

r. LOCAL SCHOOL finance study

introduction

Introduction

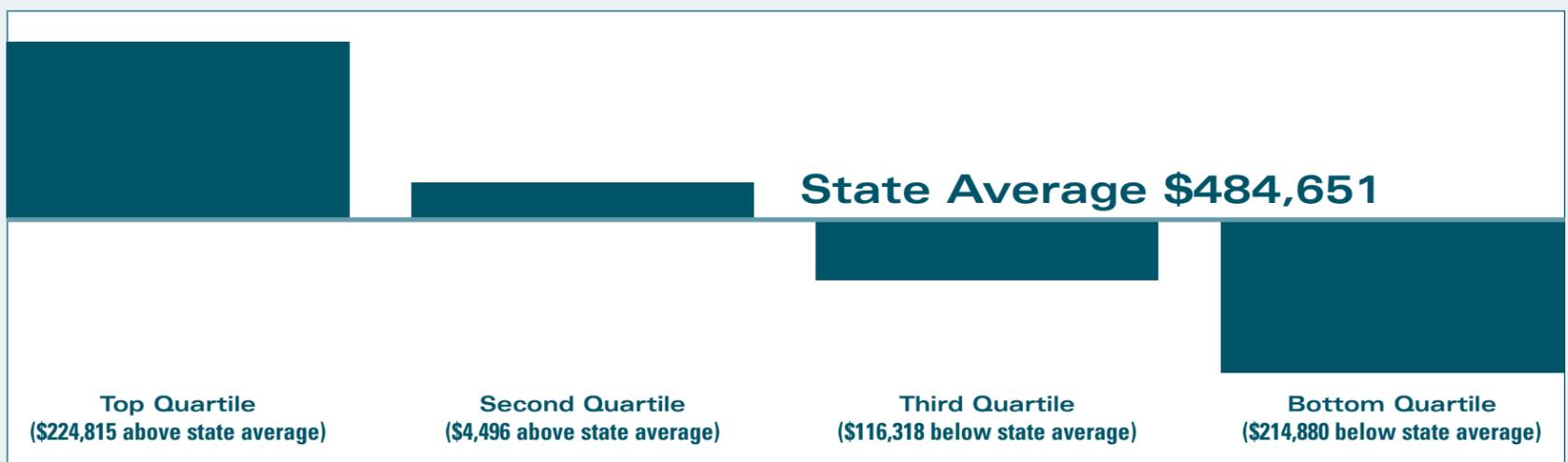
"If nothing else can be concluded, it would appear that there is a growing realization that all North Carolina counties were not created equal and a growing acceptance that ways to provide a more equal system of schools must be made available to all young people regardless of their place of birth," warned the Forum in its 1994 local school finance study. It has been a decade since five low wealth districts challenged the state's system of school finance as being inadequate and unconstitutional. Since that time the state Supreme Court has ruled that widespread disparities between county funding for schools are permissible. Since the court's ruling, the gap between the top and bottom spending counties has grown 66% to \$1,670 per child.

The top spending counties are spending four times more per child than lowest spending counties, which means the top spending counties spend \$956,910 more per school building than the lowest spending counties. This phenomenon can easily be explained if the top spending counties were taxing themselves at colossal rates and if the lower spending counties only adopted this

posture, they would have additional resources. Unfortunately the opposite is true. The poorest counties in the state are taxing themselves at almost twice the rates of the wealthiest counties, but their taxation yields vastly different amounts. The wealthiest counties have \$843,129 more per child in real estate wealth than the poorest counties in the state.

The Forum struggles each year to offer explanations for these cavernous school funding gaps between the "two North Carolinas." At the inception of the school finance litigation in 1994, the Forum noted that after the passage of the low wealth supplemental fund, "that North Carolina might have been one of the states to avoid litigation and to be one of the states to 'do the right thing' without the 'smoking gun' of a judicial decree." Unfortunately North Carolina wasn't able to do the right thing, but it is not too late. The state has a unique opportunity to implement the constitutional obligations the court has noted and guarantee all children the right to a sound basic education, not just the children living in the wealthiest counties.

REAL ESTATE WEALTH AVAILABLE



The state is divided into quartiles by adjusted property wealth available per child. The top quartile includes high growth Piedmont and mountain and beach resort

areas, which has a real estate capacity of \$709,466 per child – \$224,815 above the state average. The bottom quartile has \$269,771 available – \$214,880 below the state average.

Findings

SYNOPSIS

During the 2002-03 school year, North Carolina spent \$8.5 billion on public schools, using a combination of state, federal, and local resources. The state provided two-thirds of education funding, the federal government provided less than a tenth, and county government paid one-quarter of the education bill. In contrast to North Carolina's division of funding responsibilities, nationally the state average share was 49.3 cents, the federal government paid 7.9 cents, and local government paid 42.8 cents of the education bill.

REAL ESTATE WEALTH IS THE STORY

The main story of the finance study is that the difference in real estate wealth between the wealthiest counties and poorest counties continues to grow. The wealthiest counties' real estate capacity expands, while the capacity of the poorest counties contracts. The real estate wealth available in the wealthiest counties grew 17.2% since last year, compared with the poorest counties, which had a 2% decrease. The gap between the wealthiest and poorest counties has widened to \$843,129 and has grown 136% since the school finance lawsuit was filed.

The wealthiest counties have over \$1,089,254 per child in real estate capacity, compared with \$246,125 per child for the poorest counties. The wealthiest counties have over four times the capacity of the poorest counties, while having an average effective tax rate 15 cents below the state average and 34 cents below the poorest counties – the largest gap in more than a decade.

CURRENT SPENDING GAP CONTINUES TO WIDEN

The current spending gap between the top and bottom counties has swelled to \$1,670 per child – an 89% increase since 1994. The highest spending counties spend an average of \$2,189 per student on current expenditures, compared with the lowest spending counties, which spent an average of \$519 – approximately a 1% decrease from the previous year. Over the past decade, the lowest spending counties have increased their spending an average of \$8.73 per year, which is nine times less than the highest spending counties.

Therefore, the highest spending counties in the state are spending an average of \$43,420 per classroom more than the lowest spending counties. In an extreme example, Orange County spends \$2,687 more per student than Hoke County. Orange County ranks first in total current spending per pupil; and Hoke County, one of the plaintiffs in the school finance case, ranks 98.

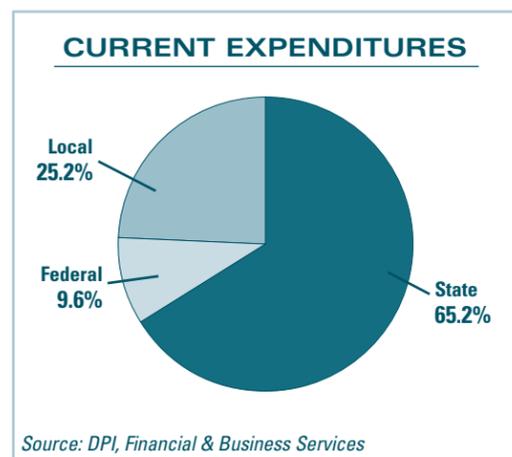
Part of the impetus for the finance lawsuit was the inequitable funding between counties. In 1994, the five *Leandro* plaintiffs spent an average of \$774 less than the highest spending counties. The plaintiffs asserted that the spending inequities between counties violated the state Constitution. In 1997 the state Supreme Court ruled that these inequities were not a constitutional violation; and since that declaration the gap between the highest spending counties and low wealth plaintiffs has grown 70%. It will be difficult for the state's lowest spending counties to ensure their students receive their constitutionally-required sound basic education when their counties spend an average of \$1,670 less per child than the state's most affluent counties.

In previous studies, the Forum has combined current expenditures (instructional programs and classrooms) with capital expenditures (buildings and maintenance) to ascertain total local spending, which has sometimes exaggerated the spending gaps because many of the fastest growing areas of the state spend much of the resources on capital needs. In this year's study, capital spending has been isolated, and total spending is not reported.

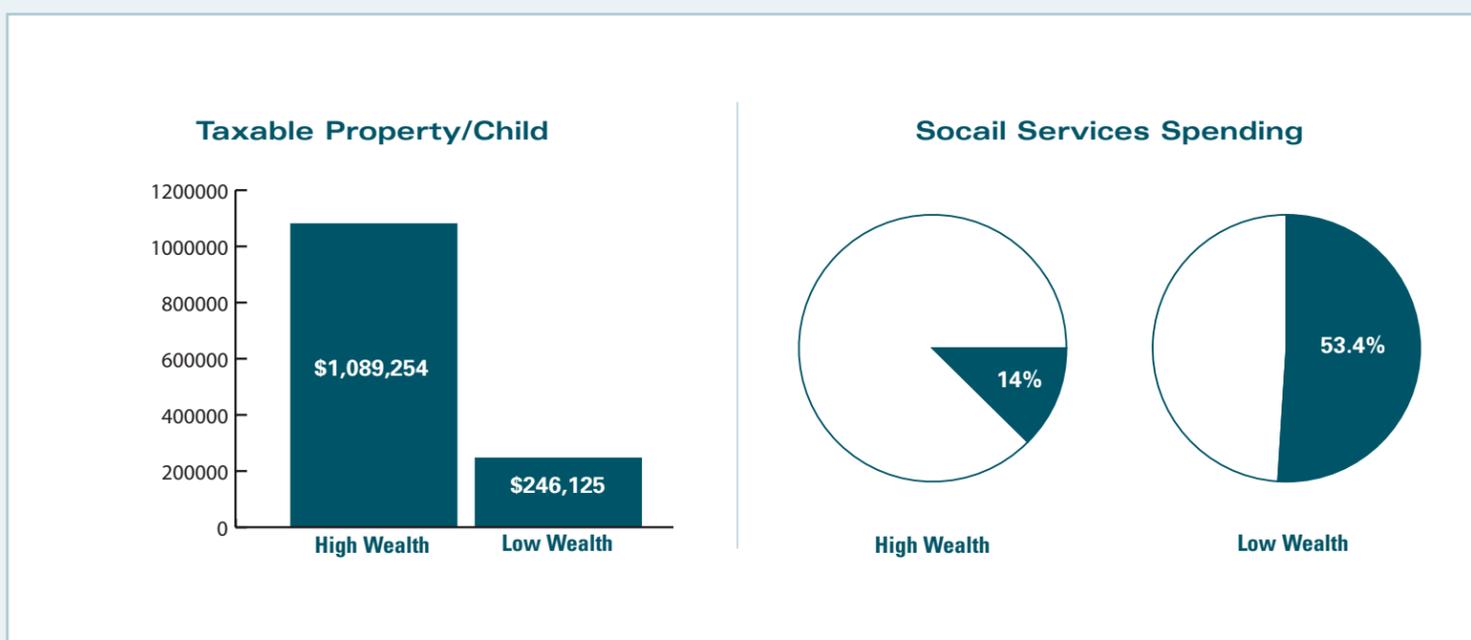
In this year's study, capital outlay and debt service outlay has been separated to reflect the difference in capital outlay and debt service outlay. The capital outlay is actual spending on capital projects or equipment for buildings, and the debt service includes expenditures for school bond repayment and lease purchase agreements.

SUPPLEMENTAL FUNDING: LIFELINE FOR COUNTIES

The 1994 local school finance study traced the *Leandro* school finance lawsuit to the state's underfunding of the low wealth supplemental fund: "However, the 1993 General Assembly, while adding additional supplemental funds for equalization, changed the formula which had been in effect. Through this change, the General Assembly was able to half the \$200 million 'problem,' or goal...That action may have been the proverbial straw that broke the camel's back." (1994 Local School Finance study)



LOW VS. HIGH WEALTH: A COMPARISON



AVAILABLE REVENUE: ADJUSTED PROPERTY TAX BASE

The major source of revenue for county government is the taxable property value. The wealthiest counties have four times more taxable property wealth per child available to them. This problem is further exacerbated because the poorest counties tax themselves at well above the wealthiest counties, but the revenue generated by that taxation is substantially less than the wealthy counties.

EXPENDITURES: SOCIAL SERVICES

When mandated social services spending is removed from total adjusted revenue, the poorest counties spend a disproportionate share of their revenue on social services. The graph above depicts high wealth counties spending only 14% of their tax revenue on social services while the low wealth counties spend 53.4%.

findings

IF LOW WEALTH COUNTIES HAD TOP QUARTILE FUNDING

Despite concerns that the low wealth supplemental fund is not fully funded, this fund combined with the small county supplemental fund, remains a lifeline to poor and small counties. In the 2002-03 school year, the General Assembly appropriated \$122.3 million for these supplemental funds. In particular, low wealth supplements provided an additional \$168 per student in the 70 counties that qualified for funding. Both funds combined provided an additional \$176 in the counties that qualified for the funding. In the state's poorest counties, the supplemental funding provided an additional \$438 per child.

"CAN'T GET BLOOD OUT OF A TURNIP": ADJUSTED PROPERTY TAX GAP WIDENS

The proverb "you can't get blood out of a turnip," explains the fiscal capacity situation. As previously noted, the wealthiest counties have 4.4 times more per child than the poorest counties in the state. The poorest counties saw a 2% decline in their fiscal capacity between this year and last, while the wealthiest counties had a 17% increase. The wealthiest counties have almost \$600,000 more in taxable property per child today than a decade ago, compared with the poorest counties, which have slightly more than \$100,000 more in taxable property per child. The gap in spending between the highest and lowest spending counties is explained, in large part, by the wide disparity in the fiscal capacity of counties.

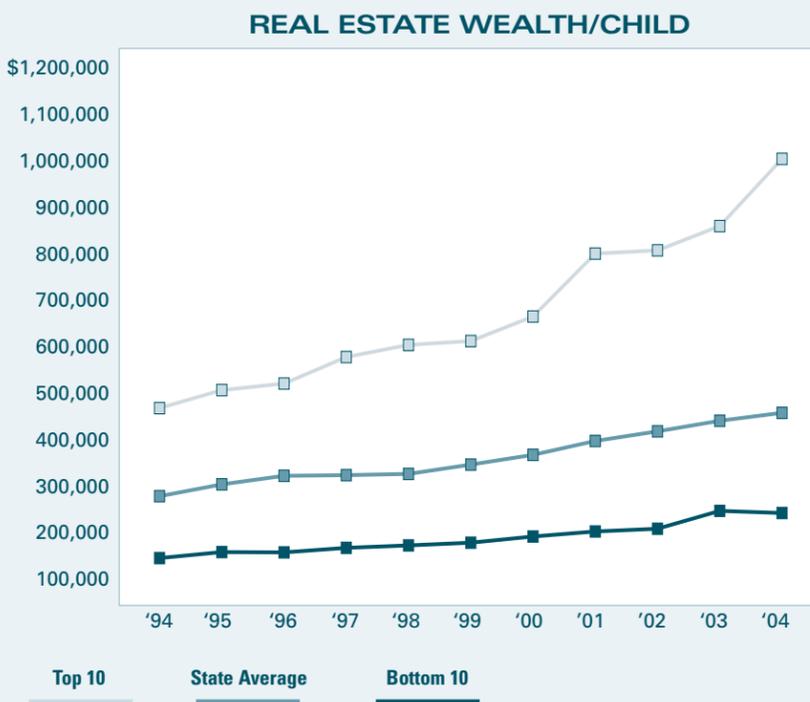
This gap could easily be explained if the wealthiest counties were taxing themselves at significantly higher levels than the poorest counties. In fact, the reverse is true. The poorest counties in the state tax themselves 34 cents higher than the wealthiest counties. The wealthiest counties average effective tax rate has fallen for four consecutive years, while the poorest counties have consistently taxed themselves at 31 cents higher than the wealthiest counties. An annual finding is that the poorest counties are taxing themselves at levels that would cause a tax rebellion in the wealthiest counties, but the revenue generated from that taxation is anemic compared to the wealthiest counties.

In 1994 the low wealth counties that brought the lawsuit against the state had an average real estate capacity \$314,337 below the wealthiest counties in the state. After a decade of litigation, the gap has grown 169.6% to \$847,601. In 1994 the wealthiest counties had 3.1 times more taxable real estate wealth available per child than the low wealth litigants. Today the wealthiest counties have 4.5 times more real estate wealth available.

SPENDING PER ADM					
County	Current	Additional	County	Current	Additional
Alexander	\$768	\$1,132	Martin	\$1,077	\$823
Anson	\$768	\$1,132	McDowell	\$831	\$1,069
Beaufort	\$1,081	\$819	Mitchell	\$647	\$1,253
Bertie	\$580	\$1,320	Montgomery	\$1,082	\$818
Bladen	\$753	\$1,147	Nash	\$1,063	\$837
Burke	\$850	\$1,049	Northampton	\$878	\$1,022
Cabarrus	\$1,154	\$746	Onslow	\$906	\$994
Caldwell	\$922	\$978	Pamlico	\$899	\$1,001
Camden	\$557	\$1,343	Pasquotank	\$1,239	\$661
Caswell	\$659	\$1,241	Pender	\$1,153	\$746
Cherokee	\$809	\$1,091	Perquimans	\$865	\$1,035
Chowan	\$1,299	\$601	Person	\$1,092	\$808
Cleveland	\$1,028	\$872	Pitt	\$1,204	\$696
Columbus	\$582	\$1,318	Randolph	\$763	\$1,137
Craven	\$882	\$1,018	Richmond	\$627	\$1,273
Cumberland	\$1,110	\$790	Robeson	\$501	\$1,399
Davidson	\$1,017	\$883	Rockingham	\$913	\$987
Duplin	\$634	\$1,266	Rowan	\$1,207	\$693
Edgecombe	\$792	\$1,108	Rutherford	\$919	\$981
Franklin	\$1,003	\$897	Sampson	\$677	\$1,223
Gates	\$996	\$904	Scotland	\$1,245	\$655
Graham	\$423	\$1,477	Stanly	\$924	\$976
Granville	\$958	\$942	Stokes	\$981	\$919
Greene	\$537	\$1,363	Surry	\$1,065	\$835
Halifax	\$790	\$1,110	Swain	\$305	\$1,595
Harnett	\$607	\$1,293	Tyrrell	\$727	\$1,173
Haywood	\$1,355	\$545	Union	\$1,077	\$823
Hertford	\$759	\$1,141	Vance	\$892	\$1,008
Hoke	\$493	\$1,407	Warren	\$651	\$1,249
Johnston	\$1,296	\$604	Washington	\$645	\$1,255
Jones	\$579	\$1,321	Wayne	\$792	\$1,108
Lee	\$978	\$922	Wilkes	\$959	\$941
Lenoir	\$863	\$1,037	Wilson	\$1,073	\$827
Lincoln	\$935	\$965	Yadkin	\$969	\$931
Madison	\$710	\$1,190	Yancey	\$791	\$1,109

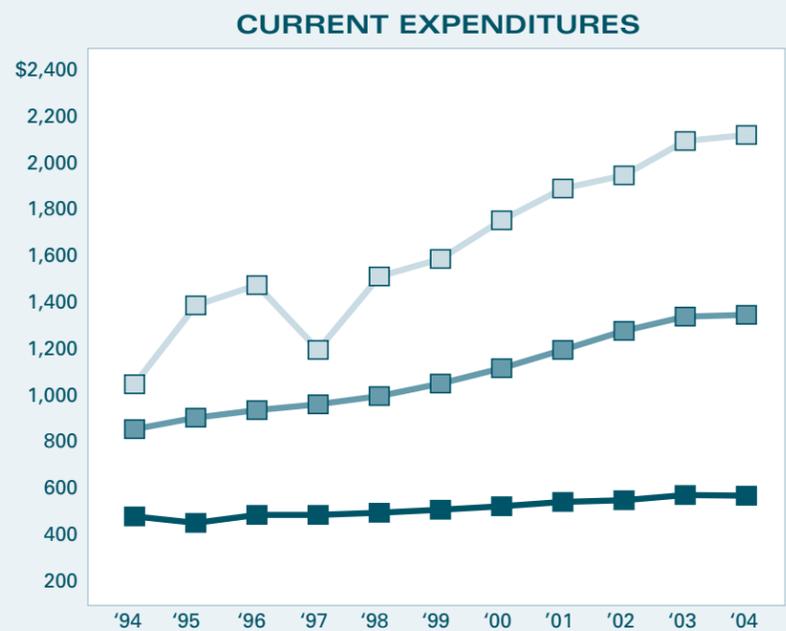
The current spending of the state's top quartile of counties is \$1,900 per student. The table above shows how much additional spending per student the state's 70 counties designated as low wealth would have to provide if spending at the same level as the top quartile counties.

THE WIDENING SPENDING GAP



REAL ESTATE WEALTH AVAILABLE

The real estate capacity of the state's wealthiest counties has grown \$593,338 since 1994, compared to \$107,274 in the poorest counties. The gap has risen 136% in the past decade.



CURRENT EXPENDITURES

Current expenditures represent annual county spending on programs and personnel. Over the past decade, the top spending counties increased their spending 67.7% compared to a 22.7% for the bottom spending counties. The top spending counties spend \$1,670 more per student than the bottom spending counties.

funding

School Funding

WHO PAYS FOR WHAT

North Carolina's first state constitution in 1776 included an education provision that called for "A School or Schools shall be established by the

ARTICLE IX, SEC. 2. UNIFORM SYSTEM OF SCHOOLS

(1) **General and uniform system term.** The General Assembly shall provide by taxation and otherwise for a general and uniform system of free public schools, which shall be maintained at least nine months in every year, and wherein equal opportunities shall be provided for all students.

(2) **Local responsibility.** The General Assembly may assign to units of local government such responsibility for the financial support of the free public schools as it may deem appropriate. The governing boards of units of local government with financial responsibility for public education may use local revenues to add to or supplement any public school or post-secondary school program.

Legislature for the convenient Instruction of Youth." The legislature provided no financial support for schools. One hundred years later the Constitution adopted after the Civil War required the state "to provide by taxation and otherwise for a general and uniform system of public schools, wherein tuition shall be free of charge to all of the children of the State between the ages of six and twenty-one years." The new Constitution also provided for the direct election of a state Superintendent of Public Instruction and enacted a four-month school calendar.

In 1901 the General Assembly broke with tradition and appropriated \$100,000 for public schools, marking a first-time direct appropriation of tax revenue for public schools. The state Constitution mandates that the state provide a "general and uniform system of free public schools" and

that the state legislature may assign counties "such responsibility for the financial support of the free public schools as it may deem appropriate." In addition to the constitutional mandates, a major change in the school funding structure occurred during the Great Depression. Under the School Machinery Act (enacted in 1931 and amended in 1933), the state assumed responsibility for all current expenses necessary to maintain a minimum eight-month school term and an educational program of basic content and quality (instructional and program expenses). In exchange for the state's expanded role, local governments assumed responsibility for school construction and maintenance (capital expenses). The Act established counties as the basic unit for operating public schools, which is maintained today with large county-wide school systems, except in the 12 counties that also have city school systems.

In 1975 the General Assembly enacted the School Budget and Fiscal Control Act, which delineated responsibility for school funding: "To insure a quality education for every child in North Carolina, and to assure that the necessary resources are provided, it is the policy of the State of North Carolina to provide from state revenue sources the instructional expenses for current operations of the public school system as defined

in the standard course of study. It is the policy of the State of North Carolina that the facilities requirements for a public education system will be met by county governments."

The delineation between the state funding current expenditures and counties funding capital expenditures has become more complicated. For example, county governments are providing some current expenditures; 6,046 teachers (10%) and 3,029 teacher assistants (11%) were funded by counties. And the state has provided the following capital expenditures: \$1.8 billion construction bond in 1996 and, since 1987, \$892.1 million for the Public School Building Capital Fund and Critical School Facility Needs Fund.

STATE FUNDS

Forty-one percent of North Carolina's General Fund is spent on public schools, which makes public schools the largest sector of state government spending. In 2002-03, the State Public School Fund spent \$5.9 billion on public schools, using a combination of position, dollar, and categorical allotments. These allotments are dependent upon student demographics and characteristics as well as the experience and education levels of faculty and staff. Of the \$5.9 billion expenditure, 91.2% was used for salaries and benefits.

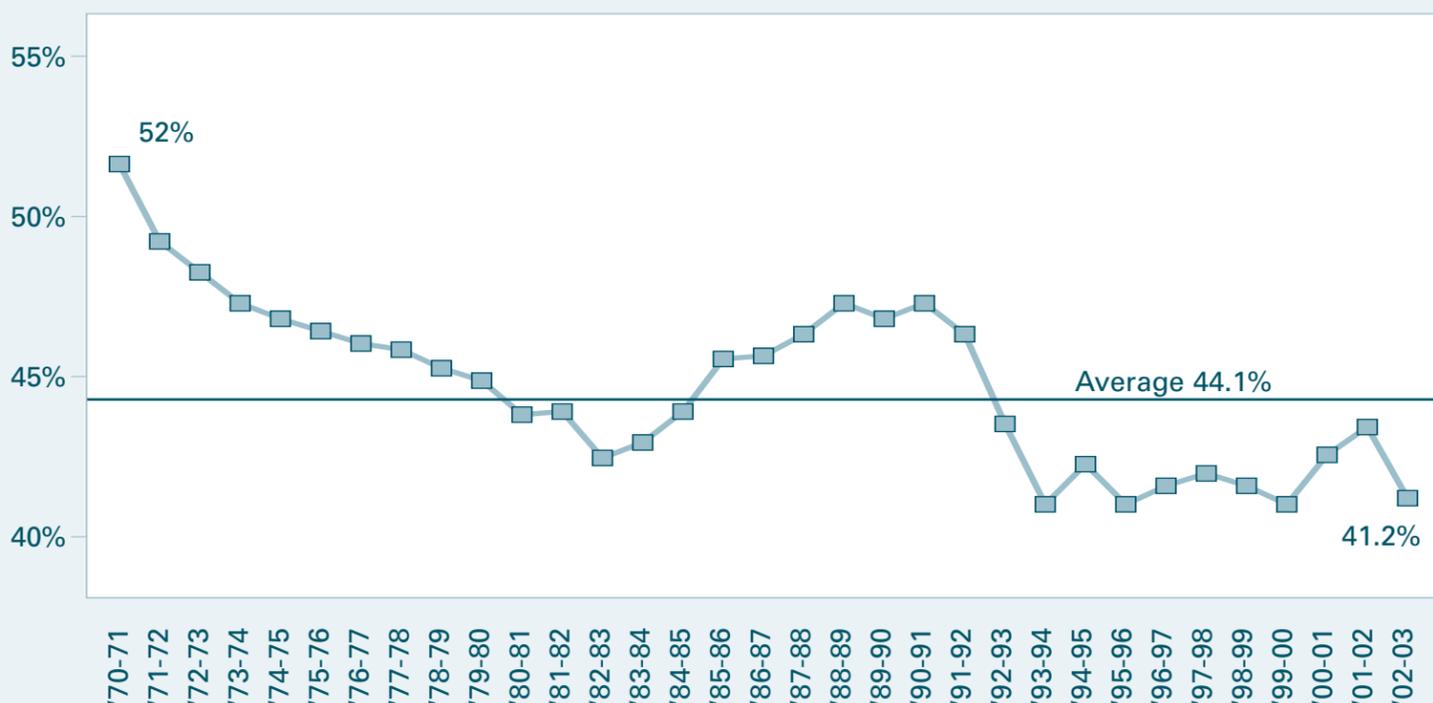
Position allotments fund specific positions such as teachers and principals; dollar allotments provide a fixed amount of money such as teacher assistants, central office administration, and textbooks; and categorical allotments provide funding to purchase services such as providing assistance for children with disabilities or transportation.

North Carolina spent \$5.7 billion on current expenditures for general administration, instructional personnel and related services, support, and categorical programs including:

- 74,349 teachers and 20,845 teacher assistants
- 8,875 instructional support personnel (guidance counselors, librarians, and schools psychologists)
- 4,916 school building and district administrators
- \$101 million for ABCs bonuses
- \$176 million for at-risk student services
- \$192 million for low wealth and small-county supplemental funds
- \$28.5 million for limited English proficient students
- \$501.4 million for students with disabilities
- \$237.5 million for transportation
- \$304.4 million for vocational education
- \$47.5 million for the DPI's operating budget

Public school spending has risen 72% since 1992-93, but the share of the

K-12 AUTHORIZED BUDGET (% of General Operating Budget)



K-12 education spending represents the largest part of the state's budget. Since 1970, K-12 education's share of the state budget has continued to decline. The line chart above shows it has declined from 52% in 1970 to 41.2% last year and in the current fiscal year it has dropped below 39%.

state's General Fund dropped to 41.2%, from 52% three decades earlier; if schools were funded at the same percentage of the state's General Fund today as they were in 1970-71, public schools would have an additional \$1.5 billion. These resources could be used to:

- triple the academically and intellectually gifted funding
- triple funding for the assistance and intervention teams working with low-performing schools
- triple funding for students in grades 3-8 performing below grade level
- triple staff development and classroom supplies and materials allotments
- triple at-risk student services funding
- fund fully the low wealth supplemental fund and \$300 million would be left over

FEDERAL FUNDS

The federal government spent \$831.7 million targeted toward specific populations. Federal funds accounted for 9.6% of K-12 expenditures, up from 8.6% last year. Federal resources paid for 7.9% of personnel, including 6% of the state's teachers and 12.1% of the teacher assistants. The largest expenditure of federal resources is for the Title I program, which is aimed at raising the academic achievement of low-income children. Last year Title I accounted for one-third of federal spending, one-quarter went to children with disabilities, slightly more than one-quarter went to the school breakfast and lunch program, and 16% went toward other programs including vocational education, teacher quality, safe and drug free schools, and charter schools.

LOCAL FUNDS

Last year counties spent \$2.7 billion on public school capital and current expenditures, which accounted for over one-quarter of county budgets. What began as a clear division of responsibility in the midst of the Great Depression has become much murkier. The state is supposed to pay for the current operations of schools (classrooms and instruction) and counties are responsible for capital expenses (buildings and maintenance). Last year counties funded 6,046 teachers and 3,029 teacher assistants and provided for 9% of all administrators, teachers, instructional support, and teacher assistant positions.

As previously noted, the state Constitution permits the state legislature to assign local governments financial support for public

schools, and the Constitution provides for a county school fund. In its challenge to the state's system of school finance, the low wealth plaintiffs asserted that the inequities in county funding were unconstitutional. The state Supreme Court ruled in 1997 *Leandro* case that the inequities were permissible:

"Consequently, the provisions of the current state system for funding schools which require or allow counties to help finance their school systems and result in unequal funding among the school districts of the state do not violate constitutional principles."

The gap between these counties has grown 48% since the court's verdict in 1997. If you combine the total current spending of all five low wealth plaintiffs together, they spend only \$607 more per child than Orange County spends in total. (see chart below)

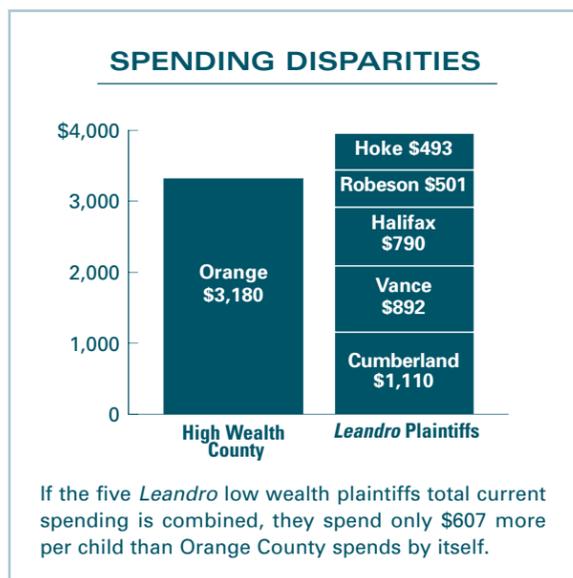
MANDATED SOCIAL SERVICE SPENDING

Twenty-seven percent of county spending is devoted to human services expenditures, with Medicaid being the largest expenditure. North Carolina and New York are the only two states that require counties to pay a programmatic share of Medicaid spending. Medicaid and other human services spending are mandated expenditures that counties must spend resources on, as opposed to discretionary items such as parks and recreation, public safety, or education.

Like real estate capacity and total current spending, there are large gaps between counties in North Carolina. The adjusted tax revenue available for county spending if imagined as a pie, the wealthiest counties have a large pie. The wealthiest counties must devote approximately one-eighth (14%) of their resources for mandated social service spending.

Contrasted with the wealthiest counties, the state's poorest counties have a much smaller pie to begin with. These counties must devote over half (53.4%) of their resources for mandated social services spending (See Chart p. 2).

As Medicaid and other mandated social service expenditures continue to consume larger and larger parts of the state and county budget, the problem will worsen. Recently the National Association of State Budget Officers estimated that next year Medicaid will replace education as the largest expenditure in state government budgets and, for North Carolina, the impact will be acutely felt in the state's poorest counties, which have a large population receiving these services and which will also be confronted with a growing



county fiscal responsibility.

Methodology

CAPITAL SPENDING

In previous finance studies, capital spending was calculated using data from the Department of State Treasurer's *Public School Capital Outlay* report. The finance study used to average six years worth of county appropriations for capital outlay, interest on debt for school construction, and the net change in capital reserves minus county withdrawals from the state's Public School Buildings Capital Fund and grants from the Public School Building fund to calculate capital spending.

This year the calculation of capital spending has been modified to present a more accurate picture of county effort to provide resources for school capital needs. Using data provided in the *Public School Capital Outlay* report, the local school finance reports a six-year average of county debt services from local sources and capital outlay from local sources. The debt service includes expenditures for school bond repayment and lease purchase agreements. The capital outlay is actual spending on capital projects or equipment for buildings.

SALES/ASSESSMENT RATIO

In North Carolina, most residential and commercial property is revalued once every eight years. Prior to 1984 it was difficult to compare tax wealth and effort because of this impediment to estimating the market value of property valuations. In 1984 the Department of Revenue completed its first statewide Sales/

Assessment Ratio Study, comparing the market value of recently sold property with its assessed value. Using the ratio of assessed property value to market value, the Department calculated an adjusted property tax rate for each county. The longer it has been since a county has undergone reevaluation, the more likely it is that the market value of property in the county exceeds its assessed valuation.

Rapidly growing communities have numerous demands on public services, and the demands tend to outstrip land value increases. Therefore, to meet the increase in demands for additional services, local officials must either revalue property more often or raise taxes. In an effort to make this study as accurate as possible, a three-year weighted average is used to calculate the adjusted property valuation. This approach is intended to result in more accurate valuations for small, rural counties where relatively few land transactions might have taken place during any given year.

OTHER REVENUE SOURCES

The primary source of local revenue is property taxes. In addition to property taxes, the Forum study includes a county's share of local option sales taxes, inventory tax reimbursements, and fines and forfeitures. Allotments from the ADM fund and grants for school construction have been removed to isolate capital spending. Finally, seven counties have supplemental school taxes, down from 14 last year. This additional revenue totals \$37.2 million, down 16% from last year.

RANKING OF ADJUSTED PROPERTY VALUATIONS PER STUDENT

This is the total adjusted property valuation for each county divided by the number of students in membership in the county. The property valuation was adjusted using a three-year weighted average of the Sales/Assessment Ratios.

This represents the real estate wealth available to counties to support education.

TABLE

1

COUNTY	RANK	PREVIOUS YEAR'S RANK	LAST YEAR REVALUED	2002/03 FINAL ADM	2002/03 ADJUSTED TAX BASE	ADJUSTED PROPERTY TAX BASE PER ADM	AVERAGE EFFECTIVE TAX RATE	COUNTY	RANK	PREVIOUS YEAR'S RANK	LAST YEAR REVALUED	2002/03 FINAL ADM	2002/03 ADJUSTED TAX BASE	ADJUSTED PROPERTY TAX BASE PER ADM	AVERAGE EFFECTIVE TAX RATE
Dare	1	1	1998	4,691	\$7,165,211,789	\$1,527,438	\$0.334	Randolph	51	50	2001	22,160	\$8,774,209,778	\$395,948	\$0.458
Watauga	2	5	2002	4,655	\$5,448,289,594	\$1,170,417	\$0.317	Rutherford	52	49	2002	10,140	\$3,972,927,080	\$391,807	\$0.571
Brunswick	3	2	1999	10,686	\$12,409,604,386	\$1,161,296	\$0.520	Rockingham	53	53	1999	14,648	\$5,699,157,841	\$389,074	\$0.628
Macon	4	3	1999	4,033	\$4,554,839,439	\$1,129,392	\$0.370	Davidson	54	52	2001	24,590	\$9,449,303,655	\$384,274	\$0.525
Jackson	5	4	2000	3,772	\$4,133,797,766	\$1,095,917	\$0.387	Wilson	55	57	2000	12,598	\$4,814,003,588	\$382,124	\$0.696
Avery	6	6	2002	2,451	\$2,277,373,087	\$929,161	\$0.468	Surry	56	55	1999	11,544	\$4,365,521,203	\$378,164	\$0.566
Carteret	7	7	2001	8,214	\$7,599,931,309	\$925,241	\$0.396	Swain	57	60	1997	1,802	\$681,288,415	\$378,073	\$0.368
Transylvania	8	13	2002	3,938	\$3,596,203,795	\$913,206	\$0.456	Craven	58	58	2002	14,299	\$5,401,986,688	\$377,788	\$0.551
Clay	9	12	2002	1,239	\$1,100,453,596	\$888,179	\$0.383	Gaston	59	59	1997	30,801	\$11,612,832,001	\$377,028	\$0.893
Currituck	10	8	1997	3,421	\$3,018,159,855	\$882,245	\$0.458	Jones	60	63	1998	1,416	\$526,638,553	\$371,920	\$0.663
Alleghany	11	9	1999	1,446	\$1,232,785,432	\$852,549	\$0.422	Pitt	61	61	1996	20,377	\$7,572,592,543	\$371,625	\$0.560
Hyde	12	11	1995	667	\$557,312,887	\$835,552	\$0.670	McDowell	62	56	1995	6,446	\$2,391,368,904	\$370,985	\$0.550
New Hanover	13	10	1999	21,917	\$17,817,740,272	\$812,964	\$0.636	Franklin	63	64	1998	7,933	\$2,932,874,879	\$369,706	\$0.699
Ashe	14	15	1998	3,155	\$2,274,215,838	\$720,829	\$0.411	Alexander	64	67	2002	5,439	\$1,986,746,398	\$365,278	\$0.445
Polk	15	17	2001	2,359	\$1,686,760,586	\$715,032	\$0.519	Stanly	65	65	2001	9,955	\$3,601,287,658	\$361,757	\$0.620
Henderson	16	16	1999	11,891	\$8,282,701,836	\$696,552	\$0.472	Caldwell	66	66	2001	12,602	\$4,533,640,680	\$359,756	\$0.525
Mecklenburg	17	14	1998	110,273	\$75,608,356,940	\$685,647	\$0.722	Burke	67	62	2001	14,545	\$5,187,150,378	\$356,628	\$0.535
Wake	18	18	2000	107,408	\$68,339,492,934	\$636,261	\$0.561	Chowan	68	72	1998	2,468	\$859,202,254	\$348,137	\$0.584
Durham	19	19	2001	31,405	\$19,751,404,532	\$628,925	\$0.735	Stokes	69	68	2001	7,346	\$2,554,509,754	\$347,742	\$0.582
Chatham	20	20	2001	7,557	\$4,746,341,004	\$628,072	\$0.615	Martin	70	69	2001	4,519	\$1,564,245,211	\$346,149	\$0.731
Buncombe	21	26	2002	28,812	\$17,177,864,873	\$596,205	\$0.553	Edgecombe	71	75	2001	7,526	\$2,597,353,224	\$345,117	\$0.799
Orange	22	21	2001	17,023	\$10,142,879,194	\$595,834	\$0.763	Bladen	72	70	1999	5,584	\$1,920,384,015	\$343,908	\$0.675
Haywood	23	23	2002	7,732	\$4,585,590,848	\$593,067	\$0.589	Northampton	73	71	2001	3,460	\$1,171,700,610	\$338,642	\$0.798
Madison	24	24	1996	2,495	\$1,467,044,992	\$587,994	\$0.364	Granville	74	73	2002	8,445	\$2,787,692,943	\$330,100	\$0.628
Yancey	25	28	2000	2,491	\$1,459,151,820	\$585,769	\$0.438	Johnston	75	74	1995	23,351	\$7,645,776,185	\$327,428	\$0.767
Moore	26	22	1995	11,546	\$6,537,259,571	\$566,193	\$0.475	Caswell	76	77	2000	3,425	\$1,119,140,334	\$326,756	\$0.596
Guilford	27	27	1996	65,304	\$36,207,787,429	\$554,450	\$0.586	Camden	77	79	2001	1,406	\$451,091,638	\$320,833	\$0.668
Graham	28	25	2002	1,158	\$634,429,349	\$547,866	\$0.517	Duplin	78	78	2001	8,653	\$2,763,150,912	\$319,329	\$0.692
Forsyth	29	29	2001	47,488	\$24,918,333,153	\$524,729	\$0.670	Cleveland	79	80	2000	17,265	\$5,458,405,335	\$316,154	\$0.534
Catawba	30	32	1999	23,651	\$12,392,556,560	\$523,976	\$0.478	Lenoir	80	76	2001	10,170	\$3,170,778,950	\$311,778	\$0.761
Iredell	31	34	1999	23,049	\$11,790,148,903	\$511,525	\$0.435	Columbus	81	81	1997	9,655	\$2,882,748,055	\$298,576	\$0.613
Person	32	31	2001	6,009	\$3,073,418,535	\$511,469	\$0.640	Halifax	82	83	1999	9,641	\$2,868,641,686	\$297,546	\$0.753
Pender	33	30	1995	6,751	\$3,452,680,791	\$511,432	\$0.590	Hertford	83	88	1995	3,716	\$1,092,719,024	\$294,058	\$0.910
Mitchell	34	33	2001	2,331	\$1,187,606,677	\$509,484	\$0.459	Anson	84	82	2002	4,398	\$1,273,431,583	\$289,548	\$0.683
Cherokee	35	38	1996	3,656	\$1,852,088,931	\$506,589	\$0.364	Nash	85	84	2001	18,680	\$5,402,927,485	\$289,236	\$0.608
Davie	36	35	2001	5,906	\$2,917,090,481	\$493,920	\$0.564	Sampson	86	86	1995	10,570	\$3,043,950,089	\$287,980	\$0.675
Pamlico	37	36	1996	2,063	\$983,112,742	\$476,545	\$0.626	Pasquotank	87	87	1998	5,844	\$1,671,649,316	\$286,045	\$0.685
Montgomery	38	41	1996	4,394	\$2,092,238,842	\$476,158	\$0.438	Bertie	88	85	1996	3,454	\$979,319,748	\$283,532	\$0.680
Cabarrus	39	37	1999	25,085	\$11,873,711,900	\$473,339	\$0.516	Wayne	89	89	1995	19,079	\$5,281,635,205	\$276,830	\$0.659
Perquimans	40	40	2000	1,691	\$765,902,873	\$452,929	\$0.572	Washington	90	93	1997	2,200	\$606,775,718	\$275,807	\$0.808
Beaufort	41	42	2002	7,319	\$3,270,778,417	\$446,889	\$0.577	Vance	91	90	2000	8,392	\$2,293,571,605	\$273,305	\$0.747
Alamance	42	39	2001	21,785	\$9,450,825,547	\$433,823	\$0.512	Richmond	92	95	1997	8,249	\$2,238,551,202	\$271,372	\$0.640
Lincoln	43	44	2000	11,377	\$4,797,719,436	\$421,703	\$0.550	Onslow	93	91	2000	21,254	\$5,759,059,384	\$270,964	\$0.638
Warren	44	51	2001	3,248	\$1,356,200,155	\$417,549	\$0.711	Scotland	94	94	1995	6,989	\$1,836,798,768	\$262,813	\$0.990
Wilkes	45	45	1998	10,173	\$4,239,351,407	\$416,726	\$0.591	Cumberland	95	92	1996	51,469	\$13,457,526,808	\$261,469	\$0.880
Union	46	43	2000	25,705	\$10,675,390,507	\$415,304	\$0.485	Greene	96	96	1997	3,121	\$814,228,762	\$260,887	\$0.606
Rowan	47	46	1999	20,544	\$8,469,032,891	\$412,239	\$0.630	Harnett	97	98	1997	16,422	\$4,083,624,144	\$248,668	\$0.734
Yadkin	48	47	1999	5,856	\$2,340,594,225	\$399,692	\$0.556	Gates	98	97	2001	1,978	\$486,264,612	\$245,837	\$0.797
Tyrrell	49	48	1997	683	\$272,837,725	\$399,470	\$0.713	Hoke	99	99	1998	6,210	\$1,343,132,202	\$216,285	\$0.677
Lee	50	54	1995	8,900	\$3,533,342,567	\$397,005	\$0.670	Robeson	100	100	1996	23,658	\$4,050,190,401	\$171,197	\$0.814
TOTAL/STATE AVERAGE												1,309,295	\$634,551,655,622	\$484,651	\$0.597

ADJUSTED PROPERTY VALUATIONS PER STUDENT BY QUARTILE



Thirty-six counties' property wealth was above the state average of \$484,651 per student, while the remaining 64 counties were below the state average. Mountain and coastal counties along with high-growth parts of the Piedmont account for the counties above the state average.

ACTUAL EFFORT

This is a summary of data for the 100 counties in the state. It includes 2002-03 current expenses (including supplemental school taxes), a six-year average of debt service and of capital outlay. This measure reflects the actual dollar effort of communities to fund schools without taking into account property wealth.

High wealth communities with corresponding high levels of spending tend to rank highest in the measure.

TABLE
2

COUNTY	RANK	PREVIOUS YEAR'S RANK	2003 CURRENT EXPENSE	2003 SUPPLEMENTAL SCHOOL TAXES	SIX-YEAR DEBT SERVICE AVERAGE	SIX-YEAR CAPITAL OUTLAY AVERAGE	TOTAL CURRENT SPENDING	2002/03 FINAL ADM	CURRENT SPENDING PER ADM	DEBT SERVICE PER ADM	CAPITAL OUTLAY PER ADM	TOTAL CURRENT SPENDING PER ADM
Orange	1	1	\$42,293,960	\$11,842,497	\$8,023,418	\$15,180,463	\$54,136,457	17,023	\$2,485	\$471	\$892	\$3,180
Dare	2	6	\$12,206,942	\$0	\$2,273,721	\$1,701,007	\$12,206,942	4,691	\$2,602	\$485	\$363	\$2,602
Mecklenburg	3	2	\$264,989,000	\$0	\$47,826,028	\$98,910,021	\$264,989,000	110,273	\$2,403	\$434	\$897	\$2,403
Durham	4	11	\$71,106,656	\$0	\$13,439,029	\$1,420,036	\$71,106,656	31,405	\$2,264	\$428	\$45	\$2,264
New Hanover	5	4	\$47,411,979	\$0	\$6,522,266	\$23,108,953	\$47,411,979	21,917	\$2,163	\$298	\$1,054	\$2,163
Carteret	6	3	\$16,401,577	\$0	\$3,458,251	\$8,814,732	\$16,401,577	8,214	\$1,997	\$421	\$1,073	\$1,997
Chatham	7	12	\$14,963,493	\$0	\$2,716,674	\$4,251,616	\$14,963,493	7,557	\$1,980	\$359	\$563	\$1,980
Brunswick	8	8	\$20,143,457	\$0	\$2,235,968	\$9,141,069	\$20,143,457	10,686	\$1,885	\$209	\$855	\$1,885
Wake	9	5	\$198,600,509	\$0	\$50,699,538	\$94,453,901	\$198,600,509	107,408	\$1,849	\$472	\$879	\$1,849
Currituck	10	7	\$6,309,822	\$0	\$1,646,633	\$1,911,948	\$6,309,822	3,421	\$1,844	\$481	\$559	\$1,844
Guilford	11	16	\$117,639,195	\$0	\$2,686,906	\$41,755,404	\$117,639,195	65,304	\$1,801	\$41	\$639	\$1,801
Forsyth	12	18	\$81,673,526	\$0	\$12,391,931	\$16,414,646	\$81,673,526	47,488	\$1,720	\$261	\$346	\$1,720
Watauga	13	24	\$7,468,309	\$0	\$1,841,704	\$778,294	\$7,468,309	4,655	\$1,604	\$396	\$167	\$1,604
Buncombe	14	22	\$36,470,908	\$6,135,382	\$7,791,813	\$12,970,907	\$42,606,290	28,812	\$1,266	\$270	\$450	\$1,479
Polk	15	34	\$3,474,942	\$0	\$668,553	\$237,932	\$3,474,942	2,359	\$1,473	\$283	\$101	\$1,473
Moore	16	19	\$16,645,032	\$0	\$6,245,484	\$6,745,245	\$16,645,032	11,546	\$1,442	\$541	\$584	\$1,442
Hyde	17	27	\$945,264	\$0	\$0	\$266,760	\$945,264	667	\$1,417	\$0	\$400	\$1,417
Transylvania	18	9	\$5,557,672	\$0	\$1,278,264	\$4,546,317	\$5,557,672	3,938	\$1,411	\$325	\$1,154	\$1,411
Haywood	19	25	\$10,478,547	\$0	\$1,798,730	\$3,845,228	\$10,478,547	7,732	\$1,355	\$233	\$497	\$1,355
Jackson	20	14	\$5,042,610	\$0	\$960,401	\$3,726,562	\$5,042,610	3,772	\$1,337	\$255	\$988	\$1,337
Chowan	21	17	\$3,206,044	\$0	\$705,312	\$5,121,118	\$3,206,044	2,468	\$1,299	\$286	\$2,075	\$1,299
Johnston	22	10	\$30,262,626	\$0	\$10,522,123	\$25,709,557	\$30,262,626	23,351	\$1,296	\$451	\$1,101	\$1,296
Scotland	23	40	\$8,700,000	\$0	\$668,409	\$3,202,663	\$8,700,000	6,989	\$1,245	\$96	\$458	\$1,245
Pasquotank	24	23	\$7,239,000	\$0	\$1,150,482	\$1,992,643	\$7,239,000	5,844	\$1,239	\$197	\$341	\$1,239
Henderson	25	32	\$14,624,605	\$0	\$2,835,980	\$6,256,784	\$14,624,605	11,891	\$1,230	\$238	\$526	\$1,230
Rowan	26	45	\$24,792,867	\$0	\$3,233,255	\$2,187,541	\$24,792,867	20,544	\$1,207	\$157	\$106	\$1,207
Pitt	27	41	\$24,537,249	\$0	\$3,119,349	\$9,100,500	\$24,537,249	20,377	\$1,204	\$153	\$447	\$1,204
Iredell	28	26	\$25,799,804	\$1,249,563	\$4,439,007	\$19,045,383	\$27,049,367	23,049	\$1,119	\$193	\$826	\$1,174
Avery	29	20	\$2,850,000	\$0	\$812,844	\$1,838,190	\$2,850,000	2,451	\$1,163	\$332	\$750	\$1,163
Davie	30	42	\$6,863,146	\$0	\$754,847	\$1,909,700	\$6,863,146	5,906	\$1,162	\$128	\$323	\$1,162
Cabarrus	31	13	\$28,954,655	\$0	\$9,990,582	\$22,715,812	\$28,954,655	25,085	\$1,154	\$398	\$906	\$1,154
Pender	32	21	\$7,786,981	\$0	\$2,029,925	\$7,064,671	\$7,786,981	6,751	\$1,153	\$301	\$1,046	\$1,153
Macon	33	15	\$4,504,267	\$0	\$1,719,551	\$3,750,527	\$4,504,267	4,033	\$1,117	\$426	\$930	\$1,117
Cumberland	34	48	\$57,150,000	\$0	\$2,060,113	\$20,608,175	\$57,150,000	51,469	\$1,110	\$40	\$400	\$1,110
Person	35	30	\$6,561,200	\$0	\$1,456,968	\$3,478,053	\$6,561,200	6,009	\$1,092	\$242	\$579	\$1,092
Montgomery	36	54	\$4,756,257	\$0	\$882,346	\$932,028	\$4,756,257	4,394	\$1,082	\$201	\$212	\$1,082
Beaufort	37	74	\$7,914,533	\$0	\$851,379	\$874,735	\$7,914,533	7,319	\$1,081	\$116	\$120	\$1,081
Union	38	29	\$20,519,344	\$7,175,654	\$6,546,898	\$14,299,904	\$27,694,998	25,705	\$798	\$255	\$556	\$1,077
Martin	39	66	\$4,865,409	\$0	\$0	\$861,215	\$4,865,409	4,519	\$1,077	\$0	\$191	\$1,077
Alamance	40	52	\$23,422,820	\$0	\$4,771,095	\$5,614,818	\$23,422,820	21,785	\$1,075	\$219	\$258	\$1,075
Wilson	41	38	\$13,523,073	\$0	\$1,470,373	\$7,465,263	\$13,523,073	12,598	\$1,073	\$117	\$593	\$1,073
Surry	42	43	\$12,296,174	\$0	\$2,580,648	\$2,797,547	\$12,296,174	11,544	\$1,065	\$224	\$242	\$1,065
Nash	43	63	\$19,857,832	\$0	\$0	\$5,265,020	\$19,857,832	18,680	\$1,063	\$0	\$282	\$1,063
Alleghany	44	28	\$1,512,586	\$0	\$519,110	\$903,268	\$1,512,586	1,446	\$1,046	\$359	\$625	\$1,046
Catawba	45	33	\$24,705,378	\$0	\$7,232,852	\$10,665,892	\$24,705,378	23,651	\$1,045	\$306	\$451	\$1,045
Cleveland	46	67	\$9,591,540	\$8,158,341	\$2,473,751	\$1,739,951	\$17,749,881	17,265	\$556	\$143	\$101	\$1,028
Davidson	47	75	\$24,998,886	\$0	\$1,065,241	\$3,656,954	\$24,998,886	24,590	\$1,017	\$43	\$149	\$1,017
Franklin	48	37	\$7,953,910	\$0	\$3,518,625	\$5,255,242	\$7,953,910	7,933	\$1,003	\$444	\$662	\$1,003
Gates	49	62	\$1,970,000	\$0	\$823,702	\$577,715	\$1,970,000	1,978	\$996	\$416	\$292	\$996
Gaston	50	60	\$30,560,084	\$0	\$4,391,795	\$6,200,938	\$30,560,084	30,801	\$992	\$143	\$201	\$992
Stokes	51	36	\$7,203,477	\$0	\$1,728,481	\$4,816,382	\$7,203,477	7,346	\$981	\$235	\$656	\$981
Lee	52	39	\$8,705,974	\$0	\$2,878,503	\$4,250,049	\$8,705,974	8,900	\$978	\$323	\$478	\$978
Yadkin	53	70	\$5,673,042	\$0	\$0	\$0	\$5,673,042	5,856	\$969	\$0	\$0	\$969
Wilkes	54	47	\$9,756,275	\$0	\$1,852,163	\$7,446,505	\$9,756,275	10,173	\$959	\$182	\$732	\$959
Granville	55	53	\$8,087,347	\$0	\$839,736	\$3,839,660	\$8,087,347	8,445	\$958	\$99	\$455	\$958
Lincoln	56	49	\$10,641,011	\$0	\$2,913,828	\$6,607,286	\$10,641,011	11,377	\$935	\$256	\$581	\$935
Stanly	57	51	\$9,198,634	\$0	\$204,968	\$5,802,494	\$9,198,634	9,955	\$924	\$21	\$583	\$924
Caldwell	58	64	\$11,618,968	\$0	\$1,470,982	\$2,831,168	\$11,618,968	12,602	\$922	\$117	\$225	\$922
Rutherford	59	55	\$9,322,751	\$0	\$3,910,755	\$13,195,790	\$9,322,751	10,140	\$919	\$386	\$1,301	\$919
Rockingham	60	72	\$13,366,690	\$0	\$59,985	\$5,308,549	\$13,366,690	14,648	\$913	\$4	\$362	\$913
Onslow	61	56	\$19,253,142	\$0	\$6,230,964	\$6,065,558	\$19,253,142	21,254	\$906	\$293	\$285	\$906
Pamlico	62	44	\$1,854,125	\$0	\$866,234	\$604,623	\$1,854,125	2,063	\$899	\$420	\$293	\$899
Vance	63	77	\$7,489,298	\$0	\$1,294,828	\$722,322	\$7,489,298	8,392	\$892	\$154	\$86	\$892
Craven	64	57	\$12,614,940	\$0	\$5,666,106	\$2,958,250	\$12,614,940	14,299	\$882	\$396	\$207	\$882
Northampton	65	78	\$3,037,691	\$0	\$501,346	\$320,343	\$3,037,691	3,460	\$878	\$145	\$93	\$878
Perquimans	66	58	\$1,462,769	\$0	\$237,662	\$708,720	\$1,462,769	1,691	\$865	\$141	\$419	\$865
Lenoir	67	81	\$8,774,655	\$0	\$1,280,697	\$786,485	\$8,774,655	10,170	\$863	\$126	\$77	\$863
Burke	68	69	\$12,370,355	\$0	\$4,235,000	\$451,788	\$12,370,355	14,545	\$850	\$291	\$31	\$850
McDowell	69	73	\$5,354,457	\$0	\$164,832	\$2,400,689	\$5,354,457	6,446	\$831	\$26	\$372	\$831
Ashe	70	50	\$2,600,000	\$0	\$1,543,861	\$603,359	\$2,600,000	3,155	\$824	\$489	\$191	\$824
Cherokee	71	35	\$2,959,001	\$0	\$786,476	\$2,274,462	\$2,959,001	3,656	\$809	\$215	\$622	\$809
Wayne	72	84	\$15,118,880	\$0	\$1,264,616	\$1,973,249	\$15,118,880	19,079	\$792	\$66	\$103	\$792
Edgecombe	73	59	\$5,958,434	\$0	\$624,795	\$1,046,890	\$5,958,434	7,526	\$792	\$83	\$139	\$792
Yancey	74	79	\$1,970,843	\$0	\$0	\$0	\$1,970,843	2,491	\$791	\$0	\$0	\$791
Halifax	75	82	\$5,165,380	\$2,453,289	\$525,640	\$1,044,263	\$7,618,669	9,641	\$536	\$55	\$108	\$790
Anson	76	76	\$3,378,119	\$0	\$994,168	\$143,260	\$3,378,119	4,398	\$768	\$226	\$33	\$768
Alexander	77	65	\$4,175,000	\$0	\$227,646	\$1,904,030	\$4,175,000	5,439	\$768	\$42	\$350	\$768
Randolph	78	46	\$16,897,739	\$0	\$4,319,796	\$9,629,806	\$16,897,739	22,160	\$763	\$195	\$435	\$763
Hertford	79	85	\$2,821,983	\$0	\$0	\$706,249	\$2,821,983	3,716	\$759	\$0	\$190	\$759
Bladen	80	31	\$4,206,716	\$0	\$128,581	\$6,996,546	\$4,206,716	5,584	\$753	\$23	\$1,253	\$753
Tyrrell	81	71	\$496,420	\$0	\$752,422	\$1,754,923	\$496,420	683	\$727	\$1,102	\$2,569	\$727
Madison	82	68	\$1,771,875	\$0	\$1,101,869	\$2,250,892	\$1,771,875	2,495	\$710	\$442	\$902	\$710
Sampson	83	61	\$7,158,659	\$0	\$1,539,399	\$4,767,710	\$7,158,659	10,570	\$677	\$146	\$451	\$677
Caswell	84	95	\$2,258,000	\$0	\$296,010	\$491,188	\$2,258,000	3,425	\$659	\$86	\$143	\$659
Warren	85	83	\$2,113,628	\$0	\$905,554	\$129,703	\$2,113,628	3,248	\$651	\$279	\$40	\$651
Mitchell	86	89	\$1,507,498	\$0	\$133,318	\$706,634	\$1,507,498	2,331	\$647	\$57	\$303	\$647
Washington	87	87	\$1,418,000	\$0	\$458,352	\$118,833	\$1,418,000	2,200	\$645	\$208	\$54	\$645
Duplin	88	93	\$5,487,888	\$0	\$2,063,472	\$1,433,890	\$5,487,888	8,653	\$634	\$238	\$166	\$634
Richmond	89	91	\$5,175,000	\$0	\$522,727	\$1,808,190	\$5,175,000	8,249	\$627	\$63	\$219	\$627
Harnett	90	86	\$9,764,297	\$199,870	\$2,514,985	\$1,108,250	\$9,964,167	16,422	\$595	\$153	\$67	\$607
Columbus	91	98	\$5,620,142	\$0	\$582,578	\$720,686	\$5,620,142					

ACTUAL EFFORT WITH SUPPLEMENTAL FUNDING

This table uses many of the same figures as table 2, but adds supplemental funding for low wealth and small schools to the total current spending. Counties are ranked by their total current spending combined with low wealth and small county supplemental funding.

TABLE

3

COUNTY	RANK	PREVIOUS YEAR'S RANK	2003 CURRENT EXPENSE	2003 SUPPLEMENTAL SCHOOL TAXES	2003 TOTAL CURRENT SPENDING	2002/03 LOW WEALTH FUNDING	2002/03 SMALL COUNTY FUNDING	TOTAL CURRENT SPENDING WITH LOW WEALTH & SMALL COUNTY	2002/03 FINAL ADM	TOTAL CURRENT SPENDING PER ADM	TOTAL CURRENT SPENDING/ADM WITH LOW WEALTH & SMALL COUNTY	CHANGE IN SPENDING PER ADM
Hyde	1	1	\$945,264	\$0	\$945,264	\$0	\$1,283,248	\$2,228,512	667	\$1,417	\$3,341	\$1,924
Orange	2	2	\$42,293,960	\$11,842,497	\$54,136,457	\$0	\$0	\$54,136,457	17,023	\$3,180	\$3,180	\$0
Tyrrell	3	3	\$496,420	\$0	\$496,420	\$150,277	\$1,273,801	\$1,920,498	683	\$727	\$2,812	\$2,085
Mecklenburg	4	5	\$264,989,000	\$0	\$264,989,000	\$0	\$0	\$264,989,000	110,273	\$2,403	\$2,403	\$0
Durham	5	4	\$71,106,656	\$0	\$71,106,656	\$0	\$0	\$71,106,656	31,405	\$2,264	\$2,264	\$0
Dare	6	8	\$12,206,942	\$0	\$12,206,942	\$0	\$0	\$12,206,942	4,691	\$2,602	\$2,602	\$0
Carteret	7	6	\$16,401,577	\$0	\$16,401,577	\$0	\$0	\$16,401,577	8,214	\$1,997	\$1,997	\$0
Currituck	8	7	\$6,309,822	\$0	\$6,309,822	\$0	\$1,173,411	\$7,483,233	3,421	\$1,844	\$2,187	\$343
New Hanover	9	9	\$47,411,979	\$0	\$47,411,979	\$0	\$0	\$47,411,979	21,917	\$2,163	\$2,163	\$0
Chatham	10	19	\$14,963,493	\$0	\$14,963,493	\$0	\$0	\$14,963,493	7,557	\$1,980	\$1,980	\$0
Wake	11	10	\$198,600,509	\$0	\$198,600,509	\$0	\$0	\$198,600,509	107,408	\$1,849	\$1,849	\$0
Alleghany	12	13	\$1,512,586	\$0	\$1,512,586	\$0	\$1,246,636	\$2,759,222	1,446	\$1,046	\$1,908	\$862
Polk	13	11	\$3,474,942	\$0	\$3,474,942	\$0	\$1,105,578	\$4,580,520	2,359	\$1,473	\$1,942	\$469
Chowan	14	18	\$3,206,044	\$0	\$3,206,044	\$370,322	\$1,042,425	\$4,618,791	2,468	\$1,299	\$1,871	\$572
Guilford	15	14	\$117,639,195	\$0	\$117,639,195	\$0	\$0	\$117,639,195	65,304	\$1,801	\$1,801	\$0
Gates	16	12	\$1,970,000	\$0	\$1,970,000	\$560,468	\$1,086,900	\$3,617,368	1,978	\$996	\$1,829	\$833
Brunswick	17	16	\$20,143,457	\$0	\$20,143,457	\$0	\$0	\$20,143,457	10,686	\$1,885	\$1,885	\$0
Perquimans	18	20	\$1,462,769	\$0	\$1,462,769	\$265,052	\$1,138,458	\$2,866,279	1,691	\$865	\$1,695	\$830
Forsyth	19	17	\$81,673,526	\$0	\$81,673,526	\$0	\$0	\$81,673,526	47,488	\$1,720	\$1,720	\$0
Jones	20	22	\$820,349	\$0	\$820,349	\$352,261	\$1,302,289	\$2,474,899	1,416	\$579	\$1,748	\$1,168
Pamlico	21	25	\$1,854,125	\$0	\$1,854,125	\$204,700	\$1,159,167	\$3,217,992	2,063	\$899	\$1,560	\$661
Camden	22	15	\$783,739	\$0	\$783,739	\$280,529	\$1,126,726	\$2,190,994	1,406	\$557	\$1,558	\$1,001
Avery	23	21	\$2,850,000	\$0	\$2,850,000	\$0	\$1,076,873	\$3,926,873	2,451	\$1,163	\$1,602	\$439
Clay	24	24	\$693,634	\$0	\$693,634	\$0	\$1,262,320	\$1,955,954	1,239	\$560	\$1,579	\$1,019
Graham	25	29	\$489,530	\$0	\$489,530	\$62,430	\$1,232,185	\$1,784,145	1,158	\$423	\$1,541	\$1,118
Scotland	26	28	\$8,700,000	\$0	\$8,700,000	\$1,530,001	\$0	\$10,230,001	6,989	\$1,245	\$1,464	\$219
Buncombe	27	23	\$36,470,908	\$6,135,382	\$42,606,290	\$0	\$0	\$42,606,290	28,812	\$1,479	\$1,479	\$0
Watauga	28	31	\$7,468,309	\$0	\$7,468,309	\$0	\$0	\$7,468,309	4,655	\$1,604	\$1,604	\$0
Moore	29	27	\$16,645,032	\$0	\$16,645,032	\$0	\$0	\$16,645,032	11,546	\$1,442	\$1,442	\$0
Washington	30	33	\$1,418,000	\$0	\$1,418,000	\$612,673	\$1,104,576	\$3,135,249	2,200	\$645	\$1,425	\$781
Pasquotank	31	26	\$7,239,000	\$0	\$7,239,000	\$1,035,644	\$0	\$8,274,644	5,844	\$1,239	\$1,416	\$177
Transylvania	32	32	\$5,557,672	\$0	\$5,557,672	\$0	\$0	\$5,557,672	3,938	\$1,411	\$1,411	\$0
Johnston	33	30	\$30,262,626	\$0	\$30,262,626	\$3,116,871	\$0	\$33,379,497	23,351	\$1,296	\$1,429	\$133
Northampton	34	36	\$3,037,691	\$0	\$3,037,691	\$798,695	\$1,165,876	\$5,002,262	3,460	\$878	\$1,446	\$568
Rowan	35	34	\$24,792,867	\$0	\$24,792,867	\$1,493,925	\$0	\$26,286,792	20,544	\$1,207	\$1,280	\$73
Haywood	36	39	\$10,478,547	\$0	\$10,478,547	\$201,439	\$0	\$10,679,986	7,732	\$1,355	\$1,381	\$26
Hertford	37	35	\$2,821,983	\$0	\$2,821,983	\$935,347	\$1,225,860	\$4,983,190	3,716	\$759	\$1,341	\$582
Yancey	38	38	\$1,970,843	\$0	\$1,970,843	\$180,621	\$1,100,898	\$3,252,362	2,491	\$791	\$1,306	\$514
Martin	39	37	\$4,865,409	\$0	\$4,865,409	\$912,736	\$0	\$5,778,145	4,519	\$1,077	\$1,279	\$202
Pender	40	49	\$7,786,981	\$0	\$7,786,981	\$1,056,482	\$0	\$8,843,463	6,751	\$1,153	\$1,310	\$156
Ashe	41	42	\$2,600,000	\$0	\$2,600,000	\$0	\$1,101,677	\$3,701,677	3,155	\$824	\$1,173	\$349
Jackson	42	44	\$5,042,610	\$0	\$5,042,610	\$0	\$0	\$5,042,610	3,772	\$1,337	\$1,337	\$0
Cherokee	43	53	\$2,959,001	\$0	\$2,959,001	\$396,377	\$1,118,019	\$4,473,397	3,656	\$809	\$1,224	\$414
Surry	44	43	\$12,296,174	\$0	\$12,296,174	\$1,139,183	\$0	\$13,435,357	11,544	\$1,065	\$1,164	\$99
Person	45	51	\$6,561,200	\$0	\$6,561,200	\$455,918	\$0	\$7,017,118	6,009	\$1,092	\$1,168	\$76
Pitt	46	45	\$24,537,249	\$0	\$24,537,249	\$1,955,691	\$0	\$26,492,940	20,377	\$1,204	\$1,300	\$96
Warren	47	47	\$2,113,628	\$0	\$2,113,628	\$733,136	\$1,202,204	\$4,048,968	3,248	\$651	\$1,247	\$596
Henderson	48	48	\$14,624,605	\$0	\$14,624,605	\$0	\$0	\$14,624,605	11,891	\$1,230	\$1,230	\$0
Stokes	49	52	\$7,203,477	\$0	\$7,203,477	\$1,146,747	\$0	\$8,350,224	7,346	\$981	\$1,137	\$156
Montgomery	50	62	\$4,756,257	\$0	\$4,756,257	\$702,441	\$0	\$5,458,698	4,394	\$1,082	\$1,242	\$160
Caswell	51	58	\$2,258,000	\$0	\$2,258,000	\$810,722	\$1,160,813	\$4,229,535	3,425	\$659	\$1,235	\$576
Madison	52	50	\$1,771,875	\$0	\$1,771,875	\$170,221	\$1,099,801	\$3,041,897	2,495	\$710	\$1,219	\$509
Mitchell	53	57	\$1,507,498	\$0	\$1,507,498	\$150,139	\$1,105,588	\$2,763,225	2,331	\$647	\$1,185	\$539
Greene	54	60	\$1,676,069	\$0	\$1,676,069	\$844,214	\$1,112,033	\$3,632,316	3,121	\$537	\$1,164	\$627
Bertie	55	67	\$2,004,340	\$0	\$2,004,340	\$891,760	\$1,092,532	\$3,988,632	3,454	\$580	\$1,155	\$574
Cleveland	56	65	\$9,591,540	\$8,158,341	\$17,749,881	\$2,314,630	\$0	\$20,064,511	17,265	\$1,028	\$1,162	\$134
Nash	57	46	\$19,857,832	\$0	\$19,857,832	\$2,154,994	\$0	\$22,012,826	18,680	\$1,063	\$1,178	\$115
Granville	58	56	\$8,087,347	\$0	\$8,087,347	\$1,579,345	\$0	\$9,666,692	8,445	\$958	\$1,145	\$187
Cabarrus	59	55	\$28,954,655	\$0	\$28,954,655	\$76,560	\$0	\$29,031,215	25,085	\$1,154	\$1,157	\$3
Iredell	60	59	\$25,799,804	\$1,249,563	\$27,049,367	\$0	\$0	\$27,049,367	23,049	\$1,174	\$1,174	\$0
Cumberland	61	40	\$57,150,000	\$0	\$57,150,000	\$4,470,336	\$0	\$61,620,336	51,469	\$1,110	\$1,197	\$87
Swain	62	71	\$549,822	\$0	\$549,822	\$151,748	\$1,210,641	\$1,912,211	1,802	\$305	\$1,061	\$756
Wilson	63	41	\$13,523,073	\$0	\$13,523,073	\$994,418	\$0	\$14,517,491	12,598	\$1,073	\$1,152	\$79
Macon	64	68	\$4,504,267	\$0	\$4,504,267	\$0	\$0	\$4,504,267	4,033	\$1,117	\$1,117	\$0
Beaufort	65	54	\$7,914,533	\$0	\$7,914,533	\$859,004	\$0	\$8,773,537	7,319	\$1,081	\$1,199	\$117
Davie	66	64	\$6,863,146	\$0	\$6,863,146	\$0	\$0	\$6,863,146	5,906	\$1,162	\$1,162	\$0
Franklin	67	63	\$7,953,910	\$0	\$7,953,910	\$1,192,302	\$0	\$9,146,212	7,933	\$1,003	\$1,153	\$150
Vance	68	61	\$7,489,298	\$0	\$7,489,298	\$1,629,028	\$0	\$9,118,326	8,392	\$892	\$1,087	\$194
Catawba	69	66	\$24,705,378	\$0	\$24,705,378	\$0	\$0	\$24,705,378	23,651	\$1,045	\$1,045	\$0
Lee	70	69	\$8,705,974	\$0	\$8,705,974	\$368,519	\$0	\$9,074,493	8,900	\$978	\$1,020	\$41
Yadkin	71	84	\$5,673,042	\$0	\$5,673,042	\$582,912	\$0	\$6,255,954	5,856	\$969	\$1,068	\$100
Alamance	72	72	\$23,422,820	\$0	\$23,422,820	\$0	\$0	\$23,422,820	21,785	\$1,075	\$1,075	\$0
Caldwell	73	70	\$11,618,968	\$0	\$11,618,968	\$1,320,709	\$0	\$12,939,677	12,602	\$922	\$1,027	\$105
Union	74	85	\$20,519,344	\$7,175,654	\$27,694,998	\$1,057,225	\$0	\$28,752,223	25,705	\$1,077	\$1,119	\$41
Stanly	75	77	\$9,198,634	\$0	\$9,198,634	\$1,354,343	\$0	\$10,552,977	9,955	\$924	\$1,060	\$136
Onslow	76	75	\$19,253,142	\$0	\$19,253,142	\$3,874,771	\$0	\$23,127,913	21,254	\$906	\$1,088	\$182
Davidson	77	79	\$24,998,886	\$0	\$24,998,886	\$817,596	\$0	\$25,816,482	24,590	\$1,017	\$1,050	\$33
Rutherford	78	82	\$9,322,751	\$0	\$9,322,751	\$1,222,441	\$0	\$10,545,192	10,140	\$919	\$1,040	\$121
Wilkes	79	80	\$9,756,275	\$0	\$9,756,275	\$759,354	\$0	\$10,515,629	10,173	\$959	\$1,034	\$75
Edgecombe	80	76	\$5,958,434	\$0	\$5,958,434	\$1,608,031	\$0	\$7,566,465	7,526	\$792	\$1,005	\$214
Lenoir	81	78	\$8,774,655	\$0	\$8,774,655	\$1,547,334	\$0	\$10,321,989	10,170	\$863	\$1,015	\$152
Bladen	82	83	\$4,206,716	\$0	\$4,206,716	\$1,198,541	\$0	\$5,405,257	5,584	\$753	\$968	\$215
Halifax	83	73	\$5,165,380	\$2,453,289	\$7,618,669	\$2,422,055	\$0	\$10,040,724	9,641	\$790	\$1,041	\$251
Rockingham	84	74	\$13,366,690	\$0	\$13,366,690	\$1,850,169	\$0	\$15,216,859	14,648	\$913	\$1,039	\$126
McDowell	85	87	\$5,354,457	\$0	\$5,354,457	\$840,717	\$0	\$6,195,174	6,446	\$831	\$961	\$130
Burke	86	95	\$12,370,355	\$0	\$12,370,355	\$1,471,814	\$0	\$13,842,169	14,545	\$850	\$952	\$101
Anson	87	86	\$3,378,119	\$0	\$3,378,119	\$976,925	\$0	\$4,355,044	4,398	\$768	\$990	\$222
Gaston	88	81	\$30,560,084	\$0	\$30,560,084	\$0	\$0	\$30,560,084	30,801	\$992	\$992	\$0
Craven	89	88	\$12,614,940	\$0	\$12,614,940	\$1,053,728	\$0	\$13,668,668	14,299	\$882	\$956	\$74
Wayne	90	90	\$15,118,880	\$0	\$15,118,880	\$2,962,742	\$0	\$18,081,622	19,079	\$792	\$948	\$155
Lincoln	91	91	\$10,641,011	\$0	\$10,641,011	\$783,695	\$0	\$11,424,706	11,377	\$935	\$1,004	\$69
Hoke	92	93	\$3									

ABILITY TO PAY

This is a measure of a county's per student fiscal capacity to support public schools. It is a combined measure of revenue that would have been generated at the state average tax rate based on 2002-03 property valuations per student (adjusted to reflect current market prices and to account for differences in income levels) and the value of non-property tax revenues. Each county's mandated social service payments were also subtracted from total adjusted revenues. Large, urban counties combining high adjusted property valuations with broad-based economic activity and high per capita incomes tend to rank highest in this measure.

TABLE

4

COUNTY	RANK	PREVIOUS YEAR'S RANK	ADJUSTED TAX BASE	STATE AVG. EFFECTIVE PROPERTY TAX RATE	ADJUSTED PROPERTY TAX REVENUE	NON-PROPERTY TAX REVENUE	MANDATED SOCIAL SERVICES PAYMENTS	TOTAL REVENUES LESS WELFARE	2002/03	2003 ESTIMATED PER CAPITA INCOME	% STATE AVG. PER CAPITA INCOME	INCOME ADJUSTED TOTAL REVENUES	REVENUE PER ADM	% STATE AVG. REVENUE PER ADM
Dare	1	1	\$7,165,211,789	\$0.597	\$42,776,314	\$13,625,480	\$3,475,349	\$52,926,446	4,691	\$28,908	104.0%	\$55,065,600	\$11,739	351.8%
Watauga	2	5	\$5,448,289,594	\$0.597	\$32,526,289	\$8,918,395	\$2,476,244	\$38,968,440	4,655	\$24,265	87.3%	\$34,031,643	\$7,311	219.1%
Macon	3	4	\$4,554,839,439	\$0.597	\$27,192,391	\$6,277,806	\$2,530,400	\$30,939,797	4,033	\$23,874	85.9%	\$26,584,730	\$6,592	197.6%
Brunswick	4	8	\$12,409,604,386	\$0.597	\$74,085,338	\$13,913,841	\$7,599,494	\$80,399,685	10,686	\$23,908	86.0%	\$69,181,057	\$6,474	194.0%
Mecklenburg	5	2	\$75,608,356,940	\$0.597	\$451,381,891	\$128,874,008	\$72,629,690	\$507,626,209	110,273	\$38,556	138.8%	\$704,410,153	\$6,388	191.5%
Carteret	6	6	\$7,599,931,309	\$0.597	\$45,371,590	\$12,116,647	\$5,106,132	\$52,382,105	8,214	\$27,713	99.7%	\$52,246,366	\$6,361	190.6%
Jackson	7	10	\$4,133,797,766	\$0.597	\$24,678,773	\$7,116,349	\$2,687,794	\$29,107,327	3,772	\$22,744	81.9%	\$23,826,419	\$6,317	189.3%
Currituck	8	9	\$3,018,159,855	\$0.597	\$18,018,414	\$5,473,440	\$1,406,006	\$22,085,849	3,421	\$26,481	95.3%	\$21,049,320	\$6,153	184.4%
Transylvania	9	17	\$3,596,203,795	\$0.597	\$21,469,337	\$5,698,237	\$2,657,226	\$24,510,347	3,938	\$26,342	94.8%	\$23,237,415	\$5,901	176.9%
New Hanover	10	7	\$17,817,740,272	\$0.597	\$106,371,909	\$31,900,990	\$17,656,105	\$120,616,794	21,917	\$29,408	105.8%	\$127,662,360	\$5,825	174.6%
Polk	11	12	\$1,686,760,586	\$0.597	\$10,069,961	\$2,736,994	\$1,337,110	\$11,469,845	2,359	\$31,719	114.2%	\$13,093,828	\$5,551	166.4%
Wake	12	3	\$68,339,492,934	\$0.597	\$407,986,773	\$97,645,629	\$44,922,202	\$460,710,200	107,408	\$35,515	127.8%	\$588,883,309	\$5,483	164.3%
Chatham	13	14	\$4,746,341,004	\$0.597	\$28,335,656	\$7,656,013	\$4,019,139	\$31,972,530	7,557	\$35,151	126.5%	\$40,448,674	\$5,352	160.4%
Avery	14	11	\$2,277,373,087	\$0.597	\$13,595,917	\$3,518,366	\$1,638,538	\$15,475,745	2,451	\$22,876	82.3%	\$12,741,521	\$5,198	155.8%
Henderson	15	15	\$8,282,701,836	\$0.597	\$49,447,730	\$15,755,185	\$8,628,883	\$56,574,032	11,891	\$28,252	101.7%	\$57,524,907	\$4,838	145.0%
Alleghany	16	13	\$1,232,785,432	\$0.597	\$7,359,729	\$1,644,460	\$1,044,907	\$7,959,283	1,446	\$24,328	87.6%	\$6,968,991	\$4,819	144.4%
Orange	17	21	\$10,142,879,194	\$0.597	\$60,552,989	\$15,902,901	\$8,637,050	\$67,818,840	17,023	\$33,375	120.1%	\$81,463,156	\$4,785	143.4%
Durham	18	16	\$19,751,404,532	\$0.597	\$117,915,885	\$37,165,625	\$25,579,350	\$129,502,160	31,405	\$30,813	110.9%	\$143,615,262	\$4,573	137.1%
Moore	19	18	\$6,537,259,571	\$0.597	\$39,027,440	\$12,009,502	\$6,172,980	\$44,863,512	11,546	\$32,107	115.6%	\$51,842,101	\$4,490	134.6%
Clay	20	25	\$1,100,453,596	\$0.597	\$6,569,708	\$1,474,743	\$981,034	\$7,063,416	1,239	\$21,625	77.8%	\$5,497,440	\$4,437	133.0%
Buncombe	21	22	\$17,177,864,873	\$0.597	\$102,551,853	\$40,375,986	\$21,609,156	\$121,318,684	28,812	\$27,288	98.2%	\$119,148,614	\$4,135	123.9%
Forsyth	22	19	\$24,918,333,153	\$0.597	\$148,762,449	\$50,989,392	\$25,401,027	\$174,350,814	47,488	\$31,236	112.4%	\$196,005,832	\$4,127	123.7%
Guilford	23	20	\$36,207,787,429	\$0.597	\$216,160,491	\$58,258,257	\$38,080,854	\$236,337,894	65,304	\$31,225	112.4%	\$265,598,371	\$4,067	121.9%
Ashe	24	26	\$2,274,215,838	\$0.597	\$13,577,069	\$4,155,327	\$3,070,659	\$14,661,737	3,155	\$23,853	85.8%	\$12,586,878	\$3,990	119.6%
Hyde	25	24	\$557,312,887	\$0.597	\$3,327,158	\$1,195,496	\$973,237	\$3,549,417	667	\$19,420	69.9%	\$2,480,824	\$3,719	111.5%
Davie	26	23	\$2,917,090,481	\$0.597	\$17,415,030	\$4,889,326	\$2,397,380	\$19,906,976	5,906	\$28,827	103.8%	\$20,653,532	\$3,497	104.8%
Haywood	27	30	\$4,585,590,848	\$0.597	\$27,375,977	\$9,433,909	\$6,003,130	\$30,806,757	7,732	\$24,261	87.3%	\$26,899,504	\$3,479	104.3%
Iredell	28	29	\$11,790,148,903	\$0.597	\$70,387,189	\$21,966,337	\$10,308,103	\$82,045,423	23,049	\$26,863	96.7%	\$79,322,879	\$3,441	103.1%
Cabarrus	29	27	\$11,873,711,900	\$0.597	\$70,886,060	\$22,135,893	\$13,542,526	\$79,479,427	25,085	\$29,733	107.0%	\$85,051,711	\$3,391	101.6%
Catawba	30	28	\$12,392,556,560	\$0.597	\$73,983,563	\$24,135,814	\$17,948,511	\$80,170,866	23,651	\$26,925	96.9%	\$77,689,421	\$3,285	98.5%
Person	31	34	\$3,073,418,535	\$0.597	\$18,348,309	\$5,923,063	\$4,234,131	\$20,037,241	6,009	\$23,690	85.3%	\$17,084,118	\$2,843	85.2%
Madison	32	37	\$1,467,044,992	\$0.597	\$8,758,259	\$2,553,214	\$1,995,523	\$9,315,950	2,495	\$21,097	75.9%	\$7,073,550	\$2,835	85.0%
Alamance	33	31	\$9,450,825,547	\$0.597	\$56,421,429	\$18,682,253	\$10,294,765	\$64,808,916	21,785	\$26,459	95.2%	\$61,716,002	\$2,833	84.9%
Union	34	32	\$10,675,390,507	\$0.597	\$63,732,081	\$21,418,522	\$9,768,065	\$75,382,538	25,705	\$26,227	94.4%	\$71,155,582	\$2,768	83.0%
Yancey	35	35	\$1,459,151,820	\$0.597	\$8,711,136	\$2,827,824	\$1,920,294	\$9,618,666	2,491	\$19,680	70.8%	\$6,182,861	\$2,735	82.0%
Wilkes	36	33	\$4,239,351,407	\$0.597	\$25,308,928	\$11,933,508	\$5,932,545	\$31,309,891	10,173	\$24,266	87.3%	\$27,344,460	\$2,688	80.6%
Pender	37	43	\$3,452,680,791	\$0.597	\$20,612,504	\$6,149,884	\$4,252,508	\$22,509,880	6,751	\$21,720	78.2%	\$17,596,351	\$2,606	78.1%
Pamlico	38	42	\$983,112,742	\$0.597	\$5,869,183	\$1,852,154	\$1,730,853	\$5,990,484	2,063	\$24,565	88.4%	\$5,296,248	\$2,567	76.9%
Craven	39	41	\$5,401,986,688	\$0.597	\$32,249,861	\$14,009,354	\$8,636,304	\$37,622,911	14,299	\$26,917	96.9%	\$36,447,576	\$2,549	76.4%
Cherokee	40	53	\$1,852,088,931	\$0.597	\$11,056,971	\$4,868,700	\$2,845,003	\$13,080,668	3,656	\$19,752	71.1%	\$9,298,879	\$2,543	76.2%
Lincoln	41	50	\$4,797,719,436	\$0.597	\$28,642,385	\$10,301,458	\$5,000,516	\$33,943,327	11,377	\$23,638	85.1%	\$28,877,177	\$2,538	76.1%
Lee	42	36	\$3,533,342,567	\$0.597	\$21,094,055	\$7,318,910	\$5,012,478	\$23,400,487	8,900	\$26,598	95.7%	\$22,400,797	\$2,517	75.4%
Davidson	43	38	\$9,449,303,655	\$0.597	\$56,412,343	\$20,458,018	\$10,721,722	\$66,148,639	24,590	\$25,914	93.3%	\$61,694,289	\$2,509	75.2%
Rowan	44	40	\$8,469,032,891	\$0.597	\$50,560,126	\$17,495,787	\$10,787,957	\$57,267,956	20,544	\$24,910	89.7%	\$51,342,264	\$2,499	74.9%
Montgomery	45	59	\$2,092,238,842	\$0.597	\$12,490,666	\$3,571,403	\$2,783,291	\$13,278,778	4,394	\$22,606	81.4%	\$10,803,673	\$2,459	73.7%
Surry	46	39	\$4,365,521,203	\$0.597	\$26,062,162	\$12,846,812	\$6,633,950	\$32,275,024	11,544	\$23,999	86.4%	\$27,877,211	\$2,415	72.4%
Randolph	47	44	\$8,774,209,778	\$0.597	\$52,382,032	\$17,970,789	\$9,207,671	\$61,145,151	22,160	\$23,629	85.0%	\$51,999,236	\$2,347	70.3%
Graham	48	45	\$634,429,349	\$0.597	\$3,787,543	\$1,217,363	\$1,364,722	\$3,640,184	1,158	\$20,592	74.1%	\$2,697,811	\$2,330	69.8%
Alexander	49	52	\$1,986,746,398	\$0.597	\$11,860,876	\$5,190,211	\$2,826,622	\$14,224,465	5,439	\$24,299	87.5%	\$12,439,816	\$2,287	68.5%
Gaston	50	54	\$11,612,832,001	\$0.597	\$69,328,607	\$24,554,283	\$22,166,102	\$71,716,788	30,801	\$27,173	97.8%	\$70,137,134	\$2,277	68.2%
Beaufort	51	47	\$3,270,778,417	\$0.597	\$19,526,547	\$7,723,156	\$6,510,799	\$20,738,905	7,319	\$22,311	80.3%	\$16,653,075	\$2,275	68.2%
Pitt	52	48	\$7,572,592,543	\$0.597	\$45,208,377	\$19,816,239	\$13,352,714	\$51,671,902	20,377	\$24,731	89.0%	\$45,992,363	\$2,257	67.6%
Perquimans	53	67	\$765,902,873	\$0.597	\$4,572,440	\$1,520,585	\$1,210,967	\$4,882,058	1,691	\$21,603	77.8%	\$3,795,829	\$2,245	67.3%
Yadkin	54	46	\$2,340,594,225	\$0.597	\$13,973,348	\$5,472,051	\$3,780,243	\$15,665,156	5,856	\$23,134	83.3%	\$13,042,926	\$2,227	66.8%
Mitchell	55	51	\$1,187,606,677	\$0.597	\$7,090,012	\$2,764,830	\$2,690,166	\$7,164,676	2,331	\$20,028	72.1%	\$5,164,446	\$2,216	66.4%
Camden	56	65	\$451,091,638	\$0.597	\$2,693,017	\$1,234,837	\$643,390	\$3,284,464	1,406	\$25,896	93.2%	\$3,061,165	\$2,177	65.3%
Rutherford	57	58	\$3,972,927,080	\$0.597	\$23,718,375	\$9,712,496	\$6,389,674	\$27,041,196	10,140	\$22,355	80.5%	\$21,756,557	\$2,146	64.3%
Franklin	58	61	\$2,932,874,879	\$0.597	\$17,509,263	\$7,132,165	\$4,975,952	\$19,665,427	7,933	\$24,043	86.5%	\$17,016,989	\$2,145	64.3%
Wilson	59	55	\$4,814,003,588	\$0.597	\$28,739,601	\$11,585,581	\$9,322,555	\$31,002,627	12,598	\$24,205	87.1%	\$27,008,047	\$2,144	64.3%
Johnston	60	49	\$7,645,776,185	\$0.597	\$45,645,284	\$20,238,258	\$11,385,817	\$54,497,725	23,351	\$25,502	91.8%	\$50,019,831	\$2,142	64.2%
Caldwell	61	57	\$4,533,640,680	\$0.597	\$27,065,835	\$9,721,179	\$7,571,274	\$29,215,739	12,602	\$25,235	90.8%	\$26,534,432	\$2,106	63.1%
Stokes	62	56	\$2,554,509,754	\$0.597	\$15,250,423	\$6,470,315	\$3,555,941	\$18,164,797	7,346	\$23,040	82.9%	\$15,062,693	\$2,050	61.5%
Stanly	63	63	\$3,601,287,658	\$0.597	\$21,499,687	\$7,836,724	\$4,993,570	\$24,342,841	9,955	\$23,193	83.5%	\$20,319,723	\$2,041	61.2%
Rockingham	64	60	\$5,699,157,841	\$0.597	\$34,023,972	\$11,271,637	\$9,143,706	\$36,151,903	14,648	\$22,930	82.5%	\$29,834,916	\$2,037	61.0%
Chowan	65	68	\$859,202,254	\$0.597	\$5,129,437	\$2,405,155	\$1,889,950	\$5,644,643	2,468	\$24,743	89.1%	\$5,026,647	\$2,037	61.0%
McDowell	66	62	\$2,391,368,904	\$0.597	\$14,276,472	\$6,984,606	\$3,869,075	\$17,392,004	6,446	\$20,951	75.4%	\$13,114,265	\$2,034	61.0%
Burke	67	64	\$5,187,150,378	\$0.597	\$30,967,288	\$12,170,982	\$9,048,271	\$34,089,998	14,545	\$23,890	86.0%	\$29,311,141	\$2,015	60.4%

RELATIVE EFFORT

This is a measure comparing Actual Effort and Ability to Pay. Actual Effort includes county appropriations for current expense, and, when appropriate, supplemental tax levies for schools. Low wealth counties with comparatively high spending levels have tended to rank highest in this measure.

TABLE

5

COUNTY	EFFORT RANK: CURRENT SPENDING	ABILITY RANK	REVENUE PER ADM	EFFORT RANK	TOTAL CURRENT TOTAL CURRENT SPENDING SPENDING PER ADM	EFFORT AS % OF REVENUE STUDENT PER CURRENT SPENDING
Scotland	1	92	\$1,333	23	\$1,245	93.4%
Gates	2	95	\$1,244	49	\$996	80.0%
Pasquotank	3	81	\$1,582	24	\$1,239	78.3%
Robeson	4	100	\$702	97	\$501	71.4%
Orange	5	17	\$4,785	1	\$3,180	66.5%
Northampton	6	90	\$1,339	65	\$878	65.6%
Martin	7	75	\$1,669	39	\$1,077	64.5%
Cumberland	8	73	\$1,734	34	\$1,110	64.0%
Chowan	9	65	\$2,037	21	\$1,299	63.8%
Halifax	10	94	\$1,282	75	\$790	61.6%
Johnston	11	60	\$2,142	22	\$1,296	60.5%
Nash	12	72	\$1,772	43	\$1,063	60.0%
Vance	13	84	\$1,508	63	\$892	59.2%
Washington	14	97	\$1,104	87	\$645	58.4%
Cleveland	15	71	\$1,790	46	\$1,028	57.4%
Hertford	16	91	\$1,336	79	\$759	56.9%
Anson	17	88	\$1,391	76	\$768	55.2%
Bertie	18	98	\$1,077	92	\$580	53.9%
Pitt	19	52	\$2,257	27	\$1,204	53.4%
Hoke	20	99	\$943	98	\$493	52.3%
Edgecombe	21	83	\$1,514	73	\$792	52.3%
Granville	22	70	\$1,863	55	\$958	51.4%
Lenoir	23	74	\$1,707	67	\$863	50.5%
Wilson	24	59	\$2,144	41	\$1,073	50.1%
Durham	25	18	\$4,573	4	\$2,264	49.5%
Bladen	26	82	\$1,524	80	\$753	49.4%
Rowan	27	44	\$2,499	26	\$1,207	48.3%
Wayne	28	78	\$1,644	72	\$792	48.2%
Stokes	29	62	\$2,050	51	\$981	47.8%
Onslow	30	69	\$1,902	61	\$906	47.6%
Beaufort	31	51	\$2,275	37	\$1,081	47.5%
Franklin	32	58	\$2,145	48	\$1,003	46.7%
Richmond	33	89	\$1,358	89	\$627	46.2%
Stanly	34	63	\$2,041	57	\$924	45.3%
Rockingham	35	64	\$2,037	60	\$913	44.8%
Guilford	36	23	\$4,067	11	\$1,801	44.3%
Pender	37	37	\$2,606	32	\$1,153	44.3%
Surry	38	46	\$2,415	42	\$1,065	44.1%
Montgomery	39	45	\$2,459	36	\$1,082	44.0%
Columbus	40	93	\$1,322	91	\$582	44.0%
Warren	41	86	\$1,483	85	\$651	43.9%
Caldwell	42	61	\$2,106	58	\$922	43.8%
Gaston	43	50	\$2,277	50	\$992	43.6%
Tyrell	44	76	\$1,669	81	\$727	43.6%
Yadkin	45	54	\$2,227	53	\$969	43.5%
Greene	46	96	\$1,244	96	\$537	43.2%
Rutherford	47	57	\$2,146	59	\$919	42.9%
Harnett	48	87	\$1,429	90	\$607	42.5%
Duplin	49	85	\$1,501	88	\$634	42.3%
Burke	50	67	\$2,015	68	\$850	42.2%
Forsyth	51	22	\$4,127	12	\$1,720	41.7%
Sampson	52	79	\$1,638	83	\$677	41.3%
Caswell	53	80	\$1,614	84	\$659	40.9%
McDowell	54	66	\$2,034	69	\$831	40.8%
Davidson	55	43	\$2,509	47	\$1,017	40.5%
Haywood	56	27	\$3,479	19	\$1,355	39.0%
Union	57	34	\$2,768	38	\$1,077	38.9%
Lee	58	42	\$2,517	52	\$978	38.9%
Perquimans	59	53	\$2,245	66	\$865	38.5%
Person	60	31	\$2,843	35	\$1,092	38.4%
Hyde	61	25	\$3,719	17	\$1,417	38.1%
Alamance	62	33	\$2,833	40	\$1,075	38.0%
Mecklenburg	63	5	\$6,388	3	\$2,403	37.6%
New Hanover	64	10	\$5,825	5	\$2,163	37.1%
Chatham	65	13	\$5,352	7	\$1,980	37.0%
Lincoln	66	41	\$2,538	56	\$935	36.8%
Buncombe	67	21	\$4,135	14	\$1,479	35.8%
Wilkes	68	36	\$2,688	54	\$959	35.7%
Jones	69	77	\$1,647	93	\$579	35.2%
Pamlico	70	38	\$2,567	62	\$899	35.0%
Craven	71	39	\$2,549	64	\$882	34.6%
Iredell	72	28	\$3,441	28	\$1,174	34.1%
Cabarrus	73	29	\$3,391	31	\$1,154	34.0%
Wake	74	12	\$5,483	9	\$1,849	33.7%
Alexander	75	49	\$2,287	77	\$768	33.6%
Davie	76	26	\$3,497	30	\$1,162	33.2%
Randolph	77	47	\$2,347	78	\$763	32.5%
Moore	78	19	\$4,490	16	\$1,442	32.1%
Cherokee	79	40	\$2,543	71	\$809	31.8%
Catawba	80	30	\$3,285	45	\$1,045	31.8%
Carteret	81	6	\$6,361	6	\$1,997	31.4%
Currituck	82	8	\$6,153	10	\$1,844	30.0%
Mitchell	83	55	\$2,216	86	\$647	29.2%
Brunswick	84	4	\$6,474	8	\$1,885	29.1%
Yancey	85	35	\$2,735	74	\$791	28.9%
Polk	86	11	\$5,551	15	\$1,473	26.5%
Camden	87	56	\$2,177	95	\$557	25.6%
Henderson	88	15	\$4,838	25	\$1,230	25.4%
Madison	89	32	\$2,835	82	\$710	25.0%
Transylvania	90	9	\$5,901	18	\$1,411	23.9%
Avery	91	14	\$5,198	29	\$1,163	22.4%
Dare	92	1	\$11,739	2	\$2,602	22.2%
Watauga	93	2	\$7,311	13	\$1,604	21.9%
Alleghany	94	16	\$4,819	44	\$1,046	21.7%
Jackson	95	7	\$6,317	20	\$1,337	21.2%
Ashe	96	24	\$3,990	70	\$824	20.7%
Graham	97	48	\$2,330	99	\$423	18.1%
Macon	98	3	\$6,592	33	\$1,117	16.9%
Swain	99	68	\$1,985	100	\$305	15.4%
Clay	100	20	\$4,437	94	\$560	12.6%
Total/State Avg.			\$3,393		\$1,356	40.0%

Glossary

ABILITY TO PAY A measure of a county's per student fiscal capacity to support local public schools. It is a combined measure of revenue that would have been generated at the state average tax rate based on 2002-03 property valuations per student (adjusted to reflect current market prices and to account for differences in income levels) and the value of non-property tax revenues, such as the county's share of local option sales tax, local tax aid (including reimbursements for inventory tax revenues, homestead exclusions, food stamp distribution, and the intangibles tax), and fines and forfeitures. Note: counties did not receive local tax reimbursement this year. Each county's mandated social service payments were subtracted from the total adjusted revenues. (See Table 4.)

ACTUAL EFFORT A summary of data for each county. It includes 2002-03 current expenses (including supplemental school taxes), six-year averages on capital outlay and capital debt service. The measure reflects the actual dollar effort of counties to fund local public schools without taking into account property wealth. (See Tables 2 and 3.)

ADJUSTED TAX BASE The total valuation of real, tangible, and public utility property for a county, adjusted using a three-year weighted average of the sales assessment ratio. (Notes about adjustment and weighted average: In North Carolina, residential and commercial property typically is revalued once every eight years. The longer it has been since properties in a county have been revalued, the more likely it is that the market value of property exceeds the assessed valuation. To help remedy this difficulty of estimating the market value of property valuations, the Department of Revenue computes an adjusted property tax rate for each county by using the ratio of assessed property value to market value. Typically, the longer the gap between revaluations, the larger the difference between market and assessed value. In an effort to be as accurate as possible, this study uses a three-year weighted average (except in the case of counties revalued in 2001 and 2002) to calculate the adjusted property valuation.) (Source: School Business Services, NC DPI)

AVERAGE DAILY MEMBERSHIP (ADM) The sum of the number of days in membership for all students in each county's local public schools, divided by the number of school days in the term. (Source: Statistical Research, NC DPI)

CAPITAL OUTLAY Withdrawals from the Public School Building Capital Fund and Grants from the Public School Building Bond Fund have been removed from the county total. A six-year average of public school capital outlay using proceeds from local option sales taxes and other sources to fund actual spending on capital projects or equipment for buildings.

CAPITAL OUTLAY PER ADM Six-year average of capital outlay spending for a county divided by the ADM for the county.

CHANGE IN SPENDING PER ADM The difference between the county's total current spending with supplemental funding and its total current spending.

CURRENT EXPENSE The most recent current expense appropriation by the county to the public schools, as reported in the audited financial statement of the local board(s) of education. (Source: School Business Services, NC DPI)

CURRENT SPENDING PER ADM The total amount of spending for a county divided by the ADM for the county.

DEBT SERVICE Using the *Public School Capital Outlay* report, withdrawals from the Public School Building Capital Fund have been removed from the county total. A six-year average of public school debt service outlay using proceeds from local option sales taxes and other sources to fund school bond repayments and lease purchase agreements.

DEBT SERVICE PER ADM Six-year average of debt service outlay spending for a county divided by the ADM for the county.

INCOME ADJUSTED TOTAL REVENUES The total revenues for a county, minus the amount paid in mandated welfare, multiplied by the percent of state average per capita income.

LOW WEALTH FUNDINGS Supplemental state funding intended to enhance instructional programs in counties designated as low wealth based on a formula that examines the ability to generate revenue per student below the state average. In addition, county adjusted property tax base, square miles in the county and per capita income are also used in the formula. (Source: School Business Services, NC DPI)

MANDATED SOCIAL SERVICES The amount of money each county pays in the health and human services categories mandated by the state. These categories include the Medicaid, public assistance, and Work First services (Source: NC Department of Health and Human Services)

NON-PROPERTY TAX REVENUE Sources of revenue for the county other than property taxes. Examples include the sales tax and fines/forfeitures. (Source: School Business Services, NC DPI)

RELATIVE EFFORT A measure comparing the Actual Effort of a county to its Ability to Pay. In general, low wealth districts with comparatively high spending levels rank highest in this measure. (See Table 5)

SMALL COUNTY FUNDING Supplemental state funding provided to two categories of local education agencies: those with less than 3,150 ADM, and those with 3,150-4,000 ADM who have an adjusted property tax base less than the state average. (Source: School Business Services, NC DPI)

STATE AVERAGE EFFECTIVE PROPERTY TAX The average of all 100 counties' adjusted tax rate. (Source: School Business Services, NC DPI)

SUPPLEMENTAL SCHOOL TAXES According to GS 115C-501(a), "a special tax to supplement the funds from State and county allotments and thereby operate schools of a higher standard by supplementing any item of expenditure in the school budget." (Source: School Business Services, NC DPI)

TOTAL CURRENT SPENDING PER ADM The sum of the current expense and the supplemental school taxes for a county, divided by the county's ADM.

Data Sources

The 2004 Local School Finance Study examines data from the 2002-03 school year. Every effort has been made to guarantee that the data included in this year's study are accurate and reflect what is being measured. The primary source of financial information is the Division of School Business Services at the Department of Public Instruction, which provided the non-property tax revenue, low wealth and small county supplemental funding information, final average daily membership numbers, effective county tax rate, adjusted revenue tax base, and current expense.

Other sources include the NC Department of Revenue's Tax Research and Ad Valorem Tax Divisions provided the 2002-03 property tax valuations and tax rates. The Department of Health and Human Services provided data for the mandated social services expenditures.

The Department of State Treasurer's State and Local Finance Division provided the Public School Capital Outlay Report. The per capita income was provided by United States Department of Commerce's Bureau of Economic Analysis.

Finally, a special thanks to Karen Peng and Lydia Prude at the North Carolina Department of Public Instruction for the wealth of information they provided for our preparation of this year's study. In addition, John Herron of the Local Government Commission at the State Treasurer's office provided valuable information and guidance in restructuring the capital spending analysis.

r. LOCAL SCHOOL finance study

Finance Study Staff

- John Poteat, Director of Policy Research
- Melissa Churchwell, Policy Analyst
- Design and Production, Opus 1, Inc.
Contact the Forum for additional copies of this study. (\$8 each)

Tel 919-781-6833 • Fax 919-781-6527 • www.ncforum.org • copyright November 2004 • Public School Forum of North Carolina

Public School Forum of North Carolina
Glenwood Place, Cumberland Building
3739 National Drive, Suite 100
Raleigh, North Carolina 27612



NONPROFIT ORG.
US Postage
PAID
Raleigh, NC
PERMIT NO. 1725