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**A FISCAL IMPACT ANALYSIS
OF THE PARKS AT
MEADOWVIEW
DEVELOPMENT**

PREPARED FOR

**THE DEVELOPERS -
CRESCENT RESOURCES, LLC**

■

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A FISCAL IMPACT ANALYSIS OF THE PARKS AT MEADOWVIEW DEVELOPMENT

1. INTRODUCTION

This study evaluates the fiscal impacts of the proposed The Parks At Meadowview development (“Meadowview”) 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 facilitate the evaluation of 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

Meadowview is a luxury single-family home community planned for development in northeastern Chatham County. The development consists of 739 lots and features neighborhood amenities such as a pool, clubhouse, multi-sport courts, mini-parks, and a playground. Home prices are expected to average approximately \$750,000.

Crescent Resources, LLC (“Developer”) will develop the project. Since its formation in 1969 by Duke Energy, Crescent Resources, LLC has emerged as a leading land development, land management and commercial forestry company in the Southeastern and Southwestern United States.

The Developers have estimated an absorption rate of, on average, 92 dwelling units per year resulting in a buildout period of 8 years.

3. EXECUTIVE SUMMARY

The Meadowview project will increase the residential real estate tax base of Chatham County by \$554 million. As outlined in the accompanying analysis, it is clear that the Meadowview 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 \$5.7 million, assuming a discount rate of 6%.*

The annual benefit at expanded service levels is the surplus of revenues less expenditures when Meadowview is built out, as shown below. The proposed development clearly has a positive fiscal impact on Chatham County and the Chatham County Board of Education.

CHATHAM COUNTY GENERAL FUND ANNUAL FISCAL IMPACT OF MEADOWVIEW AT BUILDOUT		
INCREMENTAL REVENUES		
PROPERTY TAXES	\$3,425,123	
SALES TAXES	<u>300,116</u>	
TOTAL INCREMENTAL REVENUES		\$3,725,239
INCREMENTAL EXPENDITURES		
CHATHAM COUNTY	\$ 771,096	
CHATHAM COUNTY SCHOOLS		
OPERATING	664,293	
DEBT SERVICE - CAPITAL	<u>480,754</u>	
TOTAL INCREMENTAL EXPENDITURES		<u>1,916,143</u>
ANNUAL INCREMENTAL BENEFIT AT EXISTING SERVICE LEVELS		1,809,096
INCREMENTAL COUNTY EXPENDITURES WITH EXPANDED SERVICES		<u>63,836</u>
ANNUAL INCREMENTAL BENEFIT, EXPANDED SERVICE LEVELS		<u>\$ 1,745,260</u>

4. FISCAL IMPACTS ON THE CHATHAM COUNTY GENERAL FUND

REVENUE IMPACTS

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

The estimated revenues from all sources, generated over the 8-year buildout of the project's development, are provided in Table 1. Annual County revenues grow from \$466,000 in Year 1 to over \$3.7 million a year in the eighth year. Table 2 provides a detailed analysis of all County revenues from Meadowview at the development's buildout.

As seen in Table 2, the residential property values in Meadowview are expected to increase by \$554 million at buildout. Annual residential property taxes will be \$3.3 million and property taxes from vehicles owned by Meadowview residents are estimated to be \$116,000 per year.

Meadowview 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 \$300,000 a year at the time of the development's buildout. As seen in Tables 2 and 3, 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 current impact fee of \$2,900 per dwelling unit will generate \$2,143,100 for school construction over the project's 8-year buildout period. Table 17 provides a description of fees and costs for new school construction as a result of the Meadowview project.

ONE TIME REVENUES TO CHATHAM COUNTY

SCHOOL IMPACT FEES	<u>\$2,143,100</u>
RECREATION EXACTION FEES	<u>\$ 338,000</u>

TABLE 1

MEADOWVIEW DEVELOPMENT
BUILDOUT ANALYSIS

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Total								
Annual Residential Sales	\$ 69,281,250	\$ 69,281,250	\$ 69,281,250	\$ 69,281,250	\$ 69,281,250	\$ 69,281,250	\$ 69,281,250	\$ 69,281,250
Annual Unit Sales	739	92	92	92	92	92	92	92
Cumulative Residential Sales	\$ 69,281,250	\$ 138,562,500	\$ 207,843,750	\$ 277,125,000	\$ 346,406,250	\$ 415,687,500	\$ 484,968,750	\$ 554,250,000
Cumulative # of Units	739	92	185	277	370	462	554	647
Per Capita Revenues:								
Property Taxes	\$ 1,876.44	\$ 1,876.44	\$ 1,876.44	\$ 1,876.44	\$ 1,876.44	\$ 1,876.44	\$ 1,876.44	\$ 1,876.44
Sales Taxes	164.42	164.42	164.42	164.42	164.42	164.42	164.42	164.42
Total Revenues - Per Capita	\$ 2,040.86	\$ 2,040.86	\$ 2,040.86	\$ 2,040.86	\$ 2,040.86	\$ 2,040.86	\$ 2,040.86	\$ 2,040.86
Per Capita Expenditures:								
Direct Expenditures Per Capita at Existing Service Levels, including Public School Operating Costs	\$ 786.37	\$ 786.37	\$ 786.37	\$ 786.37	\$ 786.37	\$ 786.37	\$ 786.37	\$ 786.37
School Debt Service - Per Capita	263.38	263.38	263.38	263.38	263.38	263.38	263.38	263.38
Expanded Service Levels Per Capita	34.97	34.97	34.97	34.97	34.97	34.97	34.97	34.97
Total Expenditures - Per Capita	1,084.72	1,084.72	1,084.72	1,084.72	1,084.72	1,084.72	1,084.72	1,084.72
Per Capita Surplus	\$ 956.13	\$ 956.13	\$ 956.13	\$ 956.13	\$ 956.13	\$ 956.13	\$ 956.13	\$ 956.13
Buildout Analysis:								
Revenues:								
Revenues	\$ 465,655	\$ 931,310	\$ 1,396,965	\$ 1,862,619	\$ 2,328,274	\$ 2,793,929	\$ 3,259,584	\$ 3,725,239
Total Revenues	465,655	931,310	1,396,965	1,862,619	2,328,274	2,793,929	3,259,584	3,725,239
Expenditures:								
Expenditures at Existing Service Levels	\$ 179,424	\$ 358,847	\$ 538,271	\$ 717,694	\$ 897,118	\$ 1,076,542	\$ 1,255,965	\$ 1,435,389
School Debt Service	60,094	120,188	180,283	240,377	300,471	360,565	420,659	480,754
Total Expenditures	\$ 239,518	\$ 479,035	\$ 718,553	\$ 958,071	\$ 1,197,590	\$ 1,437,108	\$ 1,676,624	\$ 1,916,143
Net Surplus at Existing Service Levels	\$ 226,136	\$ 452,273	\$ 678,410	\$ 904,547	\$ 1,130,685	\$ 1,356,822	\$ 1,582,959	\$ 1,809,096
Expenditures at Expanded Service Levels	7,980	15,959	23,939	31,918	39,898	47,877	55,857	63,837
Net Surplus with Expanded Service Levels	\$ 218,156	\$ 436,314	\$ 654,471	\$ 872,629	\$ 1,090,787	\$ 1,308,945	\$ 1,527,102	\$ 1,745,260
Expected New Residents	1,825	228	456	684	913	1,141	1,369	1,597
Public School Students	290	36	73	109	145	181	218	254
Net Present Value of Net Surplus at Expanded Service Levels, Discounted at 6%								\$ 5,683,299

TABLE 2

MEADOWVIEW DEVELOPMENT		
CHATHAM COUNTY TAX REVENUE PER SINGLE-FAMILY HOUSEHOLD		
Residential Property Taxes:		
Residential tax base	\$ 554,250,000	
Tax rate	0.5970%	
Total estimated residential property taxes	<u>\$ 3,308,873</u>	
Motor Vehicle Property Taxes:		
Average motor vehicle value per household, based on Federal Reserve Bulletin survey	\$ 26,350	
# of Households	739	
Motor vehicle tax base	19,472,650	
Tax rate	0.5970%	
Total estimated motor vehicle property taxes	<u>\$ 116,252</u>	
Total Property Tax Revenues	<u>\$ 3,425,124</u>	
Article 39 Sales Tax:		
Residential tax base	\$ 554,250,000	Qualifying sales tax purchases limited to food, gas and oil, household supplies, and incidentals.
# of households	739	
Average value	750,000	
Earnings multiple	2.90	
Estimated household earnings	\$ 259,000	
Estimated % of earnings for Chatham County purchases	6.15%	
Estimated Chatham County Purchases - All Units	\$ 11,766,358	
Article 39 Sales Tax Rate	1.00%	
Article 39 Sales Tax Per Household	<u>\$ 117,664</u>	
<i>Calculated Article 39 Sales Tax per capita</i>	\$ 64	
<i>Estimated FY05 Actual Article 39 Sales Tax Per Capita</i>	\$ 63	
Article 40 Sales Tax Per Household:		
Estimated Meadowview Development Population	1,825.33	
FY05 Per Capita Rate - Table 3	\$ 34.05	
Article 40 Sales Tax Per Household	<u>\$ 62,152</u>	
Article 40 - 70% Unrestricted	\$ 43,507	
Article 40 - 30% Restricted	18,646	
Article 40 Sales Tax Per Household	<u>\$ 62,152</u>	
Article 42 Sales Tax Per Household:		
Estimated Meadowview Development Population	1,825.33	
FY05 Per Capita Rate - Table 3	\$ 33.77	
Article 42 Sales Tax Per Household	<u>\$ 61,639</u>	
Article 42 - 40% Unrestricted	\$ 24,656	
Article 42 - 60% Restricted	36,984	
Article 42 Sales Tax Per Household	<u>\$ 61,639</u>	
Article 44 Sales Tax Per Household:		
Estimated Meadowview Development Population	1,825.33	
FY05 Per Capita Rate - Table 3	\$ 32.14	
Article 44 Sales Tax Per Household:	<u>\$ 58,659</u>	
Total Sales Tax Revenues	<u>\$ 300,115</u>	
Total Tax Revenues	<u>\$ 3,725,239</u>	

TABLE 3

MEADOWVIEW DEVELOPMENT
EXPANDED ANALYSIS OF SALES TAX ALLOCATIONS

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

Chatham County	Article 40		Article 42		Article 39		Article 44		Total	Population
	1/2%	1/2%	1/2%	1/2%	1%	1/2%	1/2%			
July 2004	\$ 208,483	\$ 207,544	\$ 269,303	\$ 157,872	\$ 843,402				52,882	
August 2004	203,777	202,787	284,819	153,827	845,210				53,084	
September 2004	181,416	180,278	290,137	142,798	794,629				53,084	
October 2004	173,932	174,809	266,371	138,409	753,717				53,084	
November 2004	165,483	164,445	197,478	117,729	645,335				53,084	
December 2004	190,945	189,765	311,910	151,789	844,409				53,084	
January 2005	217,444	216,287	336,944	174,347	945,022				53,084	
February 2005	185,396	185,358	255,114	142,506	769,374				53,084	
March 2005	159,435	158,276	259,574	124,640	701,925				53,084	
April 2005	201,898	200,810	290,529	155,395	848,632				53,084	
May 2005	178,779	177,693	245,685	140,018	742,175				53,084	
June 2005	207,385	207,385	347,501	170,552	932,123				53,084	
	\$ 2,277,373	\$ 2,265,633	\$ 3,356,065	\$ 1,770,082	\$ 9,669,153					
Per Capita	\$ 42.42	\$ 42.20	\$ 62.52	\$ 32.97					\$ 84.62	
Total Articles 40 and 42										
North Carolina:										
July 2004										Population
Total Distributed Ad Valorem Basis	\$ 17,301,741	\$ 17,127,607	\$ 45,717,467	\$ 18,304,578	\$ 98,451,393					
Total Distributed Per Capita Basis	21,779,714	21,003,712	46,181,262	20,392,245	108,756,933					
Total Distributed For Both	\$ 38,481,455	\$ 38,131,319	\$ 91,898,729	\$ 38,696,823	\$ 207,208,326					6,575,200
August 2004										
Total Distributed Ad Valorem Basis	\$ 16,747,587	\$ 16,568,376	\$ 46,429,249	\$ 17,788,116	\$ 97,533,428					
Total Distributed Per Capita Basis	20,481,339	20,310,434	45,346,034	19,195,937	105,333,814					
Total Distributed For Both	\$ 37,228,946	\$ 36,878,810	\$ 91,775,433	\$ 36,984,053	\$ 202,867,242					6,672,998
September 2004										
Total Distributed Ad Valorem Basis	\$ 14,909,308	\$ 14,721,819	\$ 44,217,392	\$ 16,205,143	\$ 90,054,142					
Total Distributed Per Capita Basis	18,233,858	18,071,710	40,218,032	16,612,777	93,136,377					
Total Distributed For Both	\$ 33,143,666	\$ 32,793,529	\$ 84,435,424	\$ 32,817,920	\$ 183,190,539					6,672,998
October 2004										
Total Distributed Ad Valorem Basis	\$ 14,439,061	\$ 14,284,296	\$ 39,374,842	\$ 13,360,304	\$ 83,478,503					
Total Distributed Per Capita Basis	17,622,620	17,507,248	39,599,969	16,787,204	91,577,141					
Total Distributed For Both	\$ 32,141,681	\$ 31,791,544	\$ 78,974,811	\$ 32,147,608	\$ 175,055,644					6,672,998
November 2004										
Total Distributed Ad Valorem Basis	\$ 13,600,381	\$ 13,422,393	\$ 37,228,206	\$ 14,506,678	\$ 78,757,758					
Total Distributed Per Capita Basis	16,632,303	16,460,354	36,599,485	15,533,289	85,235,631					
Total Distributed For Both	\$ 30,232,884	\$ 29,882,747	\$ 73,827,721	\$ 30,039,967	\$ 163,993,389					6,672,998
December 2004										
Total Distributed Ad Valorem Basis	\$ 15,692,981	\$ 15,520,283	\$ 43,094,134	\$ 16,456,115	\$ 91,363,513					
Total Distributed Per Capita Basis	19,191,636	19,014,133	44,848,023	18,180,086	101,233,880					
Total Distributed For Both	\$ 34,884,617	\$ 34,534,418	\$ 87,942,157	\$ 34,636,201	\$ 192,597,393					6,672,998
January 2005										
Total Distributed Ad Valorem Basis	\$ 17,870,776	\$ 17,695,428	\$ 49,439,708	\$ 19,340,116	\$ 104,336,028					
Total Distributed Per Capita Basis	21,854,956	21,680,106	49,185,359	21,260,596	113,981,017					
Total Distributed For Both	\$ 39,725,732	\$ 39,375,534	\$ 98,625,067	\$ 40,600,712	\$ 218,317,045					6,672,998
February 2005										
Total Distributed Ad Valorem Basis	\$ 15,319,110	\$ 15,142,740	\$ 41,080,187	\$ 16,390,623	\$ 87,932,660					
Total Distributed Per Capita Basis	18,734,412	18,560,583	40,280,783	17,659,219	95,234,997					
Total Distributed For Both	\$ 34,053,522	\$ 33,703,323	\$ 81,360,970	\$ 34,049,842	\$ 183,167,657					6,672,998
March 2005										
Total Distributed Ad Valorem Basis	\$ 13,103,337	\$ 12,923,472	\$ 38,342,091	\$ 13,956,261	\$ 78,325,251					
Total Distributed Per Capita Basis	16,024,634	15,854,289	37,007,069	14,868,894	83,754,886					
Total Distributed For Both	\$ 29,127,961	\$ 28,777,761	\$ 75,349,160	\$ 28,825,255	\$ 162,080,137					6,672,998
April 2005										
Total Distributed Ad Valorem Basis	\$ 16,393,106	\$ 16,412,059	\$ 46,033,370	\$ 17,859,734	\$ 96,900,269					
Total Distributed Per Capita Basis	20,292,438	20,123,285	43,461,209	18,775,811	102,632,744					
Total Distributed For Both	\$ 36,685,344	\$ 36,535,345	\$ 89,494,579	\$ 36,635,545	\$ 199,533,013					6,672,998
May 2005										
Total Distributed Ad Valorem Basis	\$ 14,693,116	\$ 14,512,619	\$ 39,372,232	\$ 14,067,977	\$ 84,645,944					
Total Distributed Per Capita Basis	17,958,856	17,799,154	36,934,127	17,045,016	89,767,133					
Total Distributed For Both	\$ 32,661,972	\$ 32,311,773	\$ 76,326,359	\$ 33,112,993	\$ 174,413,077					6,672,998
June 2005										
Total Distributed Ad Valorem Basis	\$ 17,044,129	\$ 17,044,129	\$ 45,932,506	\$ 17,826,037	\$ 97,846,801					
Total Distributed Per Capita Basis	20,844,013	20,844,013	47,889,053	19,932,494	109,509,573					
Total Distributed For Both	\$ 37,888,142	\$ 37,888,142	\$ 93,821,559	\$ 37,758,531	\$ 207,356,374					6,672,998
Total FY05 Per Capita Basis	\$ 229,120,999	\$ 227,229,024	\$ 516,249,668	\$ 216,249,668	\$ 1,289,858,359					
Per Capita	\$ 34.34	\$ 34.05	\$ 77.81	\$ 32.41					\$ 68.39	
Total Articles 40 and 42 Per Capita										
State of North Carolina Population 6,672,998										
Meadowview Development Population 1,825										
Chatham County Population Before Meadowview Development										
Chatham County	53,684									
Cary	40									
Goldston	335									
Pittsboro	2,346	\$ 1,843,269	\$ 1,828,048	\$ 1,739,672	\$ 5,419,989					
Siler City	7,519									
Total	63,924									
Chatham County Population After Meadowview Development										
Chatham County	55,509									
Cary	35									
Goldston	311									
Pittsboro	2,346	\$ 1,905,422	\$ 1,889,688	\$ 1,798,331	\$ 5,593,440					
Siler City	7,407									
Total	65,628									
Net Sales Tax Attributable to Meadowview Development	\$ 62,152	\$ 61,639	\$ 61,639	\$ 38,659	\$ 182,451					
Sales Tax Per Capita - Meadowview Development	\$ 34.05	\$ 33.77	\$ 33.77	\$ 32.14						

EXPENDITURE IMPACTS

Along with the substantial revenue impacts generated by Meadowview, 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 Meadowview 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 Meadowview 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
Capital Improvements Program	Emergency Medical Services

The analysis estimates the additional costs of the services to the County by major department. Table 4 estimates the annual costs at existing service levels to the County by department at Meadowview's buildout. These estimates are based on a modified marginal cost approach including per capita costs calculated from the County's FY2005-06 budget. Additional detail of the impact on individual departments is provided in Tables 5 - 17.

EXISTING SERVICE LEVELS

As seen in Table 4, at Meadowview's buildout it is estimated that the County's cost of providing services will increase by approximately \$771,000 per year. Major components of this increase include additional Human Services costs of \$190,000 and additional Public Safety costs of \$277,000 that 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 2005-06 Budget. The County may need or want 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). The costs of these expanded levels of service are shown in Table 13. The total annual costs of these expanded service levels are estimated to be \$38,000 more than those estimated at the existing level of service. These cost increases are primarily associated with an

expansion in emergency medical services (Table 11) and public safety (Table 12).

CHATHAM COUNTY'S CAPITAL IMPROVEMENT PROGRAM (CIP)

In addition to the potential impact of the County choosing to raise the level of services countywide, we also considered the County's Capital Improvements Program (adopted on January 3, 2006 and amended on March 20, 2006) that includes a total of approximately \$133 million in new General Government and School District projects. The entire 2006-2011 General Government CIP is provided in Table 14 and outlines the projects and their financing plan. Financing assumptions for the \$44.4 million General Government projects are based on the CIP presentation made by Staff to the Board of Commissioners. The Table reports the impacts related to the CIP implementation after evaluating the levels of reserve and capital outlay funding included in the FY06 Budget. Associated operating cost increases were taken into account, based on information available, and were included as expanded service level costs of \$26,000 (at buildout).

As seen in Table 13, at these expanded levels of service including implementation of the County's CIP, the net fiscal surplus to Chatham County at Meadowview's buildout is positive. At buildout, the County is expected to receive a net surplus above costs of approximately \$1,745,000 per year.

TABLE 4

**MEADOWVIEW DEVELOPMENT
CHATHAM COUNTY ANNUAL FISCAL IMPACT - AT BUILDOUT
AT EXISTING SERVICE LEVELS**

Incremental Tax Revenues:

Property Taxes			
Residential	\$	3,308,873	
Motor Vehicle		<u>116,252</u>	
Total Property Taxes			\$ 3,425,124
Sales Taxes			
Article 39	\$	117,664	
Articles 40 and 42		123,792	
Article 44		<u>58,659</u>	
Total Sales Taxes			300,116
Total Incremental Tax Revenues			\$ 3,725,239

Incremental Expenditures at Existing Service Levels:

Chatham County Government			
Administration	\$	119,494	
Education, Culture, and Recreation (excluding schools)		59,819	
General Government		54,941	
Human Services		190,153	
Natural Resource Management		69,466	
Public Safety		<u>277,222</u>	
Total Chatham County Government Incremental Expenditures			\$ 771,096
Chatham County Schools Operating Costs			<u>664,293</u>
Total Incremental Operating Expenditures at Existing Service Levels			1,435,389

Incremental Capital Costs:

Chatham County Schools - Annual Debt Service			
School Facilities		466,026	
School Transportation		<u>14,729</u>	<u>480,754</u>
Total Incremental Expenditures at Existing Service Levels			<u>1,916,143</u>

Incremental Surplus at Existing Service Levels			<u>\$ 1,809,096</u>
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TABLE 5

MEADOWVIEW DEVELOPMENT
ANALYSIS OF CHATHAM COUNTY FY16 BUDGET
ADMINISTRATION SUMMARY

	Buildings & Contents	County Attorney	County Manager	Court Facilities	Finance Office	Fleet Management	General Services	MIS	Total
Expenditures:									
Salaries	\$ 238,001	\$ -	\$ 237,017	\$ -	\$ 332,661	\$ 60,672	\$ -	\$ -	\$ 1,215,456
Other personnel costs	113,315	-	70,601	-	103,083	25,727	-	106,472	419,198
Operating	670,738	62,500	64,997	78,964	109,515	32,442	416,969	168,259	1,604,384
Public assistance, grants, and special programs	-	-	-	-	-	-	94,800	-	94,800
Debt	-	-	-	-	-	-	2,952,392	-	2,952,392
Transfers	-	-	(8,009)	-	-	3,000	-	-	(8,009)
Budget revision	-	-	-	-	-	-	741,678	-	741,678
Capital outlay	19,500	-	-	-	-	-	-	-	19,500
Total expenditures	\$ 1,041,554	\$ 62,500	\$ 384,006	\$ 78,964	\$ 545,259	\$ 121,841	\$ 4,204,839	\$ 601,836	\$ 7,041,399
Revenues:									
Fees and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	-	-
Sales & service	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Fund balance	-	-	-	-	-	-	-	-	-
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net cost - excluding sales and property taxes	\$ 1,041,554	\$ 62,500	\$ 384,006	\$ 78,964	\$ 545,259	\$ 121,841	\$ 4,204,839	\$ 601,836	\$ 7,041,399
Less annualization adjustment for CIP funding included in Transfers and Capital Outlay (Table 10)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3,371,607)	\$ -	\$ (3,371,607)
Net cost	\$ 1,041,554	\$ 62,500	\$ 384,006	\$ 78,964	\$ 545,259	\$ 121,841	\$ 830,232	\$ 601,836	\$ 3,669,792
FTE's	9.00	-	4.00	-	7.00	2.00	-	7.00	29.00
Chatham County Population	56,012	56,012	56,012	56,012	56,012	56,012	56,012	56,012	56,012
Chatham County Per Capita Net Cost	\$ 18.60	\$ 1.12	\$ 6.87	\$ 1.41	\$ 9.73	\$ 2.18	\$ 14.82	\$ 10.74	\$ 65.46
Estimated Marginal County Costs For Meadowview Development:									
Estimated Meadowview Development Population	1,825	1,825	1,825	1,825	1,825	1,825	1,825	1,825	1,825
Marginal Operating Costs	\$ 33,542	\$ 2,037	\$ 12,534	\$ 2,573	\$ 17,769	\$ 3,971	\$ 27,056	\$ 19,613	\$ 119,494
Additional FTE's Anticipated	0.29329	-	0.13035	-	0.22812	0.06518	-	0.22812	0.94506
Total Anticipated FTE's	9.29329	-	4.13035	-	7.22812	2.06518	-	7.22812	29.94506
FTE = Full-time equivalent personnel									

TABLE 6

MEADOWVIEW DEVELOPMENT
ANALYSIS OF CHATHAM COUNTY FY06 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	\$ -	\$ -	\$ -	\$ 325,257	\$ 93,510	\$ 418,767	\$ 418,767
Other personnel costs	-	-	-	151,111	64,508	215,679	215,679
Operating	334,124	18,361,314	277,428	304,899	59,116	19,536,791	975,477
Public assistance, grants, and special programs	48,020	-	-	-	143,493	192,113	192,113
Debt	70,872	2,530,433	-	-	-	2,621,305	70,872
Transfers	-	-	-	-	-	-	-
Capital outlay	331,910	-	-	-	-	331,910	331,910
	\$ 785,526	\$ 20,911,747	\$ 277,428	\$ 781,177	\$ 360,687	\$ 23,116,565	\$ 2,204,818
Total expenditures							
Revenues:							
Fees and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants	-	170,483	-	128,010	-	298,493	128,010
Interest	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Other taxes	-	-	-	20,000	32,000	52,000	52,000
Sales & service	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Fund balance	-	-	-	148,010	32,000	350,493	180,010
	\$ -	\$ 170,483	\$ -	\$ 633,167	\$ 328,687	\$ 2,924,888	\$ 2,924,888
Total revenues	\$ 785,526	\$ 20,741,264	\$ 277,428	\$ 633,167	\$ 328,687	\$ 22,766,072	\$ 2,924,888
Net cost - excluding sales and property taxes	\$ (189,201)	\$ -	\$ -	\$ -	\$ -	\$ (189,201)	\$ (189,201)
Less annualization adjustment for CIP funding included in Capital Outlay (Table 10)	\$ 596,325	\$ 20,741,264	\$ 277,428	\$ 633,167	\$ 328,687	\$ 22,576,871	\$ 1,835,607
Net cost	\$ -	\$ -	\$ -	\$ 10.10	\$ 2.50	\$ 12.60	\$ 13.60
FTE's	56.012	56.012	56.012	56.012	56.012	56.012	56.012
Chatham County Population	10.65	370.30	4.95	11.30	5.87	403.07	32.77
Chatham County Per Capita Net Cost							
Estimated Marginal County Costs For Meadowview Development:							
Estimated Meadowview Development Population	1,825	1,825	1,825	1,825	1,825	1,825	1,825
Marginal Operating Costs	\$ 19,433	\$ 675,920	\$ 9,041	\$ 20,634	\$ 10,711	\$ 735,739	\$ 59,819
Additional FTE's Anticipated	-	-	-	0.32914	0.08147	0.41061	0.41061
Total Anticipated FTE's	-	-	-	10.42914	2.58147	13.01061	13.01061
FTE = Full-time equivalent personnel							

TABLE 7

MEADOWVIEW DEVELOPMENT
ANALYSIS OF CHATHAM COUNTY FY06 BUDGET
GENERAL GOVERNMENT SUMMARY

	Elections	Governing Board	Register of Deeds	Tax Administration	Tax - Land Records	Tax - Revaluation	Total
Expenditures:							
Salaries	\$ 71,607	\$ 146,243	\$ 217,345	\$ 304,325	\$ 68,032	\$ 138,380	\$ 945,932
Other personnel costs	67,331	89,437	96,630	106,275	24,779	53,825	438,297
Operating	118,230	183,625	133,284	195,238	9,902	29,303	669,582
Public assistance, grants, and special programs	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Capital outlay	443,600	-	-	-	-	-	443,600
Total expenditures	\$ 700,768	\$ 419,305	\$ 447,279	\$ 605,838	\$ 102,713	\$ 221,508	\$ 2,497,411
Revenues:							
Fees and permits	-	-	\$ 400,000	-	-	-	\$ 400,000
Grants	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Miscellaneous	-	-	-	(10,000)	-	-	(10,000)
Other taxes	-	-	400,000	-	-	-	400,000
Sales & service	3,000	-	-	18,500	-	-	21,500
Transfers	-	-	-	-	-	-	-
Fund balance	-	-	-	-	-	-	-
Total revenues	\$ 3,000	\$ -	\$ 800,000	\$ 8,500	\$ -	\$ -	\$ 811,500
Net cost - excluding sales and property taxes	\$ 697,768	\$ 419,305	\$ (352,721)	\$ 597,338	\$ 102,713	\$ 221,508	\$ 1,685,911
FTE's	2.00	7.00	6.00	8.00	2.00	4.00	29.00
Chatham County Population	56,012	56,012	56,012	56,012	56,012	56,012	56,012
Chatham County Per Capita Net Cost	\$ 12.46	\$ 7.49	\$ (6.30)	\$ 10.66	\$ 1.83	\$ 3.95	\$ 30.10
Estimated Marginal County Costs For Meadowview Development							
Estimated Meadowview Development Population	1,825	1,825	1,825	1,825	1,825	1,825	1,825
Marginal Operating Costs	\$ 22,739	\$ 13,664	\$ (11,495)	\$ 19,466	\$ 3,347	\$ 7,219	\$ 54,941
Additional FTE's Anticipated	0.06518	0.22812	0.19553	0.26071	0.06518	0.13035	0.94506
Total Anticipated FTE's	2.06518	7.22812	6.19553	8.26071	2.06518	4.13035	29.94506
FTE = Full-time equivalent personnel							

TABLE 8

MEADOWVIEW DEVELOPMENT
ANALYSIS OF CHATHAM COUNTY FY06 BUDGET
HUMAN SERVICES SUMMARY

	Council on Aging	Health Administration	Health - Comm. Prevention and Advocacy	Family Resource Center	Family Outreach Support	Health Preparedness & Surveillance	Preventive Health Care	Human Service Agencies	OPC-Mental Health Attn Program	Social Services	Total
Expenditures:											
Salaries	\$ 96,735	\$ 190,622	\$ 366,797	\$ 47,464	\$ 503,296	\$ 262,719	\$ 1,031,981	\$ -	\$ -	\$ 2,881,862	\$ 5,380,596
Other personnel costs	29,769	59,054	170,014	14,787	184,161	86,406	367,845	-	-	1,041,201	1,953,327
Operating	487,329	50,185	48,423	4,700	38,081	17,772	472,938	253,451	533,382	752,351	2,660,614
Public assistance, grants and special programs	-	-	113,095	-	16,337	26,804	26,973	-	-	6,108,319	6,291,748
Duels	-	-	-	-	-	-	-	-	-	38,268	38,268
Transfers	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	600,000	-	-	-	-	-	-	-	-	-	600,000
Total expenditures	\$ 1,213,833	\$ 299,861	\$ 628,329	\$ 66,951	\$ 711,875	\$ 393,391	\$ 1,899,657	\$ 255,453	\$ 533,382	\$ 10,821,821	\$ 16,924,553
Revenues:											
Fees and permits	-	-	-	-	-	-	-	-	-	8,000	8,000
Grants	17,708	349,667	-	-	255,630	97,164	403,329	-	-	5,249,780	6,380,608
Interest	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	30,660	30,660
Other taxes	-	-	19,109	-	264,719	2,009	512,734	-	-	-	818,553
Sales & service	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-
Fund balance	-	-	-	-	-	-	-	-	-	8,000	8,000
Total revenues	\$ -	\$ 17,708	\$ 368,767	\$ -	\$ 519,749	\$ 99,164	\$ 916,163	\$ -	\$ -	\$ 5,269,780	\$ 7,199,251
Net cost - excluding sales and property taxes	\$ 1,213,833	\$ 282,153	\$ 259,562	\$ 66,951	\$ 222,126	\$ 294,227	\$ 983,494	\$ 255,453	\$ 533,382	\$ 5,552,041	\$ 9,725,302
Less: amortization adjustment for CIP funding included in Capital Outlay (Table 10)	\$ (342,023)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (342,023)
Net cost	\$ 871,810	\$ 282,153	\$ 259,562	\$ 66,951	\$ 222,126	\$ 294,227	\$ 983,494	\$ 255,453	\$ 533,382	\$ 5,552,041	\$ 9,383,279
FTE's	2.00	4.00	10.45	1.00	14.70	5.25	27.55	28.55	78.25	143.20	246.20
Net Chatham County Non-Income Dependent Programs, estimated by Chatham County officials	\$ 871,810	\$ 282,153	\$ 329,562	\$ 66,951	\$ 222,126	\$ 294,227	\$ 983,494	\$ 255,453	\$ 533,382	\$ 5,552,041	\$ 9,383,279
Chatham County Population	56,012	56,012	56,012	56,012	56,012	56,012	56,012	56,012	56,012	56,012	56,012
Chatham County Per Capita Net Cost	\$ 15.56	\$ 5.04	\$ 5.88	\$ 1.20	\$ 3.97	\$ 5.25	\$ 17.56	\$ 4.56	\$ 9.38	\$ 99.31	\$ 169.31
FTE's - Non-Income Dependent Programs	2.00	4.00	10.45	1.00	14.70	5.25	27.55	28.55	78.25	143.20	246.20
Estimated Marginal County Costs For Meadowview Development:											
Estimated Marginal County Costs	\$ 1,825	\$ 1,825	\$ 1,825	\$ 1,825	\$ 1,825	\$ 1,825	\$ 1,825	\$ 1,825	\$ 1,825	\$ 1,825	\$ 1,825
Estimated Meadowview Development Population	28,411	9,195	10,740	2,882	7,239	9,588	32,054	8,245	17,121	65,219	190,453
Marginal Operating Costs	\$ 0.06518	\$ 0.19035	\$ 0.17055	\$ 0.03259	\$ 0.25209	\$ 0.17109	\$ 0.05709	\$ -	\$ -	\$ 0.02802	\$ 0.06302
Additional FTE's Anticipated	2.06518	4.19035	10.79055	1.03259	15.17905	5.42109	26.44780	-	-	79.17032	146.23692
Total Anticipated FTE's											
FTE = Full-time equivalent personnel											

TABLE 9

MEADOWVIEW DEVELOPMENT
ANALYSIS OF CHATHAM COUNTY FY06 BUDGET
NATURAL RESOURCE MANAGEMENT SUMMARY

	Central Permitting	Economic Development	Environmental Health	Inspections	Planning Department	Pitshoroc- Siler City CVB	Public Works	Sedimentation & Erosion Control	Soil & Water Conservation District	Total
Expenditures:										
Salaries	\$ 114,541	\$ -	\$ 574,121	\$ 350,591	\$ 233,831	\$ 50,439	\$ -	\$ 62,335	\$ 123,777	\$ 1,506,655
Other personnel costs	48,193	-	185,956	118,386	76,270	15,218	-	24,371	42,343	302,727
Operating	35,065	170,502	63,740	74,967	37,956	24,540	-	14,300	30,103	451,173
Public assistance, grants and special programs	-	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Budget revision	-	64,893	-	-	-	-	1,088,098	-	-	1,088,098
Capital outlay	-	-	8,500	60,800	-	-	-	20,000	-	64,893
	-	-	-	-	-	-	-	-	-	89,300
Total expenditures	\$ 189,799	\$ 235,395	\$ 832,317	\$ 604,744	\$ 348,057	\$ 90,197	\$ 1,088,098	\$ 121,026	\$ 196,223	\$ 3,705,856
Revenues:										
Fees and permits	\$ -	\$ -	\$ -	\$ 875,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 875,000
Grants	-	-	6,250	-	-	-	-	48,497	22,000	76,747
Interest	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	90,197	-	-	-	90,197
Sales & service	-	-	356,840	-	80,000	-	-	72,529	100	509,469
Transfers	-	-	-	-	-	-	-	-	-	-
Fund balance	-	-	-	-	-	-	-	-	-	-
Total revenues	\$ -	\$ -	\$ 363,090	\$ 875,000	\$ 80,000	\$ 90,197	\$ -	\$ 121,026	\$ 22,100	\$ 1,551,413
Net cost - excluding sales and property taxes	\$ 189,799	\$ 235,395	\$ 469,227	\$ (270,256)	\$ 268,057	\$ -	\$ 1,088,098	\$ -	\$ 174,123	\$ 2,154,443
Less annualization adjustment for CIP funding included in Capital Outlay (Table 10)	\$ -	\$ -	\$ -	\$ (22,802)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (22,802)
Net cost - excluding sales and property taxes	\$ 189,799	\$ 235,395	\$ 469,227	\$ (293,058)	\$ 268,057	\$ -	\$ 1,088,098	\$ -	\$ 174,123	\$ 2,131,641
FTE's	3.00	-	13.00	8.00	5.00	1.00	-	2.00	3.00	35.00
Chatham County Population	56,012	56,012	56,012	56,012	56,012	56,012	56,012	56,012	56,012	56,012
Chatham County Per Capita Net Cost	\$ 3.39	\$ 4.20	\$ 8.38	\$ (5.23)	\$ 4.79	\$ -	\$ 19.43	\$ -	\$ 3.11	\$ 38.06
Estimated Marginal County Costs For Meadowview Development:										
Estimated Meadowview Development Population	1,825	1,825	1,825	1,825	1,825	1,825	1,825	1,825	1,825	1,825
Marginal Operating Costs	\$ 6,185	\$ 7,671	\$ 15,291	\$ (9,550)	\$ 8,735	\$ -	\$ 35,459	\$ -	\$ 5,674	\$ 69,466
Additional FTE's Anticipated	0.09776	-	0.42345	0.26071	0.16294	0.03259	-	0.06518	0.09776	1.14059
Total Anticipated FTE's	3.09776	-	13.42345	8.26071	5.16294	1.03259	-	2.06518	3.09776	36.14059
FTE - Full-time equivalent personnel										

TABLE 10

MEADOWVIEW DEVELOPMENT
ANALYSIS OF CHATHAM COUNTY FY06 BUDGET
PUBLIC SAFETY SUMMARY

	Court-Related Programs	EMIS	Emergency Operations	Emergency Telecom	Fire Marshal	Animal Control	Sheriff's Office	Sheriff's Jail	Total
Expenditures:									
Salaries	\$ 172,144	\$ -	\$ 120,500	\$ 445,339	\$ 172,479	\$ 197,942	\$ 2,297,141	\$ 454,136	\$ 3,859,681
Other personnel costs	51,211	-	41,284	320,072	64,598	89,127	1,005,990	223,939	1,796,221
Operating	211,167	1,458,074	197,346	109,476	29,653	109,827	589,865	200,593	2,906,043
Public assistance, grants and special programs	60,000	-	28,000	-	-	-	-	-	88,000
Debt	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	14,844	-	476,000	7,500	498,344
Capital outlay	-	-	-	-	-	-	-	-	-
Total expenditures	\$ 494,522	\$ 1,458,074	\$ 387,130	\$ 874,887	\$ 281,576	\$ 306,806	\$ 4,368,996	\$ 836,168	\$ 9,148,249
Revenues:									
Fees and permits	-	-	-	-	-	-	8,000	-	8,000
Grants	307,285	-	45,300	-	-	1,800	80,000	21,000	455,385
Interest	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Other taxes	3,000	-	-	-	50,000	31,900	84,388	9,450	178,058
Sales & service	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Fund balance	-	-	-	-	-	-	-	-	-
Total revenues	\$ 310,285	\$ -	\$ 45,300	\$ -	\$ 50,000	\$ 32,800	\$ 172,588	\$ 30,450	\$ 641,423
Net cost - excluding sales and property taxes	\$ 184,237	\$ 1,458,074	\$ 341,830	\$ 874,887	\$ 231,576	\$ 364,006	\$ 4,196,408	\$ 855,718	\$ 8,516,826
FTE's	5.25	-	3.00	14.00	4.00	6.00	67.00	16.00	115.25
Chatham County Population	56,012	56,012	56,012	56,012	56,012	56,012	56,012	56,012	56,012
Chatham County Per Capita Net Cost	\$ 3.29	\$ 26.03	\$ 6.10	\$ 15.62	\$ 4.13	\$ 6.50	\$ 74.92	\$ 15.28	\$ 151.88
Estimated Marginal County Costs For Meadowview Development:	1.825	1.825	1.825	1.825	1.825	1.825	1.825	1.825	1.825
Estimated Meadowview Development Population	\$ 6,004	\$ 47,516	\$ 11,140	\$ 28,511	\$ 7,547	\$ 11,865	\$ 136,753	\$ 27,886	\$ 277,222
Marginal Operating Costs	\$ 6,004	\$ 47,516	\$ 11,140	\$ 28,511	\$ 7,547	\$ 11,865	\$ 136,753	\$ 27,886	\$ 277,222
Adjusted Marginal Costs	0.17109	-	0.09776	0.45623	0.13035	0.19553	2.18341	0.52141	3.75579
Additional FTE's Anticipated	5.42109	-	3.09776	14.45623	4.13035	6.19553	69.18341	16.52141	119.00679
Total Anticipated FTE's									
FTE = Full-time equivalent personnel									

TABLE 11

MEADOWVIEW DEVELOPMENT
ANALYSIS OF CHATHAM COUNTY FY06 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 Meadowview Development	\$	11,367	Term - in years	5
Annual operating cost of EMS Unit	\$	192,000		
# of Units Needed		2		
Total EMS Units Annual Operating Cost	\$	384,000		
Population Served		10,000		
Annual EMS Units Operating Cost Allocated to Meadowview Development	\$	70,093		

EMS
Operating

Expenditures:

Salaries		-
Other personnel costs	\$	-
Operating		1,458,074
Public assistance		-
Debt		-
Transfers		-
Capital outlay		-
Total expenditures		-
	\$	1,458,074

Revenues:

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

Net cost - excluding sales and property taxes

\$ 1,458,074

Estimated Costs Assuming Per Capita Approach:

Chatham County Population		56,012
Chatham County Per Capita Net Cost	\$	26.03
Estimated Marginal County Costs For Meadowview Development		-
Estimated Meadowview Development Population		1,825
Marginal Operating Costs	\$	47,516

Estimated Costs Assuming Increased Levels of Service:

Per Capita Allocation of Transfer to Capital Reserve	\$	-
Annual debt service for new EMS base		11,367
Annual operating costs of new EMS units		70,093
Total Anticipated Costs	\$	81,460
Additional Annual Costs Related to Increased Levels of Service	\$	33,944

TABLE 12

MEADOWVIEW DEVELOPMENT
 ANALYSIS OF CHATHAM COUNTY FY06 BUDGET
 EXPANDED PUBLIC SAFETY ANALYSIS

FY06 Departmental Budget - Net Costs:	FY06 Requested	FY06 Approved
Health - Animal Control	\$ 398,389	\$ 364,096
Sheriff's Department - Law Enforcement	4,255,212	4,196,408
Sheriff's Department - Jail	875,568	855,718
	<u>\$ 5,529,169</u>	<u>\$ 5,416,222</u>
Total	56,012	56,012
Chatham County Population	\$ 98.71	\$ 96.70
Chatham County Per Capita Net Cost		
Estimated Marginal County Costs for Meadowview Development - Expanded Services:		
Estimated Meadowview Development Population	1,825	1,825
Marginal Operating Costs - Expanded Services	<u>\$ 180,186</u>	<u>\$ 176,505</u>
Expanded Service Cost Differential Allocated to Meadowview Development	<u>\$ 3,681</u>	

TABLE 13

MEADOWVIEW DEVELOPMENT
 CHATHAM COUNTY FISCAL IMPACT - AT BUILDOUT
 AT EXPANDED LEVELS OF SERVICE

Incremental Tax Revenues:			
Property Taxes			
Residential	\$	3,308,873	
Motor Vehicle		<u>116,252</u>	
Total Property Taxes			\$ 3,425,124
Sales Taxes			
Article 39	\$	117,664	
Articles 40 and 42		123,792	
Article 44		<u>58,659</u>	
Total Sales Taxes			<u>300,116</u>
Total Incremental Tax Revenues			\$ 3,725,239
Incremental Expenditures at Existing Service Levels:			
Chatham County Government			
Administration	\$	119,494	
Education, Culture, and Recreation (excluding schools)		59,819	
General Government		54,941	
Human Services		190,153	
Natural Resource Management		69,466	
Public Safety		<u>277,222</u>	
Total Chatham County Government Incremental Expenditures			\$ 771,096
Chatham County Schools Operating Costs			<u>664,293</u>
Total Incremental Operating Expenditures at Existing Service Levels			1,435,389
Incremental Chatham County Schools Capital Transportation Costs:			
Annual Debt Service - School Facilities		466,026	
Annual Debt Service - School Transportation		<u>14,729</u>	480,754
Total Incremental Expenditures at Existing Service Levels			<u>1,916,143</u>
Incremental Surplus at Existing Service Levels			
			\$ 1,809,096
Expanded Service Level Expenditures:			
Public Safety:			
Emergency Medical Services	\$	33,944	
Public Safety		<u>3,681</u>	
Total Public Safety			\$ 37,625
Contribution to Countywide CIP Program, including both Operating Costs and Annual Debt Service		<u>26,211</u>	
Total Expanded Service Level Expenditures			<u>63,837</u>
Annual Incremental Surplus at Expanded Service Levels			\$ 1,745,260

TABLE 14

MEADOWVIEW DEVELOPMENT
CHATHAM COUNTY 2006-2011 CAPITAL IMPROVEMENTS PROGRAM

Status On Hand On Hold	Project Cost	Grant and Rec Fee Funding	DEBT SERVICE				Annual Operating Cost Impact	Average Annual Debt Service
			FY 07-08	FY 08-09	FY 09-10	FY 10-11		
On Hand	\$ 1,000,000	\$ 1,000,000						
On Hold	\$ 1,100,000	\$ 1,100,000						
On Hand	\$ 231,250	\$ 231,250						
On Hold	\$ 531,910	\$ 531,910						
On Hold	\$ 657,530	\$ 657,530						
On Hold	\$ 2,172,000	\$ 2,172,000						
On Hold	\$ 724,000	\$ 724,000						
On Hand	\$ 500,000	\$ 500,000						
On Hold	\$ 7,500,000	\$ 7,500,000						
On Hold	\$ 480,692	\$ 480,692						
On Hold	\$ 326,665	\$ 326,665						
On Hold	\$ 290,000	\$ 290,000						
On Hold	\$ 5,100,000	\$ 5,100,000						
On Hold	\$ 7,100,000	\$ 7,100,000						
On Hold	\$ 37,800	\$ 37,800						
On Hold	\$ 35,000	\$ 35,000						
On Hold	\$ 344,510	\$ 344,510						
On Hold	\$ 152,982	\$ 152,982						
On Hold	\$ 41,837	\$ 41,837						
On Hold	\$ 4,300,000	\$ 4,300,000						
On Hold	\$ 79,876	\$ 79,876						
On Hold	\$ 230,000	\$ 230,000						
On Hold	\$ 420,000	\$ 420,000						
On Hold	\$ 1,500,000	\$ 1,500,000						
On Hold	\$ 6,700,000	\$ 6,700,000						
On Hold	\$ 5,640,000	\$ 5,640,000						
On Hold	\$ 15,100,000	\$ 15,100,000						
On Hold	\$ 4,235,603	\$ 4,235,603						
On Hold	\$ 66,408	\$ 66,408						
On Hold	\$ 2,111	\$ 2,111						
On Hold	\$ 2,002	\$ 2,002						
On Hold	\$ 53,840,255	\$ 53,840,255	\$ 4,584,655	\$ 44,220,600	\$ 105,000	\$ 2,053,251	\$ 3,053,512	\$ 953,587
On Hold	\$ 66,408	\$ 66,408	\$ 673	\$ 31	\$ 46	\$ 14	\$ 46	\$ 35
On Hold	\$ 2,111	\$ 2,111	\$ 1,657	\$ 739	\$ 26,211	\$ 739	\$ 114	\$ 114
On Hold	\$ 2,002	\$ 2,002						
On Hold	\$ 916,931	\$ 916,931						

Cost Per Household
of Meadowview Development Households
Allocation of CIP Annual Operating Costs in Meadowview Development

FY06 Capital Outlay Included in Incremental Expenditure Calculations	\$ 3,409,963
Administration	142,709
Education, Culture & Recreation	443,600
General Government	66,408
Natural Resource Management	498,244
Public Safety	1,497,114
Total	\$ 3,064,074
FY06 Transfer to Utility - Enterprise Fund	\$ 1,088,098
related to water system expansion	
Commission to Historical Capital Outlay Expenditures	2004 \$ 1,256,007
	2005 \$ 2,176,061
	2006 \$ 1,235,097
	2001 \$ 1,702,077
Average	\$ 1,597,763

CIP Funding Included as Transfer to Capital Outlay in FY06 Budget To Be Separately Considered in Expanded Services Cost Analysis:

General Services	2,952,392
Total CIP Funding Included in FY06 Budget	\$ 5,046,200
	\$ 1,088,098
	\$ 4,168,102

Total County Projects: Annual Debt Service

Chatham County CIP	\$ 3,067,712
Per Capita	\$ 46
Per Household	\$ 114

Recreation Emission Fees Per Unit
of Units in the Meadowview Development: \$ 457
Total Recreation Emission Fees: \$ 337,723

NOTE: It appears the County's FY06 dedicated capital funding of \$5,046,200 plus the \$1,088,098 transfer from the general fund to the utility fund are sufficient to fund the debt service on the projects above in the future.

5. FISCAL IMPACTS ON THE CHATHAM COUNTY SCHOOLS

Estimates of the increased costs incurred by the Chatham County Board of Education from Meadowview for operations and capital needs are described in this section. These costs are based on the School District's FY 2005-06 Budget. The costs to the District will primarily be driven by the number of students generated by the new residents of Meadowview.

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 had 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.

We engaged Dr. David J. Cowen, Ph.D. (Chair – Department of Geography, University of South Carolina) to prepare student generation rates for Chatham County using 2000 U.S. Census data and methodologies comparable to those used in TA's 1996 report. The updated student generation rate schedule is included on Table 15 and supports our assumption of the single-family SGR of .39.

The following analysis assumes an SGR of .39 meaning that for every 100 new dwelling units in Meadowview, there will be 39 more students generated in the School District. 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.

Based on an SGR of .39, it is estimated that Meadowview will have 290 new students enrolled in Chatham County Schools at the development's buildout. Approximately 112 of these students will be at the elementary grade level. Of the remainder, 92 will be new

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.

middle school students and 86 will be new high school students. The derivation of these new students by type of school is shown in Table 15.

As shown in Table 16, these 290 new Meadowview students will cost the District approximately \$664,000 in annual operating expenses. The estimate is based on a per student operating cost of \$2,289.

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 provided by Shuller, Ferris Lindstrom & Associates, architects for the District, it is estimated that the District will incur capital costs of approximately \$8.8 million to accommodate the 290 new students. The capital costs by type of school are shown in Table 17. However, these capital costs will be partially offset by impact fees of \$2,900 per dwelling unit. Therefore, the District will receive a total of \$2,143,100 of offsetting revenues (Table 17), resulting in a net capital cost of \$6.7 million. The annual debt service for the \$6.7 million is estimated to be \$466,000.

As described in the Methodology section, all revenues and expenditures are based on constant 2006 dollars; therefore, school construction costs are based on current estimates from information prepared by the architect for the School District.

The North Carolina Department of Public Instruction estimates Chatham County's annual lottery distribution, restricted for public school construction, will be \$575,000. Since lottery sales have not yet begun in North Carolina, the accuracy of this estimate is uncertain at this time. Consequently, lottery proceeds have not been included in this analysis but will be considered in future fiscal impact analyses for North Carolina counties.

TABLE 15

MEADOWVIEW DEVELOPMENT
CHATHAM COUNTY SCHOOLS - PUBLIC SCHOOL STUDENTS

	Elementary	Middle	High	Total
Single Family	0.15	0.12	0.12	0.39
Multifamily	0.07	0.03	0.03	0.13
Mobile Homes & Other	0.16	0.14	0.08	0.38

Public Use Microdata Sample (5%) 2000 Census

Source: David J. Cowen, Ph.D., Chair - Department of Geography, University of South Carolina

Analysis Prepared June 2005

	Elementary	Middle	High	Total
Meadowview Development	112	92	86	290

	Approved Subdivision Analysis	Proposed Subdivision Analysis
Bennett	N/A	N/A
Bonlee	0.2500	0.2500
Harrison	0.3232	0.3232
J.S. Waters	0.3981	0.3981
Moncure	0.2190	0.2190
North Chatham	0.2384	0.2384
Pittsboro	0.2759	0.2759
Siler City	0.3608	0.3608
Silk Hope	0.5000	0.5000

Source: Integrated Planning for School and Community (IPSAC) Land Use Study Report

Prepared for: Chatham County Schools

Prepared by: Operations and Research Education Laboratory, North Carolina State University

June 21, 2004

	Elementary	Middle	High	Total
Single Family	0.19	0.09	0.12	0.40
Multifamily	0.08	0.02	0.04	0.14
Mobile Homes & Other	0.19	0.09	0.09	0.37

Public Use Microdata Sample (5%) 1990 Census

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

TABLE 16

**MEADOWVIEW DEVELOPMENT
ANALYSIS OF CHATHAM COUNTY FY06 BUDGET
CHATHAM COUNTY SCHOOLS OPERATING COSTS**

Expenditures:	\$	-
Salaries		-
Other personnel costs		18,361,314
Operating		-
Public assistance		2,550,433
Debt		-
Transfers		-
Capital outlay		(2,550,433)
Less Debt - New School Debt Service Evaluated Separately		<u> </u>
	\$	<u>18,361,314</u>
 Total expenditures		
 Revenues:	 \$	 -
Fees and permits		170,483
Grants		-
Interest		-
Intergovernmental		-
Miscellaneous		-
Other taxes		-
Sales & service		-
Transfers		-
Fund balance		(170,483)
State ADM funds are separately considered in ADM Adjustment		<u> </u>
	\$	<u> </u>
 Total revenues		
 Net cost - excluding sales and property taxes	 \$	 <u>18,361,314</u>
 Chatham County Public School Enrollment		 8,020
 Chatham County Per Student Net Cost	 \$	 2,289
 Estimated Marginal County Costs For Meadowview Development:		
 Estimated Meadowview Development Public School Students		 <u>290</u>
 Marginal Operating Costs	 \$	 <u>664,293</u>

TABLE 17

MEADOWVIEW DEVELOPMENT
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, sitework, furnishings and equipment	15,588,015	16,866,687	39,917,413	
Technology costs	467,640	506,001	1,117,688	
Total Cost	<u>16,455,655</u>	<u>18,172,688</u>	<u>42,235,101</u>	
Student Capacity	700	650	1,000	
Capital Cost per Student	\$ 23,508	\$ 27,958	\$ 42,235	
				Total
<u>Meadowview Development Public School Students</u>	<u>112</u>	<u>92</u>	<u>86</u>	<u>290</u>
Capital Costs Allocable to Meadowview Development	\$ 2,634,756	\$ 2,565,754	\$ 3,645,080	\$ 8,845,589
Less:				
Impact Fees	\$ 827,819	\$ 677,831	\$ 637,450	2,143,100
	<u>827,819</u>	<u>677,831</u>	<u>637,450</u>	<u>2,143,100</u>
Net Chatham County School Capital Cost Attributable to Meadowview Development	<u>\$ 1,806,936</u>	<u>\$ 1,887,923</u>	<u>\$ 3,007,631</u>	<u>\$ 6,702,489</u>
Annual Debt Service	<u>\$ 120,915</u>	<u>\$ 126,334</u>	<u>\$ 218,777</u>	<u>\$ 466,026</u>
Chatham County School Transportation Capital Costs				
Meadowview Development Estimated Enrollment	290			
Chatham County School bus ridership rate	49%			
Estimated Meadowview Development Bus Riders	<u>142.18</u>			
School Bus Capacity	60			
New School Buses Required	2.3696			
Cost of New School Bus	70,000			
Annual Debt Service Per School Bus	\$ 20,201			
Total Debt Service for Meadowview Development Buses	\$ 191,477			
Amortization Period - State Replaces Bus in Year	<u>13</u>			
Annual School Bus Transportation Capital Cost	<u>\$ 14,729</u>			

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

Tables 16 – 17 reflect the impacts of Meadowview on the North Chatham Fire District and the Waste Management Fund.

NORTH CHATHAM FIRE DISTRICT – TABLE 18

Based on a 0.06% tax rate, annual revenues at buildout are expected to be \$332,000. Estimated expenses attributable to Meadowview residents are \$101,000 thereby producing a net annual surplus of \$232,000.

UTILITY FUND

A private utility will provide water and wastewater services. Therefore, a separate analysis of the Utility Fund is not necessary.

WASTE MANAGEMENT FUND – TABLE 19

The residents of Meadowview are assumed to have trash and recycling services provided through private contractors. A net annual surplus of \$37,000 is expected for this fund.

TABLE 18

MEADOWVIEW DEVELOPMENT
ANALYSIS OF CHATHAM COUNTY FY06 BUDGET
NORTH CHATHAM FIRE DISTRICT - SPECIAL REVENUE FUND

Incremental Revenue:

Property Tax Base:

Residential \$ 554,250,000

North Chatham Fire Tax Rate 0.0600%

Incremental Fire Department Revenue \$ **332,550**

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	<u>500,000</u>
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 Meadowview Development Population 1,825

Estimated Annual Cost Allocated to Meadowview Development \$ 100,812

Incremental Fire Department Expenditures **100,812**

Annual Net Surplus **\$ 231,738**

TABLE 19

MEADOWVIEW DEVELOPMENT ANALYSIS OF CHATHAM COUNTY FY06 BUDGET WASTE MANAGEMENT - ENTERPRISE FUND		
Incremental Availability Fee Revenue:		
Annual Availability Fee	\$ 81.00	
# of Meadowview Development Households	<u>739</u>	
Annual Availability Fee Revenue		\$ 59,859
 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 Meadowview Development Households	<u>739</u>	
Annual Expenditures		<u>23,315</u>
 Annual Net Surplus		 <u><u>\$ 36,544</u></u>

SENSITIVITY ANALYSIS

This fiscal impact analysis of the Meadowview 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. SGR assumptions are discussed at length on pages 20 – 21.

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 housing prices and absorption rates are based on projections by Crescent Resources, LLC who has been active in residential real estate developments in the Southeast market for many years. The estimated Meadowview home price is \$750,000; however, if the average Meadowview unit sales price were to deviate 15% from the assumed average unit sales price [average unit sales price of \$637,500 instead of the assumed average unit sales price of \$750,000], the net annual surplus at expanded service levels at buildout would be \$1.2 million compared to the anticipated \$1.7 million.

8. METHODOLOGY AND ASSUMPTIONS

The objective of fiscal impact analysis is to estimate the financial impacts of a development or land use change on the revenues and expenditures of the government units affected by the development. The analysis evaluates the fiscal characteristics of the proposed development and is designed to help local governments measure the estimated difference between anticipated revenues and the related costs of the new development.

There are several acceptable methods for conducting fiscal impact analyses. The simplest and most often used is the pure per capita technique. Options range to the more costly case study oriented approach that relies exclusively on interviews with local government officials and staff. Furthermore, there are two basic approaches used to project the costs of local government services related to new development – average costing and marginal costing. Average costing is more straightforward, less expensive and tends to be the more common approach for smaller governmental units. When applying average costing, local government costs attributable to new development are allocated according to the average cost per unit of service in the current population times the number of units related to the proposed development. This approach does not take into account excess or deficient capacity. Furthermore, it assumes stable costs of future municipal services. In comparison, marginal costing requires an in-depth analysis of capacities present in the services currently provided by local government. In many cases, analysts use a combination of the various approaches in order to more accurately evaluate the impacts on local government.

Although costs could have been allocated between residential and nonresidential land

uses and derived on a cost per person or cost per employee/trip and/or per square foot approach or based on functional population, the approach taken in this report is a reasonable proxy of the operating cost implications.

A modified per capita, case-study type approach was used to estimate the costs and revenues associated with the proposed Meadowview 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. Projected governmental expenditures in this report are most likely overstated because during previous extensive personal interviews Chatham County officials indicated certain departmental budgets would be more modestly affected by the Meadowview development than projected in this report (i.e. some departments currently have available capacity).

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 analysis.

Public Safety
Public Schools – Operating and Capital
North Chatham Fire District

Human Services
Emergency Medical Services
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 2006 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 3

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 Meadowview. The property tax rate for the County is assumed to be constant throughout the buildout period and is equal to the existing rate of 0.597%. It is assumed that the property tax collection rate is 100% due collection experience associated with homes of this value.

The average dwelling unit included in the analysis is valued at \$750,000 and is based on the weighted average value of all 739 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 Meadowview of 1,825. The Developers estimate the absorption rate to be, on average, 92 units per year with a corresponding buildout period of 8 years.

IMPACT FEES

All dwelling units are assumed to pay the required school impact fee of \$2,900. These fees are paid at time of construction. The County's Planning Department estimated the recreation exaction fee to be \$457 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 prior 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 2005-06 County Budget. The County's current population is estimated at 56,012 and is calculated 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 Meadowview to estimate the total cost of providing that particular service to Meadowview residents. Table 4 provides a summary of these departmental impacts.

Human Service costs on Table 8 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 11, 12, 13 AND 14

The expenditure estimates are based on the assumption that the County will maintain the existing level of service to the residents of Meadowview 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 13 provides a summary of these departmental impacts and the resulting positive net surplus to the County's general fund of \$1,745,000 per year at the project's buildout. As described below, County officials indicated that expanded service levels should be estimated for certain Public Safety costs in order for

the County to maintain adequate levels of service to Meadowview residents.

PUBLIC SAFETY – Table 11, 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 Meadowview residents.

Based on prior discussions with County officials, the FY06 Requested Budgets reflect a more appropriate level of service for those Public Safety departments identified in Table 12, Expanded Public Safety Analysis. The allocable difference between the Requested and the Approved budgets is shown as an expanded level of service cost.

APPENDIX 1

MEADOWVIEW DEVELOPMENT
INPUTS AND ASSUMPTIONS

MEADOWVIEW DEVELOPMENT		
Meadowview Development		Information Source
Project Name	Meadowview Development	
Total Acreage	-	N/A
Total Units	739	Assumed
Affordable Housing Units	-	N/A
Rental Apartments	-	N/A
Townhomes	-	N/A
Single Family	739	N/A
Total Units - Excluding Affordable Housing	739	N/A
Average unit sales value	\$ 750,000	Developer
Residential tax base	\$ 554,250,000	
Commercial office sq footage	-	N/A
Commercial office tax value per sq ft	\$ 130	ADVANTIS
Commercial office tax base	\$ -	
Commercial office/retail sq footage	-	N/A
Commercial office/retail tax value per sq ft	\$ 100	ADVANTIS
Commercial office/retail tax base	\$ -	
Commercial Buildout - Year 4	0%	N/A
Commercial Buildout - Year 5	0%	N/A
Commercial Buildout - Year 6	0%	N/A
Commercial Buildout - Year 7	0%	N/A
Projected population	1,825	Based on 2000 U. S. Census
Average Absorption Rate - residential units per year	92	N/A
Build-out period - in years	8.00	N/A
Discount Rate	6%	Assumed
Discount Rate	6	Assumed
Assumed debt coverage ratio	1.25	Estimated
Chatham County		
Fiscal Year (FYxx)	FY06	
County	Chatham	
Current County Population under Study	56,012	N.C. State Demographics Unit
Persons Per Household	2.47	2000 U.S. Census
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	0.5970%	Chatham County FY 06 Budget
Commercial collection %	97.78%	Chatham County FY 06 Budget
Residential	0.5970%	Chatham County FY 06 Budget
Residential collection %	97.78%	Chatham County FY 06 Budget
Motor vehicle	0.5970%	Chatham County FY 06 Budget
Motor vehicle collection %	88.31%	Chatham County FY 06 Budget
Assumed collection rate at average new home value	100.00%	Assumed
North Chatham Fire District Rate	0.06%	Chatham County FY 06 Budget
Article 39 Sales Tax Rate	1.0%	Chatham County FY 06 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	\$ 259,000	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.		NC Department of Revenue - Sales and Use Tax Distributions
FY04 Article 44 Sales Tax Per Capita - Chatham Co.		NC Department of Revenue - Sales and Use Tax Distributions
FY04 Article 40 and 42 Sales Tax Per Capita - NC		NC Department of Revenue - Sales and Use Tax Distributions
FY04 Article 44 Sales Tax Per Capita - NC		NC Department of Revenue - Sales and Use Tax Distributions
FRB Survey of Average Household Expenditures:		
Total Applicable Household Expenditures	\$ 15,912	Federal Reserve Bulletin - 2002 Consumer Expenditure Report
% of earnings for purchases in Chatham County	6.15%	
Estimated Square Footage Northeast Library	23,000	Chatham County 2005 - 2009 Capital Improvements Program

APPENDIX I

MEADOWVIEW DEVELOPMENT
INPUTS AND ASSUMPTIONS

Occupied Housing Units - Chatham County	19,741
Total Housing Units - Chatham County	21,358
Capital Improvements FY05 Operating Revenue Funding	\$ 346,000
Social Service Non-Income Dependent Programs	\$ 2,003,757
Total Household Water Customers	4,802
Average Monthly Household Water Bill for North Chatham Customers	\$ 44.21
Water Plant Expansion Capacity - in gallons per day	2,000,000
Average Gallons Per Day Per Household	400
Waste Management Annual Household Availability Fee	\$ 81.00
% of Waste Management Budget Allocated to Non-Disposal Costs	69.00%
Recreation Exaction Fee - Per Lot	\$ 457
New Single Family Dwelling Inspection Fees - over 1200 square feet.	\$ 375
plus the following rate per square foot	\$ 0.25
Square footage rate threshold	1,000
2005-06 Budget Adjustment Factor	3.50%

2000 U.S. Census
2000 U.S. Census
Chatham County FY 05 Budget
Chatham County Officials
Chatham County Officials
Chatham County Officials
Chatham County Officials
Chatham County Officials
Chatham County Officials
Chatham County FY 05 Budget
Chatham County Officials
Chatham County FY 05 Budget
Chatham County FY 05 Budget
Chatham County FY 05 Budget
Chatham County Officials

Chatham County Schools

Chatham County Public School Enrollment:	
Chatham County Public Schools	7,493
Charter School Students	527
Total Chatham County Public School Enrollment	8,020

Projected Enrollment FY06 - Chatham County School
Projected Enrollment FY06 - Chatham County Schools

Public School Student Generation Rates:	
Single Family	0.39
Multifamily	0.13
Mobile Home and Other	0.38

Dave J. Cowen, Ph.D.
Dave J. Cowen, Ph.D.
Dave J. Cowen, Ph.D.

Meadowview Development Public School Students	290
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Calculated

School Impact Fee	\$ 2,900
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Chatham County Officials

Capital Financing	
CIP and School COPS Interest Rate	5.25%
CIP and School COPS Term - in years	30
School General Obligation Bond Interest Rate - High School	5.25%
School General Obligation Bond Term - in years - High School	25
Technology Capital Costs - % of Construction Costs - Elementary School	3.00%
Technology Capital Costs - % of Construction Costs - Middle School	3.00%
Technology Capital Costs - % of Construction Costs - High School	2.80%

Chatham County CIP Approved 1/7/06
Chatham County CIP Approved 1/7/06
Chatham County CIP Approved 1/7/06
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Estimated based on the study, "Investing in K-12 Technology Equipment: Strategies for State Policymakers" completed by the Education Commission of the States

Estimate results in technology cost per student of:	
Elementary school	\$ 668
Middle school	\$ 778
High school	\$ 1,118

These amounts are within the ranges for the enhanced desktop and thin client scenarios outlined in the ESC Issue Paper "Investing in K-12 Technology Equipment: Strategies for State Policymakers"

Elementary School Capital Costs:	
Unimproved Land - 20 Acres at \$20,000 per acre	\$ 400,000
Building, sitework, furnishings and equipment - estimated current cost	15,588,015
Technology costs	467,640
Total Elementary School Capital Costs	\$ 16,455,655
Capacity	700
Technology Capital Cost per Elementary Student	\$ 668
Capital Cost per Public Elementary School Student	\$ 23,508
Facility Square Footage	\$ 95,000

Estimated Based on Recent Comparables
Shuller, Ferris, Lindstrom & Associates, Architects
Estimated at benchmark percentage

Middle School Capital Costs:	
Unimproved Land - 40 Acres at \$20,000 per acre	\$ 800,000
Building, sitework, furnishings and equipment - estimated current cost	16,866,687
Technology costs	506,001
Total Middle School Capital Costs	\$ 18,172,688
Capacity	650
Technology Capital Cost per Middle School Student	\$ 778
Capital Cost per Public Middle School School Student	\$ 27,958
Facility Square Footage	\$ 99,000

Estimated Based on Recent Comparables
Shuller, Ferris, Lindstrom & Associates, Architects
Estimated at benchmark percentage

High School Capital Costs:	
Unimproved Land - 60 Acres at \$20,000 per acre	\$ 1,200,000
Building, sitework, furnishings and equipment - estimated current cost	39,917,413
Technology costs	1,117,688
Total High School Capital Costs	\$ 42,235,101
Capacity	1,000
Technology Capital Cost per High School Student	\$ 1,118
Capital Cost per Public High School Student	\$ 42,235
Facility Square Footage	\$ 225,000

Estimated Based on Recent Comparables
Shuller, Ferris, Lindstrom & Associates, Architects
Estimated at benchmark percentage

School Transportation Costs	
Percentage of Chatham County Students Riding Buses	49%
School Bus Capacity	60
Cost of New Bus	\$ 70,000
Lease Financing - term in years	4
Lease Financing - interest rate	6.00%
Bus replaced by State in year	13

NC Department of Public Instruction
Chatham County Schools
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APPENDIX 2

MEADOWVIEW DEVELOPMENT
 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	Year 6	Year 7	Year 8
Single Family Homes	\$ 750,000	739	\$ 554,250,000								
Units				92.38	92.38	92.38	92.38	92.38	92.38	92.38	92.38
Total Annual Closings				\$ 69,281,250	\$ 69,281,250	\$ 69,281,250	\$ 69,281,250	\$ 69,281,250	\$ 69,281,250	\$ 69,281,250	\$ 69,281,250
Cumulative Units				92	185	277	370	462	554	647	739
				69,281,250	138,562,500	207,843,750	277,125,000	346,406,250	415,687,500	484,968,750	554,250,000