

**A FISCAL IMPACT ANALYSIS OF  
THE GOVERNORS VILLAGE PLAN MODIFICATION**

PREPARED FOR

THE DEVELOPER -  
GOVERNORS VILLAGE COMMERCIAL, LLC

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# A FISCAL IMPACT ANALYSIS OF THE GOVERNORS VILLAGE PLAN MODIFICATION

## 1. INTRODUCTION

This study evaluates the fiscal impacts of the proposed Governors Village Plan Modification 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

The Governors Village Plan Modification (the "Plan") is proposed for a 30-acre tract in northeastern Chatham County. A rezoning request is necessary since 10 acres included in the site plan are currently zoned as commercial. Due to the limited viability for the commercial acreage and the housing demand in the northern portion of the County, the Developer feels this Plan modification will be more economically beneficial to the County. The Plan includes 76 townhomes and 49 single-family homes. The development schedule, which includes the pricing mix, is presented on Table A-2. The average townhome sales prices are estimated at \$185,000 for each 20' wide unit and \$225,000 for each 26' wide unit. The average sales price for the single-family homes is \$350,000. The Developer has estimated a five-year buildout period.

### 3. EXECUTIVE SUMMARY

The Governors Village Plan Modification will create a residential real estate tax base of \$32 million for Chatham County. As outlined in the accompanying analysis, the Governors Village Plan Modification 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 \$76,000, assuming a discount rate of 6%.*

The following summary of revenues and expenditures at the time of the Governors Village Plan Modification 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 GOVERNORS VILLAGE PLAN MODIFICATION AT BUILDOUT		
INCREMENTAL REVENUES		
PROPERTY TAXES	\$ 220,868	
SALES TAXES	<u>48,402</u>	
TOTAL INCREMENTAL REVENUES		\$ 269,270
INCREMENTAL EXPENDITURES		
CHATHAM COUNTY	\$ 99,838	
CHATHAM COUNTY SCHOOLS		
OPERATING	76,775	
DEBT SERVICE - CAPITAL	<u>46,463</u>	
TOTAL INCREMENTAL EXPENDITURES		<u>223,076</u>
ANNUAL INCREMENTAL BENEFIT AT EXISTING SERVICE LEVELS		46,194
INCREMENTAL COUNTY EXPENDITURES WITH EXPANDED SERVICES		<u>15,296</u>
ANNUAL INCREMENTAL BENEFIT, EXPANDED SERVICE LEVELS		<u>\$ 30,897</u>

#### 4. FISCAL IMPACTS ON THE CHATHAM COUNTY GENERAL FUND

##### REVENUE IMPACTS

The impacts of the Governors Village Plan Modification on the revenues of the Chatham County government are outlined in this section. The primary County revenues generated by the Governors Village Plan Modification will be property taxes, sales taxes and impact fees.

The estimated revenues from all sources, generated over the five-year buildout of the Plan's development, are provided in Table 1. Annual County revenues grow from \$56,000 in Year 1 to \$269,000 a year in the fifth year. Table 2 provides a detailed analysis of all County revenues from the Governors Village Plan Modification at the buildout.

As seen in Table 2, the residential property values in the Governors Village Plan Modification are expected to increase by \$32 million at buildout. Annual residential property taxes will be \$202,000, and property taxes from vehicles owned by the Governors Village Plan Modification residents are estimated to be \$19,000 per year.

The Governors Village Plan Modification will also generate economic activity that will result in increased sales tax collections for the Chatham County government. It is estimated that sales taxes will increase by \$48,000 a year at the time of the Plan'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 and sales taxes, the project will generate revenues from impact fees. The County's existing impact fee of \$1,500 per dwelling unit will generate \$187,500 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 Governors Village Plan Modification. The recreation exaction fees are detailed in Table 11.

##### ONE TIME REVENUES TO CHATHAM COUNTY

SCHOOL IMPACT FEES	<u>\$ 187,500</u>
RECREATION EXACTION FEES	<u>\$ 107,000</u>

TABLE 1

**GOVERNORS VILLAGE PLAN MODIFICATION - FISCAL IMPACT STUDY - CHATHAM COUNTY  
BUILDOUT ANALYSIS**

	Total	Year 1	Year 2	Year 3	Year 4	Year 5
Annual Residential Sales	\$ 31,970,000	\$ 6,620,000	\$ 6,620,000	\$ 6,620,000	\$ 6,620,000	\$ 5,490,000
Annual Unit Sales	125	26	26	26	26	21
Cumulative Residential Sales	\$ 31,970,000	\$ 6,620,000	\$ 13,240,000	\$ 19,860,000	\$ 26,480,000	\$ 31,970,000
Cumulative # of Units	125	26	52	78	104	125
Per Capita Revenues:						
Property Taxes	\$ 808.81	\$ 808.81	\$ 808.81	\$ 808.81	\$ 808.81	\$ 811.14
Sales Taxes	177.76	177.76	177.76	177.76	177.76	177.76
Total Revenues - Per Capita	\$ 986.57	\$ 986.57	\$ 986.57	\$ 986.57	\$ 986.57	\$ 988.89
Per Capita Expenditures:						
Direct Expenditures Per Capita at Existing Service Levels, including Public School Operating Costs	\$ 648.61	\$ 648.61	\$ 648.61	\$ 648.61	\$ 648.61	\$ 648.61
School Capital Debt Service - Per Capita	170.63	170.63	170.63	170.63	170.63	170.63
Expanded Service Levels Per Capita	56.18	56.18	56.18	56.18	56.18	56.18
Total Expenditures - Per Capita	875.42	875.42	875.42	875.42	875.42	875.42
Per Capita Surplus	\$ 111.15	\$ 111.15	\$ 111.15	\$ 111.15	\$ 111.15	\$ 113.47
Buildout Analysis:						
Revenues:						
Revenues	\$ 55,786	\$ 111,573	\$ 167,359	\$ 223,145	\$ 223,145	\$ 269,270
Total Revenues	55,786	111,573	167,359	223,145	223,145	269,270
Expenditures:						
Expenditures at Existing Service Levels	\$ 36,676	\$ 73,353	\$ 110,029	\$ 146,705	\$ 146,705	\$ 176,614
School Capital Debt Service	9,649	19,297	28,946	38,595	38,595	46,463
Total Expenditures	\$ 46,325	\$ 92,650	\$ 138,975	\$ 185,300	\$ 185,300	\$ 223,077
Net Surplus at Existing Service Levels	\$ 9,461	\$ 18,923	\$ 28,384	\$ 37,845	\$ 37,845	\$ 46,194
Expenditures at Expanded Service Levels	3,177	6,353	9,530	12,706	12,706	15,296
Net Surplus with Expanded Service Levels	\$ 6,285	\$ 12,570	\$ 18,855	\$ 25,139	\$ 25,139	\$ 30,897
Cumulative Net Surplus at Expanded Service Levels - Net Present Value (NPV) with Discount Rate of 6%	\$ 75,948					
Expected New Residents	272	57	113	170	226	272
Public School Students	34	7	7	7	7	6
Cumulative Public School Students	34	7	14	21	28	34

TABLE 2

**GOVERNORS VILLAGE PLAN MODIFICATION - FISCAL IMPACT STUDY  
CHATHAM COUNTY TAX REVENUE**

<b>Residential Property Taxes:</b>		
Residential tax base	\$	31,970,000
Tax rate		0.6464%
Collection %		97.78%
		<hr/>
Total estimated residential property taxes	\$	202,066
		<hr/>
<b>Motor Vehicle Property Taxes:</b>		
Average motor vehicle value per household, based on Federal Reserve Bulletin survey	\$	26,350
# of Households		125
		<hr/>
Motor vehicle tax base		3,293,750
Tax rate		0.6464%
Collection %		88.31%
		<hr/>
Total estimated motor vehicle property taxes	\$	18,802
		<hr/>
<b>Total Property Tax Revenues</b>	<b>\$</b>	<b>220,868</b>
		<hr/>
<b>Article 39 Sales Tax:</b>		
Residential tax base	\$	31,970,000
# of households		125
		<hr/>
Average value		256,000
Earnings multiple		2.90
Estimated household earnings	\$	88,000
Estimated % of earnings for Chatham County purchases		18.09%
Estimated Governors Village Chatham County Purchases	\$	1,990,250
Article 39 Sales Tax Rate		1.00%
		<hr/>
Article 39 Sales Tax	\$	19,903
		<hr/>
<b>Articles 40 and 42 Sales Taxes:</b>		
Estimated Governors Village Population		272
FY04 Per Capita Rate - Table 2A	\$	71.69
		<hr/>
	\$	19,521
		<hr/>
<b>Article 44 Sales Tax:</b>		
Estimated Governors Village Population		272
FY04 Per Capita Rate - Table 2A	\$	32.97
		<hr/>
	\$	8,979
		<hr/>
<b>Total Sales Tax Revenues</b>	<b>\$</b>	<b>48,402</b>
		<hr/>
<b>Total Tax Revenues</b>	<b>\$</b>	<b>269,270</b>
		<hr/>

Note: Qualifying sales tax purchases limited to food, gas and oil, household supplies and incidentals.

TABLE 2A

**GOVERNORS VILLAGE PLAN MODIFICATION - 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	
<b>Per Capita</b>	<b>\$ 916.11</b>	<b>\$ 910.15</b>	<b>\$ 680.03</b>		<b>\$ 1,826.26</b>	
<b>Total Articles 40 and 42</b>						
<b>North Carolina:</b>						
<b>July 2003</b>						<b>Population</b>
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	
<b>August 2003</b>						
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	
<b>September 2003</b>						
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	
<b>October 2003</b>						
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	
<b>November 2003</b>						
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	
<b>December 2003</b>						
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	
<b>January 2004</b>						
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	
<b>February 2004</b>						
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	
<b>March 2004</b>						
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	
<b>April 2004</b>						
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	
<b>May 2004</b>						
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	
<b>June 2004</b>						
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	
<b>Total</b>	<b>\$ 238,773,648</b>	<b>\$ 236,494,398</b>	<b>\$</b>	<b>\$ 218,602,634</b>	<b>\$</b>	
<b>Per Capita</b>	<b>\$ 34.72</b>	<b>\$ 34.39</b>	<b>\$</b>	<b>\$ 31.79</b>	<b>\$</b>	
<b>Total Articles 40 and 42 Per Capita</b>					<b>\$ 69.12</b>	
<b>State of North Carolina Population 6,576,200</b>						
<b>Governors Village Population 272</b>						
<b>Chatham County Population Before Governors Village</b>		<b>Article 40</b>	<b>Article 42</b>	<b>Article 44</b>	<b>Total</b>	
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					
<b>Total</b>	<b>62,662</b>					
<b>Chatham County Population After Governors Village</b>						
Chatham County	52,854					
Cary	35					
Goldston	331					
Pittsboro	2,307	\$ 1,918,994	\$ 1,900,676	\$ 1,756,882	\$ 5,576,553	
Siler City	7,407					
<b>Total</b>	<b>62,934</b>					
<b>Net Sales Tax Attributable to Governors Village</b>	<b>\$</b>	<b>\$ 9,807</b>	<b>\$ 9,714</b>	<b>\$ 8,979</b>	<b>\$ 28,500</b>	
<b>Sales Tax Per Capita - Governors Village</b>	<b>\$</b>	<b>\$ 36.02</b>	<b>\$ 35.67</b>	<b>\$ 32.97</b>	<b>\$</b>	



## EXPENDITURE IMPACTS

Along with the substantial revenue impacts generated by the Governors Village Plan Modification, 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 Governors Village Plan Modification 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 Governors Village Plan Modification 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 the Plan'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 the Governors Village Plan Modification buildout it is estimated that the County's cost of providing services will increase by approximately \$100,000 per year. Major components of this increase include additional Human Services costs of \$25,000, and additional Public Safety costs of \$36,000 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 choose to raise 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 \$15,300 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 raise 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 Governors Village Plan Modification will be \$107,000. After applying appropriate exaction fee credits against the CIP projects, annual CIP expenditures of about \$3,900 are allocable to the Governors Village Plan Modification residents at buildout (Table 11).

*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 the Governors Village Plan Modification buildout is positive. At buildout, the County is expected to receive a net surplus above costs of approximately \$31,000 per year.*

**TABLE 3**

**GOVERNORS VILLAGE PLAN MODIFICATION - FISCAL IMPACT STUDY  
CHATHAM COUNTY ANNUAL FISCAL IMPACT - AT BUILDOUT  
AT EXISTING SERVICE LEVELS**

**Incremental Tax Revenues:****Property Taxes**

Residential	\$ 202,066	
Motor Vehicle	18,802	
Total Property Taxes		\$ 220,868

**Sales Taxes**

Article 39	\$ 19,903	
Articles 40 and 42	19,521	
Article 44	8,979	
Total Sales Taxes		48,402

**Total Incremental Tax Revenues** **\$ 269,270**

**Incremental Expenditures at Existing Service Levels:****Chatham County Government**

Administration	\$ 19,114	
Education, Culture, and Recreation (excluding schools)	8,673	
General Government	5,812	
Human Services	25,432	
Natural Resource Management	4,751	
Public Safety	36,057	

Total Chatham County Government Incremental Expenditures \$ 99,838

**Chatham County Schools Operating Costs** 76,775

**Total Incremental Expenditures at Existing Service Levels** **176,614**

**Incremental Capital Costs:****Chatham County Schools - Annual Debt Service**

School Facilities	44,735	
School Transportation	1,728	<b>46,463</b>

**Incremental Surplus at Existing Service Levels** **\$ 46,194**

TABLE 4

**GOVERNORS VILLAGE PLAN MODIFICATION - 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
<b>Expenditures:</b>									
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
<b>Revenues:</b>									
Fees and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	-	-
Sales & service	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Fund balance	-	-	-	-	-	-	-	-	-
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Net cost - excluding sales and property taxes</b>	<b>\$ 1,147,197</b>	<b>\$ 62,500</b>	<b>\$ 367,653</b>	<b>\$ 57,500</b>	<b>\$ 592,066</b>	<b>\$ 253,380</b>	<b>\$ 981,262</b>	<b>\$ 584,448</b>	<b>\$ 4,046,006</b>
<b>FTE's</b>	<b>8.00</b>	<b>-</b>	<b>4.00</b>	<b>-</b>	<b>7.00</b>	<b>2.00</b>	<b>-</b>	<b>7.00</b>	<b>28.00</b>
<b>Chatham County Population</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>
<b>Chatham County Per Capita Net Cost</b>	<b>\$ 19.90</b>	<b>\$ 1.08</b>	<b>\$ 6.38</b>	<b>\$ 1.00</b>	<b>\$ 10.27</b>	<b>\$ 4.40</b>	<b>\$ 17.02</b>	<b>\$ 10.14</b>	<b>\$ 70.19</b>
<b>Estimated Marginal County Costs For Governors Village:</b>									
<b>Estimated Governors Village Population</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>
<b>Marginal Operating Costs</b>	<b>\$ 5,419</b>	<b>\$ 295</b>	<b>\$ 1,737</b>	<b>\$ 272</b>	<b>\$ 2,797</b>	<b>\$ 1,197</b>	<b>\$ 4,636</b>	<b>\$ 2,761</b>	<b>\$ 19,114</b>
<b>Additional FTE's Anticipated</b>	<b>0.04</b>	<b>-</b>	<b>0.02</b>	<b>-</b>	<b>0.03</b>	<b>0.01</b>	<b>-</b>	<b>0.03</b>	<b>0.13</b>
<b>Total Anticipated FTE's</b>	<b>8.04</b>	<b>-</b>	<b>4.02</b>	<b>-</b>	<b>7.03</b>	<b>2.01</b>	<b>-</b>	<b>7.03</b>	<b>28.13</b>

FTE = Full-time equivalent personnel

TABLE 5

**GOVERNORS VILLAGE PLAN MODIFICATION - 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
<b>Expenditures:</b>							
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
<b>Revenues:</b>							
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
<b>Net cost - excluding sales and property taxes</b>	<b>\$ 636,657</b>	<b>\$ 20,208,599</b>	<b>\$ 262,857</b>	<b>\$ 595,930</b>	<b>\$ 299,060</b>	<b>\$ 22,003,103</b>	<b>\$ 1,794,504</b>
<b>FTE's</b>							
Chatham County Population	57,640	57,640	57,640	57,640	57,640	57,640	57,640
Less Siler City, provides recreation services	-	-	-	9,00	2,50	11,50	11,50
Adjusted Population					(7,002)	50,638	
Chatham County Per Capita Net Cost	\$ 11.05	\$ 350.60	\$ 4.56	\$ 10.34	\$ 5.91	\$ 382.45	\$ 31.85
<b>Estimated Marginal County Costs For Governors Village:</b>							
Estimated Governors Village Population	272	272	272	272	272	272	272
Marginal Operating Costs	\$ 3,008	\$ 95,467	\$ 1,242	\$ 2,815	\$ 1,608	\$ 104,139	\$ 8,673
Additional FTE's Anticipated	-	-	-	0.04	0.01	0.06	0.06
Total Anticipated FTE's	-	-	-	9.04	2.51	11.56	11.56
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

**GOVERNORS VILLAGE PLAN MODIFICATION - 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
<b>Expenditures:</b>							
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
<b>Revenues:</b>							
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
<b>Net cost - excluding sales and property taxes</b>	<b>\$ 240,590</b>	<b>\$ 303,533</b>	<b>\$ (298,137)</b>	<b>\$ 562,083</b>	<b>\$ 99,814</b>	<b>\$ 322,494</b>	<b>\$ 1,230,377</b>
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
<b>Estimated Marginal County Costs For Governors Village:</b>							
Estimated Governors Village Population	272	272	272	272	272	272	272
Marginal Operating Costs	\$ 1,137	\$ 1,434	\$ (1,408)	\$ 2,655	\$ 472	\$ 1,523	\$ 5,812
Additional FTE's Anticipated	0.01	0.03	0.03	0.04	0.01	0.02	0.14
Total Anticipated FTE's	2.01	7.03	6.03	8.04	2.01	4.02	29.14

FTE = Full-time equivalent personnel

TABLE 7

**GOVERNORS VILLAGE PLAN MODIFICATION - 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
<b>Expenditures:</b>											
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
<b>Revenues:</b>											
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
<b>Net cost - excluding sales and property taxes</b>	<b>\$ 591,450</b>	<b>\$ 276,246</b>	<b>\$ 365,905</b>	<b>\$ 64,041</b>	<b>\$ 189,211</b>	<b>\$ 309,532</b>	<b>\$ 916,597</b>	<b>\$ 251,562</b>	<b>\$ 510,554</b>	<b>\$ 4,661,529</b>	<b>\$ 8,136,627</b>
<b>FTE's</b>	<b>2.00</b>	<b>4.00</b>	<b>13.35</b>	<b>1.00</b>	<b>14.15</b>	<b>5.75</b>	<b>26.80</b>	<b>-</b>	<b>-</b>	<b>67.25</b>	<b>134.30</b>
<b>Net Chatham County Non-Income Dependent Programs, per Chatham County officials</b>	<b>\$ 591,450</b>	<b>\$ 276,246</b>	<b>\$ 365,905</b>	<b>\$ 64,041</b>	<b>\$ 189,211</b>	<b>\$ 309,532</b>	<b>\$ 916,597</b>	<b>\$ 251,562</b>	<b>\$ 510,554</b>	<b>\$ 1,908,340</b>	<b>\$ 5,383,438</b>
<b>Chatham County Population</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>
<b>Chatham County Per Capita Net Cost</b>	<b>\$ 10.26</b>	<b>\$ 4.79</b>	<b>\$ 6.35</b>	<b>\$ 1.11</b>	<b>\$ 3.28</b>	<b>\$ 5.37</b>	<b>\$ 15.90</b>	<b>\$ 4.36</b>	<b>\$ 8.86</b>	<b>\$ 33.11</b>	<b>\$ 93.40</b>
<b>FTE's - Non-Income Dependent Programs</b>	<b>2.00</b>	<b>4.00</b>	<b>13.35</b>	<b>1.00</b>	<b>14.15</b>	<b>5.75</b>	<b>26.80</b>	<b>-</b>	<b>-</b>	<b>27.53</b>	<b>94.58</b>
<b>Estimated Marginal County Costs For Governors Village:</b>											
<b>Estimated Governors Village Population</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>
<b>Marginal Operating Costs</b>	<b>\$ 2,794</b>	<b>\$ 1,305</b>	<b>\$ 1,729</b>	<b>\$ 303</b>	<b>\$ 894</b>	<b>\$ 1,462</b>	<b>\$ 4,330</b>	<b>\$ 1,188</b>	<b>\$ 2,412</b>	<b>\$ 9,015</b>	<b>\$ 25,432</b>
<b>Additional FTE's Anticipated</b>	<b>0.01</b>	<b>0.02</b>	<b>0.06</b>	<b>0.00</b>	<b>0.07</b>	<b>0.03</b>	<b>0.13</b>	<b>-</b>	<b>-</b>	<b>0.13</b>	<b>0.45</b>
<b>Total Anticipated FTE's</b>	<b>2.01</b>	<b>4.02</b>	<b>13.41</b>	<b>1.00</b>	<b>14.22</b>	<b>5.78</b>	<b>26.93</b>	<b>-</b>	<b>-</b>	<b>67.38</b>	<b>134.75</b>

FTE = Full-time equivalent personnel

TABLE 8

**GOVERNORS VILLAGE PLAN MODIFICATION - 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
<b>Expenditures:</b>										
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
<b>Revenues:</b>										
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
<b>Net cost - excluding sales and property taxes</b>	<b>\$ 228,028</b>	<b>\$ 164,891</b>	<b>\$ 431,467</b>	<b>\$ (228,189)</b>	<b>\$ 273,075</b>	<b>\$ (1)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 136,371</b>	<b>\$ 1,005,642</b>
<b>FTE's</b>	<b>4.00</b>	<b>-</b>	<b>13.00</b>	<b>8.00</b>	<b>5.00</b>	<b>1.00</b>	<b>-</b>	<b>1.00</b>	<b>3.00</b>	<b>35.00</b>
<b>Chatham County Population</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>
<b>Chatham County Per Capita Net Cost</b>	<b>\$ 3.96</b>	<b>\$ 2.86</b>	<b>\$ 7.49</b>	<b>\$ (3.96)</b>	<b>\$ 4.74</b>	<b>\$ (0.00)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2.37</b>	<b>\$ 17.45</b>
<b>Estimated Marginal County Costs For Governors Village:</b>										
<b>Estimated Governors Village Population</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>
<b>Marginal Operating Costs</b>	<b>\$ 1,077</b>	<b>\$ 779</b>	<b>\$ 2,038</b>	<b>\$ (1,078)</b>	<b>\$ 1,290</b>	<b>\$ (0)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 644</b>	<b>\$ 4,751</b>
<b>Additional FTE's Anticipated</b>	<b>0.02</b>	<b>-</b>	<b>0.06</b>	<b>0.04</b>	<b>0.02</b>	<b>0.00</b>	<b>-</b>	<b>0.00</b>	<b>0.01</b>	<b>0.17</b>
<b>Total Anticipated FTE's</b>	<b>4.02</b>	<b>-</b>	<b>13.06</b>	<b>8.04</b>	<b>5.02</b>	<b>1.00</b>	<b>-</b>	<b>1.00</b>	<b>3.01</b>	<b>35.17</b>

FTE = Full-time equivalent personnel



TABLE 9

**GOVERNORS VILLAGE PLAN MODIFICATION - 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
<b>Expenditures:</b>									
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
<b>Revenues:</b>									
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
<b>Net cost - excluding sales and property taxes</b>	<b>\$ 170,438</b>	<b>\$ 1,439,318</b>	<b>\$ 338,151</b>	<b>\$ 769,095</b>	<b>\$ 202,075</b>	<b>\$ 321,535</b>	<b>\$ 3,585,528</b>	<b>\$ 806,543</b>	<b>\$ 7,632,683</b>
<b>FTE's</b>	<b>5.25</b>	<b>-</b>	<b>3.00</b>	<b>12.00</b>	<b>3.00</b>	<b>6.00</b>	<b>62.00</b>	<b>16.00</b>	<b>107.25</b>
<b>Chatham County Population</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>	<b>57,640</b>
<b>Chatham County Per Capita Net Cost</b>	<b>\$ 2.96</b>	<b>\$ 24.97</b>	<b>\$ 5.87</b>	<b>\$ 13.34</b>	<b>\$ 3.51</b>	<b>\$ 5.58</b>	<b>\$ 62.21</b>	<b>\$ 13.99</b>	<b>\$ 132.42</b>
<b>Estimated Marginal County Costs For Governors Village:</b>									
<b>Estimated Governors Village Population</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>
<b>Marginal Operating Costs</b>	<b>\$ 805</b>	<b>\$ 6,799</b>	<b>\$ 1,597</b>	<b>\$ 3,633</b>	<b>\$ 955</b>	<b>\$ 1,519</b>	<b>\$ 16,938</b>	<b>\$ 3,810</b>	<b>\$ 36,057</b>
<b>Adjusted Marginal Costs</b>	<b>\$ 805</b>	<b>\$ 6,799</b>	<b>\$ 1,597</b>	<b>\$ 3,633</b>	<b>\$ 955</b>	<b>\$ 1,519</b>	<b>\$ 16,938</b>	<b>\$ 3,810</b>	<b>\$ 36,057</b>
<b>Additional FTE's Anticipated</b>	<b>0.02</b>	<b>-</b>	<b>0.01</b>	<b>0.06</b>	<b>0.01</b>	<b>0.03</b>	<b>0.29</b>	<b>0.08</b>	<b>0.51</b>
<b>Total Anticipated FTE's</b>	<b>5.27</b>	<b>-</b>	<b>3.01</b>	<b>12.06</b>	<b>3.01</b>	<b>6.03</b>	<b>62.29</b>	<b>16.08</b>	<b>107.76</b>

FTE = Full-time equivalent personnel

TABLE 9A

**GOVERNORS VILLAGE PLAN MODIFICATION - FISCAL 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		
<b>Debt Service Allocation to Governors Village</b>	<b>\$</b>	<b>1,696</b>		
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		
<b>Annual EMS Units Operating Cost Allocated to Governors Village</b>	<b>\$</b>	<b>10,456</b>		

**EMS  
Operating**

**Expenditures:**

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

\$ 1,439,318

**Revenues:**

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

\$ -

**Net cost - excluding sales and property taxes**

**\$ 1,439,318**

**Estimated Costs Assuming Per Capita Approach:**

<b>Chatham County Population</b>		<b>57,640</b>
<b>Chatham County Per Capita Net Cost</b>	<b>\$</b>	<b>24.97</b>
<b>Estimated Marginal County Costs For Governors Village:</b>		
<b>Estimated Governors Village Population</b>		<b>272</b>
<b>Marginal Operating Costs</b>	<b>\$</b>	<b>6,799</b>

**Estimated Costs Assuming Increased Levels of Service:**

<b>Per Capita Allocation of Transfer to Capital Reserve</b>	<b>\$</b>	<b>-</b>
<b>Annual debt service for new EMS base</b>		<b>1,696</b>
<b>Annual operating costs of new EMS unit:</b>		<b>10,456</b>
<b>Total Anticipated Costs</b>	<b>\$</b>	<b>12,152</b>
<b>Additional Annual Costs Related to Increased Levels of Service</b>	<b>\$</b>	<b>5,352</b>

TABLE 9B

**GOVERNORS VILLAGE PLAN MODIFICATION - FISCAL IMPACT STUDY  
ANALYSIS OF CHATHAM COUNTY FY05 BUDGET  
EXPANDED PUBLIC SAFETY ANALYSIS**

<b>FY05 Departmental Budget - Net Costs:</b>	<b>FY05 Requested</b>	<b>FY05 Approved</b>
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	905,657	806,543
Total	<u>\$ 6,200,045</u>	<u>\$ 4,915,681</u>
<b>Chatham County Population</b>	57,640	57,640
<b>Chatham County Per Capita Net Cost</b>	\$ 107.57	\$ 85.28
<b>Estimated Marginal County Costs for Governors Village - Expanded Services:</b>		
<b>Estimated Governors Village Population</b>	272	272
<b>Marginal Operating Costs - Expanded Services</b>	<u>\$ 29,289</u>	<u>\$ 23,222</u>
<b>Expanded Service Cost Differential Allocated to Governors Village</b>	<u>\$ 6,067</u>	

**TABLE 10**

**GOVERNORS VILLAGE PLAN MODIFICATION - FISCAL IMPACT STUDY  
CHATHAM COUNTY ANNUAL FISCAL IMPACT - AT BUILDOUT  
AT EXPANDED SERVICE LEVELS**

<b>Incremental Tax Revenues:</b>			
<b>Property Taxes</b>			
Residential	\$	202,066	
Motor Vehicle		18,802	
Total Property Taxes			\$ 220,868
<b>Sales Taxes</b>			
Article 39	\$	19,903	
Articles 40 and 42		19,521	
Article 44		8,979	
Total Sales Taxes			48,402
<b>Total Incremental Tax Revenues</b>			<b>\$ 269,270</b>
<b>Incremental Expenditures at Existing Service Levels:</b>			
<b>Chatham County Government</b>			
Administration	\$	19,114	
Education, Culture, and Recreation (excluding schools)		8,673	
General Government		5,812	
Human Services		25,432	
Natural Resource Management		4,751	
Public Safety		36,057	
Total Chatham County Government Incremental Expenditures			\$ 99,838
<b>Chatham County Schools Operating Costs</b>			76,775
<b>Total Incremental Expenditures at Existing Service Levels</b>			<b>176,614</b>
<b>Incremental Capital Costs:</b>			
<b>Chatham County Schools - Annual Debt Service</b>			
School Facilities		44,735	
School Transportation		1,728	46,463
<b>Incremental Surplus at Existing Service Levels</b>			<b>\$ 46,194</b>
<b>Expanded Service Level Expenditures:</b>			
<b>Public Safety:</b>			
Emergency Medical Services	\$	5,352	
Public Safety		6,067	
Total Public Safety			\$ 11,420
Contribution to Countywide CIP Program:		\$ 3,877	
<b>Total Expanded Service Level Expenditures</b>			<b>15,296</b>
<b>Annual Incremental Surplus at Expanded Service Levels</b>			<b>\$ 30,897</b>

**GOVERNORS VILLAGE PLAN MODIFICATION - FISCAL IMPACT STUDY**  
**CHATHAM COUNTY 2005 - 2009 CAPITAL IMPROVEMENTS PROGRAM**

**Debt Service Assumptions per Chatham County Management:**

**Recreation Exaction Fees:**

Recreation Exaction Fee per lot	\$ 857
Total number of lots	125
Total Recreation Exaction Fees	<u>\$ 107,143</u>

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

**TABLE 12**

**GOVERNORS VILLAGE PLAN MODIFICATION - FISCAL IMPACT STUDY  
CHATHAM COUNTY POPULATION AND HOUSEHOLD ESTIMATES**

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

<b>As of July 1</b>	<b>Reported Population</b>	<b>Annual Change</b>	<b>%</b>	<b>Cumulative Change</b>	<b>%</b>	<b># of Units</b>	
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	<b>U. S. Census</b>
2001	50,954	1,366	2.75%	5,824	12.90%	20,285	<b>Estimated</b>
2002	52,582	1,628	3.20%	7,452	16.51%	20,933	<b>Estimated</b>
Average growth during period		1,490	3.11%				

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

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

**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 the Governors Village Plan Modification 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 the Plan.

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 a SGR of .40 for 49 new single-family detached dwelling units in the Governors Village Plan Modification. 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 considers 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*<sup>1</sup>. 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 .276 to .323.

The estimated SGR of .40 is also consistent with a report, *Student Generation Rate (SGR) Analysis –Estimating Briar Chapel Impacts on Chatham County Schools*<sup>2</sup>, 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

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<sup>1</sup> 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.

<sup>2</sup> 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 2000 Census data for the Chatham County, Chapel Hill-Carrboro, Durham County, Wake County, Durham County and Orange County school systems, each of the new single family attached housing units (townhomes) has .19 public school students. This SGR was applied to all 76 attached units contemplated in the Governors Village Plan Modification. This rate is substantially higher than the rate of .15 estimated by Tischler & Associates in 1996.

After applying the aforementioned SGRs, it is estimated that the Governors Village Plan Modification will have 34 new students enrolled in Chatham County Schools at the Plan's buildout. Approximately 16 of these students will be at the elementary grade level. Of the remainder, 8 will be new middle school students and 10 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 34 new Governors Village Plan Modification students will cost the District approximately \$77,000 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 on current estimates of capital costs and building capacities, it is estimated that the District will incur capital costs of approximately \$802,000 to accommodate the 34 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 \$187,500 of offsetting revenues (Table 15), resulting in a net capital cost of \$615,000. The annual debt service for the \$615,000 is estimated to be \$45,000.



**TABLE 13**

**GOVERNORS VILLAGE PLAN MODIFICATION - FISCAL IMPACT STUDY  
CHATHAM COUNTY SCHOOLS - STUDENT GENERATION RATE**

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

**Adjusted Public School Students Per Household**

	<b>Elementary</b>	<b>Middle</b>	<b>High</b>	<b>Total</b>
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

**2000 U.S. Census - Wake, Durham, Orange, Chapel Hill-Carrboro, and Chatham County School Systems**

Single Family Attached				0.19
Allocation by grade level assuming single family percentages above.	0.09	0.04	0.06	0.19

**Governors Village Public School Students**

	<b>Total Units</b>	<b>Elementary</b>	<b>Middle</b>	<b>High</b>	<b>Total</b>
Single Family	49	9.3	4.4	5.9	20
Single Family - Attached	76	6.9	3.2	4.3	14
Total	125	16	8	10	34

**TABLE 14**

**GOVERNORS VILLAGE PLAN MODIFICATION - FISCAL IMPACT STUDY  
ANALYSIS OF CHATHAM COUNTY FY05 BUDGET  
CHATHAM COUNTY SCHOOLS OPERATING COSTS**

<b>Expenditures:</b>	
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>
<b>Revenues:</b>	
Fees and permits	\$ -
Grants	-
Interest	-
Intergovernmental	-
Miscellaneous	-
Other taxes	-
Sales & service	-
Transfers	504,172
Fund balance	<u>-</u>
Total revenues	<u>\$ 504,172</u>
<b>Net cost - excluding sales and property taxes</b>	<u><b>\$ 17,468,451</b></u>
<b>Chatham County Public School Enrollment</b>	<b>7,745</b>
<b>Chatham County Per Student Net Cost</b>	<b>\$ 2,255.45</b>
<b>Estimated Marginal County Costs For Governors Village:</b>	
<b>Estimated Governors Village Public School Students</b>	<u><b>34</b></u>
<b>Marginal Operating Costs</b>	<u><b>\$ 76,775</b></u>

TABLE 15

**GOVERNORS VILLAGE PLAN MODIFICATION - 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	14,406,000	25,127,000	33,326,000	
Total Cost	14,806,000	25,927,000	34,526,000	
Student Capacity	800	1,000	1,200	
Capital Cost per Student	\$ 19,000	\$ 26,000	\$ 29,000	
<b><u>Governors Village Public School Students</u></b>	<b>16</b>	<b>8</b>	<b>10</b>	<b>Total 34</b>
Capital Costs Allocable to Governors Village	\$ 307,211	\$ 199,134	\$ 296,148	\$ 802,493
Less:				
	\$ -	\$ -	\$ -	\$ -
Impact Fees	89,063	42,188	56,250	187,500
	89,063	42,188	56,250	187,500
Net Chatham County School Capital Cost Attributable to Governors Village	\$ 218,149	\$ 156,947	\$ 239,898	\$ 614,993
<b>Annual Debt Service</b>	<b>\$ 15,868</b>	<b>\$ 11,416</b>	<b>\$ 17,450</b>	<b>\$ 44,735</b>

**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 Governors Village Students	24	10	34
<b>Estimated Capital Costs</b>	<b>\$ 275,153</b>	<b>\$ 178,424</b>	<b>\$ 453,577</b>

**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**

Governors Village Estimated Enrollment	34
Chatham County School bus ridership rate	49%
Estimated Governors Village Bus Riders	17
School Bus Capacity	60
New School Buses Required	0.28
Cost of New School Bus	70,000
Annual Debt Service Per School Bus	\$ 20,201
Total Debt Service for Governors Village Buses	\$ 22,463
Amortization Period - State Replaces Bus in Year	13
<b>Annual School Bus Transportation Capital Cost</b>	<b>\$ 1,728</b>

TABLE 15A

**GOVERNORS VILLAGE PLAN MODIFICATION - 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
<b>ELEMENTARY</b>									
<b>Governors Village - Estimated cost excluding land, furnishings, design/administration</b>									
340-4437	Forsyth County	Middle Fork Elem	0K-05	1/21/2004	\$ 77,283	\$ 12,389,160 incl.	\$ 12,389,160	800	\$ 15,486
800-4450	Rowan-Salisbury	West Rowan ES	0K-05	3/4/2004	\$ 84,458	\$ 6,545,000 incl.	\$ 6,545,000	740	\$ 8,845
740-4337	Pitt County	Forlines Road Elem	0K-05	2/18/2004	\$ 81,087	\$ 8,021,406 incl.	\$ 8,021,406	700	\$ 11,459
290-4453	Davidson County	Ledford Elem	0K-05	2/17/2004	\$ 75,597	\$ 8,317,022 incl.	\$ 8,317,022	675	\$ 12,322
900-4468	Union County	Kensington Elem	0K-05	6/8/2004	\$ 77,491	\$ 8,587,000 incl.	\$ 8,587,000	650	\$ 13,211
						\$ 9,038,350 incl.	\$ 9,038,350	750	\$ 12,051
<b>TOTAL 2003 PROJECTS</b>					<b>2003</b>		<b>\$ 106,378,674</b>	<b>9,166</b>	<b>\$ 11,606</b>
<b>MIDDLE</b>									
<b>Governors Village - Estimated cost excluding land, furnishings, design/administration</b>									
750-4454	Polk County	Polk County MS	06-08	3/2/2004	\$ 106,438	\$ 11,121,952 incl.	\$ 11,121,952	1,000	\$ 21,609
280-4435	Dare County	Manteo MS	06-08	3/25/2004	\$ 91,879	\$ 12,534,500 incl.	\$ 12,534,500	650	\$ 17,111
						\$ 1,015,500	\$ 13,550,000	450	\$ 27,854
<b>TOTAL 2003 PROJECTS</b>					<b>2003</b>		<b>\$ 54,946,432</b>	<b>4,175</b>	<b>\$ 13,161</b>
<b>HIGH SCHOOL</b>									
<b>Governors Village - Estimated cost excluding land, furnishings, design/administration</b>									
180-4456	Catawba County	New Maiden HS	09-12	5/26/2004	\$ 250,000	\$ 28,660,360 incl.	\$ 28,660,360	1,200	\$ 23,884
920-4433	Wake County	Panther Creek HS	09-12	3/11/2004	\$ 275,900	\$ 27,493,881 incl.	\$ 27,493,881	1,000	\$ 27,494
920-4441	Wake County	New H5 HS/Holly Springs	09-12	2/12/2004	\$ 272,751	\$ 32,136,113 incl.	\$ 32,136,113	1,600	\$ 20,085
600-4442	Mecklenburg County	Ardrey Kell HS	09-12	6/3/2004	\$ 301,602	\$ 33,132,000 incl.	\$ 33,132,000	1,600	\$ 20,708
						\$ 34,649,340 incl.	\$ 36,612,800	2,000	\$ 17,325
<b>TOTAL 2003 PROJECTS</b>					<b>2003</b>		<b>\$ 83,834,609</b>	<b>4,600</b>	<b>\$ 18,225</b>

The projected Governors Village 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 Governors Village Plan Modification 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 \$19,000. Estimated expenses attributable to the Plan's residents are \$15,000 thereby producing a net annual surplus of \$4,000.

### Utility Fund – Table 17

Water service to the residents will be provided by Chatham County. Table 17 indicates the availability fees of \$255,000 will offset the allocated water plant expansion costs by \$52,000.

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.

Sewer service will be provided by the Chatham Water Reclamation Company ("CWRC") which is a privately owned state-regulated sewer facility. The new development will be brought into its sewer service area through a contiguous extension once the infrastructure has been installed. Sewage is treated at a treatment plant owned by Whippoorwill, LLC which is jointly owned by CWRC and Carolina Meadows Retirement Community.

### Waste Management Fund – Table 18

The residents of the Governors Village Plan Modification are assumed to have trash and recycling services provided through private contractors. A net annual surplus of \$6,200 is expected for this fund.

**TABLE 16**

**GOVERNORS VILLAGE PLAN MODIFICATION - FISCAL IMPACT STUDY  
ANALYSIS OF CHATHAM COUNTY FY05 BUDGET  
NORTH CHATHAM FIRE DISTRICT - SPECIAL REVENUE FUND**

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**Incremental Revenue:**

Property Tax Base:

Residential	\$ 31,970,000
North Chatham Fire Tax Rate	0.0600%
Collection %	<u>97.78%</u>

**Incremental Fire Department Revenue** **\$ 18,756**

**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:**

	<b>Cost</b>
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 Governors Village Population 272

Estimated Annual Cost Allocated to Governors Village \$ 15,039

**Incremental Fire Department Expenditures** **15,039**

**Annual Net Surplus** **\$ 3,718**

TABLE 17

**GOVERNORS VILLAGE PLAN MODIFICATION - 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 Governors Village Households	125
<b>Annual Utility Fund Revenue</b>	<u>125</u>

**Incremental Expenditures:**

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

Combined Customers - current Chatham County and Governors Village	4,927
Average Cost Per Household	
# of Governors Village Households	125
<b>Annual Utility Fund Expenditures</b>	<u>                    </u>

**Net Surplus**

\$ -

**Summary of Capital Activity:****Revenues:**

Per Unit Availability Fee	\$ 2,040
# of Governors Village Households	125
<b>Total Unit Fees</b>	<u><u>\$ 255,000</u></u>

**Expenditures:**

Tap Setting	\$ 425
# of Governors Village Households	125
<b>Total Tap Setting</b>	<u>53,125</u>

Total Cost of Required Water Plant Expansion	\$ 6,000,000
Water Plant Expansion Capacity - gallons per day	2,000,000
Governors Village estimated usage - 400 gallons per day per unit	50,000
Allocation of Water Plant Expansion to Governors Village	\$ 150,000
<b>Allocation to Governors Village</b>	<u>150,000</u>

<b>Total Expenditures</b>	<u>203,125</u>
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<b>Net Surplus</b>	<u><u>\$ 51,875</u></u>
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**TABLE 18**

**GOVERNORS VILLAGE PLAN MODIFICATION - FISCAL IMPACT STUDY  
ANALYSIS OF CHATHAM COUNTY FY05 BUDGET  
WASTE MANAGEMENT - ENTERPRISE FUND**

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**Incremental Availability Fee Revenue:**

Annual Availability Fee	\$	81.00	
# of Governors Village Households		<u>125</u>	
<b>Annual Availability Fee Revenue</b>			<b>\$ 10,125</b>

**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>	
<b>Costs Per Household</b>	<b>\$</b>	<b>31.55</b>	
# of Governors Village Households		<u>125</u>	
<b>Annual Expenditures</b>			<b><u>3,944</u></b>
 <b>Annual Net Surplus</b>			 <b><u><u>\$ 6,181</u></u></b>



## 7. SENSITIVITY ANALYSIS

This fiscal impact analysis of the Governors Village Plan Modification 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 single-family detached household in Chatham County was 2.46. 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 of 2.47 was deemed appropriate for the single family detached units. Based on this data, no further sensitivity analysis was deemed necessary.

According to the 2000 Census, the average number of persons per single-family attached household in the Chatham County, Chapel Hill-Carrboro, Durham, Orange and Wake County school districts was 1.99. This rate was deemed an appropriate persons per household rate for all of the Plan's attached units. Based on this data, no further sensitivity analysis was deemed necessary.

The estimated student generation rates of .40 and .19 are consistent with the 1996 study prepared by Tischler & Associates, Inc. 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*. Based on this data, no further sensitivity analysis was deemed necessary.

The housing prices and absorption rates are based on absorption pace and price points projected by the development team and are consistent with current market values in the existing Governors Village and Governors Park developments. To test the sensitivity of these price points, the fiscal impacts were evaluated assuming unit sales prices were 10% less than those assumed in this report. Even at these lower housing values, the annual fiscal impact at expanded services levels was \$11,000.

## 8. METHODOLOGY AND ASSUMPTIONS

A modified per capita; case-study type approach was used to estimate the costs and revenues associated with the proposed Governors Village Plan Modification. 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 Governors Village Plan Modification 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 the Governors Village Plan Modification. 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 \$256,000 and is based on the weighted average value of all 125 units. It is assumed that there are 2.47 persons per household (2000 Census for Chatham County, North Carolina) for single-family homes and 1.99 for the townhome units resulting in an estimated population of 272. The Developers estimate the absorption rate to be, on average, 25 units per year with a corresponding buildout period of five 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 \$857 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 the Governors Village Plan Modification to estimate the total cost of providing that particular service to the Plan. 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.

*New School Construction Costs* – Capital costs for schools were based on McGraw-Hill Construction Dodge data forecasted for 2005. 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

##### *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 the Governors Village Plan Modification 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 \$31,000 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 the Governors Village Plan Modification 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

**GOVERNORS VILLAGE PLAN MODIFICATION - FISCAL IMPACT STUDY**  
**SOURCE DATA**

		<b>Color Index</b>
Input		
Calculated in Table A-1		
Calculated in Another Table		
<b>GOVERNORS VILLAGE PLAN MODIFICATION -</b>		
<b>FISCAL IMPACT STUDY</b>		
<b>Governors Village</b>		<b>Information Source</b>
Project Name	<b>Governors Village</b>	
Total Acreage	<b>30.00</b>	Developer
Total Units	<b>125</b>	Table A-2
Affordable Housing Units	<b>-</b>	Developer
Rental Apartments	<b>-</b>	Developer
Townhomes	<b>76</b>	Developer
Single Family	<b>49</b>	Developer
Total Units - Excluding Affordable Housing	<b>125</b>	Developer
Average unit sales value	<b>\$ 256,000</b>	Table A-2
Residential tax base	<b>\$ 31,970,000</b>	
Commercial office sq footage	<b>-</b>	Developer
Commercial office tax value per sq ft	<b>\$ 130</b>	ADVANTIS
Commercial office tax base	<b>\$ -</b>	
Commercial office/retail sq footage	<b>-</b>	Developer
Commercial office/retail tax value per sq ft	<b>\$ 100</b>	ADVANTIS
Commercial office/retail tax base	<b>\$ -</b>	
Commercial Buildout - Year 4	<b>0%</b>	Developer
Commercial Buildout - Year 5	<b>0%</b>	Developer
Commercial Buildout - Year 6	<b>0%</b>	Developer
Commercial Buildout - Year 7	<b>0%</b>	Developer
Projected population	<b>272</b>	Based on 2000 U. S. Census
Absorption rate - residential units per year	<b>25.00</b>	Developer
Build-out period - in years	<b>5.00</b>	Developer
Discount Rate	<b>6.00%</b>	Estimated
<b>Chatham County</b>		
Fiscal Year (FYxx)	<b>FY05</b>	
County	<b>Chatham</b>	
Current County Population under Study	<b>57,640</b>	Extrapolated from NC Treasurer Reports, Table 13
Persons Per Household	<b>2.47</b>	2000 U.S. Census - Chatham County
Persons Per Household - 1, Attached	<b>1.99</b>	2000 U.S. Census - Chatham, Chapel Hill-Carrboro, Durham, Wake, and Orange School Systems
Northwood School District Estimated Population	<b>27,998</b>	Extrapolated from Chatham County Reports
Siler City Population	<b>7,002</b>	Chatham Co. NC website
Pittsboro Population	<b>2,236</b>	Chatham Co. NC website
Goldston Population	<b>319</b>	2000 U.S. Census
Center Township - excluding Pittsboro	<b>3,701</b>	2000 U.S. Census
Haw River Township	<b>1,215</b>	2000 U.S. Census
Cape Fear Township	<b>1,170</b>	2000 U.S. Census
Population served by existing North Chatham Fire Station	<b>11,250</b>	Deputy Chief - North Chatham Fire Department
Population served by North Chatham Fire District	<b>18,500</b>	Deputy Chief - North Chatham Fire Department
Current ratio of deputies per 1,000 population	<b>1.30</b>	Chatham County Sheriff
Norm area county ratio of deputies per 1,000 population	<b>1.80</b>	Chatham County Sheriff
Target ratio of deputies per 1,000 population	<b>2.30</b>	Chatham County Sheriff - rate for other area municipalities
Population factor	<b>1,000</b>	Chatham County Sheriff
<b>Ad Valorem Tax Rates:</b>		
Commercial	<b>0.6464%</b>	Chatham County FY 05 Budget
Commercial collection %	<b>97.78%</b>	Chatham County FY 05 Budget
Residential	<b>0.6464%</b>	Chatham County FY 05 Budget
Residential collection %	<b>97.78%</b>	Chatham County FY 05 Budget
Motor vehicle	<b>0.6464%</b>	Chatham County FY 05 Budget
Motor vehicle collection %	<b>88.31%</b>	Chatham County FY 05 Budget
North Chatham Fire District Rate	<b>0.06%</b>	Chatham County FY 05 Budget
Article 39 Sales Tax Rate	<b>1.0%</b>	Chatham County FY 05 Budget
Article 44 Point of Sale	<b>0.25%</b>	Chatham County Officials
<b>Assumptions for Sales Tax Calculations:</b>		
Earnings multiple	<b>2.90</b>	North Carolina Department of Commerce, Weighted Average Chatham, Orange, Wake and Durham Counties 1st Qtr 2004 Trends
Estimated household earnings	<b>\$ 88,000</b>	Calculated Based on Earnings Multiple
Survey Category - Median Value of Motor Vehicle Holdings	<b>\$ 26,350</b>	Federal Reserve Bulletin - 2001 Survey of Consumer Finances
FY04 Articles 40 and 42 Sales Taxes	<b>\$ -</b>	Chatham County FY 05 Budget
FY04 Article 44 Sales Tax	<b>\$ -</b>	Chatham County FY 05 Budget
FY04 Article 40 and 42 Sales Tax Per Capita - Chatham Co.	<b>\$ 63.64</b>	NC Department of Revenue - Sales and Use Tax Distributions
FY04 Article 44 Sales Tax Per Capita - Chatham Co.	<b>\$ 28.35</b>	NC Department of Revenue - Sales and Use Tax Distributions
FY04 Article 40 and 42 Sales Tax Per Capita - NC	<b>\$ 64.18</b>	NC Department of Revenue - Sales and Use Tax Distributions
FY04 Article 44 Sales Tax Per Capita - NC	<b>\$ 28.60</b>	NC Department of Revenue - Sales and Use Tax Distributions

TABLE A-1

**GOVERNORS VILLAGE PLAN MODIFICATION - FISCAL IMPACT STUDY**  
**SOURCE DATA**

**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	18.09%	
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	\$ 857.14	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
<b>Total Chatham County Public School Enrollment</b>	<b>7,745</b>	

**Public School Student Generation Rates:**

Single Family	0.40	Tischler and Associates, Inc.
Multifamily	0.15	Tischler and Associates, Inc.
Mobile Home and Other	0.37	Tischler and Associates, Inc.
All Other	0.33	Tischler and Associates, Inc.
Single Family - Attached	0.19	2000 U.S. Census - Wake, Orange, Durham, Chatham and Chapel Hill-Carrboro School Systems

**Governors Village Public School Students**

34

Table 13

**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	2,006,000	Estimated based on comparisons to NCPI, School Design Clearinghouse
Estimated square footage	96,000	
Estimated cost per square foot - excluding design fees, architectural, and engineering	\$ 128.81	Based on McGraw-Hill Construction Dodge Data - Forecasted 2005
Estimated cost per square foot - design fees, architectural and engineering	\$ 9.02	Based on 7% of construction cost
Furniture, fixtures and equipment	\$ 12.24	Based on 9.5% of construction cost
Total estimated cost per square foot	\$ 150.07	
Building, sitework, furniture, fixtures and equipment	\$ 14,406,000	
Total Elementary School Capital Costs	\$ 14,806,000	Calculated
Capacity	800	Chatham County Schools - March 24, 2004
Capital Cost per Public Elementary School Student	\$ 19,000	

**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	3,127,000	Estimated based on comparisons to NCPI, School Design Clearinghouse
Estimated square footage	164,000	
Estimated cost per square foot - excluding design fees, architectural, and engineering	\$ 131.51	Based on McGraw-Hill Construction Dodge Data - Forecasted 2005
Estimated cost per square foot - design fees, architectural and engineering	\$ 9.21	Based on 7% of construction cost
Furniture, fixtures and equipment	\$ 12.49	Based on 9.5% of construction cost
Total estimated cost per square foot	\$ 153.21	
Building, sitework, furniture, fixtures and equipment	\$ 25,127,000	
Total Middle School Capital Costs	\$ 25,927,000	Calculated
Capacity	1,000	Estimated
Capital Cost per Public Middle School School Student	\$ 26,000	

**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 square footage	206,000	Estimated
Estimated cost per square foot - excluding design fees, architectural, and engineering	\$ 138.86	Based on McGraw-Hill Construction Dodge Data - Forecasted 2005
Estimated cost per square foot - design fees, architectural and engineering	\$ 9.72	Based on 7% of construction cost
Furniture, fixtures and equipment	\$ 13.19	Based on 9.5% of construction cost
Total estimated cost per square foot	\$ 161.78	
Building, sitework, furniture, fixtures and equipment	\$ 33,326,000	Calculated
Total High School Capital Costs	\$ 34,526,000	
Capacity	1,200	Chatham County Schools - March 24, 2004
Capital Cost per Public High School Student	\$ 29,000	

TABLE A-1

**GOVERNORS VILLAGE PLAN MODIFICATION - FISCAL IMPACT STUDY**  
**SOURCE DATA**

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**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

**GOVERNORS VILLAGE PLAN MODIFICATION - FISCAL IMPACT STUDY  
SUMMARY OF HOUSING TYPES, PRICE RANGES AND HOUSING VALUES  
BASED ON MASTER PLAN**

Lot Type	Average Unit Price	# of Units	Value	Year 1	Year 2	Year 3	Year 4	Year 5	Total
<b>Townhome A - 20' Wide</b>	\$ 185,000	57	\$ 10,545,000						
1250 - 1240 sq. ft units				12	12	12	12	9	57
Total Annual Closings				\$ 2,220,000	\$ 2,220,000	\$ 2,220,000	\$ 2,220,000	\$ 1,665,000	\$ 10,545,000
<b>Townhome B - 26' Wide</b>	\$ 225,000	19	4,275,000						
2200 sq. ft units				4	4	4	4	3	19
Total Annual Closings				\$ 900,000	\$ 900,000	\$ 900,000	\$ 900,000	\$ 675,000	\$ 4,275,000
<b>Single Family Lots</b>	\$ 350,000	49	17,150,000						
Units				10	10	10	10	9	49
Total Annual Closings				\$ 3,500,000	\$ 3,500,000	\$ 3,500,000	\$ 3,500,000	\$ 3,150,000	\$ 17,150,000
				<b>\$ 31,970,000</b>	<b>6,620,000</b>	<b>6,620,000</b>	<b>6,620,000</b>	<b>6,620,000</b>	<b>5,490,000</b>
									<b>31,970,000</b>
<b>Total Units</b>				<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>21</b>	<b>125</b>
				<b>6,620,000</b>	<b>13,240,000</b>	<b>19,860,000</b>	<b>26,480,000</b>	<b>31,970,000</b>	<b>31,970,000</b>
		<b>125</b>	<b>\$ 31,970,000</b>						
			<b>\$ 256,000</b>						