Fiscal Impact Analysis

Appreciating the Costs and Benefits of Growth

Troy Mix

Sussex Communities: Growing Better

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Let’s face it…

• Growth brings some benefits…and some costs

• There is far from complete agreement on what constitutes “good” or “bad” growth…and that’s OK
But…

- Growth definitely impacts budgets…
  - Effecting changes in revenues and expenditures

- How and when growth happens affects how money is spent on…

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A Thought…

• Anticipating How, Where, and When growth might impact the demand for services and infrastructure can help governments to:

  – Plan for and prioritize needed service adjustments and infrastructure improvements

  – Maintain and improve the quality of life experienced by an area’s residents
Default Assumptions

Capital Investment
Indian River School District

- **Elem School Cost**: 0, 9,000,000, 12,000,000, 9,000,000, 9,000,000
- **Elem School Capacity**: 0, 650, 1000
- **Portable Capacity**: 0, 64, 100
- **Portable Cost**: 0, 125,000
- **Enrollment Adjustments**: Schools & Portables

Source: www.ipa.udel.edu
Smaller, Less Expensive Schools

Capital Investment
Indian River School District

[Graph showing capital investment over years]

[Assumptions window with data on school cost and capacity]

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Let’s just use portable facilities…
Let’s redistrict…

Capital Investment
Indian River School District

Year
09 11 13 15 17 19 21 23 25

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Thoughts on Next Steps and Applications

• Refine the analysis with better numbers
  – Current DE School Construction Costs
  – Small-area population projections

• Apply a similar method to other expenditures affected by growth and development

• Use as a tool to tell the story of growth …complete with impacts both good and bad