rental Apartments	-	Developer
Townhomes	-	Developer
Single Family	185	Developer
Total Units - Excluding Affordable Housing	185	Developer
Average unit sales value	\$ 794,000	Table A-2
Residential tax base	\$ 146,900,000	
Commercial office sq footage	-	Developer
Commercial office tax value per sq ft	\$ 130	ADVANTIS
Commercial office tax base	\$ -	
Commercial office/retail sq footage	-	Developer
Commercial office/retail tax value per sq ft	\$ 100	ADVANTIS
Commercial office/retail tax base	\$ -	
Commercial Buildout - Year 4	0%	Developer
Commercial Buildout - Year 5	0%	Developer
Commercial Buildout - Year 6	0%	Developer
Commercial Buildout - Year 7	0%	Developer
Projected population	457	Based on 2000 U. S. Census
Absorption rate - residential units per year	18.50	Developer
Build-out period - in years	10.00	Developer
Discount Rate	6.00%	Estimated
Chatham County		
Fiscal Year (FYxx)	FY05	
County	Chatham	
Current County Population under Study	57,640	Extrapolated from NC Treasurer Reports, Table 13
Persons Per Household	2.47	2000 U.S. Census
Northwood School District Estimated Population	27,998	Extrapolated from Chatham County Reports
Siler City Population	7,002	Chatham Co. NC website
Pittsboro Population	2,236	Chatham Co. NC website
Goldston Population	319	2000 U.S. Census
Center Township - excluding Pittsboro	3,701	2000 U.S. Census
Haw River Township	1,215	2000 U.S. Census
Cape Fear Township	1,170	2000 U.S. Census
Population served by existing North Chatham Fire Station	11,250	Deputy Chief - North Chatham Fire Department
Population served by North Chatham Fire District	18,500	Deputy Chief - North Chatham Fire Department
Current ratio of deputies per 1,000 population	1.30	Chatham County Sheriff
Norm area county ratio of deputies per 1,000 population	1.80	Chatham County Sheriff
Target ratio of deputies per 1,000 population	2.30	Chatham County Sheriff - rate for other area municipalities
Population factor	1,000	Chatham County Sheriff
Ad Valorem Tax Rates:		
Commercial	0.6464%	Chatham County FY 05 Budget
Commercial collection %	97.78%	Chatham County FY 05 Budget
Residential	0.6464%	Chatham County FY 05 Budget
Residential collection %	97.78%	Chatham County FY 05 Budget
Motor vehicle	0.6464%	Chatham County FY 05 Budget
Motor vehicle collection %	88.31%	Chatham County FY 05 Budget
North Chatham Fire District Rate	0.06%	Chatham County FY 05 Budget
Article 39 Sales Tax Rate	1.0%	Chatham County FY 05 Budget
Article 44 Point of Sale	0.25%	Chatham County Officials
Assumptions for Sales Tax Calculations:		
Earnings multiple	2.90	North Carolina Department of Commerce, Weighted Average Chatham, Orange, Wake and Durham Counties 1st Qtr 2004 Trends
Estimated household earnings	\$ 274,000	Calculated Based on Earnings Multiple
Survey Category - Median Value of Motor Vehicle Holdings	\$ 26,350	Federal Reserve Bulletin - 2001 Survey of Consumer Finances
FY04 Articles 40 and 42 Sales Taxes	\$ -	Chatham County FY 05 Budget
FY04 Article 44 Sales Tax	\$ -	Chatham County FY 05 Budget
FY04 Article 40 and 42 Sales Tax Per Capita - Chatham Co.	\$ 63.64	NC Department of Revenue - Sales and Use Tax Distributions
FY04 Article 44 Sales Tax Per Capita - Chatham Co.	\$ 28.35	NC Department of Revenue - Sales and Use Tax Distributions
FY04 Article 40 and 42 Sales Tax Per Capita - NC	\$ 64.18	NC Department of Revenue - Sales and Use Tax Distributions
FY04 Article 44 Sales Tax Per Capita - NC	\$ 28.60	NC Department of Revenue - Sales and Use Tax Distributions
FRB Survey of Average Household Expenditures:		
Total Applicable Household Expenditures	\$ 15,922	Federal Reserve Bulletin - 2002 Consumer Expenditure Report
% of earnings for purchases in Chatham County	5.81%	

TABLE A-1

WILLIAMS POND FISCAL IMPACT STUDY
SOURCE DATA

Estimated Square Footage Northeast Library	23,000	Chatham County 2005 - 2009 Capital Improvements Program
Occupied Housing Units - Chatham County	19,741	2000 U.S. Census
Total Housing Units - Chatham County	21,358	2000 U.S. Census
Capital Improvements FY05 Operating Revenue Funding	\$ 346,000	Chatham County FY 05 Budget
Social Service Non-Income Dependent Programs	\$ 1,908,340	Chatham County Officials
Total Household Water Customers	4,802	Chatham County Officials
Average Monthly Household Water Bill for North Chatham Customers	\$ 44.21	Chatham County Officials
Water Plant Expansion Capacity - in gallons per day	2,000,000	Chatham County Officials
Average Gallons Per Day Per Household	400	Chatham County Officials
Waste Management Annual Household Availability Fee	\$ 81.00	Chatham County Officials
% of Waste Management Budget Allocated to Non-Disposal Costs	69.00%	Chatham County FY 05 Budget
Recreation Exaction Fee - Per Lot	\$ 800	Chatham County Officials
New Single Family Dwelling Inspection Fees - over 1200 square feet:	\$375	Chatham County FY 05 Budget
plus the following rate per square foot	\$ 0.25	Chatham County FY 05 Budget
Square footage rate threshold	1,000	Chatham County FY 05 Budget
Chatham County Schools		
Chatham County Public School Enrollment:		
Chatham County Public Schools	7,350	Projected Enrollment FY05 - Chatham County School
Charter School Students	395	Projected Enrollment FY05 - Chatham County Schools
Total Chatham County Public School Enrollment	7,745	
Public School Student Generation Rates		
	0.40	Tischler and Associates, Inc.
Williams Pond Public School Students		
	74	Table 14
School Impact Fee		
	\$ 1,500	Chatham County Officials
Capital Financing		
School Bond Interest Rate	5.25%	Chatham County Officials
School Bond Term - in years	25	Chatham County Officials
Elementary School Capital Costs:		
Unimproved Land - 20 Acres at \$20,000 per acre	\$ 400,000	Estimated Based on Recent Comparables
Building, sitework, furniture, fixtures and equipment	12,400,000	Chatham County Schools - March 24, 2004
Estimated cost contingency	400,000	Estimated based on comparisons to NCPI, School Design Clearinghouse
Total Elementary School Capital Costs	\$ 13,200,000	
Capacity	800	Chatham County Schools - March 24, 2004
Capital Cost per Public Elementary School Student	\$ 16,500	
Middle School Capital Costs:		
Unimproved Land - 40 Acres at \$20,000 per acre	\$ 800,000	Estimated Based on Recent Comparables
Building, sitework, furniture, fixtures and equipment	22,000,000	Extrapolated from Chatham County Schools March 24, 2004 estimates
Estimated cost contingency	200,000	Estimated based on comparisons to NCPI, School Design Clearinghouse
Total Middle School Capital Costs	\$ 23,000,000	
Capacity	1,000	Estimated
Capital Cost per Public Middle School School Student	\$ 23,000	
High School Capital Costs:		
Unimproved Land - 60 Acres at \$20,000 per acre	\$ 1,200,000	Estimated Based on Recent Comparables
Building, sitework, furniture, fixtures and equipment	31,000,000	Chatham County Schools - March 24, 2004
Estimated cost contingency	200,000	Estimated based on comparisons to NCPI, School Design Clearinghouse
Total High School Capital Costs	\$ 32,400,000	
Capacity	1,200	Chatham County Schools - March 24, 2004
Capital Cost per Public High School Student	\$ 27,000	
School Transportation Costs		
Percentage of Chatham County Students Riding Buses	49%	NC Department of Public Instruction
School Bus Capacity	60	Chatham County Schools
Cost of New Bus	\$ 70,000	Chatham County Schools
Lease Financing - term in years	4	Chatham County Schools
Lease Financing - interest rate	6.00%	Chatham County Schools
Bus replaced by State in year	13	Chatham County Schools

TABLE A-2

WILLIAMS POND FISCAL IMPACT STUDY
SUMMARY OF HOUSING TYPES, PRICE RANGES AND HOUSING VALUES
BASED ON MASTER PLAN

Lot Type	House Size Square Feet	House Price Range	Average Unit Price	# of Units	Value	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
A	8,000	\$1,000,000 to \$1,400,000	\$ 1,200,000	16	\$ 19,200,000											
Units						0	-	-	-	-	-	3	-	-	13	16
Total Annual Closings					\$	- \$	- \$	- \$	- \$	- \$	- \$	3,600,000 \$	- \$	- \$	15,600,000 \$	19,200,000 \$
B	6,000	\$800,000 to \$1,000,000	\$ 900,000	70	63,000,000											
Units						3	8	3	-	-	6	9	18	18	5	70
Total Annual Closings					\$	2,700,000 \$	7,200,000 \$	2,700,000 \$	- \$	- \$	5,400,000 \$	8,100,000 \$	16,200,000 \$	16,200,000 \$	4,500,000 \$	63,000,000 \$
C	5,000	\$600,000 to \$800,000	\$ 700,000	76	53,200,000											
Units						10	4	13	13	19	12	5	0	0	0	76
Total Annual Closings					\$	7,000,000 \$	2,800,000 \$	9,100,000 \$	9,100,000 \$	13,300,000 \$	8,400,000 \$	3,500,000 \$	- \$	- \$	- \$	53,200,000 \$
D	4,000	\$400,000 to \$600,000	\$ 500,000	23	11,500,000											
Units						6	7	3	6	0	0	1	0	0	0	23
Total Annual Closings					\$	3,000,000 \$	3,500,000 \$	1,500,000 \$	3,000,000 \$	- \$	- \$	500,000 \$	- \$	- \$	- \$	11,500,000 \$
Total Units					\$ 146,900,000	12,700,000	13,500,000	13,300,000	12,100,000	13,300,000	13,800,000	15,700,000	16,200,000	16,200,000	20,100,000	146,900,000
Unit Closing Per Year						19	19	19	19	19	18	18	18	18	18	185
Total				185	\$ 146,900,000											
Average Sales Price					\$ 794,000											