

**THE COST OF COMMUNITY SERVICES  
IN ALAMANCE COUNTY**

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## Introduction

In rural counties located near fast-growing urban areas, there is considerable debate over the desirable mix of land uses, and the role that local government can and should play in affecting the rate at which new land uses supplant traditional ones. Alamance County is typical of such counties. The continuing economic growth of the adjoining counties of the Research Triangle and the Triad have created unprecedented demands for residential and industrial development in Alamance County. On the one hand, this situation has been welcomed by many because it has created significant economic development opportunities for the county's citizens and a significant increase in the county's revenue base. On the other hand, many of the county's citizens worry that the rapid pace of these changes will alter the rural character of Alamance County in ways that are undesirable. Moreover, there is concern that the increased local government expenditures on community services needed to accommodate accelerated residential and industrial development may exceed the contribution of that development to the county's revenue base.

One important element of public debate over appropriate land use policies is whether or not increased local government expenditures on community services needed to accommodate residential and commercial development exceed the contribution of that development to the local revenue base. This report presents the findings of a research project aimed at addressing this specific issue. The research quantifies the contribution to local government revenues of various types of land uses (residential, commercial/industrial,<sup>1</sup> and agricultural), and the demands on local government financial resources of those same land uses. This "snapshot" of current revenues and expenditures allows an assessment of the costs and benefits of different land uses from the perspective of local government finance.

The analysis presented here employs a methodology established by the American Farmland Trust, one that has been used in numerous Cost of Community Services (COCS) studies throughout the U.S. Like those studies, the current research was motivated by two

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<sup>1</sup> For simplicity, the term "commercial" will denote both commercial and industrial land uses for the remainder of this report. Likewise, "agricultural" will refer to farm and forest land.

questions: (1) Do the property taxes and other revenues generated by residential land uses exceed the amount of publicly-provided services supplied to them? (2) Do farm and forest lands receive an unfair tax advantage when they are assessed at their actual use value – as is the case in Alamance County – instead of their potential value in residential or commercial uses?

As has been found in other COCS studies, the answers to these questions are “no” for Alamance County. The residential sector contributes only 68¢ to the county’s coffers for each dollar’s worth of services that it receives. Commercial and industrial land uses are the largest net contributors to the public purse, contributing \$4.29 in revenues for each dollar of publicly provided services that they receive. Despite being taxed on the basis of current land uses, property in agricultural land uses is found to be a net contributor to the local budget, generating \$1.69 in revenues for every dollar of public services that it receives.

At the outset, it is important to recognize two important limitations of analyses such as the one presented here. First, COCS studies highlight the relative demands of various land uses on local fiscal resources *given the current pattern of development*. As such, one should be cautious in extrapolating from the results of studies such as this in order to gauge the impact of future patterns of development on local public finance. Nonetheless, the results of studies such as this are useful in informing debates over such issues as whether or not alternative types of land uses are likely to contribute more in tax dollars than they demand in the way of services.

Second, the current study in no way deals with the *social* value of each of these forms of development – i.e., their contribution (positive or negative) to the well-being of the county’s citizens. Rather it focuses on the more narrow issue of whether or not these land uses “pay their own way.” It is important to bear in mind that there is nothing sacred about an exact balance between revenues and expenditures associated with a particular land use, even when balancing the local budget is an overriding priority. Indeed, one of the primary functions of a local government is to redistribute local financial resources such that services desired by citizens are supplied, *even when those services cannot pay for themselves*. Determining the optimal distribution of those resources is a public policy issue to be resolved in the political arena. A study such as this fits into the process wherein such issues are resolved by shedding light on the

relative costs and benefits of the specific distribution of financial resources implicit in the existing pattern of development.

## **Methodology**

The basic approach used in this research was quite simple. Working from the most recent available county financial data, revenues and expenditures were allocated among three specific land use categories: (a) residential; (b) commercial; and (c) agricultural. This process was carried out in conjunction with a series of telephone interviews with a variety of local officials knowledgeable about the workings of specific departments.

Once revenues and expenditures were allocated to specific land use categories, the ratio of revenues to expenditures was computed for each. A revenue-expenditure ratio greater than one (1) indicates that that sector's contribution to the public purse exceeds its demands for public funds. Conversely, a revenue-expenditure ratio less than one indicates that the sector's demand for publicly financed services exceeds its contribution to local public finance.

The basis for the current analysis was Alamance County's Annual Operating Budget for the 2005-2006 fiscal year. As noted above, the allocation of these data to specific sectors was done in consultation with a variety of local officials (listed in the Acknowledgements). These individuals were best equipped to assess the extent to which the various types of land uses partake of the services provided by their departments. Where feasible, expenditures were allocated to land use categories using available data on staff salaries and/or activities records.

Often, existing records were not amenable to being broken out into various land use categories. In many of these cases, we relied on a local official's best guess of how their department's efforts were allocated. Where the relevant officials were unable to make such a guess, one of two allocation schemes was used. For services that exclusively benefit households (as opposed to commercial establishments) – for example, public schools and library services – 100% of expenditures were allocated to the residential sector.<sup>2</sup> For departments whose activities

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<sup>2</sup> Alamance County separates the farm business from the farm residence, assessing the property value of farm residences in the same manner as any other residences. For this reason, farm residences were included in the residential land use category throughout the analysis.

benefited both residences and businesses (including agricultural businesses), expenditures were allocated based on the proportion of total property value accounted for by each land use category. This “default” breakdown of assessed property valuation for 2005 was 72.85% residential, 22.44% commercial, and 4.71% agricultural. The expenditures of most of the county’s general administration departments were allocated in this manner.

Revenues were handled in a manner similar to expenditures. Property tax revenues were allocated to specific land use categories based on the 2005 property tax assessments. Taxes and other revenue sources that are linked directly to commercial activities – for example, sales taxes – were allocated to the commercial sector. Revenues from sources associated exclusively with households (such as pet license fees) were allocated to the residential sector, as were revenues from impact fees levied on new housing construction. Revenues raised by specific county government departments from fees charged for services or from inter-governmental transfers were allocated in direct proportion to the allocation of expenditures by those departments. For example, revenues originating in building inspection fees charged by the Planning Department were allocated to land use sectors in the same proportions as that department’s building inspection expenditures were allocated. Any remaining revenues that could not be directly allocated in these ways were allocated according to the proportion of total property value accounted for by each land use category.

## **Results**

A detailed breakdown of revenues sources is found in Appendix Table 1. Total county general fund revenues budgeted for 2005-2006 were \$109 million. Just over one-half of this money came from property taxes, while another 21% came from sales taxes. The share of revenues from sales taxes is substantially greater than in other nearby counties<sup>3</sup> – most likely due to the large concentration of outlet malls and other large shopping centers along the I85-I40 corridor.

Table 1 summarizes the overall breakdown of county expenditures budgeted for the 2005-2006 fiscal year. More detailed information is found in Appendix Table 2. Two

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<sup>3</sup> By comparison, the share of total revenues accounted for by sales taxes range from 14 to 16 percent for Wake, Chatham, and Orange Counties.

departments – education and human services – accounted for 62% of the total budget. Because all school expenditures, and nearly all of the activities of the Human Services department are exclusive to the residential sector, the large “footprint” of these two departments in county government has a dominant impact on the results of this study.

Table 2 summarizes revenues and expenditures by land use category. Expenditures exceeded revenues for the residential land use category, while revenues exceeded expenditures for the commercial and agricultural land use categories. The computed revenue/expenditure ratios quantify the extent to which each of the three land use categories is either a net contributor or a net drain on Alamance County’s financial resources. For comparative purposes, the bottom of the table provides the results from some 103 other Cost of Community Services studies that have been conducted throughout the U.S., as well as three studies that were conducted in Chatham, Wake, and Orange Counties in the past decade.

The revenue/expenditure ratio for the residential land use category is 0.68; this implies that for each dollar in property tax and other revenues generated by residential land uses, the county spends \$1.46 to provide services supporting those land uses. In other words, the residential sector is on balance a net user of local public finances. On the other hand, the other two land use categories are net contributors to local fiscal resources. The revenue/expenditure ratio of 1.69 for the agricultural category implies that for every dollar in revenues attributable to these land uses, the county spends only \$0.59 in services benefiting them. The commercial land use category stands out as having the highest revenue/expenditure ratio (4.29). This result indicates that the county spends only \$0.23 in services benefiting commercial and industrial establishments for every public dollar generated by those establishments.

These revenue/expenditure ratios provide a portrait of the direct net fiscal impacts of the various land use categories. However, one might reasonably assert that because local residents form an important share of the customer base for those enterprises, a substantial fraction of sales tax revenues contributed by commercial enterprises are in fact associated with Alamance County residents. The fraction of local retail sales attributable to local residents is a difficult number to pin down precisely, although it is invariably less than 100% in any county (and especially in Alamance County, given that the outlet malls on I85-I40 draw large numbers of customers from

outside the county). Nevertheless, even attributing all sales tax revenues to the residential land use category (and none to the commercial land use category) yields revenue/expenditure ratios of 0.92 and 1.74 for the residential and commercial land use categories, respectively.

## **Discussion**

The results presented above provide answers to the two questions posed at the beginning of this report. As regards the public services provided by Alamance County, commercial and industrial land uses emerge as being the largest net contributor to local financial resources. In contrast, the value of public services provided to residential land uses exceed the property taxes and other revenues that they contribute to the county budget. This finding contrasts with claims that are sometimes made that residential development is a boon to county finances due to its expansion of the property tax base. It would appear that the very large footprint of the education and human services expenditures in the overall county budget plays a dominant role in explaining this phenomenon. Finally, agricultural lands more than pay their own way. This is true despite these properties being taxed on the basis of their current use (as opposed to their potential use were they to be transformed into commercial or residential uses).

These findings for Alamance County are consistent with the findings of nearly every Cost of Community Services study that has been carried out in other communities throughout the U.S. The degree of cross-subsidization of the residential sector – in particular, the extent to which the Alamance County’s commercial sector pays for services provided to its residential sector – is somewhat higher than the median in other studies that have been conducted nationally. Closer to home, the relative balance of revenues and expenditures across land use categories is similar to that which was found in comparable studies conducted in Wake and Orange Counties.

As was stressed at the outset, some degree of subsidization of certain land uses by other land uses is to be expected in virtually every community. The distribution of revenues and expenditures among various land uses in Alamance County that has been computed here is based on current land patterns in the county. Determining whether or not this distribution is appropriate – either now or in the future – is an issue that can only be resolved in the local political arena.



**Table 1. Alamance County Budgeted Expenditures for 2005-2006**

| <b>Item</b>                       | <b>Expenditure</b>   | <b>%</b>   |
|-----------------------------------|----------------------|------------|
| Education <sup>a</sup>            | \$ 34,706,756        | 31.80      |
| Human Services                    | 33,472,117           | 30.67      |
| Public Safety                     | 21,836,556           | 20.01      |
| General Government                | 10,605,462           | 9.72       |
| Culture and Recreation            | 3,975,270            | 3.64       |
| Economic and Physical Development | 1,044,856            | 0.96       |
| Transportation Services Grant     | 73,732               | 0.07       |
| Environmental Protection          | 47,520               | 0.04       |
| Other Appropriations <sup>b</sup> | 3,386,039            | 3.10       |
| <b>Total</b>                      | <b>\$109,148,308</b> | <b>100</b> |

a. Includes debt service on school bonds.

b. Includes non-school debt service, transfers to other funds, and contingency funds.

Source: *Alamance County Annual Operating Budget 2005-2006*

**Table 2. Revenues vs. Expenditures in Alamance County**

|  | <b>Residential</b>  | <b>Commercial</b>       | <b>Agricultural</b>   |
|--|---|-------------------------|-----------------------|
| <b>Expenditures</b>                            | \$98,264,651<br>(90.0%)   | \$9,077,631<br>(8.3%)   | \$1,806,026<br>(1.7%) |
| <b>Revenues</b>                                | \$67,185,583<br>(61.6%)   | \$38,908,449<br>(35.6%) | \$3,054,276<br>(2.8%) |
| <b>Revenues/Expenditures ratio<sup>a</sup></b> | <b>0.68</b>   | <b>4.29</b>             | <b>1.69</b>           |
|  | <b>Revenue/Expenditure ratios from national studies<sup>b</sup></b> |                         |                       |
| Minimum  | 0.47  | 0.96                    | 1.01                  |
| Median   | 0.87  | 3.57                    | 2.78                  |
| Maximum  | 0.99  | 20.00                   | 50.00                 |
|  | <b>Revenue/Expenditure ratios from local studies<sup>c</sup></b>    |                         |                       |
| Chatham County                                 | 0.90  | 2.13                    | 1.09                  |
| Wake County                                    | 0.65  | 5.63                    | 2.12                  |
| Orange County                                  | 0.76  | 4.21                    | 1.38                  |

a. This ratio measures the amount of county revenue contributed by a given land use sector for each dollar in public services used by that sector.

b. These figures are derived from 103 Cost of Community Services summarized on the American Farmland Trust website ([http://farmlandinfo.org/documents/27757/FS\\_COCS\\_8-04.pdf](http://farmlandinfo.org/documents/27757/FS_COCS_8-04.pdf)).

c. These studies were conducted by the author in 1998, 2001, and 2005, respectively.

**Appendix Table 1. Alamance County Budgeted Revenues by Land Use Category for 2005-2006**

| <b>Item</b>                           | <b>Total</b>        | <b>Residential</b>  | <b>Commercial</b>   | <b>Agricultural</b> | <b>Breakdown<sup>a</sup></b> |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|------------------------------|
| <b>Property Taxes</b>                 | <b>\$55,890,097</b> | <b>\$40,715,936</b> | <b>\$12,541,738</b> | <b>\$2,632,424</b>  |                              |
| Current Year                          | 55,360,097          | 40,329,831          | 12,422,806          | 2,607,461           | default                      |
| Prior Years                           | 530,000             | 386,105             | 118,932             | 24,963              | default                      |
| <b>Sales Taxes</b>                    | <b>\$23,105,843</b> | <b>\$0</b>          | <b>\$23,105,843</b> | <b>\$0</b>          | 0-100-0                      |
| <b>Other Taxes &amp; Licenses</b>     | <b>\$1,151,378</b>  | <b>\$529,875</b>    | <b>\$601,378</b>    | <b>\$20,125</b>     |                              |
| Real Estate Transfer Tax              | 402,500             | 301,875             | 80,500              | 20,125              | 75-20-5                      |
| Rental Vehicle Tax                    | 35,000              | -                   | 35,000              | -                   | 0-100-0                      |
| Privilege Licenses                    | 9,100               | -                   | 9,100               | -                   | 0-100-0                      |
| Local Occupancy Tax                   | 451,778             | -                   | 451,778             | -                   | 0-100-0                      |
| ABC Bottle Tax                        | 25,000              | -                   | 25,000              | -                   | 0-100-0                      |
| Cable Television Franchise Fees       | 158,000             | 158,000             | -                   | -                   | 100-0-0                      |
| Landfill Franchise Fees               | 70,000              | 70,000              | -                   | -                   | 100-0-0                      |
| <b>Unrestricted Intergovernmental</b> | <b>\$220,200</b>    | <b>\$0</b>          | <b>\$220,200</b>    | <b>\$0</b>          |                              |
| Beer & Wine Tax                       | 220,000             | -                   | 220,000             | -                   | 0-100-0                      |
| Tax Refunds - Sales and Gasoline      | 200                 | -                   | 200                 | -                   | 0-100-0                      |
| <b>Restricted Intergovernmental</b>   | <b>\$15,466,732</b> | <b>\$15,033,664</b> | <b>\$371,202</b>    | <b>\$61,867</b>     | 97.2-2.4-0.4                 |
| <b>Sales &amp; Services</b>           | <b>\$7,271,833</b>  | <b>\$6,319,223</b>  | <b>\$850,804</b>    | <b>\$101,806</b>    | 86.9-11.7-1.4                |
| <b>Licenses &amp; Permits</b>         | <b>\$1,490,750</b>  | <b>\$1,246,267</b>  | <b>\$211,687</b>    | <b>\$32,797</b>     | 83.6-14.2-2.2                |
| <b>Investment Earnings</b>            | <b>\$400,000</b>    | <b>\$291,400</b>    | <b>\$89,760</b>     | <b>\$18,840</b>     | default                      |

**Appendix Table 1. Alamance County Budgeted Revenues by Land Use Category for 2005-2006 (continued)**

| <b>Item</b>                    | <b>Total</b>         | <b>Residential</b>  | <b>Commercial</b>   | <b>Agricultural</b> | <b>Breakdown<sup>a</sup></b> |
|--------------------------------|----------------------|---------------------|---------------------|---------------------|------------------------------|
| <b>Miscellaneous</b>           | <b>\$198,535</b>     | <b>\$186,424</b>    | <b>\$10,522</b>     | <b>\$1,588</b>      | 93.9-5.3-0.8                 |
| <b>Other Financing Sources</b> | <b>\$3,952,940</b>   | <b>\$2,862,794</b>  | <b>\$905,316</b>    | <b>\$184,830</b>    |                              |
| Transfers In                   | 115,671              | 67,344              | 44,233              | 4,095               | 58.2-38.2-3.5                |
| Sale of Assets                 | 10,000               | 7,285               | 2,244               | 471                 | default                      |
| Installment Loan Proceeds      | 697,000              | 507,765             | 156,407             | 32,829              | default                      |
| Appropriated Fund Balance      | 3,130,269            | 2,280,401           | 702,432             | 147,436             | default                      |
| <b>Total Revenues</b>          | <b>\$109,148,308</b> | <b>\$67,185,583</b> | <b>\$38,908,449</b> | <b>\$3,054,276</b>  |                              |
|                                | (100%)               | (61.6%)             | (35.6%)             | (2.8%)              |                              |

a. Percentage breakdown by land use category (residential-commercial-agricultural). Default percentages were based on the 2005 assessed property valuation (residential - 72.85%; commercial - 22.44%; agricultural - 4.71%).

**Appendix Table 2. Alamance County Budgeted Expenditures by Land Use Category for 2005-2006**

| <b>Item</b>                              | <b>Total</b>        | <b>Residential</b>  | <b>Commercial</b>  | <b>Agricultural</b> | <b>Breakdown<sup>a</sup></b> |
|--|---------------------|---------------------|--------------------|---------------------|------------------------------|
| <b>General Government</b>                | <b>\$10,605,462</b> | <b>\$7,855,490</b>  | <b>\$2,270,167</b> | <b>\$479,805</b>    |                              |
| Governing Body                           | 258,352             | 188,209             | 57,974             | 12,168              | default                      |
| County Manager                           | 1,637,416           | 1,192,858           | 367,436            | 77,122              | default                      |
| Planning                                 | 181,108             | 165,895             | 13,583             | 1,630               | 91.6-7.5-0.9                 |
| Human Resources                          | 364,116             | 265,259             | 81,708             | 17,150              | default                      |
| Finance                                  | 872,515             | 635,627             | 195,792            | 41,095              | default                      |
| Tax Administration                       | 1,602,771           | 1,167,619           | 359,662            | 75,491              | default                      |
| Legal                                    | 411,602             | 299,852             | 92,363             | 19,386              | default                      |
| Facility Fees                            | 340,668             | 248,177             | 76,446             | 16,045              | default                      |
| Elections                                | 501,004             | 364,981             | 112,425            | 23,597              | default                      |
| Register of Deeds                        | 848,473             | 713,566             | 107,756            | 27,151              | 84.1-12.7-3.2                |
| Management Information Systems           | 2,347,793           | 1,710,367           | 526,845            | 110,581             | default                      |
| Printing Services                        | 36,212              | 26,380              | 8,126              | 1,706               | default                      |
| Central Garage                           | 37,589              | 27,384              | 8,435              | 1,770               | default                      |
| Public Buildings                         | 1,165,843           | 849,317             | 261,615            | 54,911              | default                      |
| <b>Transportation Services Grant</b>     | <b>\$73,732</b>     | <b>\$73,732</b>     | <b>\$0</b>         | <b>\$0</b>          |                              |
| <b>Environmental Protection</b>          | <b>\$47,520</b>     | <b>\$0</b>          | <b>\$0</b>         | <b>\$47,520</b>     |                              |
| <b>Economic and Physical Development</b> | <b>\$1,044,856</b>  | <b>\$144,075</b>    | <b>\$464,536</b>   | <b>\$436,245</b>    |                              |
| Economic & Physical Development - Other  | 514,152             | 60,670              | 449,369            | 4,113               | 11.8-87.4-0.8                |
| NC Cooperative Extension Service         | 303,343             | 60,669              | 15,167             | 227,507             | 20-5-75                      |
| Soil Conservation                        | 227,361             | 22,736              | -                  | 204,625             | 10-0-90                      |
| <b>Education</b>                         | <b>\$29,691,238</b> | <b>\$29,691,238</b> | <b>\$0</b>         | <b>\$0</b>          |                              |
| Alamance-Burlington School System        | 27,466,238          | 27,466,238          | -                  | -                   | 100-0-0                      |
| Alamance Community College               | 2,225,000           | 2,225,000           | -                  | -                   | 100-0-0                      |

**Appendix Table 2. Alamance County Budgeted Expenditures by Land Use Category for 2005-2006 (continued)**

| <b>Item</b>                       | <b>Total</b>        | <b>Residential</b>  | <b>Commercial</b>  | <b>Agricultural</b> | <b>Breakdown<sup>a</sup></b> |
|-----------------------------------|---------------------|---------------------|--------------------|---------------------|------------------------------|
| <b>Public Safety</b>              | <b>\$21,836,556</b> | <b>\$16,109,027</b> | <b>\$5,036,604</b> | <b>\$690,926</b>    |                              |
| Other Public Safety               | 107,100             | 78,022              | 24,033             | 5,044               | default                      |
| Judicial Services                 | 467,090             | 340,275             | 104,815            | 22,000              | default                      |
| Sheriff's Department              | 7,762,400           | 5,123,184           | 2,328,720          | 310,496             | 66-30-4                      |
| School Resource Officers          | 304,657             | 304,657             | -                  | -                   | 100-0-0                      |
| Jail                              | 5,689,121           | 4,144,525           | 1,276,639          | 267,958             | default                      |
| Emergency Management              | 11,712              | 8,532               | 2,628              | 552                 | default                      |
| Fire Marshal                      | 256,858             | 25,686              | 231,172            | -                   | 10-90-0                      |
| Fire Service                      | 67,380              | 6,738               | 60,642             | -                   | 10-90-0                      |
| SARA Management                   | 112,297             | -                   | 112,297            | -                   | 0-100-0                      |
| Inspections                       | 670,017             | 552,094             | 117,923            |                     | 82.4-17.6-0                  |
| Emergency Medical Service         | 4,917,674           | 4,376,730           | 491,767            | 49,177              | 89-10-1                      |
| Animal Shelter                    | 205,000             | 205,000             |                    |                     | 100-0-0                      |
| Central Communications            | 1,265,250           | 943,584             | 285,967            | 35,699              | 64.8-22.6-12.6               |
| <b>Human Services</b>             | <b>\$33,472,117</b> | <b>\$32,917,337</b> | <b>\$554,780</b>   | <b>\$0</b>          |                              |
| Health                            | 5,492,873           | 4,938,093           | 554,780            | -                   | 89.9-10.1-0                  |
| WIC Program                       | 411,582             | 411,582             | -                  | -                   | 100-0-0                      |
| Dental Clinic                     | 678,858             | 678,858             | -                  | -                   | 100-0-0                      |
| Social Services                   | 23,826,289          | 23,826,289          | -                  | -                   | 100-0-0                      |
| Veteran's Services                | 129,192             | 129,192             | -                  | -                   | 100-0-0                      |
| Office of Juvenile Justice        | 340,311             | 340,311             | -                  | -                   | 100-0-0                      |
| Home & Community Care Block Grant | 926,009             | 926,009             | -                  | -                   | 100-0-0                      |
| Other Human Services              | 1,667,003           | 1,667,003           | -                  | -                   | 100-0-0                      |

**Appendix Table 2. Alamance County Budgeted Expenditures by Land Use Category for 2005-2006 (continued)**

| <b>Item</b>                    | <b>Total</b>         | <b>Residential</b>  | <b>Commercial</b>  | <b>Agricultural</b> | <b>Breakdown<sup>a</sup></b> |
|--------------------------------|----------------------|---------------------|--------------------|---------------------|------------------------------|
| <b>Culture and Recreation</b>  | <b>\$3,975,270</b>   | <b>\$3,975,270</b>  | <b>\$0</b>         | <b>\$0</b>          |                              |
| Library                        | 2,364,607            | 2,364,607           | -                  | -                   | 100-0-0                      |
| Library - Chatham County       | 234,186              | 234,186             | -                  | -                   | 100-0-0                      |
| Library - North Park           | 10,000               | 10,000              | -                  | -                   | 100-0-0                      |
| Library - Alston Fund          | 4,000                | 4,000               | -                  | -                   | 100-0-0                      |
| Recreation                     | 1,247,277            | 1,247,277           | -                  | -                   | 100-0-0                      |
| Historic Properties Commission | 1,700                | 1,700               | -                  | -                   | 100-0-0                      |
| Culture & Recreation - Other   | 113,500              | 113,500             | -                  | -                   | 100-0-0                      |
| <b>Other Appropriations</b>    | <b>\$8,401,557</b>   | <b>\$7,498,483</b>  | <b>\$751,545</b>   | <b>\$151,530</b>    |                              |
| Debt Service                   | 7,851,557            | 7,097,808           | 628,125            | 125,625             | 90.4-8.0-1.6                 |
| Transfer to Other Funds        | 300,000              | 218,550             | 67,320             | 14,130              | default                      |
| Contingency                    | 250,000              | 182,125             | 56,100             | 11,775              | default                      |
| <b>Total Expenditures</b>      | <b>\$109,148,308</b> | <b>\$98,264,651</b> | <b>\$9,077,631</b> | <b>\$1,806,026</b>  |                              |
|                                | (100%)               | (90.0%)             | (8.3%)             | (1.7%)              |                              |

a. Percentage breakdown by land use category (residential-commercial-agricultural). Default percentages were based on the 2005 assessed property valuation (residential - 72.85%; commercial - 22.44%; agricultural - 4.71%).