

Cost of Community Services Study

Shelby County, Kentucky

Commissioned by
Maintain Our Rural Environment, Inc. (MORE)

April 2005



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American Farmland Trust (AFT) is a private, nonprofit conservation organization founded in 1980 to protect our nation's strategic agricultural resources. AFT works to stop the loss of productive farmland and to promote farming practices that lead to a healthy environment. AFT provides a variety of services to landowners, land trusts, public officials, planners, agricultural agencies and others. Services include Cost of Community Services studies, workshops on farmland protection and estate planning, farmland protection program development and agricultural economic analysis.

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EXECUTIVE SUMMARY

Maintain Our Rural Environment (MORE) commissioned American Farmland Trust (AFT) to develop a Cost of Community Services (COCS) Study for Shelby County. The purpose of the study is to provide insight into the contribution that agriculture makes to the local tax base and quality of life. The study also will provide context for decisions about how to encourage the retention of agricultural lands and stimulate investment in the agricultural industry.

The study analyzes revenues and expenditures on a land use basis for fiscal year 2003–2004 (July 2003 through June 2004). It examines revenues by land use and the financial demands of public services (e.g., public safety, government administration, schools, courts, etc.) and shows the cost of providing these services to residential, commercial/industrial and farmland properties. The study reviewed the county budget including general and special funds, the Shelby County Public School District and other services including library, fire, Cooperative Extension and health. City services provided by Shelbyville and Simpsonville were not included in the study, but property tax revenue for countywide services from those areas was included. The revenues and expenditures represent the majority of the government services provided to residents living in Shelby County.

The COCS study found that in Shelby County:

- 80 percent of revenue was generated by residential land uses; 17 percent was generated by commercial/industrial land uses; and 3 percent by farmland;
- 95 percent of expenditures went to provide services for residential land use compared with 4 percent for commercial/industrial uses and 1 percent for farmland.

In other words, for each \$1 of revenue received from residential properties in Shelby County in fiscal year 2003–2004, \$1.21 was spent providing services to those lands. For each \$1 from commercial and industrial land uses, 24 cents was spent; and for each \$1 received from farmland, 41 cents was spent providing services to these land uses.

Residential land uses created a deficit of \$9,322,195 that was offset by the other two land use categories: \$7,139,010 million from commercial/industrial and the balance from the \$999,899 surplus paid by farmland. The Shelby County COCS findings demonstrate that a balance of land uses is necessary to ensure fiscal stability. While residential development contributes the largest amount of revenue, its net fiscal impact is negative because the total expenditures for that land use exceed its revenues.

Study Findings

Combined County, School and Other Services	Fiscal Year 2003-2004 Actual	Residential	Commercial/Industrial	Farmland
a) Total Revenues	\$ 54,903,998	\$ 43,844,097	\$ 9,356,937	\$ 1,702,965
b) Total Expenditures	\$ 56,087,284	\$ 53,166,292	\$ 2,217,927	\$ 703,066
Net contribution (a-b)		\$ (9,322,195)	\$ 7,139,010	\$ 999,899
Land use ratio*		\$1:00 / \$1.21	\$1:00 / \$0.24	\$1:00 / \$0.41
Percent of revenue by land use		79.86%	17.04%	3.10%
Percent of expenditure by land use		94.79%	3.95%	1.25%

*For every \$1 of revenue from the land use category, the cost of providing services back to that land.

INTRODUCTION

Shelby County

Shelby County, with an estimated 35,900 residents in 2003, is located in north central Kentucky between Lexington and Louisville. Between 1990 and 2000, the population increased 34.3 percent.¹ Geographically, the county encompasses 384 square miles, or approximately 245,882 acres.

Agriculture is a significant part of the county land use and economics. There were 1,557 farms reported in the 2002 U.S. Census of Agriculture with 201,667 acres of land in farms, representing 82 percent of the total land area. Shelby County is known for its Saddlebred horse farms that are visited by thousands of individuals each year. Some key statistics from the 2002 Census of Agriculture include the following:

Average Farm Size: 130 acres

Estimated Market Value of Land and Farms, Average per Farm: \$441,808

Market Value of Agricultural Products Sold: \$45,637,000

Tobacco – \$10.9 million

Cattle and Calves – \$9.2 million

Nursery, Greenhouse, Floriculture and Sod – \$8.2 million

Milk and Other Dairy Products – \$5.3 million

Horses, Ponies, etc. – \$3.5 million

Farm Workers and Payroll: 2,391 workers with a payroll of \$6,097,000

According to records from the Property Valuation Administration, the total equalized assessment of real property in the county in 2004 was approximately \$1.9 billion, with residential properties (including mobile homes) accounting for 63 percent of the total value, or \$1.2 billion. Commercial and industrial properties (including leasehold properties) accounted for 19 percent or \$368 million, while farm properties were 18 percent or \$338 million.

¹ U.S. Bureau of the Census, 2000.

Cost of Community Services Studies

In communities that rely heavily on property taxes to generate revenues, COCS studies are fairly straightforward. Revenues and expenditures from a recent fiscal period are distributed according to land use, and results are compared to provide a ratio that shows how much a community spent on public services for every \$1 raised from a specific land use. In these communities, COCS studies are based on real time and real dollars.

A COCS study is a case study analysis of the net fiscal impacts of existing land uses on county budgets. It provides a snapshot in time of costs versus revenues based on current land use. Unlike traditional fiscal impact analysis, COCS studies are descriptive—not predictive—and are based on real budgets for a specific community. These analyses show what services residents and property owners receive in return for the taxes they pay to their local, county government and how these costs and revenues relate to land use.

COCS researchers rely on public financial data, departmental records and budgets, assessor's data, and interviews with budget managers and financial officers to allocate revenues and figure out how public services were delivered in a specific year. In effect, the exercise is like balancing a checkbook of community land uses. Local budgetary information is allocated to major land use categories. The studies rely on budget and financial records and in-depth interviews with local government officials and budget managers to understand how revenues were generated and how appropriations were spent during a recent year. The goal of this COCS study is not to prescribe a course of action but to provide reliable financial data to help Shelby County officials make informed planning decisions and evaluate strategies to maintain a balance in the distribution of land uses in the future.

AFT developed this low-cost fiscal study to contribute local knowledge to decisions about land use. It is hoped that by using a community's own statistical, financial, land use and economic data, these studies will move public dialogue from speculation to projection—from emotion to analysis. The results of this COCS study show the average fiscal impacts of current land uses in Shelby County.

AFT developed the COCS approach to investigate three common claims often heard at community meetings:

1. Open lands—including working agricultural and forest lands—are an interim land use that should be developed to their “highest and best use”;
2. Agricultural land gets an “unfair” tax break when it is assessed at its actual use value for agriculture instead of at its potential use value for development;
3. Residential development will lower property taxes by increasing the tax base.

While it is true that 5 acres of land with a new house generates more total revenue than 5 acres of farmland, this tells us little about a community’s fiscal stability. Farm, forests and open lands generate less revenue than residential, commercial or industrial properties, but they require little public expenditure due to the modest demand for infrastructure and public services. COCS studies 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.

COST OF COMMUNITY SERVICES STUDY IN SHELBY COUNTY

Before the study began, researchers contacted public officials to set up interviews, to understand local issues related to budgets and to define land use categories for the study. After a review of the county property tax classification system, three land use categories were defined for this study:

- ***Residential Development*** – property used for dwellings, *including farmhouses*, mobile homes and rental units.
- ***Commercial and Industrial Development*** – property used for business purposes other than agricultural or forestry, including retail and wholesale production and utilities.
- ***Farmland*** – all agricultural parcels as defined by the PVA.

COCS studies examine the relationship between public services or “community services,” provided by local government and revenues (property taxes, fees for services, fines, etc.) generated by individuals and private entities representing local land uses.

Additional revenues provided from state or other government bodies also are included in the analysis. Direct community service expenditures—public safety, public schools, highway maintenance, etc.—are comprised primarily of personnel and operating expenses. They cover salaries, health insurance, electricity, fuel for county vehicles and similar costs.

In this study, revenues and expenditures for three categories of services were included: county government services represented in both the general fund and special funds; Shelby County Public Schools; and “other” services provided countywide including the library, landfill/recycling, Cooperative Extension, health and fire department services.

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 ratios.

The following sections describe these steps in Shelby County.

Step 1: Collect data and conduct interviews

AFT scheduled appointments with county officials to obtain relevant information and collect necessary documents. Some of the important documents and sources of information provided include:

- Budget of Shelby County Fiscal Court: Summary of Appropriations, Fiscal Year 2003-2004;
- Shelby County Fiscal Court: Revenue Condition Report as of 06/30/2004;
- Shelby County Fiscal Court: Appropriation Condition Report as of 06/30/2004;
- Shelby County Fiscal Court: Cash Receipts Ledger Detail as of 06/30/2004;
- Sheriff’s Property Tax Settlement – Distribution of Tax Year 2003 Taxes;
- Shelby County Board of Education, Summary of 6/30/2004 Financial Statement;

- Property Valuation Administrator’s Property Tax Roll Recapitulation, and Property Tax Roll Totals, 2004;
- Shelby County Dispatch, 2003 End of Year Run Card Totals;
- <http://www.kycourts.net/AOC/BPR/ResearchStats>.

Step 2: Allocate revenues and expenditures by land use

After analyzing the budget and finance statements, interviews were conducted to inform the researchers for the allocation of all fiscal year 2003–2004 revenues and expenditures into the three land use categories. In the interviews, officials were asked to provide additional records showing how revenue was generated by land use and the degree of services provided to residential, commercial/industrial and farmland. The next step involved allocating revenues and expenditures to the land use categories based on the information gathered from reports and interviews.

Revenues

Revenues for county government and community services come from a variety of sources. The occupational license fee was the largest source of revenue for county government at \$2.8 million, while general property taxes were the second largest at \$2 million. Other revenues in general and special funds included motor vehicle property tax, payments from the state and federal government, fees and charges for services, grants, reimbursements from other local government services to the county, interest earned, and rental of government property.

The Occupational License Fee Administration provided a land use breakdown from its records for the fees paid by commercial/industrial, government, professional services, construction, agricultural and small businesses. The allocation of this fee was determined to be 9 percent residential², 88 percent commercial/industrial and 3 percent farmland.

² About \$346,170 was contributed by government employment and was apportioned to residential, commercial and farmland based on the assumption that this money was generated from local property tax.

Shelby County, KY COCS Study

The breakdown of property tax revenues into land use classes was available from the Property Valuation Administration (PVA). The property categories used by the PVA were grouped into three land use categories: residential, commercial/industrial and farmland. Most of the properties in the farmland category fall under the Current Agricultural Use Value Program assessed at the current use value rather than at the value of potential use for development. PVA records show a “Fair Cash Value” of land classified as agricultural as \$860,417,674 in 2004. The taxable value of these properties, after exemptions, was \$337,901,927, or about 39 percent of the fair cash value. The value of farmhouses and the land they rest on was separated from this value and added to the residential category. The breakdown of property classifications is shown in Table 1.

Table 1. Assessed Values and Land Use Categories				
Shelby County Property Assessment		COCS Study Adjustments		
Land Use	Assessed Value*	Residential	Commercial/ Industrial	Farmland
Residential	\$ 1,211,758,111	\$ 1,211,758,111		
Commercial/Industrial	\$ 365,111,386		\$ 365,111,386	
Agricultural (1)	\$ 337,901,927	\$ 189,847,995		\$ 148,053,932
Mobile Homes	\$ 176,800	\$ 176,800		
Leasehold	\$ 3,350,000		\$ 3,350,000	
Total	\$ 1,918,298,224	\$ 1,401,782,906	\$ 368,461,386	\$ 148,053,932
Percentage of Total Assessed Value		73.07%	19.21%	7.72%

*Taxable properties only; does not include exempt properties such as government land or churches

(1) The value of the farmhouse and associated land was placed under the residential category, while the value of farmland and farm buildings was placed under the agricultural category.

In some cases, revenues were related to only one land use. Fees from marriage licenses and animal shelter payments were some examples of residential revenue. Rental income from county properties and franchise taxes were commercial land use revenues. Farmland revenues came primarily from real estate taxes and from some portion of items such as deed transfers and recording fees. For the most part however, revenue line items were attributed to more than one land use and were allocated based on research or department

records. Federal and state revenues to the county were allocated based on the service provided. For example, a grant to the sheriff's department for school resource officers was allocated as residential revenue, since schools are a service provided directly to residential land use. State revenue provided to fund roads was allocated proportionally to all properties in the county, based on the assumption that roads are used by residents for a variety of purposes (social, commuting to work, shopping, etc.), to provide commercial/industrial access and to farmland for shipping goods and receiving supplies.

Other County Services

The county Sheriff's Department collects property taxes for the public school district, the library system, health department and Cooperative Extension from all property owners in the county and distributes these revenues to the districts. Therefore, these revenues were allocated to all three land-use categories based on the relative taxable value of residential, commercial/industrial and farmland properties as shown in Table 1 above.

Shelby County Schools

The Shelby County Public School system has the largest budget of any service provider in the county with revenues of \$40,106,334 in fiscal year 2003–2004. Revenues for education services came primarily from property taxes (\$11.9 million) and state sources (\$16.7 million), with much smaller amounts from the federal government and other local sources. Property tax revenue was allocated to all three land uses based on assessed value, while revenue from state and federal sources was allocated entirely to residential land use. In fiscal year 2003–2004, the county had bond proceeds of \$15 million. Only a portion of the bond (\$2.1 million) was counted as revenue for the year studied since the bond will be paid back over several years with state and property tax revenue.

Expenditures

County officials and department heads were interviewed to determine how county expenditures should be allocated to the three land use categories. Department heads gave an overview of their services and identified any relevant reports (dispatch records, permit summaries, organizational charts) and other secondary sources of information. In the interviews, officials were asked which land use benefited from each expense.

Several service expenditures such as public advocacy, animal control, parks, cultural programs, and a few water system projects were allocated entirely to residential land use. Expenditures for education of almost \$40 million are entirely residential. Dollars expended for library services are also residential. Economic Development funds were allocated to commercial/industrial land use. Soil and Water Conservation dollars were allocated to farmland. Health district services were primarily residential, with a portion allocated to commercial. Most services, however, were allocated to two or more land use categories. Cooperative Extension, for example was split between residential (59 percent) and farmland (41 percent).

Use of “Fallback” Percentages

Even after extensive record searches, in a few cases it was not possible to attribute some line items to specific land use categories. For example, administrative salaries and public buildings serve the entire county in a general capacity. In this situation, a fallback breakdown was applied. It was calculated based on the percentage of taxes contributed from real and personal property for fiscal year 2003–2004 taxes (see Table 1). The land use distribution of these revenues resulted in the following:

- 73.07 percent were from residential development;
- 19.21 percent from commercial and industrial development;
- 7.72 percent from agricultural land.

These fallback percentages were used for both revenues and expenditures, but only in cases where line items lacked a clear relationship to land use.

Step 3: Analyze data and calculate ratios

Once the necessary data were collected and interviews completed, the information was entered into a spreadsheet. The dollar amount for each line item of the budget was allocated among the three land-use categories based on information from reports, interviews and research. Total revenues and total expenditures were summed for each of the three land use categories. By comparing total revenues to total expenditures in each category, the total net surplus or deficit was calculated.

Revenues and expenditures for services provided in Shelby County are included in this report as Appendix A. This information is also presented as ratios to show the actual expenditure for every dollar raised (see Table 2). The findings were rechecked for accuracy. Finally, draft findings were sent to the study sponsors for their review and comments. These comments were discussed with the sponsors and incorporated into the final report where appropriate.

FINDINGS

In fiscal year 2003–2004, residential land in Shelby County generated \$43,844,097 in revenues to cover residential land use expenditures of \$53,166,292. Comparing revenues to expenditures shows that residential land use had a deficit of \$9,322,195, which was covered by a surplus of \$999,899 from farmland and \$7,139,010 from commercial land.

The first two rows of the following table show the total dollar amounts allocated to each land use for revenues and expenditures. The third row shows the net impact on the budget for each land use. The next row of the table presents this same information in ratio form. This is a clear way to see how much each land use cost for each dollar of revenue that it generated for services in the county.

Table 2. Summary of Results				
Combined County, School and Other Services	Fiscal Year 2003–2004 Actual	Residential	Commercial/Industrial	Farmland
a) Total Revenues	\$ 54,903,998	\$ 43,844,097	\$ 9,356,937	\$ 1,702,965
b) Total Expenditures	\$ 56,087,284	\$ 53,166,292	\$ 2,217,927	\$ 703,066
Net contribution (a-b)		\$ (9,322,195)	\$ 7,139,010	\$ 999,899
Land use ratio*		\$1:00 / \$1.21	\$1:00 / \$0.24	\$1:00 / \$0.41
Percent of revenue by land use		79.86%	17.04%	3.10%
Percent of expenditure by land use		94.79%	3.95%	1.25%

*For every \$1 of revenue from the land use category, the cost of providing services back to that land.

The final land use ratios show the costs required per \$1 of revenue generated in fiscal year 2003–2004. For each \$1 of revenue received from residential properties in Shelby County, the county spent \$1.21 providing services to those lands. For each \$1 from commercial land uses, 24 cents was spent providing services to those lands, and for each \$1 received from farmland, 41 cents was spent providing services.

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 agricultural uses. The purpose of this study was to determine the net fiscal contribution of agricultural land so that it may be duly considered in the planning process. Because it is descriptive, the study should not be used to predict the impact of a single development or to project future costs of services created by new development.

The ratios found in Shelby County are not unusual for COCS studies. The residential ratio of \$1 of revenue to \$1.21 expenditure is slightly higher than the national median of \$1.15. A higher residential ratio in a COCS study shows that the other land use categories (in this case, commercial/industrial and farmland) are providing a substantial amount of revenue that allows the county to reduce the burden of services to residential properties. The commercial/industrial ratio of 24 cents is slightly below the national median of 28 cents and is lower than the farmland ratio mostly because of the reliance on Occupational License Fees that brought in \$2.8 million. The farmland ratio of 41 cents is slightly above the national median of 36 cents.

The results of this study provide a reliable fiscal snapshot of the balance of land use in Shelby County. The results suggest that strategies to retain an agricultural land base would be a good long-term investment and that:

- Taxes and other revenues from residential land use do not cover all the public services residents receive from the county. A balance of land uses, including farmland, is needed to provide adequate revenue to pay for these services.
- Farmland pays more in local tax revenues than it receives in services. Kentucky's differential property tax program is justified as a way to provide an incentive to keep land open and in active agricultural use. Even with a reduced assessed value, agricultural properties contribute a surplus of revenue to pay for public services for residents of Shelby County.
- Farmland should not be considered an interim use awaiting conversion to a "highest and best" use. The results of the COCS study suggest that this land use is of great fiscal value to Shelby County.

Beyond its importance in supporting fiscal stability, active agricultural land provides many additional benefits to the county. Agriculture is an economic contributor that benefits the local economy through jobs, sales and products. Total agricultural product sales in Shelby County in 2002 were valued at \$45.6 million by the federal agricultural census. In addition, farm operators produce significant agricultural value-added services and purchase materials, provide employment, spend money locally and have a positive impact on other sectors of the economy. Farmland contributes to the scenic and environmental values that give Shelby its rural character. Non-market natural resource benefits associated with these lands include maintenance of water quality, flood control and provision of wildlife habitat. Agriculture also contributes to long-held cultural values associated with rural farming communities and enhances the community's quality of life.

APPENDIX

Shelby County Services - Revenues and Expenditures

Appendix A: Revenues and Expenditures

Shelby County COCS

Revenues	Commercial/			
	Actual	Residential	Industrial	Farmland
County Government				
General Fund				
Real property taxes	\$ 2,073,121	\$ 1,514,830	\$ 398,247	\$ 160,045
Tangible personal property taxes	\$ 56,477	\$ -	\$ 56,477	\$ -
Motor vehicle property tax	\$ 337,468	\$ 267,241	\$ 70,227	\$ -
Delinquent property tax	\$ 59,519	\$ 58,923	\$ 595	\$ -
Bank franchises	\$ 102,788	\$ -	\$ 102,788	\$ -
Occupational license fee	\$ 2,772,555	\$ 252,947	\$ 2,436,673	\$ 82,935
Deed transfer	\$ 212,212	\$ 155,064	\$ 40,766	\$ 16,383
Excess fees-Clerk	\$ 379,259	\$ 328,192	\$ 36,428	\$ 14,639
Excess fees-Sheriff	\$ 274,121	\$ 200,300	\$ 52,659	\$ 21,162
ABC Collections	\$ 400	\$ -	\$ 400	\$ -
Building permits	\$ 46,170	\$ 39,245	\$ 6,926	\$ -
Cable vision franchise	\$ 54,417	\$ -	\$ 54,417	\$ -
Federal grant/sheriff	\$ 45,425	\$ 39,458	\$ 4,256	\$ 1,711
Federl grant-HAZMAT	\$ 61,005	\$ -	\$ 61,005	\$ -
State grants	\$ 66,912	\$ 58,324	\$ 6,127	\$ 2,461
State grant-Sheriff body armor prog	\$ 3,880	\$ 3,227	\$ 466	\$ 187
Election expense reimbursement	\$ 18,800	\$ 18,800	\$ -	\$ -
Legal process tax	\$ 197	\$ 197	\$ -	\$ -
Dog license refund	\$ 2,666	\$ 2,666	\$ -	\$ -
Base court revenue	\$ 62,589	\$ 51,223	\$ 9,169	\$ 2,197
AOC space rental	\$ 112,328	\$ 91,929	\$ 16,456	\$ 3,943
Sheriff-KLEFPE	\$ 71,226	\$ 59,239	\$ 8,554	\$ 3,433
DES reimbursement	\$ 4,859	\$ 2,429	\$ 2,429	\$ -
DES-EOP	\$ 9,498	\$ 4,749	\$ 4,749	\$ -
Meadowbrook Sewers	\$ 51,466	\$ 51,466	\$ -	\$ -
Litter abatement	\$ 36,437	\$ 36,437	\$ -	\$ -
Animal shelter fees	\$ 10,948	\$ 10,948	\$ -	\$ -
DES clean up fee for spills, etc.	\$ 9,596	\$ -	\$ 9,596	\$ -
Health district rent	\$ 4,825	\$ -	\$ 4,825	\$ -
Courthouse rentals	\$ 600	\$ 600	\$ -	\$ -
Reimburs.-refund employees	\$ 718,142	\$ 576,658	\$ 114,813	\$ 26,671
Reimbursement-juvenile	\$ 13,050	\$ 13,050	\$ -	\$ -
Reimbursement E911 salary	\$ 333,729	\$ 264,280	\$ 69,449	\$ -
Repayment from gov agency	\$ 43,204	\$ 33,099	\$ 8,699	\$ 1,405
Landfill salary reimbursement	\$ 191,779	\$ 191,779	\$ -	\$ -
Reimburs.-City occup. license	\$ 284,486	\$ -	\$ 284,486	\$ -
Miscellaneous revenues	\$ 18,144	\$ 9,317	\$ 8,114	\$ 713
Building rentals	\$ 3,155	\$ 2,305	\$ 606	\$ 244
Insurance reimbursement	\$ 27,294	\$ 19,944	\$ 5,243	\$ 2,107
Family activity center/city	\$ 81,943	\$ 81,943	\$ -	\$ -
Other receipts/sheriff	\$ 15,515	\$ 12,314	\$ 2,845	\$ 355
Interest	\$ 100,390	\$ 51,550	\$ 44,895	\$ 3,945
General Fund Total	\$ 8,772,595	\$ 4,504,672	\$ 3,923,386	\$ 344,537

Appendix A: Revenues and Expenditures

Revenues	Actual	Residential	Commercial/	
			Industrial	Farmland
Special Funds				
Road Fund				
Occupational license fee	\$ 500,000	\$ 45,600	\$ 439,450	\$ 14,950
McFarland road project-state	\$ 50,000	\$ 50,000	\$ -	\$ -
Bonniemere project reimb.-state	\$ 56,912	\$ 56,912	\$ -	\$ -
Truck license refund	\$ 189,783	\$ -	\$ 189,783	\$ -
County road aid	\$ 922,464	\$ 674,045	\$ 177,205	\$ 71,214
Reimbursement landfill employees	\$ 122,591	\$ 122,591	\$ -	\$ -
Miscellaneous revenues	\$ 21,178	\$ 14,252	\$ 5,803	\$ 1,122
Interest earned	\$ 18,256	\$ 12,286	\$ 5,002	\$ 968
Road fund sub-total	\$ 1,881,183	\$ 975,686	\$ 817,243	\$ 88,254
Jail Fund	\$ 787,400	\$ 681,416	\$ 75,669	\$ 30,315
L.G.E.A. Fund (Coal impact tax)	\$ 30,442	\$ -	\$ 30,442	\$ -
Ambulance fund	\$ 1,009,740	\$ 799,613	\$ 210,127	\$ -
Special Fund				
CDBG health department building	\$ 110,454	\$ 110,454	\$ -	\$ -
Brighton business park	\$ 2,500	\$ -	\$ 2,500	\$ -
Interest earned	\$ 1,502	\$ 1,468	\$ 33	\$ -
sub-total	\$ 114,456	\$ 111,922	\$ 2,533	\$ -
KACOLT Fund				
Interest on SIMP acct.	\$ 7	\$ 7	\$ -	\$ -
KACOLT adjust prior year surplus	\$ (1,021)	\$ (1,021)	\$ -	\$ -
KACOLT US 60 Water-Rockbridge	\$ 7,019	\$ 7,019	\$ -	\$ -
KACOLT US 60 Water-Woodlawn	\$ 19,870	\$ 19,870	\$ -	\$ -
KACOLT MT Eden fire district	\$ 7,684	\$ 5,615	\$ 1,476	\$ 593
sub-total	\$ 33,560	\$ 31,491	\$ 1,476	\$ 593
Total County Gov. Revenues	\$ 12,629,376	\$ 7,104,800	\$ 5,060,877	\$ 463,699
		56.26%	40.07%	3.67%
Education				
Taxation	\$ 15,992,055	\$ 11,450,801	\$ 3,586,958	\$ 954,296
Investment Earnings	\$ 328,602	\$ 240,110	\$ 63,124	\$ 25,368
Other Revenue	\$ 1,484,880	\$ 1,484,880	\$ -	\$ -
Revenue from State Sources	\$ 16,714,764	\$ 16,714,764	\$ -	\$ -
Revenue from Federal Sources	\$ 3,296,564	\$ 3,296,564	\$ -	\$ -
Non-revenue--Sale of Property	\$ 41,056	\$ 30,000	\$ 7,887	\$ 3,170
Reimbursements	\$ 144,721	\$ 105,748	\$ 27,801	\$ 11,172
Bond Proceeds	\$ 2,103,692	\$ 1,826,689	\$ 197,595	\$ 79,408
Total Education	\$ 40,106,334	\$ 35,149,555	\$ 3,883,365	\$ 1,073,415

Appendix A: Revenues and Expenditures

Revenues	Actual	Residential	Commercial/ Industrial	Farmland
Other County Services				
Library	\$ 571,347	\$ 417,483	\$ 109,756	\$ 44,108
Landfill				
Taxes (all categories)	\$ 596,182	\$ 435,630	\$ 114,527	\$ 46,025
Permits and Licenses	\$ 350	\$ 350	\$ -	\$ -
Other Revenues	\$ 19,604	\$ 19,604	\$ -	\$ -
Interest Earned	\$ 23,596	\$ 17,242	\$ 4,533	\$ 1,822
Total Revenues	\$ 639,732	\$ 472,826	\$ 119,059	\$ 47,847
Shelby County Extension	\$ 364,725	\$ 266,505	\$ 70,064	\$ 28,157
Shelby Co. Health Department	\$ 592,483	\$ 432,927	\$ 113,816	\$ 45,740
Fire Departments	\$ 986,317	\$ 720,702	\$ 189,471	\$ 76,144
Other County Services	\$ 2,168,287	\$ 1,589,741	\$ 412,695	\$ 165,851
TOTAL REVENUES	\$ 54,903,998	\$ 43,844,097	\$ 9,356,937	\$ 1,702,965

Appendix A: Revenues and Expenditures

Expenditures	Actual	Residential	Commercial/	
			Industrial	Farmland
County Government				
General Fund				
Judge Executive	\$ 214,985	\$ 157,089	\$ 41,299	\$ 16,597
County Attorney	\$ 125,596	\$ 102,545	\$ 16,443	\$ 6,608
County Clerk	\$ 520,362	\$ 404,941	\$ 100,959	\$ 14,462
Sheriff	\$ 979,693	\$ 814,798	\$ 117,624	\$ 47,270
Coroner	\$ 207,872	\$ 207,872	\$ -	\$ -
Fiscal Court	\$ 401,833	\$ 293,620	\$ 77,192	\$ 31,022
Property Valuation	\$ 77,642	\$ 56,733	\$ 14,915	\$ 5,994
Board of Assessment	\$ 400	\$ 292	\$ 77	\$ 31
County Treasurer	\$ 60,304	\$ 44,064	\$ 11,584	\$ 4,655
Human Resources	\$ 31,845	\$ 23,269	\$ 6,117	\$ 2,458
OCC License	\$ 66,080	\$ 6,027	\$ 58,078	\$ 1,976
ABC Officer	\$ 2,492	\$ -	\$ 2,492	\$ -
Law Library	\$ 1,246	\$ 1,005	\$ 206	\$ 36
Elections	\$ 28,757	\$ 28,757	\$ -	\$ -
Courthouse Maint.	\$ 108,074	\$ 78,970	\$ 20,761	\$ 8,343
Other County Properties	\$ 30,981	\$ 22,638	\$ 5,951	\$ 2,392
Courthouse Annex	\$ 13,951	\$ 11,246	\$ 2,301	\$ 405
Information Technology	\$ 66,460	\$ 48,563	\$ 12,767	\$ 5,131
Juvenile Contract	\$ 15,592	\$ 15,592	\$ -	\$ -
Constable	\$ 39,253	\$ 31,084	\$ 8,169	\$ -
Building Inspector	\$ 41,892	\$ 37,702	\$ 4,189	\$ -
Vol. Fire Dept. Contr.	\$ 149,934	\$ 109,557	\$ 28,802	\$ 11,575
DES	\$ 284,730	\$ 224,937	\$ 59,793	\$ -
Homeland Security	\$ 1,672	\$ 1,222	\$ 321	\$ 129
E911 Dispatchers	\$ 290,190	\$ 240,577	\$ 42,873	\$ 6,740
Forest Fire Protection	\$ 838	\$ 419	\$ -	\$ 419
Public Advocacy	\$ 4,167	\$ 4,167	\$ -	\$ -
Animal Control	\$ 101,841	\$ 101,841	\$ -	\$ -
Landfill	\$ 201,783	\$ 201,783	\$ -	\$ -
Water Systems - S.Proj.	\$ 106,382	\$ 106,382	\$ -	\$ -
Water Systems - Sewers	\$ 140,272	\$ 140,272	\$ -	\$ -
Soil & Water Conservation	\$ 35,000	\$ -	\$ -	\$ 35,000
Friends of the Court	\$ 22,880	\$ 18,443	\$ 3,773	\$ 664
General Charity & Welfare	\$ 741	\$ 741	\$ -	\$ -
County Property Maint.	\$ 183,696	\$ 134,226	\$ 35,288	\$ 14,181
Other Social Programs	\$ 212,044	\$ 212,044	\$ -	\$ -
Parks	\$ 900,161	\$ 900,161	\$ -	\$ -
Cultural Programs	\$ 30,711	\$ 30,711	\$ -	\$ -
KACOLT Meadowbrook Sewer	\$ 80,148	\$ 80,148	\$ -	\$ -
9100 Admin	\$ 171,540	\$ 145,329	\$ 20,379	\$ 5,832
9400 Admin	\$ 883,456	\$ 748,464	\$ 104,955	\$ 30,037
Refund - Govt/City	\$ 424,178	\$ 335,906	\$ 88,271	\$ -
Refund - Govt/SIMF	\$ 253,873	\$ 201,042	\$ 52,831	\$ -
Total General Fund	\$ 7,515,545	\$ 6,325,178	\$ 938,410	\$ 251,957

Appendix A: Revenues and Expenditures

Expenditures	Commercial/			
	Actual	Residential	Industrial	Farmland
Special Funds				
Drug Enforcement	\$ 1,033	\$ 1,033	\$ -	\$ -
Road Fund	\$ 1,976,360	\$ 1,444,126	\$ 379,659	\$ 152,575
Jail Fund	\$ 1,892,156	\$ 1,637,377	\$ 181,742	\$ 73,037
Ambulance Fund	\$ 1,909,705	\$ 1,512,295	\$ 397,410	\$ -
Economic Development	\$ 70,434	\$ -	\$ 70,434	\$ -
KACOLT Fund	\$ 35,057	\$ 32,894	\$ 1,553	\$ 610
Total Special Funds	\$ 5,884,744	\$ 4,627,725	\$ 1,030,797	\$ 226,222
Total County Government	\$ 13,400,290	\$ 10,952,903	\$ 1,969,207	\$ 478,179
Education	\$ 39,853,697	\$ 39,853,697	\$ -	\$ -
Other County Services				
Library	\$ 571,347	\$ 571,347	\$ -	\$ -
Landfill	\$ 318,425	\$ 318,425	\$ -	\$ -
Shelby County Extension	\$ 364,725	\$ 215,982	\$ -	\$ 148,743
Shelby Co. Health Department	\$ 592,483	\$ 533,235	\$ 59,248	\$ -
Fire Departments	\$ 986,317	\$ 720,702	\$ 189,471	\$ 76,144
Other County Services	\$ 2,833,298	\$ 2,359,691	\$ 248,720	\$ 224,887
Total All Expenditures	\$ 56,087,284	\$ 53,166,292	\$ 2,217,927	\$ 703,066
Findings				
Total Revenues	\$ 54,903,998	\$ 43,844,097	\$ 9,356,937	\$ 1,702,965
Total Expenditures	\$ 56,087,284	\$ 53,166,292	\$ 2,217,927	\$ 703,066
Net	\$ (1,183,286)	\$ (9,322,195)	\$ 7,139,010	\$ 999,899
Ratio		1.21	0.24	0.41
Percent of Revenue		79.86%	17.04%	3.10%
Percent of Expenditure		94.79%	3.95%	1.25%