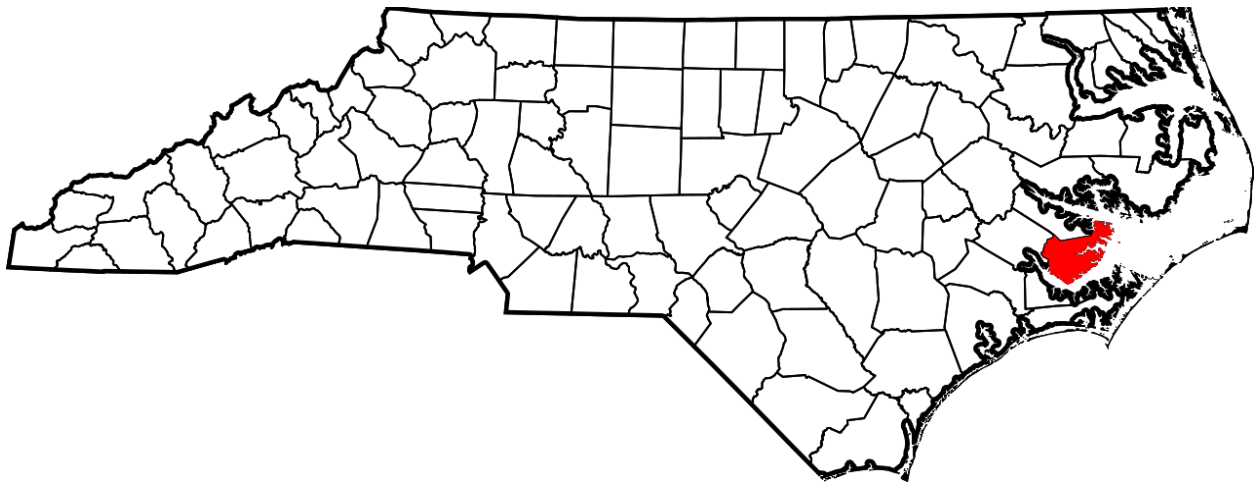


# Pamlico County North Carolina

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## Cost of Community Services Study



Prepared by  
Lois G. Britt Agribusiness Center  
June 2015



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Edward Olive completed the research for the Pamlico County, North Carolina Cost of Community Services Study. Mr. Olive serves as Assistant Director of the Lois G. Britt Agribusiness Center at the University of Mount Olive. He received his bachelor of science degree in AgriScience Education from the University of Mount Olive and is currently pursuing a Master of Business Administration with a concentration in Marketing at Regent University. Editors for the study were Dr. Sandy Maddox and Dr. Kathy Best. Dr. Maddox has a doctorate degree in adult education, serves as director of the Lois G. Britt Agribusiness Center at the University of Mount Olive and has worked for over 35 years in agriculture. Dr. Best is a Certified Public Accountant and Professor of Accounting at the University of Mount Olive. Dr. Best is also the author of the Cost of Community Services Studies for Wayne and Craven counties.

The study is made possible through the cooperation of many county governmental officials. All County of Pamlico department directors were instrumental in providing departmental information used in the study. The following Pamlico County employees played active roles in providing information for the study:

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# Executive Summary

Review of county government expenditures and revenue collections with respect to land use may be useful as local officials evaluate economic development planning. A Cost of Community Services Study (COCSS) can provide county leaders a better understanding of the net gain or loss for various land use categories.

The use of a Cost of Community Services Study to give a snapshot of the revenue-to-expenditure ratio was initiated by the American Farmland Trust (AFT). The AFT realized that land, nationwide, was being converted from agricultural uses to non-farm uses at a rate of 50 acres per hour<sup>1</sup>. North Carolina alone lost nearly 9,000 farms and over 1 million acres of agricultural land to other uses over the past 15 years<sup>2</sup>. Pamlico County's location in coastal North Carolina potentially increases land values and competition for land for non-agricultural uses. A Cost of Community Services Study can serve as a valuable tool to plan for growth and to define a balance between open lands and development.

The Pamlico County Cost of Community Services Study was conducted using the expenditure and revenue data for each department from fiscal year 2012-13 Audited Financial Statements provided by the Pamlico County Finance Office. To accurately determine expenditure and revenue data, respective department directors or designated representatives were asked to provide a percentage breakdown of fiscal resources devoted to providing necessary community services to three land use groups. The percentage of county revenues derived from each land use was

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<sup>1</sup> American Farmland Trust, <https://www.farmland.org/our-work/areas-of-focus/farmland>

<sup>2</sup> USDA Census of Agriculture, State Data (1997, 2002, 2007, 2012), [http://www.agcensus.usda.gov/Publications/2012/Full\\_Report/Volume\\_1,\\_Chapter\\_1\\_State\\_Level/North\\_Carolina/st37\\_1\\_001\\_001.pdf](http://www.agcensus.usda.gov/Publications/2012/Full_Report/Volume_1,_Chapter_1_State_Level/North_Carolina/st37_1_001_001.pdf)

also determined. Land use designations evaluated were 1) Residential, 2) Commercial/Industrial, and 3) Agriculture/Forestry.<sup>3</sup>

**This Pamlico County COCS study demonstrates the following outcomes for the fiscal year 2012-13:**

- *For each \$1 of county revenue contributed by residential uses, the county spent \$0.99 to provide necessary community services for those residential land owners.*
- *For each \$1 of county revenue derived from commercial uses, Pamlico County spent \$0.71 for county-provided services.*
- *For each \$1 of income received by Pamlico County for agriculture/forestry uses, the county spent \$0.51 to provide required community services.*

Residential land uses created a net gain of about \$153,110 while the other two land use categories generated surpluses of approximately: \$425,986 from commercial and \$483,767 from farmland (Table 1).

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<sup>3</sup> The land category designations are the following:

- Working and open lands includes farms, forests and open space.
- Commercial and Industrial are combined and includes firms.
- Residential development includes all housing, including rentals.

Note also that in the event there was evidence of a migrant agricultural work force, temporary housing for these workers was considered part of agricultural land use. Additionally, the farm business has been separated from the farm residence, with the property value of farm residences assessed in the same manner as any other residences. Therefore farm residences would be included in the residential land use category.

The ratios generated from expenditure/revenue data for commercial/industrial and agriculture/forestry are similar to other Cost of Community Services Studies in North Carolina and across the country. However, residential expenditures for government services provided to residents being less or equivalent to the residential revenues generated was dissimilar to other studies conducted (Appendix Table 4B).

<b>Table 1. Pamlico County Cost of Community Services Study Findings</b>				
<b>Pamlico County</b>	<b>FY 2013 Actual</b>	<b>Residential</b>	<b>Commercial</b>	<b>Farmland</b>
Total Revenues	\$ 16,910,932	\$ 14,463,679.47	\$ 1,459,405.48	\$ 987,847.06
Total Expenditures	\$ 15,848,067	\$ 14,310,569	\$ 1,033,419	\$ 504,080
Net contribution	\$ 661,931	\$153,110	\$ 425,986	\$ 483,767
Land use ratio*– <b>Expenses/Revenue</b>		\$1: \$0.99	\$1: \$0.71	\$1: \$0.51

\*For each \$1 of revenue generated, the cost of services provided.

Pamlico County has a county population of slightly over 13,000 residents (ranking 92<sup>nd</sup> out of 100 counties in population density<sup>4</sup>). This rural county has a tax rate of

<sup>4</sup> U.S. Census Bureau, 2010 Census, North Carolina County Population

\$0.6250 which is in the upper 52% of the counties in NC<sup>5</sup>. Additionally, Pamlico County invests very little in services provided to land uses associated with agriculture and forestry or commercial ventures, less than 10 percent of total expenditures. In summary, Pamlico County expends very little to provide services to land uses other than residential, has a low population density and a relatively high tax rate which in combination result in a net gain for all land uses evaluated.

Agricultural land uses generate the greatest net gain for Pamlico County. The only other COCS that has been conducted in North Carolina to date where agricultural land use generates a greater net gain than Commercial/Industrial land use is Union County. This county was ranked 3rd in total cash receipts from the sale of agricultural products in 2013.<sup>6</sup> Differential property tax programs are justified as a way to provide an incentive to keep land open and in active agricultural use. Even with the present-use value taxes, agricultural properties contribute a surplus of revenue that contributes to public services for Pamlico County residents.<sup>7</sup>

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<sup>5</sup> N.C. Department of Revenue, 2012 North Carolina Property Tax Rates

<sup>6</sup> NC Department of Agriculture and Consumer Services, NC Agricultural Statistics 2013

<sup>7</sup> Present-Use Value, or PUV, is a program established by N.C.G.S. §§ 105—277.2 to .7 and administered by the county tax assessor through which qualifying property can be assessed, for property tax purposes, based on its use as agricultural, horticultural or forest land. The present-use value is the value of the land based solely on its ability to produce income. Qualifying property is assessed at its present-use value rather than its market value. The tax office also maintains a market value for the land. The difference between the market value and the present-use value is maintained in the tax records as deferred taxes. When land becomes disqualified from the program, the deferred taxes for the current and three previous years with interest will usually become payable and due.

# Introduction

As was outlined in the *Pamlico County Agricultural Development Plan* completed in 2012, there exists a great potential for Pamlico County to continue to grow its economic impact through agriculture and agribusiness. The proximity of the county to coastal waters and access to major highways helps provide market accessibility for agricultural products<sup>8</sup>. By preserving farmland and other open spaces in Pamlico County, not only is agricultural production protected, but military training also benefits.

The military presence in eastern North Carolina is in part due to the open lands that exist to accommodate the training needs of this important industry. Agriculture and forested land provide a compatible use for military training. When agricultural or other open lands are converted to development or sites for cell towers, or high-intensity lighting, military training opportunities are put in jeopardy. The North Carolina Working Lands Group has recognized Pamlico County as an essential asset to military training in eastern North Carolina. The county is one of nine counties that successfully pair the top two industries in North Carolina – agriculture and military – to maintain a safe nation and agricultural industry<sup>9</sup>.

Agricultural operations are a benefit to Pamlico County on many different levels. The Pamlico County Cost of Community Services Study demonstrates that the provision of community services for agriculture and forestry results in a net gain to the county. Data indicates that of the three land uses investigated,

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<sup>8</sup> Olive, Pamlico County Agricultural Development Plan (2012)

<sup>9</sup> Linking Conservation, Working Lands, and National Defense  
<http://www.ncadfp.org/documents/NCSentinelLandscapesOne-Page.pdf>

agriculture/forestry provide the highest rate of return of the three land categories investigated. As economic development is pursued, agricultural lands and uses should be supported and encouraged as much as commercial and industrial uses are commonly pursued and encouraged.

Most communities fail to realize that saving land saves money. While residents demand expensive public services and infrastructure, privately-owned working lands enhance community character and quality of life without requiring significant public expenditures. Their fiscal contributions typically are overlooked, but like other commercial and industrial land uses, agricultural (farm, ranch and forest) lands generate surplus revenues that play an essential role in balancing community budgets. This, perhaps, is the most important lesson learned from Cost of Community Services (COCS) studies.<sup>10</sup>

Numerous COCS studies have been completed by a variety of researchers around the country for cities and rural communities. The maximum, median, and minimum ratios of local government expenditures-to-revenues collected from these studies are shown in Table 4A of the Appendix. The median ratio states that for every dollar the county generates from the residential category, it spends \$1.16 in services. The commercial/industrial and farm/forestland categories show that, on average, the government receives more than it spends and therefore, these land uses create a surplus. These numbers show the fallacy of depending on residential development as the road to a sound growth policy. Residential development to date has not generated sufficient revenue to cover its associated expenditures in any instance of various NC county studies or other county studies across the nation. The minimum reported ratio for national studies conducted and reported by

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<sup>10</sup> Best, Wayne County Agricultural Development Plan, 2011

the American Farmland Trust was 1:\$1.01. Pamlico County's ratio is reported as 1:\$0.99 which represents a ratio that is lower than the existing reported minimum.

American Farmland Trust developed this low-cost fiscal analysis to contribute local knowledge to decisions about land use. The purpose of this research is not to suggest any prescriptive course of action. By using statistics and financial land use and economic data specific to Pamlico County, this COCS study can help move public dialogue from emotion to analysis and from speculation to projection. It provides reliable financial data, allowing officials to make informed planning decisions and evaluate strategies that will maintain a balance in the distribution of future land uses<sup>11</sup>.

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<sup>11</sup> Best, Wayne County Cost of Community Services Study (2011)

# Cost of Community Services Studies<sup>12</sup>

A Cost of Community Services (COCS) study is a case study approach used to determine an individual community's public service costs versus revenues based on current land use, specifically residential, commercial/industrial, and farm/forest. Publicly available financial reports (Audited Financial Statements or the Comprehensive Annual Financial Report (CAFR)), departmental records and budgets, and assessor's data are used to allocate revenues and expenditures to determine the financial effects of the various land uses. COCS studies are based on real numbers, making them different from traditional fiscal impact analysis, which is predictive and speculative. They show what services taxpayers receive from their local government and how local government revenues and expenditures relate to land use.

American Farmland Trust (AFT) first became interested in COCS studies and growth-related issues in the 1980s because agricultural lands were converted *more commonly* to development than any other type of land. Farmland is desirable for building because it tends to be flat, well drained and has few physical limitations for development. It is also more affordable to developers than to farmers and ranchers. COCS studies were originally used to investigate three commonly held claims:

1. Open lands—including working agricultural and forest lands—are an interim land use that should be developed to their “highest and best use”;

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<sup>12</sup> Freedgood, Cost of Community Services Studies: Making the Case for Conservation, American Farmland Trust, 2002.

2. Agricultural land gets an “unfair” tax break when it is assessed at its actual use value for farming or ranching instead of at its potential use value for development;
3. Residential development will lower property taxes by increasing the tax base.

In response to these claims, it is of particular relevance to consider the fiscal contributions of privately-owned natural resource lands in areas, such as Pamlico County, where farming and forestry are important industries. Although they generate less revenue than residential, commercial or industrial properties, such agribusinesses require little public expenditure due to their modest demands for infrastructure and public services. While it is true that an acre of land with a new house generates more total revenue than an acre of farmland, this information provides little insight into a community’s fiscal balance. As a result, COCS studies are used to determine the *net* fiscal impact of land uses in the present by comparing total revenues to total expenditures to ascertain the overall contribution of different land uses.

COCS studies are conducted for a variety of other reasons, such as supporting existing land protection programs or developing new ones. Some communities are interested in raising awareness about the benefits of protecting natural resources, while others may have broader planning goals. Other primary reasons for COCS studies are: to compare the impacts of different land uses, to direct new development toward existing infrastructure, or to supplement a comprehensive planning process. *Above all, COCS are most valuable to communities that are concerned about farm and other open lands.*

COCS studies are best used in communities similar to Pamlico County that rely heavily on property taxes to generate revenues. It is important to recognize that COCS studies are fiscal, not economic analyses and therefore do not examine direct economic benefits or secondary impacts of a given land use to the local or regional economy. COCS studies are not intended to judge the value of one land use over another or compare one type of new development to another. *The particular niche of a COCS study is to identify existing land use relationships and evaluate the contribution of agricultural and other open lands on equal ground with developed land uses.* Note, the data provided in COCS studies are “snapshots in time,” and as such are neither predictive nor speculative.

Table 2 classifies categories of information that a Cost of Community Services Study can provide and what their ultimate utility can illustrate to local governmental officials.

**Table 2. Uses of Cost of Community Services Studies**

COCS Studies Do:	COCS Studies Do Not:
<ul style="list-style-type: none"> <li>○ Provide a baseline of information to help local officials and citizens make informed land use decisions.</li> <li>○ Offer the benefit of hindsight to see the effect of development patterns to date.</li> <li>○ Demonstrate the relative fiscal importance of privately owned land in agricultural, forest or other open space uses.</li> <li>○ Make similar assumptions about apportioning costs to agricultural land as to commercial/industrial land.</li> <li>○ Have a straightforward methodology and easy-to-understand findings.</li> </ul>	<ul style="list-style-type: none"> <li>○ Project future costs of services incurred by new development.</li> <li>○ Determine the direct or indirect value of a particular land use to the local or regional economy.</li> <li>○ Quantify the non-market costs and benefits that occur when agricultural land is converted to urban uses.</li> <li>○ Judge the intrinsic value of any particular land use.</li> <li>○ Compare the costs of different types of residential development.</li> <li>○ Treat agricultural and other working lands as residential development.</li> </ul>

Source: Freedgood, Julia. Cost of Community Services Studies: Making the Case for Conservation. American Farmland Trust. 2002.

### ***Methodology***

The following standard land use definitions are adapted to individual COCS studies.

- **Agricultural development** (Farm, Forest and Open Land) – All privately-owned land and buildings associated with agricultural and forestry industries, including temporary housing for seasonal workers who are not permanent residents.

- **Residential development** – All single-and multi-family residences and apartment buildings, including farmhouses, residences attached to other kinds of businesses and rental units; all town-owned property used for active recreation or social functions for local residents.
- **Commercial and Industrial Development**<sup>13</sup> – All privately-owned buildings and land associated with business purposes, the manufacturing of goods or the provision of services, excluding agricultural and forestry industries, and utilities.

There are three basic steps in the process of conducting a COCS study:

1. Collect data: Obtain relevant reports and other financial records, interview officials, boards and departments.
2. Allocate revenues and expenditures by land use.
3. Analyze data and calculate revenue-to-expenditure ratios for each land use category.

The COCS revenue-to-expenditure ratio compares how many dollars worth of local government services are demanded for each dollar collected. A ratio greater than 1.00 suggests that for every dollar of revenue collected from a given category of land, more than one dollar is spent. Conversely, an expenditure ratio less than 1.00 indicates that for a given category of land, demand for publicly-financed services is less than that sector's contribution to the local budget.

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<sup>13</sup> For simplicity, the term “commercial” will denote both industrial and commercial land uses for the remainder of this study. Likewise, “agricultural” will refer to farm and forest land uses.

Most studies show that the COCS ratio is substantially above 1 for residential land while ratios for the other two land use categories are usually substantially below 1. Pamlico County financial records however revealed that the COCS ratio for all land uses were below 1.

# COCS Method for Pamlico County

The Pamlico County Cost of Community Services study is based on fiscal data from 2012- 2013. The total budget for the County of Pamlico for that fiscal year was \$15,848,067 for the seven departmental categories and debt services. A breakdown of the expenditures revealed that 90.3 percent of expenditures were to provide services to residential land uses, 6.5 percent were to provide services to commercial/industrial land uses and 3.2 percent were attributed to agriculture and forestry land uses. The sum of county revenues received from taxes, licenses, and other fees, services, and investments, during this same fiscal period was reported as \$16,910,932. Of this total, 85.5 percent was generated from residential property taxes and additional fees, 8.6 percent was generated by commercial/industrial land use, and 5.8 percent resulted from agriculture and forestry use. Interviews were conducted to collect data regarding each county department and the distribution of funds and services that were devoted to each land use: 1) Residential, 2) Commercial/Industrial, and 3) Agriculture/Forestland.

The Audited Financial Statements for Pamlico County compiled by Martin, Starnes, and Associates were used to derive the actual revenues and expenditures for the fiscal year ending June 30, 2013. Revenues and expenditures were allocated among the three defined land uses based on departmental direction. Data obtained was entered into a spreadsheet to derive the total amount of funds allocated by each department to each land use.

Categories included in Pamlico County's revenues were:

- Property Taxes
- Sales Taxes
- License Fees and Other Taxes
- Unrestricted Intergovernmental
- Restricted Intergovernmental
- Permits and Fees
- Sales and Services
- Investment Earnings
- Miscellaneous

Real property taxes were collected for the general fund at a rate of \$0.625 (62.5 cents) per \$100 of property value in 2012-2013.

Expenditures for the County came from the seven fund services: general government, public safety, environmental protection, economic and physical development, human services, cultural and recreation, and education, as well as debt service payments. The largest county fund was human services with expenditures of \$4.55 million.

Expenditures were allocated in one of two ways. For services that exclusively benefited households (as opposed to commercial establishments)—for example, public schools—100% of expenditures were allocated to the residential sector. For departments whose activities benefited both businesses (including agricultural businesses) and residences, expenditures were allocated based on the proportion of total property value accounted for by each land use category.

If it was difficult to derive a direct percentage or distribution of the services devoted to a particular land use, a default percentage was determined based on the assessed property valuations for 2012-13 fiscal year for each land use. The

information collected from the Pamlico County Tax Office is shown below. This default breakdown is as follows:

- 85% Residential (including Historic Property)
- 6% Commercial/Industrial
- 9% Agricultural (PUV)

# Findings

Supporting information for the findings expressed in this section can be found in the Appendix.

Appendix Table 1 shows the distribution of revenues for Pamlico County in the 2012-13 fiscal year. The total county fund revenues for 2012-2013 were \$16,910,932.00. Ad valorem property taxes, which are taxes based on the assessed value of real estate or personal property, generated the most revenue, \$9,372,504, or over 55% of the county's total revenue. Restricted intergovernmental revenues made up nearly 20% of county revenue at \$3,346,527. Local option sales tax at \$1.78 million accounted for 10.5 percent of revenue collected. The remaining 14.27 percent of revenue was distributed between unrestricted intergovernmental (7.93%), other taxes and licenses (3.48%), permits and fees (1.68%), sales and services (1.0%), miscellaneous revenues (0.13%), and investment earnings (0.05%).

Appendix Table 2 shows the distribution of expenditures for the fiscal year 2012-2013 for the County of Pamlico (Additional detail may be found in Appendix Table 7). Pamlico County actual expenditures for fiscal year 2012-2013 for the 7 county departments and inclusive of debt services were \$15,848,067. Human services represented the largest expenditure amount at \$4.5 million, or 28.69 percent of the total county government expenditures. To provide educational services to county residents, \$3,777,962 or nearly 23.84 percent of county expenditures were required. Public safety expended over \$3 million, or 20.67% of county budget expenditures. General government spent almost \$2 million, or 12

percent of the county departmental expenditures. The other 14.8% of Pamlico County expenditures are split between debt services (5.59%), economic and physical development (4.66%), culture and recreation (3.06%), and environmental protection (1.49%) with a combined total expenditure of \$2,345,382.

Appendix Table 3 provides the revenue-to-expenditure ratios that are developed through Cost of Community Services Studies. In summary, this COCS study found that in Pamlico County 90.3 percent of county expenditures were used to provide services for residential land use compared with 6.52 percent for commercial and 3.18 percent for farm and forest land. ***In Pamlico County for each dollar of residential revenue earned, the county spends approximately \$0.99 to provide services to those residents.*** This ratio is below the minimum noted by the American Farmland Trust for all studies and is the minimum for all documented studies in North Carolina. This outcome may be attributed to the low population density in Pamlico County coupled with a moderately valued tax rate. While Pamlico County's location along the coastal waters has been responsible for an increase in development, the county has managed its revenue-to-expenditure ratio such that all land uses reflect a net gain. In most COCS studies the counties in which the studies are conducted are either recognizing a loss of open land and are experiencing an increase in residential development or are anticipating this to occur due to developmental pressures related to population growth. The fact that Pamlico County has undertaken a COCS study at this juncture - a time when development is occurring and additional potential exists, but prior to an onslaught of need for additional services as a result of development - gives county leaders the ability to understand better the importance of a balance in land uses as they relate to the county's fiscal stability. Should residential development continue to evolve in Pamlico County, it is expected that this ratio will increase as the volume of

services and the associated costs to provide these services to residential residents increase.

Both commercial/industrial and agriculture/forestry land uses demonstrated a net gain to the county when the revenue to expenditure ratio was evaluated. ***For each \$1 of revenue generated from commercial land uses, Pamlico County spends an estimated \$0.71 to provide services to those commercial entities.*** Agricultural lands have the highest rate of return for the county's investment in this case. ***For each dollar of revenue derived from agricultural and forested land, Pamlico County spends \$0.51 to provide necessary services for those land uses.*** These ratios are indicative of other county studies both in NC and nationwide. The one differential is that typically the ratio of revenue-to-expenditure for commercial land uses is less than the ratio noted for agricultural land uses. The only county in NC that reflects a ratio for agriculture/forestry that is lower than the commercial ratio is Union County, NC (Appendix Table 4B). The lower ratio for agriculture land in Union County was reported in the 2006 report *The Fiscal Impacts of Land Uses on Local Government* by Dorfman. At that time the population of Union County was 175,000 and the tax rate was \$0.6367 and total cash receipts from agricultural products totaled \$378 million. In 2013 the county's population was estimated at 212,000 and their tax rate during fiscal year 2012- 2013 was \$0.6600 and total cash receipts from agricultural products totaled \$464 million. The NC Cooperative Extension Service (NCCES) reports that 15.9% of total income from Union County comes from the agricultural sector. This county has experienced population growth, an increase in tax rate and a continued increase in revenues generated from agricultural land use. It is surmised that agricultural land uses reported a lower ratio than commercial land uses in Union County as a result of the revenues generated through the agriculture sector but, more importantly the

associated county expenditures for agricultural land use being lower than that for commercial land uses. Pamlico County, as reported by NC Cooperative Extension attributes also 15% of the total county income generated from agriculture. The associated lower ratio for agricultural land uses would as with Union Co. result in the lower ratio for providing services to agricultural land uses in Pamlico County.

As noted, Tables 4A and 4B provide ratio comparisons with national cost of community services studies and NC studies. Table 4A shows the residential minimum ratio as 1:1.01. As mentioned in the Table 3 synopsis, the residential ratio calculated in the Pamlico County Cost of Community Services study was lower than the minimum from national studies. Most studies show that the COCS ratio is substantially above 1 for residential land while ratios for the other two land use categories are usually substantially below 1. In the Appendix Tables 4A&B the median “national” residential revenue-to-expenditure ratio is 1:1.16, while the median commercial and agricultural are 1:0.29 and 1:0.35, respectively. In North Carolina, over fourteen counties which have had cost of community services studies, the median residential revenue-to-expenditure ratio is 1:1.24, while the median commercial and agricultural are 1:0.37 and 1:0.62, respectively. Pamlico County’s ratios for both residential and agriculture land uses when compared to other studies in North Carolina are below the median.

The commercial ratio of 1:0.71 is higher than the median of both the North Carolina and national studies. Multiple county departments posted expenditures for the provision of services to commercial and industrial land uses. However, fewer departments posted revenues contributed to the county revenue stream by those entities.

Table 5 of the Appendix provides a listing of the actual revenues broken down by the land uses evaluated in the study. For fiscal year 2012-13, the County of Pamlico revenues totaled \$16,910,932. The breakdown percentages were provided by county departmental directors and representatives to accurately represent the distribution of each revenue line item and provide the percentage that is attributed to each land use. This information was compared with the expenditure information to calculate the ratio of Pamlico County's revenues-to-expenditures. The default breakdown percentage for both revenues and expenditures is: Residential (including historic) 85%; Commercial/Industrial 6%; Agriculture/Forestry 9%.

Appendix Table 6 details the expenditures, totaling \$15,848,067, for the county in the fiscal year 2012-2013. These expenditures are again distributed by land use with the percentages provided by appropriate county personnel. This information was used to compare with the revenue to calculate the ratio of county expenditures-to-revenue.

# Discussion

COCS studies provide a baseline of information to help local officials and citizens make informed land use decisions. They offer the benefit of hindsight to see the effect of development patterns to date. They also demonstrate the fiscal importance of privately owned land in farm and forest uses.

The ratios found in Pamlico County are not comparable to national median value for the residential sector. The residential ratio of \$1 of revenue to \$0.99 expenditure is much lower than the national median of \$1.16 and the median for NC studies, \$1.235. The commercial ratio of \$1 of revenue to \$0.71 is quite a bit higher than the national median of 29 cents and the NC median of 37 cents. Finally, the farmland ratio of \$1 to \$0.51 is 16 cents higher than the national median of \$1 to \$0.35 but is \$0.105 lower than the NC median of \$1 to \$0.615 (See Figure 1.).

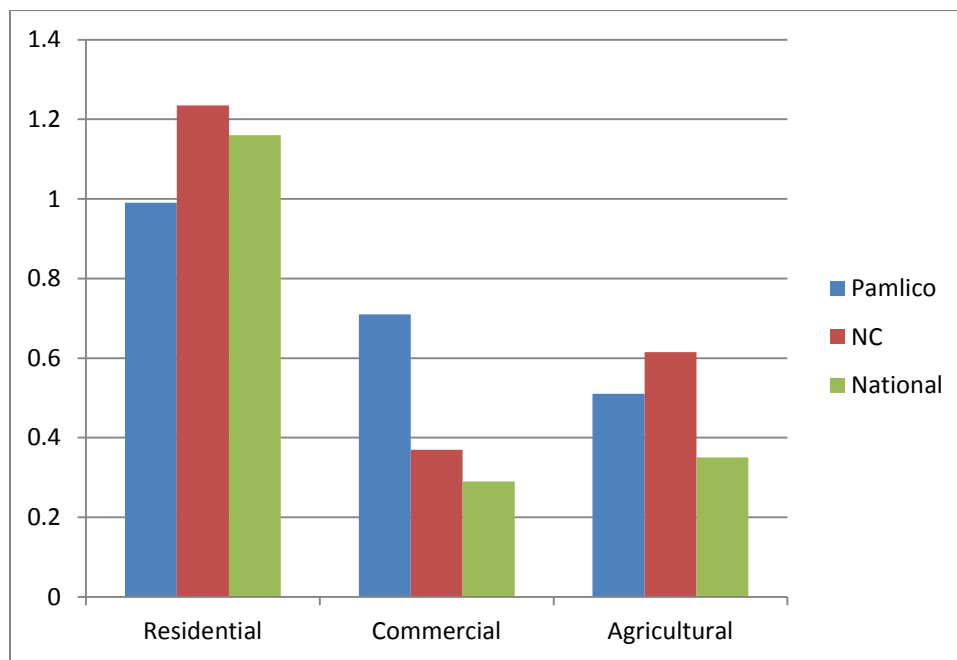


Figure 1: Pamlico Cost of Community Services Study Ratios Compared to NC and National Studies (American Farmland Trust)

The purpose of a COCS study is to determine the net fiscal contribution of farm properties so these lands may be duly considered in the planning process, not to

recommend one type of land use over another. Because the studies are descriptive, they should not be used to predict the impact of a single development or to project future costs of services created by new development.

The results of this study, however, provide reliable financial information that demonstrates the importance of agricultural and forest lands to the fiscal stability of Pamlico County.

- In Pamlico County residential development contributes the largest amount of revenue, nearly \$14.5 million, and its net fiscal impact was positive as reflected in the 2012-2013 fiscal year. Residential land uses created a surplus of \$153,110, while the other two land use categories generated comparable surpluses: \$425,986 from commercial and \$483,767 from agricultural.
- Residential, commercial and agricultural lands generated revenue from property and sales taxes with the largest surplus coming from agricultural/forestry land uses. While there was not the expected negative fiscal impact from the provision of community services to residential properties during this *snapshot* in time, it is important to recognize that if this type of land use increases in the future, commercial and agricultural land uses are an important source of net revenue to offset a shortfall created by residential development.
- Both commercial and agricultural lands pay more in local tax revenues than they receive in services, even with a reduced assessed value.

As American Farmland Trust has emphasized previously, this research also suggests that development of strategies to retain this land base for future agriculture would be a good long-term investment.

- Differential property tax programs, such as present-use value, are justified as a way to provide an incentive to keep land open and in active agricultural use.

- A balance of land uses, including agricultural lands, is needed to provide adequate revenue to pay for county services.

The findings of this study show the fiscal benefits that result from agricultural lands and factual information to help residents understand the delicate fiscal balance between taxes, other community revenues and the cost of public services. In addition, this information should be useful for county leaders and residents when faced with land use decisions now and in the future.

Agriculture within Pamlico County is a significant contributor to the economy. Over 46,000 acres of farmland generate \$26 million in total cash receipts from the sale of agricultural products. This study makes a significant statement: It is financially wise to keep land in agriculture. In addition to helping maintain fiscal balance, farmlands help sustain Pamlico County's economy, contribute to economic diversity and rural character, and help shape the overall quality of life in the region.

Pamlico County's desire to engage in a Cost of Community Services Study exemplifies the interest of local leaders in the future and health of the county and provides a unique opportunity for these and future leaders. The fact that Pamlico County data exhibits a net gain for all land uses poses an opportunity for planning for the future of agriculture and anticipated residential development in the future. Study after study indicates as residential development has occurred and subsequent services are provided that residential development becomes a net loss to the local government with regard to revenue/expenditure evaluations. These same studies indicate that the net gain represented by commercial and agricultural uses in all cases is enough to offset the net loss of residential development thereby fortifying the need to have a balanced land use plan. Most local leaders plan for multiple community needs including: transportation, housing, economic development and environmental protection. However, data exhibits most people want farms in their futures, very few communities plan for farmers or farmland. Pamlico County is in a position as it moves forward to develop strategies to protect farmland and promote smart growth and in so doing ensuring the fiscal strength and stability of the county.

# Profile of Pamlico County

Pamlico County is located on the east coast of North Carolina. Farming, forestry and aquaculture are each important aspects of the economic and cultural health of the county. To provide an overview of previous work leading to this study the executive summary from the *Pamlico County Agricultural Development Plan* completed in 2012 is cited below to provide information on what led to the interest in completing this study.

Evaluation of the impacts and perceptions of agriculture in Pamlico County allows for a better understanding of the continuing need for agricultural development. The *Pamlico County Agricultural Development Plan* utilized confidential surveys and interviews to obtain information from three target audiences about their knowledge and perceptions toward agriculture. The target audiences were agribusiness operators, non-farm residents and agricultural producers. Each group is affected by agricultural development differently. The agriculture development plan evaluates the impact and benefit of agricultural and forest land use to the county and recognizes the challenges that face agricultural production and profitability.

Agriculture and agribusiness employed 20 percent of working Pamlico County residents and accounted for over one-fourth of the county's value-added income in 2008. Agriculture operates in a global economy and Pamlico County is in an excellent position to increase agricultural production to reap the benefits of new,

increased agricultural markets. In 2011 the NC Department of Commerce estimated 6,269 or 48 percent, of county residents were over the age of 50. The average age of farmers in Pamlico County in 2007 was 56 years of age. In the near future, farmers will begin to retire and many have not taken steps to transition their operation to the next generation. These factors emphasize the need for actions to be taken to protect land currently in production. A multifaceted land use plan for the county will realize the benefits of agriculture and forestry to the economic and environmental health of the county and is imperative.

Agriculture brought \$23 million to Pamlico County in 2007. Most of the income was received from crops, but livestock production also added to this total. Pamlico County was ranked among the top 50 counties in the state in 2007 for the production of various agricultural commodities including wheat, soybeans, tobacco, corn and specialty horticultural crops. Forestry is also a major component of Pamlico County agriculture with nearly half of the county's land currently in timberland. In 2007, Pamlico County ranked:

- 15<sup>th</sup> in corn production for grain
- 17<sup>th</sup> in wheat production
- 19<sup>th</sup> in soybeans production
- 32<sup>nd</sup> for the production of vegetables, fruits, nuts and berries
- 45<sup>th</sup> in cash receipts for all crops
- 47<sup>th</sup> in flue-cured tobacco production

- 72<sup>nd</sup> in total cash receipts
- 87<sup>th</sup> in cash receipts for dairy, poultry and livestock
- 91<sup>st</sup> in sales of nursery, greenhouse, floriculture and Christmas trees
- 98<sup>th</sup> in all cattle
- 29<sup>th</sup> in timber production

Pamlico County's location in eastern North Carolina offers residents the enjoyment of a coastal environment. The influx of residents that wish to enjoy the union of farm and forestland and the coastal shoreline find Pamlico County to be the perfect area to relocate. Pamlico County has become an ultimate destination for recreation, comfortable living, relaxation, tourism and more. However, before all of these opportunities existed, Pamlico County was known as an agricultural destination. Agriculture, including forestry, crops and livestock, has remained an important component of the economy of Pamlico County.

Many counties statewide are proactively taking steps to prevent the unnecessary loss of farmland. Pamlico County has chosen to join this list. The North Carolina Department of Agriculture and Consumer Services, through the Agricultural Development and Farmland Preservation Trust Fund, provides funding for projects that encourage farmland preservation and promote agricultural development in North Carolina. North Carolina's Eastern Region works to promote economic growth and understands the impact of

agriculture to eastern North Carolina. The ultimate goal for this agricultural development plan is to express the needs of the agricultural industry in Pamlico County as well as convey challenges and opportunities that are cited by residents, farmers and the agribusinesses of the county to help improve the industry as a whole and help to maximize its potential in Pamlico County.

Pamlico County has seen some development but not near as much as other regions of North Carolina. Still, the county is not immune to developmental pressures in the future and should take steps to protect the priceless commodity of land now.

Agribusiness owners and operators were asked to identify trends relative to agriculture's future in Pamlico County for this plan. Agribusinesses provide supplies and services necessary for farming as well as for residential. Pamlico County has a diverse set of agribusinesses that recognize the need to meet the varied needs of agricultural producers and residents alike. Agribusinesses that were surveyed reported that there is a need to educate consumers and communities on the value of agriculture and the importance of supporting local producers. Surveyed agribusinesses have also taken note of recent changes in farming and implemented new methods and products to aid farmers in this changing environment. Agribusinesses now use technology and precision agriculture to provide services and supplies more cost effectively. Agribusinesses are essential to ensure the future sustainability of Pamlico County agriculture and proactively provide support to this industry.

The majority of non-farm residents surveyed for this plan have lived in Pamlico County for over 20 years. Though many of those surveyed lived near agriculture, very few reported being involved in farming or timber operations. Overall, non-farm residents who participated in the survey believed that agriculture is a self-supporting industry that has some potential for growth. Ninety-two percent of those surveyed supported taking steps to preserve farmland. Eighty-three percent of non-farm residents surveyed reported that they had no issues with their farming neighbors.

Pamlico County has support for its agricultural industry from non-farm residents, agribusinesses and agricultural producers as evidenced in the survey data collected, which signifies potential for agriculture and agribusinesses to continue to grow and further expand. As a result of this plan, recommendations for action which address opportunities for Pamlico County agriculture are identified. The recommendations include:

- *Support measures to protect forests and farmland in Pamlico County*
- *Develop a Voluntary Agricultural District (VAD) Awareness Program*
- *Complete a cost of community services study for Pamlico County*
- *Develop programs to assist with farm transition planning for producers and landowners in the county*

- ***Provide public awareness opportunities to gain support and understanding for agriculture.***

Agriculture is alive and well in Pamlico County but there is potential for it to be even more powerful. With support from the county, farmers in Pamlico County can continue to grow and thrive by taking advantage of new markets. As a result of this growth, the local economy would realize positive impacts through increased revenue both as a direct and indirect impact of agricultural development. Farms will continue to provide revenue to the county and will provide additional jobs for residents who live and work in the county. Agricultural development is necessary in order to preserve the farming heritage and opportunities in the county. As rural North Carolina changes, it is imperative that steps be taken to preserve the agricultural opportunities present in Pamlico County. The necessity of a productive agriculture industry will continue to grow as the need for food and agricultural products continues to increase.

Taking steps to protect farms and forests in Pamlico County will be of great service to generations to come. Pamlico County and North Carolina each have great potential for diversification and agricultural development. There is a need for new markets to be developed and for producers to take part in developing these opportunities. The *Pamlico County Agricultural Development Plan*

can be the start of making Pamlico County an even stronger and more profitable agricultural county<sup>14</sup>.

The third recommendation listed above from the *Pamlico County Agricultural Development Plan* is to conduct a cost of community services study. The purpose of the Pamlico County Cost of Community Services Study is to gather data on the cost associated for the County of Pamlico to provide services to citizens and landowners in the county. This is compared with the revenue that is generated by selected land uses to create a ratio. The land uses are:

1. Residential
2. Commercial and Industrial
3. Farm and Forest.

The goal of this study is to provide an additional resource for county leaders to use to understand the cost of resources expended on each land use and to continue to promote the agricultural industry in North Carolina. This resource provides an accurate depiction of Pamlico County revenue and also evaluates the expenditures of county resources provided for the different land uses identified.

This study illustrates the importance of utilizing the Present Use Value (PUV) taxation for agricultural lands as opposed to taxing farmland at market value. PUV is a useful tool to retain agricultural land in production as opposed to a different land use.<sup>15</sup> Agriculture is North Carolina's number one industry.

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<sup>14</sup> Executive summary is provided from the Pamlico County Agricultural Plan, 2012.

<sup>15</sup> Baker, David B., Present-Use Value Program Guide, NC Department of Revenue, 1 Jan 2015  
[http://www.dornrc.com/publications/puv\\_guide.pdf](http://www.dornrc.com/publications/puv_guide.pdf)

Pamlico County is one of nine PlanIt EAST counties. PlanIt EAST represents the connection between North Carolina's two major industries: 1) agriculture, and 2) military. By retaining land in agriculture, military bases can maintain their training grounds and flight paths which could be restricted by commercial and residential growth. Sentinel Landscapes is a program managed by the North Carolina Working Lands Group that studies the impact of military and agriculture in the region. The main goal of the project is to bring, "together our region's military installations and our farming/forestry communities to protect working lands for future generations of farmers and foresters while limiting development incompatible with our military installations' ability to train and perform their essential missions." The project's three main programs are detailed below.

- **Food & Fuel for the Forces (FF4F):** Places fresh North Carolina produce, value-added products, and renewable fuel sources on military bases and in their markets. This program not only supports agricultural producers by adding a market which in turn preserves the land for agriculture, but also saves transportation costs and reduces the carbon footprint of the military.
- **Forestry Conservation:** Promotes responsible tree harvesting techniques that help to protect the ecosystems that depend on the forestland. These working lands are also necessary for the military training mentioned above.
- **Market-Based Conservation Project:** This program allows private landowners to enroll in agreements that protect their agricultural land or forestland from being converted to uses which are not compatible with military training. Examples of incompatible uses include residential, tall



# Pamlico County Agriculture

Agriculture is a major part of Pamlico County's economy. Comparisons from 2007 to 2012 compiled from the respective Censuses of Agriculture illustrate trends related to agriculture in Pamlico County:

- Experienced a net loss of 5 farms
- Land in farms increased slightly (660 acres) to 46,125 acres in production
- Decreased the number of crop farms by 6%
- Decreased acreage in crop production by 3%

Not all aspects of Pamlico County's agriculture experienced a decline in recent years. As is noted in Figure 3, from 2002 to 2012 a decline in soybean acres harvested was reported however both corn and wheat production substantially increased in acreage. Nearly 18,000 acres of soybeans, just over 17,000 acres of field corn, and almost 15,000 acres of wheat were harvested in 2012.

In addition to soybeans, tobacco acreage also decreased. Former tobacco quota holders received final tobacco transition program payments in 2014. Many former tobacco farmers have transitioned to other commodities or other professions since the tobacco quota system was eliminated in 2004. The transition program provided direct payments to assist tobacco farmers to adapt to the new market or move to other sources of revenue. Figure 4 illustrates the decline in tobacco acreage in Pamlico County from 1997 to 2012.

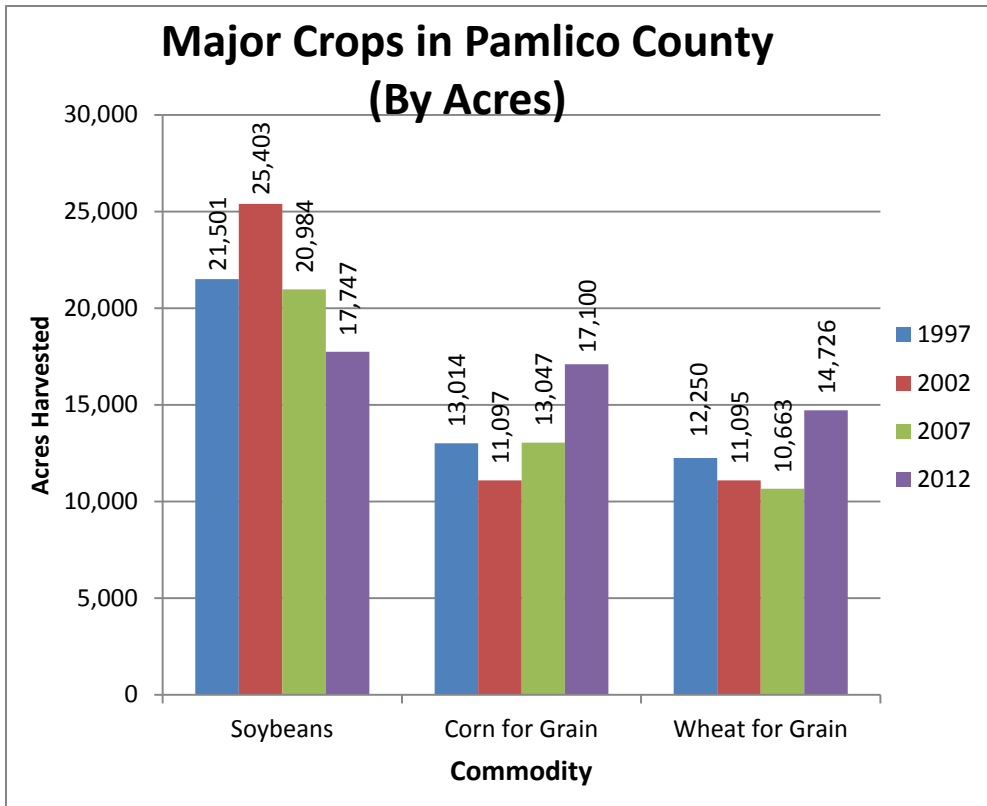


Figure 3: Major Crop Acreage in Pamlico County  
Source: USDA Census of Agriculture (1997, 2002, 2007, and 2012)

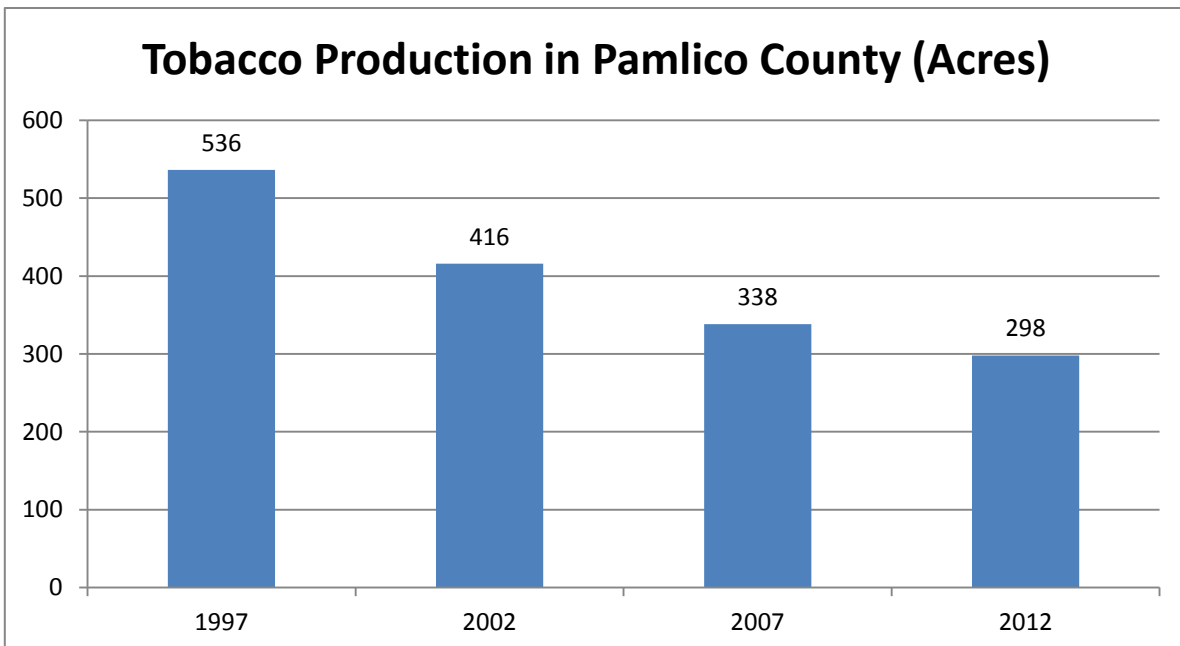


Figure 4: Tobacco Acreage in Pamlico County, NC  
Source: USDA Census of Agriculture (1997, 2002, 2007, and 2012)

Forestry is another important aspect of Pamlico County agriculture. According to North Carolina Cooperative Extension, forestry has a total impact of \$11,017,121 on the economy of Pamlico County. This includes production, manufacturing and sales. Forestry accounts for about one-third of Pamlico County agriculture's economic impact<sup>17</sup>. In 2012, nearly half (106,900) of the 218,000 acres in Pamlico County are forested acres. Over eighty percent of those forested acres were privately owned. The remainder was divided among state-owned and forest industry-owned land<sup>18</sup>.

According to the 2012 Census of Agriculture there are 14 livestock and poultry farms in Pamlico County. Cash receipts for livestock, dairy, and poultry decreased by nearly a half-million dollars down to \$1,669,000 in 2012<sup>19</sup> according to the North Carolina Department of Agriculture and Consumer Services.

Aquaculture is another unique opportunity that Pamlico County agriculture has. According to the US Census Bureau, Pamlico County is comprised of 336 square miles of land complemented by 230 square miles of water. According to the Pamlico County marketing video, "Farming, Fishing and Forestry in Pamlico County, NC 2012," Pamlico County Natural Resource Conservationist Candy Bohmert also underlined fishing as a major part of the county's economy<sup>20</sup>. In 2007, Pamlico County ranked 12<sup>th</sup> in North Carolina for aquaculture production<sup>21</sup>.

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<sup>17</sup> NC Cooperative Extension, Agriculture and Agribusiness in Pamlico County, 2012, <http://www.ces.ncsu.edu/depts/agecon/counties/Pamlico.pdf>

<sup>18</sup> Olive, Pamlico County Agricultural Development Plan, 2012

<sup>19</sup> North Carolina Agricultural Statistics (2013), NC Department of Agriculture and Consumer Services, County Summary, <http://ncagr.gov/stats/2013AgStat/Page100-149.pdf>

<sup>20</sup> Retrieved from: <http://www.pamlicocounty.org/soil-water-conservation.aspx>  
(Video: <https://www.youtube.com/watch?v=BGPmlfqhVeE>)

<sup>21</sup> USDA Census of Agriculture 2007, 2012

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# Appendix: Supporting Tables

**Table 1 Pamlico County Total Revenue for 2012-2013**

<b>Source</b>	<b>Revenue</b>	<b>Percentage</b>
Taxes:		
Ad Valorem Tax	\$9,372,504	55.42%
Local Option Sales Tax	\$1,779,086	10.52%
Other taxes and licenses	\$587,718	3.48%
Unrestricted Intergovernmental	\$1,341,640	7.93%
Restricted Intergovernmental	\$3,346,527	19.79%
Permits and fees	\$283,818	1.68%
Sales and Services	\$168,565	1.00%
Investment earnings	\$8,561	0.05%
Miscellaneous	\$22,513	0.13%
<b>Total</b>	<b><u>\$16,910,932</u></b>	<b><u>100.00%</u></b>

Source: **Audited Financial Statements**, Pamlico County, NC, Fiscal Year Ending, June 30, 2013

**Table 2 Pamlico County Actual Expenditures for 2012-2013**

<b>Item</b>	<b>Expenditure</b>	<b>Percentage</b>
General Government	\$1,902,416	12.00%
Public Safety	\$3,275,425	20.67%
Environmental Protection	\$236,715	1.49%
Economic and Physical Development	\$737,930	4.66%
Human Services	\$4,546,882	28.69%
Culture and Recreation	\$485,285	3.06%
Education	\$3,777,962	23.84%
Debt Services	\$885,452	5.59%
<b>Total</b>	<b><u>\$ 15,848,067</u></b>	<b><u>100.00%</u></b>

Source: **Audited Financial Statements**, Pamlico County, NC, Fiscal Year Ending, June 30, 2013

**Table 3 Revenue-to-Expenditures in Pamlico County**

<b>Revenue-to-Expenditure Ratios in Dollars</b>			
	<b>Residential</b>	<b>Commercial</b>	<b>Agricultural</b>
<b>Expenditures</b>	\$14,310,569 (90.3%)	\$1,033,419 (6.52%)	\$504,080 (3.18%)
<b>Revenue</b>	\$14,463,679.47 (85.53%)	\$1,459,405.48 (8.63%)	\$987,847.06 (5.84%)
<b>Revenue-to-Expenditure Ratio<sup>a</sup></b>	<b>1:0.99</b>	<b>1:0.71</b>	<b>1:0.51</b>

<sup>a</sup> This ratio measures the cost of services used by a given land sector for each dollar of county revenue contributed to that sector. The formula used is (Revenue/Revenue):(Expenditure/Revenue).

**Tables 4A & B**  
**Comparison of Revenue-to-Expenditures in Other Counties**

**Revenue-to-Expenditure Ratios from National Studies<sup>a</sup>**

	<b>Residential</b>	<b>Commercial</b>	<b>Agricultural</b>
Minimum	1:1.01	1:0.05	1:0.02
Median*	1:1.16	1:0.29	1:0.35
Maximum	1:2.11	1:1.04	1:2.04

\*Median cost per dollar of revenue raised to provide public services to different land uses.

**Revenue-to-Expenditure Ratios from Local NC Studies<sup>b</sup>**

	<b>Residential</b>	<b>Commercial</b>	<b>Agricultural</b>
Wake County (2001)	1:1.54	1:0.18	1:0.47
Union County (2006) <sup>c</sup>	1:1.30	1:0.41	1:0.24
Orange County (2006)	1:1.32	1:0.24	1:0.72
Alamance County (2006)	1:1.47	1:0.23	1:0.59
Chatham County (2007)	1:1.15	1:0.33	1:0.58
Henderson County (2008)	1:1.16	1:0.40	1:0.49
Gaston County (2008)	1:1.23	1:0.41	1:0.88
Franklin County (2009)	1:1.12	1:0.53	1:0.76
Guilford County (2010)	1:1.35	1:0.29	1:0.62
Wayne County (2011)	1:1.24	1:0.34	1:0.47
Yadkin County (2011)	1:1.18	1:0.38	1:0.61
Catawba County (2013)	1:1.23	1:0.54	1:0.75
Pitt County (2013)	1:1.29	1:0.36	1:0.62
Davie County (2014)	1:1.14	1:0.50	1:0.67

<sup>a</sup> These figures are derived from Cost of Community Services summarized on the American Farmland Trust website ([http://www.communitypreservation.org/community\\_services.pdf](http://www.communitypreservation.org/community_services.pdf)).

<sup>b</sup> Source: Renkow, Mitch. "Land Preservation Notebook." (<http://www.cals.ncsu.edu/wq/lpn/cost.html>)

<sup>c</sup> Source: Dorfman, Jeffrey H. "The Fiscal Impacts of Land Uses on Local Government" Land Use Studies Initiative and Department of Agricultural & Applied Economics The University of Georgia, April 2006

**Table 5 Pamlico County Actual Revenues by Land Use Category for 2012-2013**

Item	Total	Residential	Commercial	Agricultural	% Breakdown
<b>Ad valorem taxes</b>	<b>\$9,372,504</b>				
Taxes	\$9,284,545	\$7,891,863.25	\$557,072.70	\$835,609.05	default <sup>a</sup>
Penalties and interest	\$87,959	\$74,765.15	\$5,277.54	\$7,916.31	default
<b>Local option sales tax</b>	<b>\$1,779,086</b>				
Article 39 and 44	\$750,338	\$0.00	\$750,338.00	\$0.00	0-100-0
Article 40 - one-half of one percent	\$652,033	\$583,569.54	\$27,385.39	\$41,078.08	89.5-4.2-6.3
Article 42 - one-half of one percent	\$376,715	\$354,112.10	\$9,041.16	\$13,561.74	94-2.4-3.6
<b>Other taxes and licenses</b>	<b>\$587,718</b>				
Documentary stamps	\$74,464	\$52,124.80	\$14,892.80	\$7,446.40	70-20-10
Scrap wire disposal tax	\$15,915	\$13,527.75	\$954.90	\$1,432.35	default
White goods disposal tax	\$4,070	\$3,459.50	\$244.20	\$366.30	default
Medicaid hold harmless	\$475,538	\$475,538.00	\$0.00	\$0.00	100-0-0
Miscellaneous	\$17,731	\$15,071.35	\$1,063.86	\$1,595.79	default
<b>Unrestricted Intergovernmental</b>	<b>\$1,341,640</b>				
Beer and wine tax	\$76,333	\$76,333.00	\$0.00	\$0.00	100-0-0
Controlled substance tax	\$4,238	\$4,238.00	\$0.00	\$0.00	100-0-0
ABC tax distribution	\$6,438	\$6,438.00	\$0.00	\$0.00	100-0-0
School resource officer	\$42,854	\$42,854.00	\$0.00	\$0.00	100-0-0
Sheriff/jail fees	\$1,197,317	\$1,197,317.00	\$0.00	\$0.00	100-0-0
Facility fees	\$14,460	\$12,291.00	\$867.60	\$1,301.40	default
Sales tax refunds					

<sup>a</sup> Default percentage: Residential (including historic) 85%; Commercial/Industrial 6%; Agriculture/Forestry 9%.

**Table 5 Pamlico County Actual Revenues by Land Use Category for 2012-2013**

Item	Total	Residential	Commercial	Agricultural	% Breakdown
<b>Restricted Intergovernmental</b>	<b>\$3,346,527</b>				
Health department grants	\$471,733	\$438,711.69	\$23,586.65	\$9,434.66	93-5-2
Social services state grants	\$2,113,835	\$2,113,835.00	\$0.00	\$0.00	100-0-0
Other State grants	\$242,923	\$206,484.55	\$14,575.38	\$21,863.07	default
Senior Center grants	\$99,662	\$99,662.00	\$0.00	\$0.00	100-0-0
Social Services federal grants	\$171,059	\$171,059.00	\$0.00	\$0.00	100-0-0
Other federal grants	\$61,379	\$52,172.15	\$3,682.74	\$5,524.11	default
Hurricane grants	\$185,936	\$158,045.60	\$11,156.16	\$16,734.24	default
<b>Permits and Fees</b>	<b>\$283,818</b>				
Building permits	\$140,952	\$136,723.44	\$4,228.56	\$0.00	97-3-0
Register of Deeds	\$58,377	\$40,863.90	\$11,675.40	\$5,837.70	70-20-10
Other permits and fees	\$84,489	\$59,142.30	\$16,897.80	\$8,448.90	70-20-10
<b>Sales and Service</b>	<b>\$168,565</b>				
Rent and concessions	\$9,067	\$7,706.95	\$544.02	\$816.03	default
Recreation revenue	\$9,100	\$9,100.00	\$0.00	\$0.00	100-0-0
Patient fees - Nursing Home and Health Department	\$38,522	\$38,522.00	\$0.00	\$0.00	100-0-0
Senior services fees	\$44,273	\$44,273.00	\$0.00	\$0.00	100-0-0
Other	\$67,603	\$57,462.55	\$4,056.18	\$6,084.27	default
<b>Investment earnings</b>	<b>\$8,561</b>	\$7,276.85	\$513.66	\$770.49	default
<b>Miscellaneous</b>	<b>\$22,513</b>	\$19,136.05	\$1,350.78	\$2,026.17	Default
<b>Total Revenue:</b>	<b>\$16,910,932</b>	<b>\$14,463,679.47</b>	<b>\$1,459,405.48</b>	<b>\$987,847.06</b>	
		85.53%	8.63%	5.84%	

**Table 6 Pamlico County Actual Expenditures by Land Use Category for 2012-2013**

Item	Total	Residential	Commercial	Agricultural	% Breakdown
<b>General Government</b>	<b>\$1,902,416</b>				
<b>Administration</b>	<b>\$959,586</b>				
Governing Body	\$330,608	\$281,017	\$19,836	\$29,755	default <sup>a</sup>
County Manager	\$163,912	\$139,325	\$9,835	\$14,752	default
Personnel	\$147,758	\$125,594	\$8,865	\$13,298	default
Finance	\$295,143	\$250,872	\$17,709	\$26,563	default
Data Processing	\$22,165	\$18,840	\$1,330	\$1,995	default
<b>Tax Listing Supervisor</b>	<b>\$423,581</b>	\$360,044	\$25,415	\$38,122	85-6-9
<b>Board of Elections</b>	<b>\$123,701</b>	\$123,701	\$0	\$0	100-0-0
<b>Register of Deeds</b>	<b>\$120,659</b>	\$84,461	\$24,132	\$12,066	70-20-10
<b>Public Buildings</b>	<b>\$359,889</b>	\$251,922	\$107,967	\$0	70-30-0
<b>Water Fund Administrative Reimbursement</b>	<b>-\$85,000</b>	-\$72,250	-\$5,100	-\$7,650	default
<b>Public Safety</b>	<b>\$3,275,425</b>				
<b>Sheriff</b>	<b>\$2,742,771</b>				
Sheriff	\$1,151,732	\$668,005	\$460,693	\$23,035	58-40-2
Criminal Justice Partnership	\$606	\$606	\$0	\$0	100-0-0
Jail	\$1,373,787	\$1,373,787	\$0	\$0	100-0-0
Dispatch	\$212,346	\$123,161	\$84,938	\$4,247	58-40-2
LEPC Grant	\$0	\$0	\$0	\$0	
Medical Examiner	\$4,300	\$4,300	\$0	\$0	100-0-0

<sup>a</sup> Default percentage: Residential (including historic) 85%; Commercial/Industrial 6%; Agriculture/Forestry 9%.

**Table 6 Pamlico County Actual Expenditures by Land Use Category for 2012-13**

Item	Total	Residential	Commercial	Agricultural	% Breakdown
<b>Emergency Management</b>	<b>\$532,654</b>				
Emergency Management	\$78,346	\$45,441	\$32,905	\$0	58-42-0
Fire Departments	\$66,308	\$62,330	\$3,315	\$663	94-5-1
Rescue Squad	\$388,000	\$380,240	\$3,880	\$3,880	98-1-1
<b>Environmental Protection</b>	<b>\$236,715</b>				
<b>General</b>	<b>\$161,109</b>				
Recycling	\$151,163	\$136,047	\$15,116		90-10-0
Landfill Monitoring	\$9,946	\$9,946	\$0	\$0	100-0-0
<b>Animal Control</b>	<b>\$75,606</b>	\$56,705	\$18,902	\$0	75-25-0
<b>Economic and Physical Development</b>	<b>\$737,930</b>				
<b>Planning</b>	<b>\$22,731</b>				
Planning Board	\$9,259	\$8,333	\$463	\$463	90-5-5
Planning Department	\$13,472	\$674	\$12,125	\$674	5-90-5
<b>Soil Conservation</b>	<b>\$128,478</b>				
Soil Conservation Cost Share	\$95,495	\$0	\$0	\$95,495	0-0-100
Soil Conservation	\$32,983	\$4,947	\$1,649	\$26,386	15-5-80
<b>Other</b>	<b>\$586,721</b>				
Inspections	\$154,910	\$150,263	\$4,647	\$0	97-3-0
Cooperative Extension	\$97,578	\$43,910	\$4,879	\$48,789	45-5-50
NC Division of Forest Resources	\$79,770	\$15,954	\$3,989	\$59,828	20-5-75
Hurricane Irene Relief	\$254,463	\$216,294	\$15,268	\$22,902	default
<b>Human Services</b>	<b>\$4,546,882</b>				
<b>Senior Center</b>	<b>\$246,466</b>				
Senior Center	\$101,690	\$101,690	\$0	\$0	100-0-0

**Table 6 Pamlico County Actual Expenditures by Land Use Category for 2012-13**

Item	Total	Residential	Commercial	Agricultural	Breakdown
Senior Services Title V	\$16,681	\$16,681	\$0	\$0	100-0-0
Care Management	\$0	\$0	\$0	\$0	100-0-0
NRCOG Health Promotion	\$2,233	\$2,233	\$0	\$0	100-0-0
NRCOG Nutrition	\$111,382	\$111,382	\$0	\$0	100-0-0
NRCOG Legal	\$1,073	\$1,073	\$0	\$0	100-0-0
Small Home Repair	\$5,190	\$5,190	\$0	\$0	100-0-0
CAP - Division of Aging	\$0	\$0	\$0	\$0	100-0-0
Senior Center Operations	\$3,792	\$3,792	\$0	\$0	100-0-0
Senior Health Insurance Info Program	\$4,425	\$4,425	\$0	\$0	100-0-0
<b>General Health</b>	<b>\$1,044,601</b>				
Health Department	\$270,641	\$251,696	\$13,532	\$5,413	93-5-2
Bioterrorism	\$32,781	\$32,781	\$0	\$0	100-0-0
Tuberculosis Control	\$28,414	\$28,414	\$0	\$0	100-0-0
Communicable Disease	\$43,344	\$43,344	\$0	\$0	100-0-0
Immunization Action Plan	\$33,308	\$33,308	\$0	\$0	100-0-0
Primary Care	\$67,035	\$67,035	\$0	\$0	100-0-0
Breast Cervical Cancer	\$23,070	\$23,070	\$0	\$0	100-0-0
Child Health	\$33,267	\$33,267	\$0	\$0	100-0-0
Maternal Health	\$37,854	\$37,854	\$0	\$0	100-0-0
Women Preventative Health	\$97,399	\$97,399	\$0	\$0	100-0-0
Health Promotion	\$28,791	\$28,791	\$0	\$0	100-0-0
WIC Client Services	\$54,039	\$54,039	\$0	\$0	100-0-0
WIC Nutrition	\$17,541	\$17,541	\$0	\$0	100-0-0
WIC Breast Feeding	\$4,341	\$4,341	\$0	\$0	100-0-0
Child Services Coordinator	\$28,651	\$28,651	\$0	\$0	100-0-0
WIC General Administration	\$4,619	\$4,619	\$0	\$0	100-0-0
Wise Women Program	\$5,563	\$5,563	\$0	\$0	100-0-0

**Table 6 Pamlico County Actual Expenditures by Land Use Category for 2012-13**

Item	Total	Residential	Commercial	Agricultural	Breakdown
Environmental Health	\$142,723	\$135,587	\$7,136	\$0	95-5-0
Mosquito Control	\$14,124	\$14,124	\$0	\$0	100-0-0
HIV/STD	\$19,235	\$19,235	\$0	\$0	100-0-0
Food and Lodging	\$57,861	\$28,931	\$28,931	\$0	50-50-0
<b>East Carolina Behavioral Healthcare</b>	<b>\$33,934</b>	\$33,934	\$0	\$0	100-0-0
<b>Social Services</b>	<b>\$3,080,738</b>				
Department of Social Services	\$1,914,222	\$1,914,222	\$0	\$0	100-0-0
Chore State in Home	\$694	\$694	\$0	\$0	100-0-0
Family Violence Program	\$0	\$0	\$0	\$0	100-0-0
Jobs Program	\$6,120	\$6,120	\$0	\$0	100-0-0
Program Integrity	\$50,619	\$50,619	\$0	\$0	100-0-0
Work First Transportation	\$4,680	\$4,680	\$0	\$0	100-0-0
Medicaid Transportation	\$108,726	\$108,726	\$0	\$0	100-0-0
Recipient Payments AFDC/TANF	\$975	\$975	\$0	\$0	100-0-0
Links Scholarship	\$0	\$0	\$0	\$0	100-0-0
Special Assistance Aged/Disabled	\$91,162	\$91,162	\$0	\$0	100-0-0
State Foster Care 50%	\$10,260	\$10,260	\$0	\$0	100-0-0
AFDC.TANF Foster Care 34% IV-E	\$108,566	\$108,566	\$0	\$0	100-0-0
Emergency Foster Care	\$2,407	\$2,407	\$0	\$0	100-0-0
Medicaid Payment to State	\$0	\$0	\$0	\$0	100-0-0
Aid to the Blind	\$1,115	\$1,115	\$0	\$0	100-0-0
Adoption Assistance	\$13,346	\$13,346	\$0	\$0	100-0-0
Crisis Intervention Program	\$86,853	\$86,853	\$0	\$0	100-0-0
Carolina Power Utility Program	\$2,981	\$2,981	\$0	\$0	100-0-0
NRCOG Chore Services	\$60,096	\$60,096	\$0	\$0	100-0-0
Daycare	\$533,426	\$533,426	\$0	\$0	100-0-0
Transportation	\$39,868	\$39,868	\$0	\$0	100-0-0

**Table 6 Pamlico County Actual Expenditures by Land Use Category for 2012-13**

Item	Total	Residential	Commercial	Agricultural	Breakdown
Transportation - RGP Grant	\$44,622	\$44,622	\$0	\$0	100-0-0
<b>Veterans Services</b>	<b>\$15,369</b>	\$15,369	\$0	\$0	100-0-0
<b>Department of Juvenile Justice Partnership</b>	<b>\$125,774</b>				
DJJP - Juvenile Service Restitution	\$10,292	\$10,292	\$0	\$0	100-0-0
DJJP - Task Force Certification	\$171	\$171	\$0	\$0	100-0-0
DJJP - Intervention - Delinquency	\$115,311	\$115,311	\$0	\$0	100-0-0
<b>Cultural and Recreation</b>	<b>\$485,285</b>				
Regional Library	\$185,720	\$169,005	\$13,000	\$3,714	91-7-2
Recreation	\$299,565	\$254,630	\$44,935	\$0	85-15-0
<b>Education</b>	<b>\$3,777,962</b>				
<b>Pamlico County Board of Education</b>	<b>\$3,245,929</b>				100-0-0
Capital	\$200,000	\$200,000	\$0	\$0	100-0-0
Current Expense	\$2,984,600	\$2,984,600	\$0	\$0	100-0-0
Emergency Repairs	\$61,329	\$61,329	\$0	\$0	100-0-0
<b>Pamlico County Community College</b>	<b>\$532,033</b>	\$532,033	\$0	\$0	100-0-0
<b>Debt Service</b>	<b>\$885,452</b>				
Principal Retirement	\$474,569	\$403,384	\$28,474	\$42,711	default
Interest and Fees	\$410,883	\$349,251	\$24,653	\$36,979	default
<b>Total Expenditures</b>	<b>\$15,848,067</b>	<b><u>\$14,310,569</u></b>	<b><u>\$1,033,419</u></b>	<b><u>\$504,080</u></b>	
		90.30%	6.52%	3.18%	