Government Revenue & Spending



Name _____ Date _____

1 Recall, then make a connection.

Start from memory. Write a meaning or quick example for each term.

revenue	appropriation	opportunity cost

Explain why revenue is different from an appropriation. When a government chooses one feasible project over another, how does opportunity cost help explain the decision?

Context for the task

Government revenue and spending connect public priorities to real trade-offs. Taxes, fees, and grants can support services, but they are not interchangeable sources with identical conditions or future availability. Borrowing also differs from tax revenue because it creates a repayment obligation. The U.S. Constitution gives Congress taxing and spending-related powers, while North Carolina's Constitution contains requirements concerning taxation and public purposes. A budget should be examined through both its numbers and its authority.

2 Make a workable plan.

Choose the public project mix

The council has 100 budget units; each unit equals $1,000. Water repairs and evening transit are required in this exercise. Choose at least 10 fictional priority points. The points represent the supplied council's priorities, not measured benefits or a universal best policy.

Build a feasible plan within 100 units.

Required: Water-system repairs; Evening transit access.

Activity / project	Cost	Points	Max.	My qty.
Water-system repairs	30	4	1	_____
Evening transit access	25	4	1	_____
Public learning-lab equipment	30	3	1	_____
Park improvements	35	2	1	_____

Total cost: _____ / 100 | Total points: _____ / at least 10

Explain one tradeoff in your plan.

Evidence, application & transfer.



3 Read the evidence closely.

Mechanism is not the same as proof

The council claims that evening transit may reduce a barrier for adults attending a state-supported training program. You are checking that specific mechanism.

Select every record relevant to the proposed connection.

A. The program's evening schedule and the proposed route's operating hours and stops.

B. A public summary of participants' reported transportation barriers without personal identifiers.

C. The fact that the project received a grant, with no information about service access.

D. A promise that every rider will receive a higher-paying job immediately.

Selections: _____ Explain your reasoning:

4 Apply the idea.

Next year's problem arrives early

The fictional grant is explicitly a one-year award. The council wants to promise the same transit service forever without identifying another funding source.

Which advice is most responsible?

A. Identify future operating costs and possible lawful funding before making a continuing promise.

B. Assume that every one-year grant automatically renews forever.

C. Ignore operating costs because equipment or setup costs have already been paid.

My choice: _____ Explain why it fits:

5 Carry the idea forward.

Recommend one feasible project mix and explain its opportunity cost. Connect the national/state funding decisions to a possible effect on economic opportunity, then identify evidence needed to evaluate that effect.