

2006 Local School Finance Study



INTRODUCTION

Article IX Section 2 of the state Constitution calls for the General Assembly to provide 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.” In 2004-05, the General Assembly provided \$6.3 billion for public schools and oversaw \$1 billion in federal funds, which accounts for 75.3 percent of the \$9.8 billion spent on the state’s 1,356,405 school children to meet the constitutional mandate.

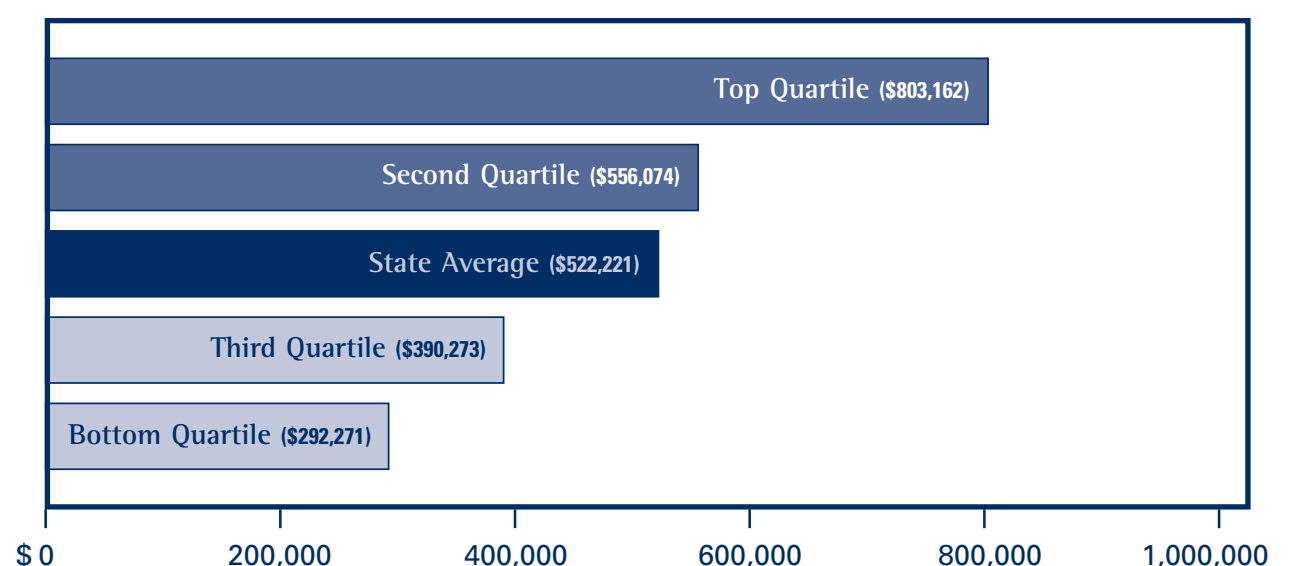
Also contained in that section is a provision whereby the General Assembly “may assign to units of local government such responsibility for the financial support of the free public schools as it may deem appropriate. The governing boards of units of local government with financial responsibility for public education may use local revenues to add to or supplement any public school or post-secondary school program.” Last year county governments provided \$2.4 billion for public education. Counties provided one of every 6 full-time personnel.

For 19 years the Public School Forum has isolated state and federal spending to examine the capacity and effort counties make to support their schools. The intention of the annual local school finance study is not to blame counties for their effort to support schools, but to examine the capacity and actual effort the state’s 100 counties make to support 115 school districts. During the Great Depression, the state assumed the major role for funding schools: “provided for

the operation of a uniform system of schools...and relieved the county board of education of the responsibility for operating and maintaining the public schools of the county,” according to the 1933 School Machinery Act. Under the school finance system born seven decades ago, the state is supposed to pay for current expenses (instructional programs and classrooms) and county governments are supposed to pay for capital expenses (buildings and maintenance). However, despite being “relieved” of their responsibility, last year counties spent \$1.9 billion to fund current expenses.

North Carolina has been engaged in litigation defending its system of school finance for over 12 years, which was partially instigated because of spending inequities between low wealth and wealthy counties. The gap between the top- and bottom-spending counties has grown over 86 percent since the litigation began and now is \$1,645 per pupil, per year. The state’s ten highest-spending counties spend an average of \$42,770 more per classroom than the lowest-spending counties. This large gap exists primarily because of the variation in property wealth across the state. The wealthiest counties have almost \$1.4 million per student in real estate capacity available, compared with the poorest counties, which have only \$258,000 per student in real estate capacity available. This gap has widened 132 percent since the Supreme Court’s first decision in the school case finance in 1997.

REAL ESTATE WEALTH AVAILABLE PER STUDENT

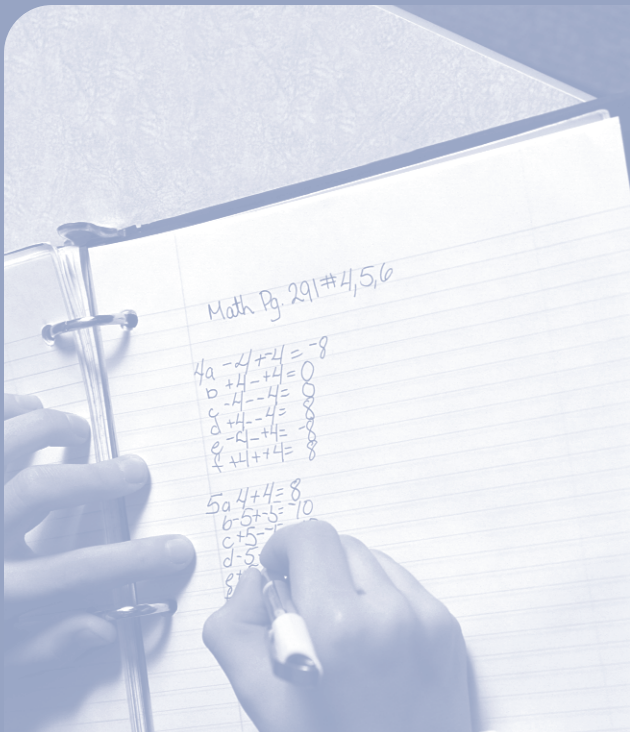


The state is divided into quartiles by adjusted property wealth available per child. The top quartile includes high growth Piedmont and mountain and beach resort areas, and has a real estate capacity of \$803,162 per child – \$280,941 above the state average. The bottom quartile has \$292,271 available – \$229,950 below the state average.

SYNOPSIS

North Carolina public schools spent \$9.8 billion in the 2004-05 school year, using a combination of state, federal, and local resources. State funding accounts for 64.5 percent of expenditures; federal funding accounts for 10.8 percent; and local funding accounts for 24.7 percent of spending.

According to a recent National Education Association survey, the US average breakdown of expenditures is 48.6 percent from the state, 8.8 percent from the federal government, and 42.7 percent from local sources.



FINDINGS

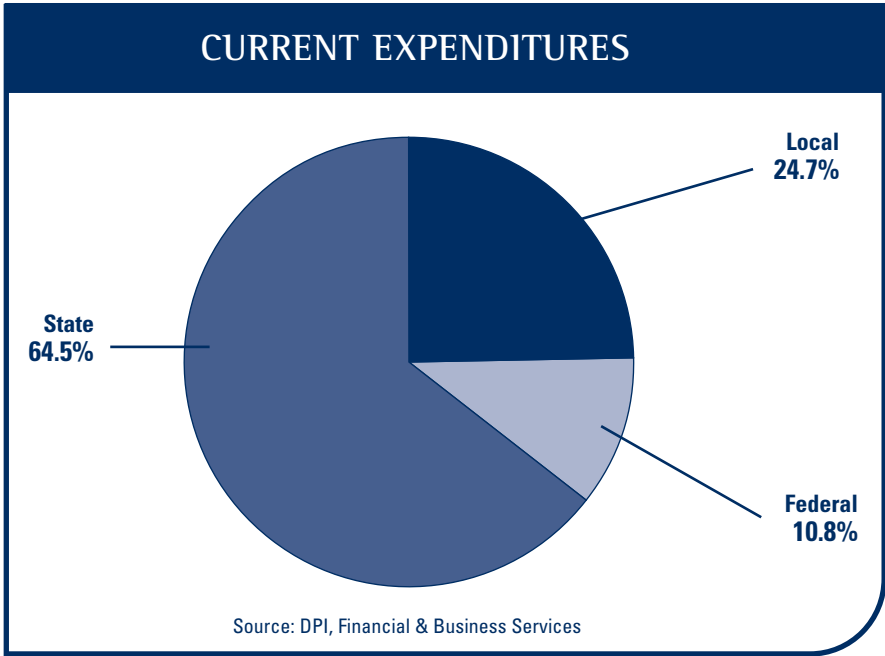
Capacity, Capacity, Capacity

The primary source of revenue for county government is local property taxes, and there is a wide variation between the property values of the state’s wealthiest and poorest counties. The ten wealthiest counties in the state have a real estate capacity of \$1,367,870 per student, compared to the ten poorest counties, which

have a real estate capacity of \$258,318 per student. The wealthiest counties’ real estate capacity rose 13 percent since last year, compared to the poorest counties, whose capacity grew 0.7 percent. The gap has been growing steadily every year and this year exceeded \$1 million.

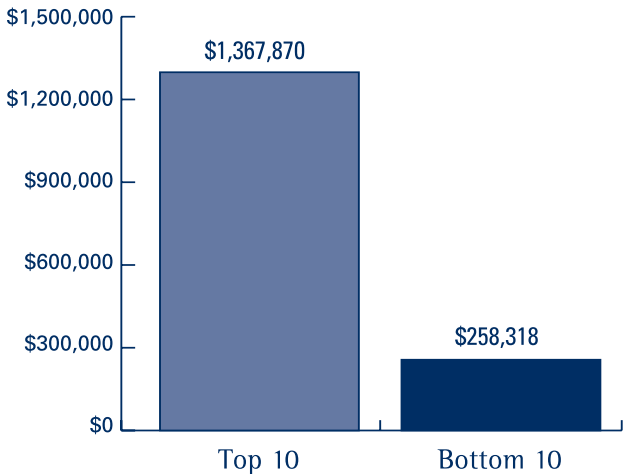
Low Wealth & Small County Supplemental Funding is Integral

In 1991 the state enacted two supplemental funds for low wealth and small counties, in part, to address the capacity that some counties have because of their limited local resources and size. Since 1991 the General Assembly has provided \$1,117,625,755 for both funds, including last

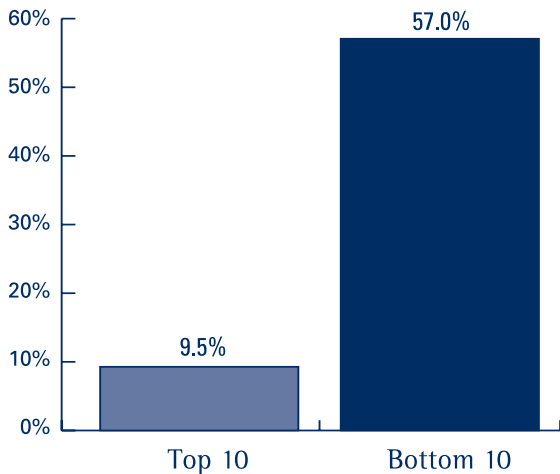


LOW VS HIGH WEALTH: THE WIDENING GAP

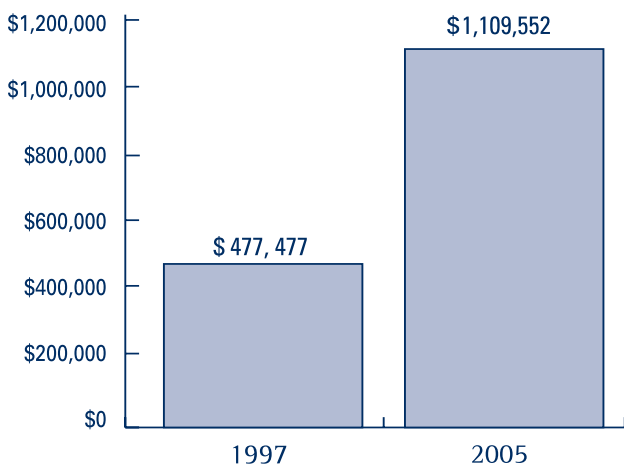
1) Taxable Real Estate Wealth Available Per Child in the Wealthiest and Poorest Counties



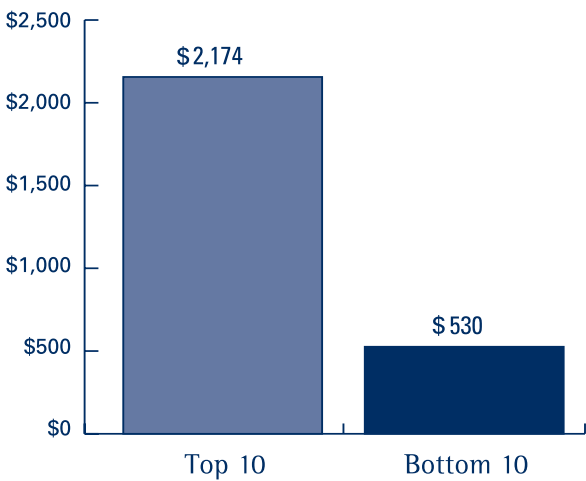
2) Percent of Tax Revenue Used for Mandated Social Services



3) Real Estate Gap Widening Between Wealthiest and Poorest Counties



4) Current Spending Per Student



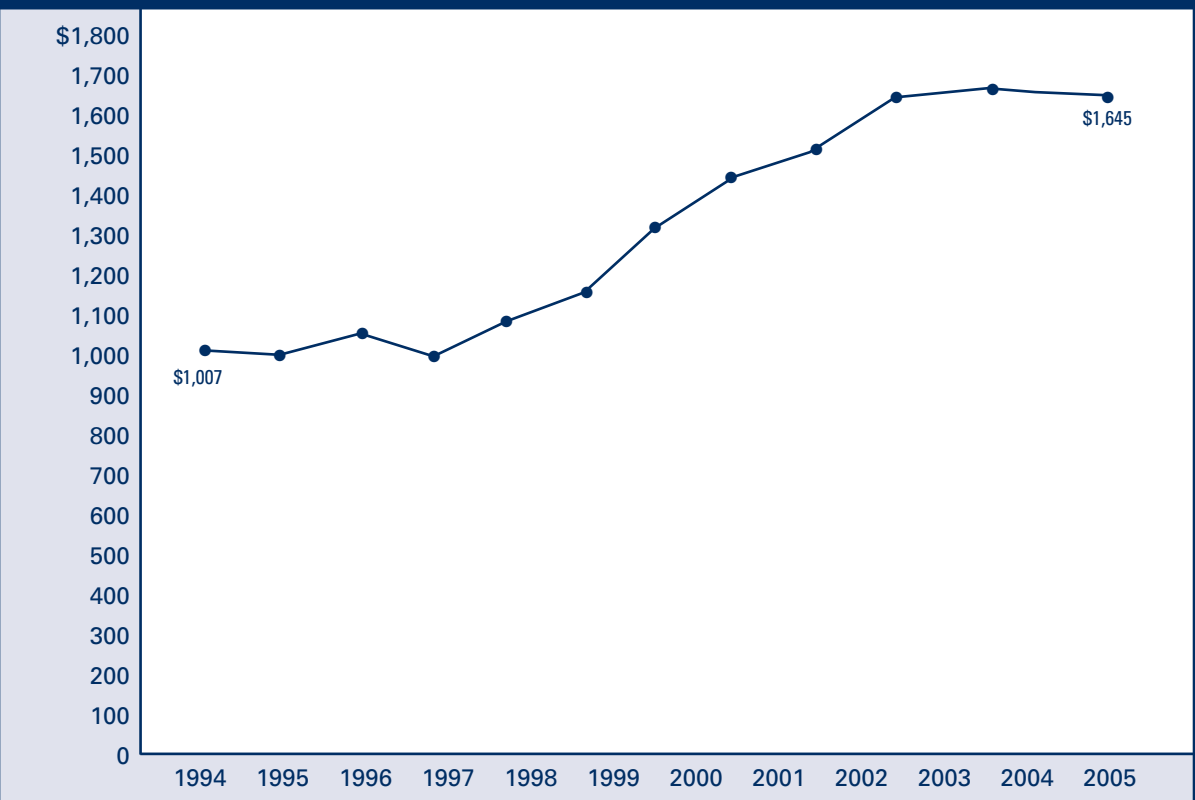
1) Taxable Real Estate Wealth Available Per Child in the Wealthiest and Poorest Counties...The major source of revenue for county government is the taxable property value. The wealthiest counties have five times more taxable property wealth per child available to them. This problem is further exacerbated because the poorest counties tax themselves at 38 cents above the wealthiest counties, but the revenue generated by that taxation is substantially less than that of the wealthy counties.

2) Percent of Tax Revenue Used for Mandated 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 9.5 percent of their adjusted tax revenue on social services while the low wealth counties spend 57 percent.

3) Real Estate Gap Widening Between the Wealthiest and Poorest Counties...The real estate capacity of the state’s wealthiest counties has grown \$721,400 since 1997, compared to \$89,325 in the poorest counties. The gap has risen 132 percent since 1997.

4) Current Spending Per Student...Current expenditures represent annual county spending on programs and personnel. Since 1997, the top spending counties increased their spending 41.7 percent compared to 20.4 percent for the bottom spending counties. The top spending counties spend \$1,645 more per student than the bottom spending counties.

WIDENING SPENDING GAP BETWEEN COUNTIES



The spending gap between the top- and bottom-spending counties has grown \$638 per student since 1994. The top-spending counties are able to spend \$42,770 more per classroom than their bottom-spending counterparts.

year’s appropriation of \$108,493,993 for the 70 low wealth counties and \$37,489,844 for the 28 small counties.

For the state’s low wealth counties, the low wealth supplemental fund provided an additional \$149.78 per student and when coupled with the small county supplemental fund, provides an additional \$188.02 per student. The impact of the funds is especially important to the state’s poorest counties. Low wealth and small county supplemental funding provides an additional \$491.56 per student for the state’s ten lowest spending counties.

Real Estate Capacity Gap Grows

Coastal and mountain counties have the largest real estate capacity in the state. This year every county in the top ten in real estate capacity has an average per student real estate capacity above \$1 million, and collectively have an average five times greater than the bottom ten counties.

The wealthiest counties have a capacity five times greater than the poorest counties. The gap has reached over \$1.1 million and has risen 16.3 percent since last year and 132 percent since 1997.

The state’s wealthiest counties have five times the real estate capacity of the poorest counties, despite having an average effective tax that is 38 cents lower. The poorest counties continue raising their tax rates, but the revenue they can generate remains limited, while the wealthiest counties rate is over nine cents lower than it was a decade ago.

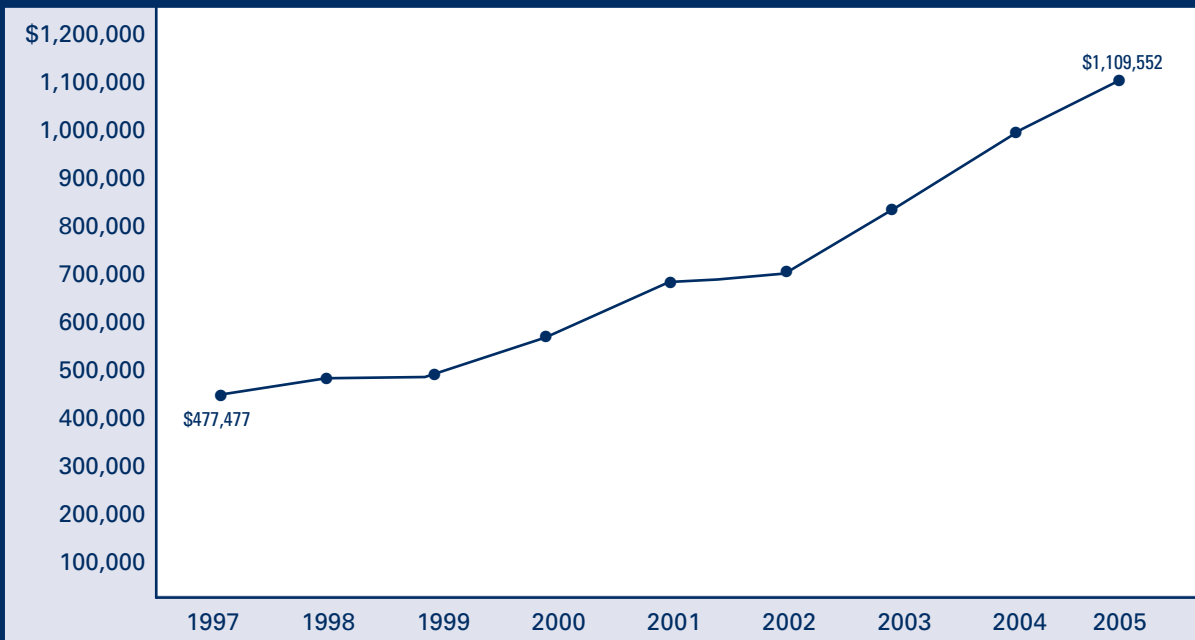
Current Spending Disparities Grow

Orange County spends seven times more per student than Hoke County, and, if you treat the supplemental tax in Orange County as its only source of current expenditures, would spend \$246 more per student than Hoke County. The gap between the highest- and lowest-spending counties has widened to \$1,645 per child. The top spending counties spend four times more per child (\$2,174 per child) compared to the bottom spending counties (\$530 per child). At the classroom level, the highest spending counties are spending \$42,770 more per classroom.

The highest-spending counties have increased their spending \$739 per student since 1997, compared to the lowest-spending counties, which have raised their spending \$90. Only one-fifth of the state’s 100 counties are above the state average of \$1,432 per student.

The state provides the majority of resources and funds three-fourths of the personnel, but the highest-spending counties are able to provide additional resources to enhance student opportunity. The top-spending counties fund one-quarter of all principals and assistant principals, compared to 0.5 percent for the bottom-spending counties. Major discrepancies exist among the teachers and teacher assistant categories. Top-spending counties provide one out of every eight teachers and one of every seven teacher assistants (see table to the left).

REAL ESTATE GAP WIDENING



The disparity in spending is driven by vast differences in real estate capacity. The gap has increased over 132 percent, and \$632,075. The top ten-spending counties all have an average real estate capacity over \$1 million.

POSITIONS FUNDED BY LOCAL RESOURCES

	Principals	Teachers	Teacher Assistants	Instructional Support	Average Supplement
Bottom	0.5%	1.5%	4.2%	11%	\$856
Top	25.2%	12.1%	15.4%	29.5%	\$3,954

State allotment formula pays for the bulk of classroom and instructional positions, but county government pays for approximately 9 percent of these positions. The variation between the poorest and wealthiest counties is tremendous. The wealthiest counties provide 25.2 percent of principals and assistant principals, compared to 0.5 percent in the poorest counties. The wealthiest counties provide 12 percent of classroom teaching positions, compared to 1.5 percent in the poorest counties. In addition, the wealthiest counties have average local teacher salary supplements 5 times larger than the poorest counties.

WHAT ACCOUNTS FOR DIFFERENCES?

A perennial finding of the local school finance study is the widening spending gap between the top and bottom-spending counties, which this year has reached \$1,645 per student. The following questions are raised each year: what accounts for the differences in spending between the top and bottom-spending counties? How do counties spend their local resources on schools?

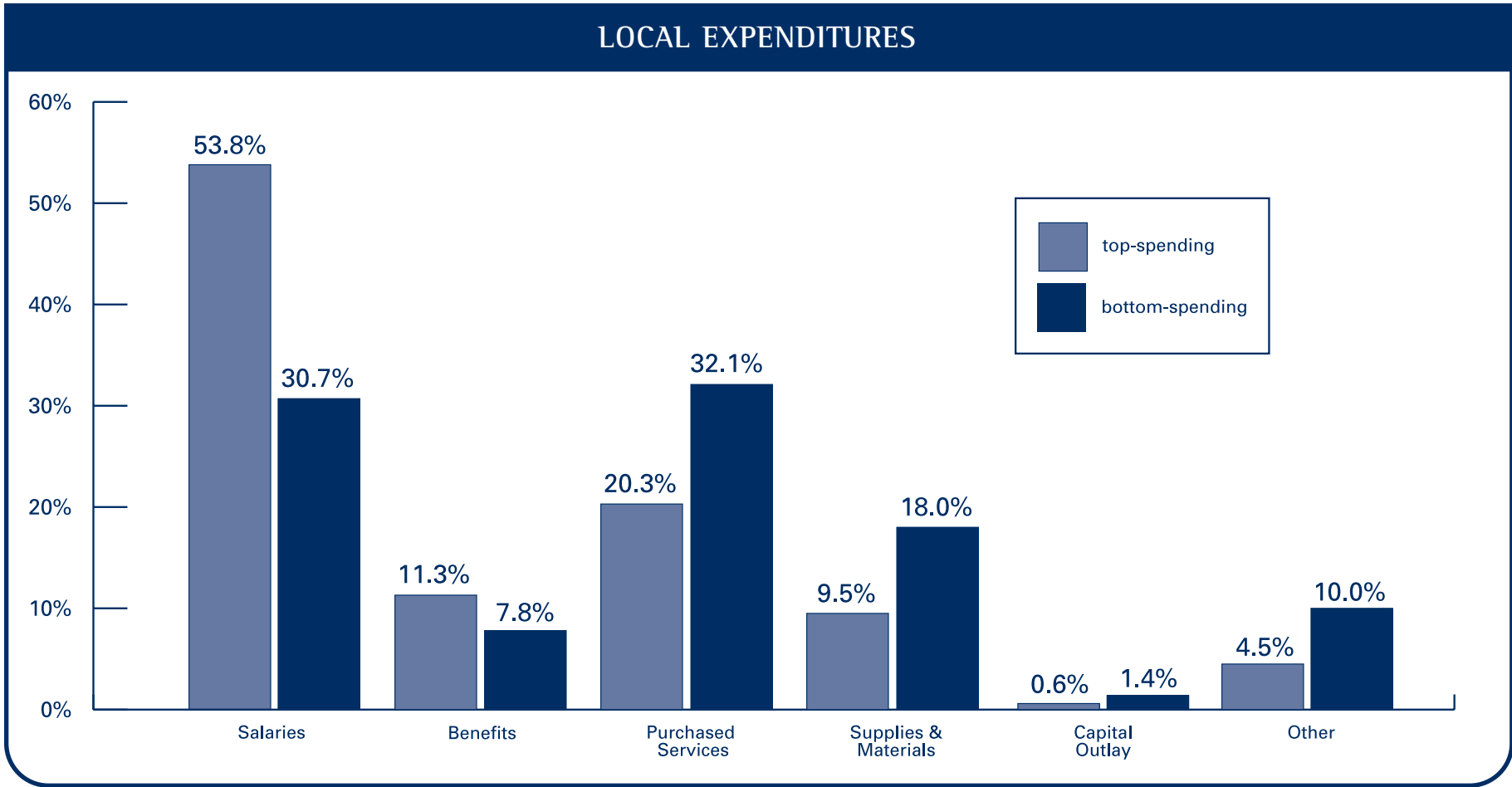
Local spending accounts for only one-quarter of school spending in North Carolina; however, these funds provide an additional 6,125 teachers, 2,159 instructional support personnel, 3,035 teacher assistants, 1,356 administrators, and 14,788 nonprofessional personnel (technicians, clerical staff, etc.). Because of the great disparities in local funding, the state's wealthiest districts are able to use their local resources to hire more instructional personnel and provide more resources for their schools than the state's poorer counties. The ten top-spending counties use local resources to fund over one out of every

four principals and assistant principals, compared to the lowest spending counties, which use local resources to fund one out of every 200 principals and assistant principals. Local expenditures provide one of out every 8 teachers in the top-spending counties, compared to the bottom-spending counties, which fund one teacher out of every 67 teachers with local resources. Finally, top-spending counties fund one of out every three instructional support personnel with local resources, compared to the bottom-spending counties, which fund one out of nine instructional support personnel with local resources.

Local expenditures can be divided into six major categories: Salaries, Benefits, Purchased Services, Supplies & Materials, Capital Outlay, and Other. Analyses of spending items indicate wide variation between the top- and bottom-spending counties. There is wide variation between the top- and bottom-spending counties in the breakdown

of local spending (see chart), with the majority of local resources in the top-spending counties used for salaries for additional personnel, while the bottom-spending counties use a majority of their local resources to pay for utilities (non-instructional purchased services) and supplies and materials. Approximately 90 percent of local expenditures are for salaries, benefits, purchased services, and supplies and materials.

Eight of the 10 largest spending items in the top-spending counties relate to salaries and benefits, compared with only four of the 10 largest items in the bottom-spending counties (see table). Of the largest items in local budgets, the bottom-spending counties spend more of their local funds on supplies and materials and purchased services (43.4 percent), while the top-spending counties spend 16.7 percent of their budget on purchased services, and supplies and materials are not in the top ten.



The top-spending counties spend 52.8 of their local resources on salaries for additional personnel, compared to the bottom-spending counties which spend 32.1 percent of their local resources on purchased services, which include legal services, audit services, utilities, repairs and garbage collection.

LARGEST ITEMS IN LOCAL BUDGET			
Top Ten Spending Counties		Bottom Ten Spending Counties	
SALARY: Supplementary Pay	15.7%	PURCHASED SERVICES: Property Services	17.8%
Teachers	9.5%	SALARY: Salary - Other Assignments	10.0%
Additional Personnel*	9.4%	PURCHASED SERVICES: Contracted Services	6.1%
PURCHASED SERVICES: Property Services	9.3%	SUPPLIES & MATERIALS: Textbooks	5.7%
Contracted Services:	7.4%	Transportation	5.6%
EMPLOYEE BENEFITS: Insurance Benefits	4.3%	SALARY: Supplementary Pay	5.2%
Employer's Social Security Cost	4.0%	Teacher	4.5%
SALARY: Clerical Personnel	3.9%	PURCHASED SERVICES: Communications	4.2%
EMPLOYEE BENEFITS: Retirement Cost	2.9%	SUPPLIES & MATERIALS: Supplies & Materials	4.0%
SALARY: Director/Supervisor	2.8%	EMPLOYEE BENEFITS: Insurance Benefits	3.5%
* This item is also called "Salary - Other Assignments"			
An analysis of the 10 largest items in local budgets reveal wide disparities between what the top- and bottom-spending counties use their local resources for. Eight of the 10 largest items are related to salaries and benefits in the top-spending counties, compared to four of the 10 largest items in the bottom-spending counties. The largest spending item for the top-spending counties is for local salary supplements (15.8 percent), compared to the largest item for the bottom-spending counties (17.8 percent) which is property services, which include utilities and garbage collection.			

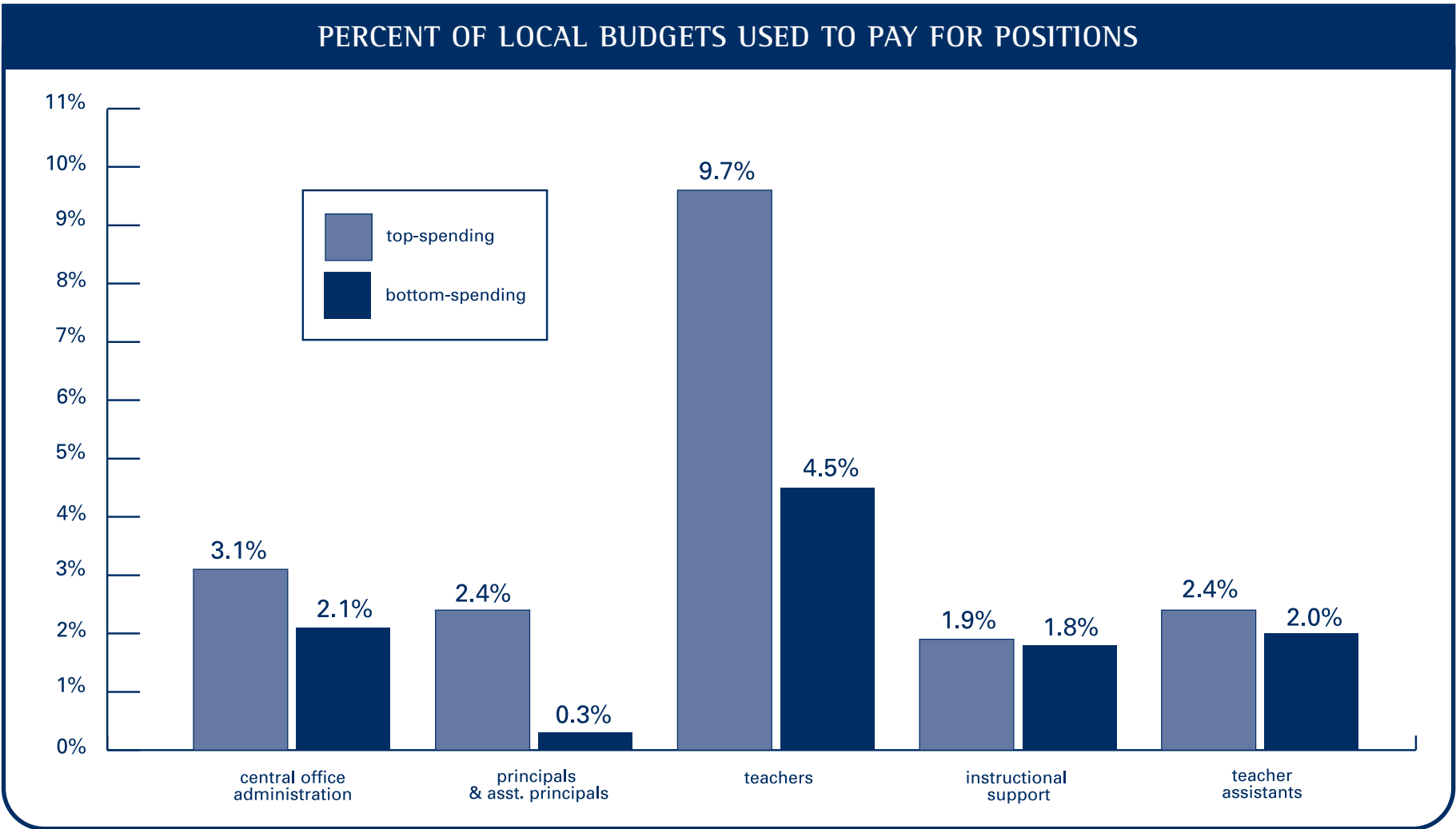
Salaries & Benefits

Top-spending counties use two-thirds of their local expenditures to pay the salaries and benefits of locally-funded positions, compared to less than 40 percent for the bottom-spending counties. Approximately one-quarter of school personnel is funded locally in the top-spending counties, compared to 6.3 percent in the bottom-spending counties. These resources allow high-spending counties to hire more principals and assistant principals, teachers, teacher assistants, and instructional support personnel than their low-spending counterparts (see chart). State

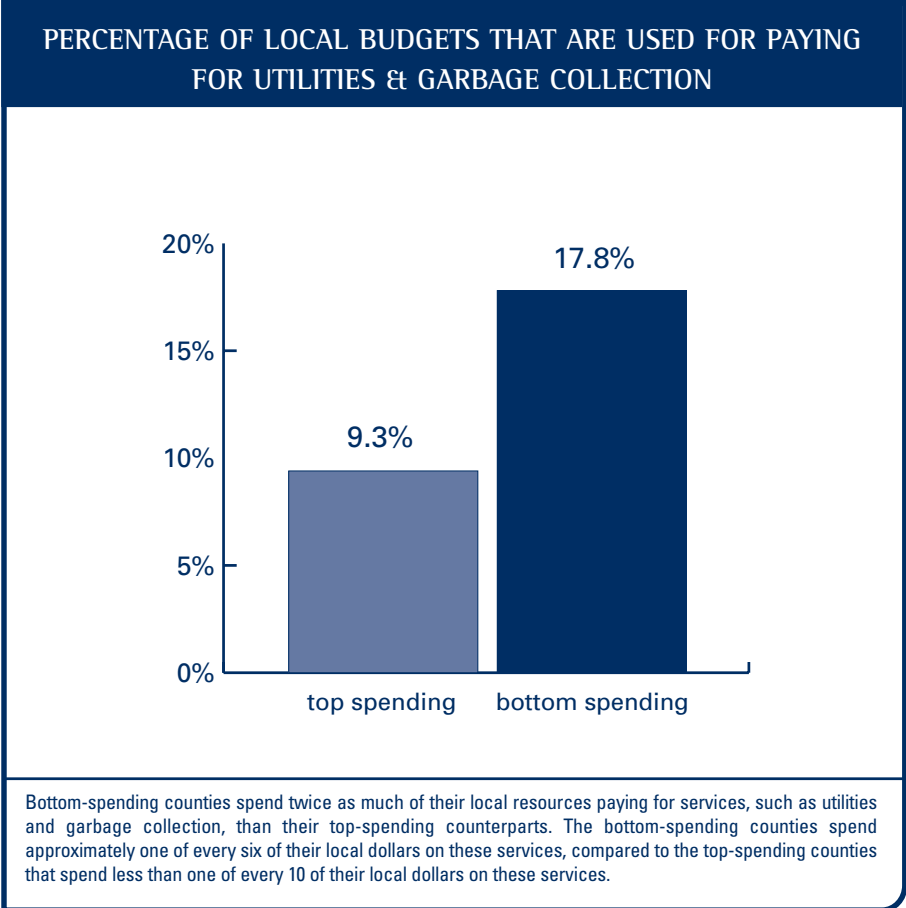
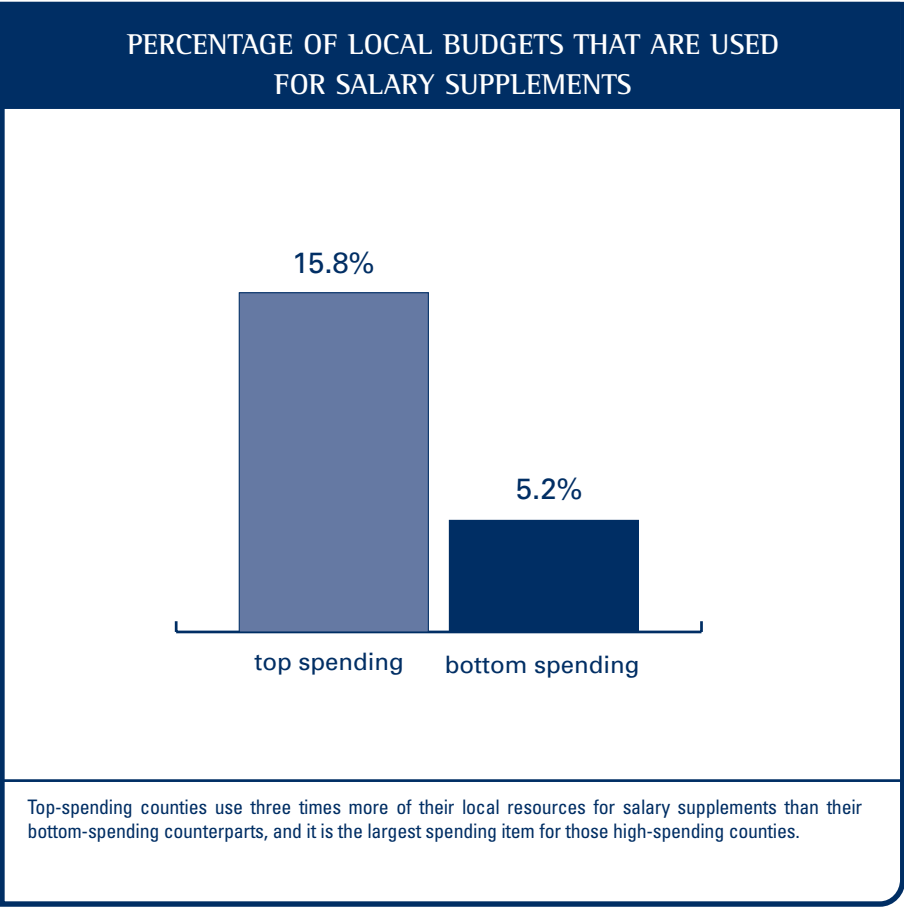
policy has a direct impact upon local hiring decisions. For example, the General Assembly approved an average salary increase of 2.5 percent for teachers and other certified personnel, which means counties are obligated to raise the salaries of their locally-funded personnel. These state budget decisions affect what counties are able to do within their budgets. The top-spending counties have the ability to spend more of their local resources to provide more personnel for instruction and support

compared to the bottom-spending counties, which have less flexibility.

The widest variation between the top- and bottom-spending counties is the salary supplements they provide certified personnel (teachers, instructional support personnel, principals, *etc.*). The top-spending counties spend one out of every six dollars locally on salary supplements for certified personnel, compared to the bottom-spending counties, which spend approximately one out of every 20 dollars on salary supplements.



The top-spending counties use a larger portion of their local school budgets to pay for additional personnel. They use approximately twice as much of their local budgets to fund central office and school building administrator positions as their bottom-spending counterparts. They also use almost 10 percent of their local budget to pay for additional teachers, compared to the bottom-spending counties which use less than 5 percent of their local budgets to provide additional teachers.



Purchased Services

Approximately one-third of bottom-spending counties’ expenditures were devoted to non-instructional purchased services, which range from contracted services for legal matters and audits, to property services for utilities, contracted repairs and maintenance, and waste management. The top-spending counties spend 20.2 percent of their overall budget on contracted services, compared to the bottom-spending counties, which spend 32.1 percent of their budget.

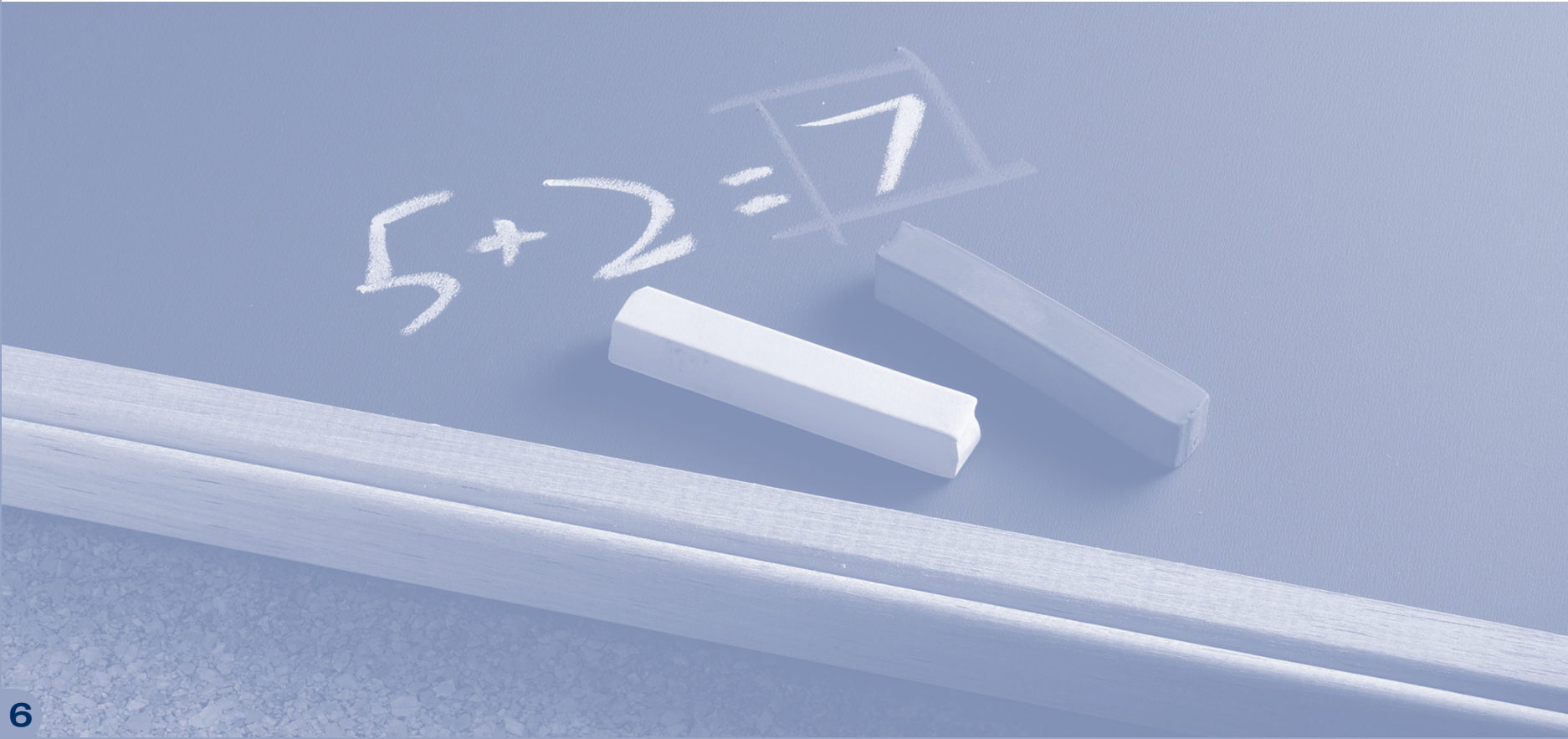
The larger disparity is in the purchased services, which includes payments for utilities such as electricity, natural gas, water and sewer, garbage collection, other waste management, and contracted cleaning services. The top counties devote one-tenth of their expenditures for these services, while the bottom-spending counties spend approximately twice as much of their budget paying utilities costs as the top-spending counties (see chart above).

Supplies and Materials

The other major area of local spending is for supplies and materials, which include instructional supplies, textbooks, library books, and other non-instructional supplies (e.g., fuel, oil, tires, etc.). The top-spending counties spend half as much of their budget (9.5 versus 18 percent) on this category. The top-spending counties spend a higher percentage of their budget on instructional supplies (2.7 versus 1.3 percent), but the bottom-spending counties spend a larger share of their local funds on textbooks (7 versus 2 percent), and twice as much on non-instructional supplies and materials (4 versus 2 percent).

Conclusion

The top-spending counties spend 68 percent of their resources on salaries, benefits, and supplies and materials for personnel, compared to the bottom-spending counties that spend 40 percent of their resources on these areas because of the other items counties must provide for schools. The top-spending counties spend a larger percentage of their total budget on supplementary pay for certified personnel than the bottom-spending counties spend on salaries for the Superintendent, Associate Superintendent, Director/Supervisor, Principals, Finance Officer, Assistant Principals, Assistant Superintendents, Other Administrative Assignments, Teachers, Instructional Support Personnel, Teacher Assistants, Tutors, Clerical Personnel, Longevity Pay, Overtime Pay, Substitute Pay, Bonus Pay, Annual Leave Pay, Mentor Pay, and Disability.



WHO PAYS FOR WHAT?

North Carolina’s first state constitution in 1776 included an education provision that “A School or Schools shall be established by the 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 or 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 the first time there was a 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 School Machinery Act established counties as the basic unit for operating public schools, which is maintained today with large county-wide school systems, except in the 11 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 delineations prescribed by the School Machinery Acts and the School Budget and Fiscal Control Act have become blurred. Last year, counties funded 911 principals and assistant principals, 6,125 teachers (6.8 percent of the total), 3,035 teacher assistants (10.7 percent of the total), and 2,159 instructional support personnel (17.6 percent of the total) In similar fashion, the state has passed statewide school construction bonds in 1949, 1953, 1963, 1973, and 1996. The 1996 bond was for \$1.8 billion and will be completely expended by the end of 2006. According to the most current information from the Department of Public Instruction, county government has provided 74.6 percent of capital outlay for schools since 1995, and the state has provided 25 percent of the \$7.99 billion in capital expenditures.

State Funds

Thirty-nine percent of the state’s General Fund is appropriated for public education, a decline from the 41 percent a decade earlier. The state provided \$6.5 billion to operate 2,286 regular and charter schools in 115 school systems across 100 counties for 1,356,405 students. Ninety-one percent of state funds were spent on salaries and benefits for 132,045 state-funded school personnel, including 85.3 percent who are principals, teachers, instructional support personnel, or teacher assistants.

The state ranks fifth in the nation and first in the Southeast in the percentage of the education dollars paid by the state. Two-thirds of state funds are appropriated as position allotments (e.g., teachers and principals), 19.5 percent as categorical allotments (e.g., transportation cost or for children with special needs), and 14.4 percent as dollar allotments (e.g., textbooks, teacher assistants, or central office

administration). The \$6.5 billion funds items such as:

• Central Office Administration	\$101.4 million
• Teacher Assistants	\$377.9 million
• Classroom Teachers	\$2.4 billion
• Instructional Support Personnel	\$297.6 million
• Textbooks	\$81.1 million
• Academically & Intellectually Gifted	\$50.7 million
• Drivers Education	\$31.9 million
• Children with Special Needs	\$548.1 million
• Transportation	\$283.3 million
• ABCs Incentive Awards	\$108.0 million
• Classroom Materials & Supplies	\$65.6 million
• Limited English Proficiency	\$38.6 million
• Vocational Education	\$319.3 million

State spending has increased 63 percent since 1996; but while the level of funding has increased, the percentage of the state’s General Fund dedicated to education continues to decline. If public education were funded at the same percentage of the General Fund as it was a decade ago, schools would have an additional \$317.1 million. And for example, these extra resources could be used to:

- Quadruple the professional development budget to \$48 million
- Triple the Academically & Intellectually Gifted budget to \$152.2 million
- Expand the Reading First initiative by \$46 million
- Triple the funding for state assistance team budget to \$8.6 million
- Double the Limited English Proficiency program to \$76.9 million and have money left over.

Federal Funds

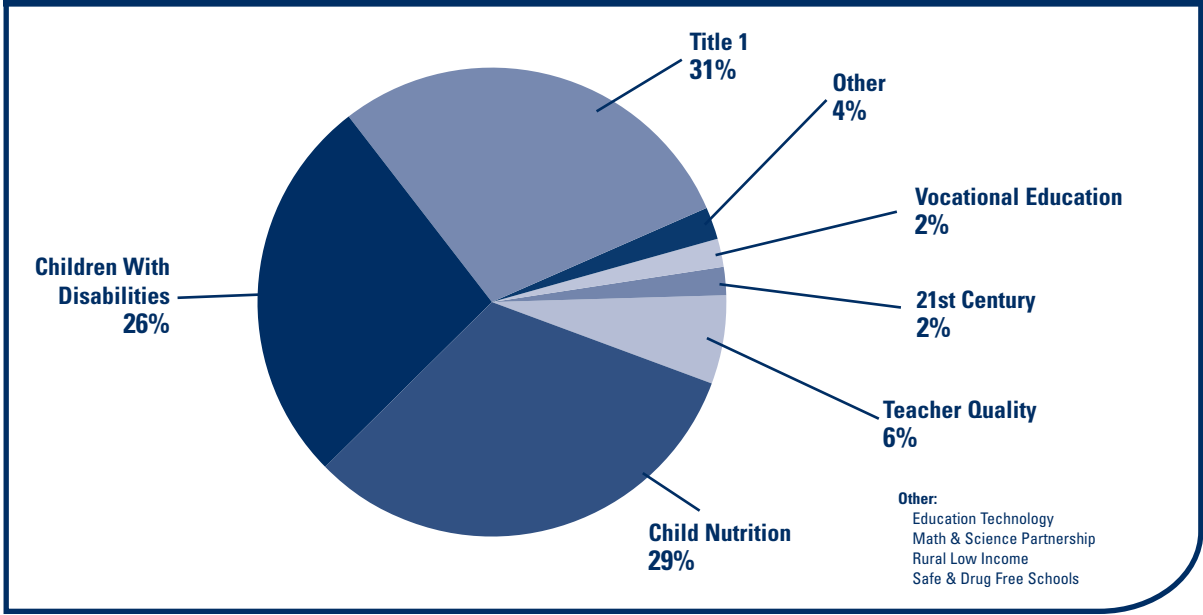
Resources from the federal government account for 10.8 percent of public education spending, up from 10.4 percent the previous year, and currently total \$1,032,766,572. The

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.

2004-05 FEDERAL SUPPORT FOR NC SCHOOLS



federal government has added additional resources in an effort to help schools meet the mandates of the No Child Left Behind legislation. Eighty-six percent of federal support goes toward helping low-income students improve academically (Title I), providing services for disabled students, and funding school nutrition programs (see chart, page 7). Federal resources are given to states in the form of direct grants, state applications, state plans, or a combination of the three.

Local Funds

The state Constitution permits the General Assembly to “assign to units of local government such responsibility for the financial support of the free public schools as it may deem appropriate.” Last year counties spent \$3.3 billion on schools, which includes 58.2 percent on current expenditures (classrooms & instruction) and 41.8 percent on capital expenditures (capital outlay & debt payments). The seven-decade-old division of responsibility has eroded, with local governments funding 9.2 percent of the instructional-related positions, including 18.8 percent of principals and assistant principals, 6.8 percent of teachers, 17.6 percent of instructional support personnel, and 10.7 percent of teacher assistants.

The primary school funding responsibility of counties is to provide school buildings and maintain them. Since 1960, counties have approved 286 bonds out of 402 – a 71.1 percent approval rate – totaling \$8.9 billion.

Since 1995 the state has spent \$2 billion for capital outlay for facilities or equipment for buildings, which is one-quarter of the total. According to data from the NC Treasurer’s Annual Report on County Spending on Public School Capital Outlays, counties have spent \$6.2 billion for capital outlay and \$7.3 billion on debt repayment (school bond repayment and lease purchase agreements).

Since 1994 the top-spending counties have increased their average student expenditure 55.3 percent, compared to the bottom-spending counties, which have increased their average expenditure 34.9 percent. The gap has grown to \$1,645 – an 86.5 percent increase – and only 20 counties are above the state average of \$1,432. Orange County spends as much per student as the bottom seven counties combined.

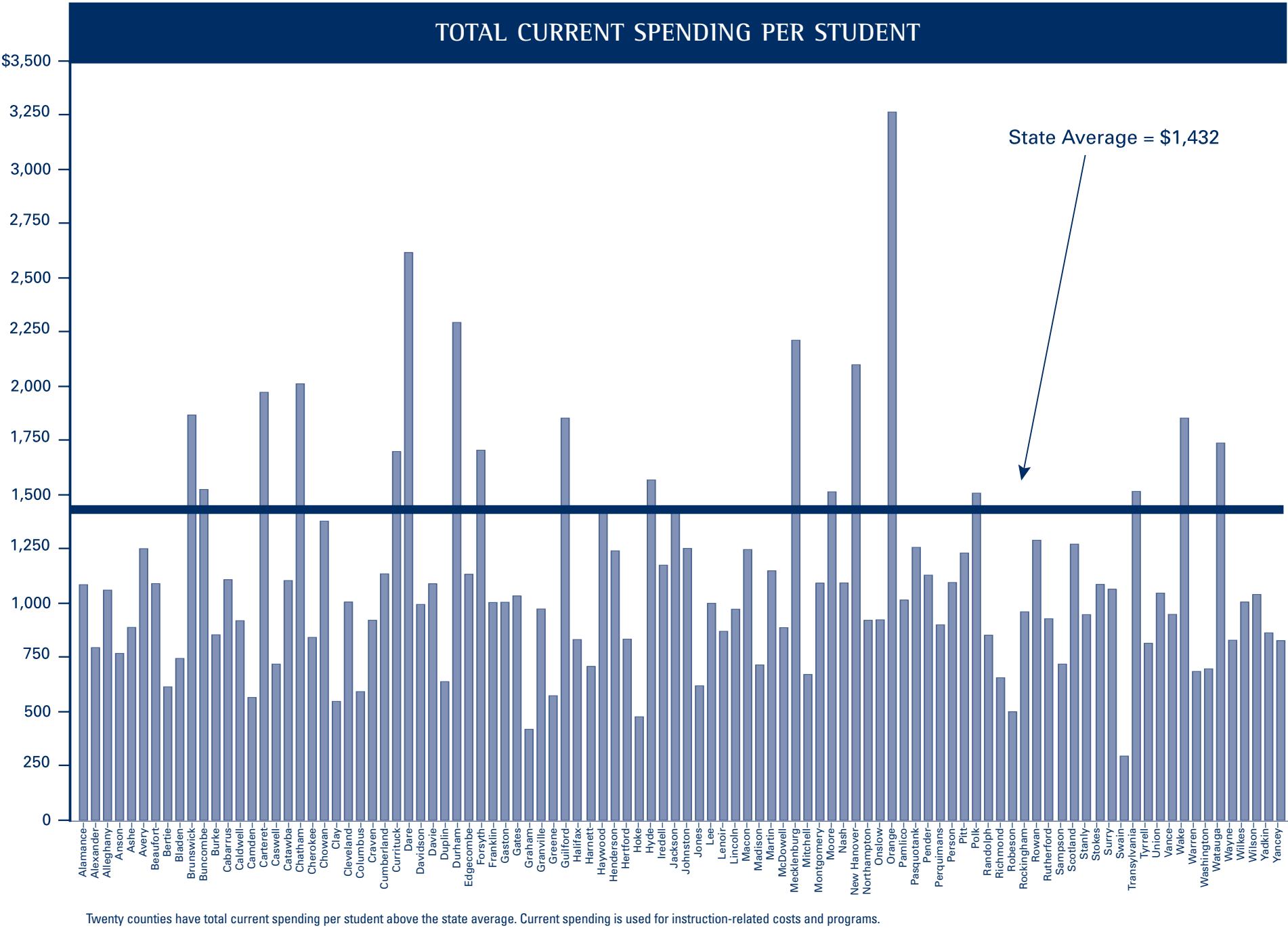
One of the primary challenges from five low-wealth plaintiffs dealt with the inequities between varying levels of county support for schools. The state Supreme Court ruled in 1997 that “the ‘equal opportunities’ clause of Article IX, Section 2(1) of the North Carolina Constitution does not require substantially equal funding or educational advantages in all school districts. 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.”

Mandated Social Services

Between 1979 and 2004, Medicaid spending increased 1,967 percent! The Kaiser Commission on Medicaid and the Uninsured reports that since 1999 the growth in Medicaid spending has outpaced state tax revenue each year, placing strains on state coffers and pressuring other areas of state government across the nation. According to the National Association of State Budget Officers, Medicaid expenditures now comprise a larger percent of state budgets than expenditures to public education. North Carolina is the only state that requires counties to pay a programmatic share of Medicaid spending. Last year that share was 5.4 percent of an \$8.2 billion budget. Almost 28 percent of county spending is devoted to human services expenditures, especially Medicaid. Medicaid and other human services spending are mandated expenditures for counties, 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 wealthiest counties must devote slightly less than one-tenth (9.5 percent) of their resources for mandated social service spending, a 2 percent decrease from last year. In contrast, the poorest counties must devote over half (57 percent) of their resources for mandated social services spending – a 6.6 percent increase.

As Medicaid and other mandated social service expenditures continue to consume larger and larger parts of state and county budgets, this problem will worsen. The impact will be acutely felt in the state’s poorest counties, which serve a large population receiving these services.



Twenty counties have total current spending per student above the state average. Current spending is used for instruction-related costs and programs.



METHODOLOGY

Capital Spending

A six-year average 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 Bond fund is calculated by using data from the Department of State Treasurer's Public School Capital Outlay report.

Using data provided in the Public School Capital Outlay report, the local school finance study 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 to 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 and fines and forfeitures. Allotments from the ADM fund and grants for school construction have been removed to isolate capital spending. Finally, 11 counties have supplemental school taxes, and this additional revenue totals \$50.7 million, up 14 percent from last year.

DATA SOURCES

The 2006 Local School Finance Study examines data from the 2004-05 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, which provided the 2004-05 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, and the Office of State Budget provided the School Construction Average Daily Membership. The per capita income was provided by United States Department of Commerce's Bureau of Economic Analysis.

Finally, a special thanks to Philip Price, Alexis Schauss, and Lydia Prude at the North Carolina Department of Public Instruction for the wealth of information they provided for the preparation of this year's study.

Overview of Tables

- **Table 1:** Ranking of Adjusted Property Valuations Per Student
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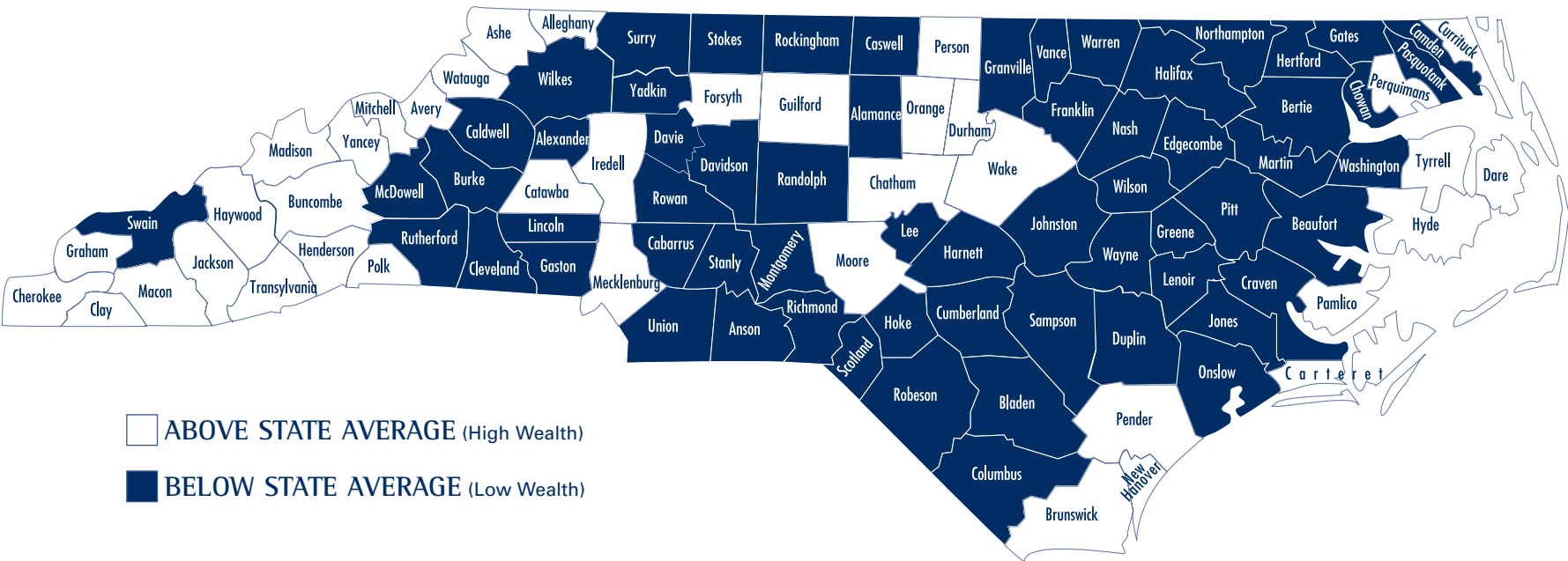
Ranking of Adjusted Property Valuations Per Student

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.

COUNTY	RANK	PREVIOUS YEAR'S RANK	LAST YEAR REVALUED	2004/05 FINAL ADM	2004/05 ADJUSTED TAX BASE	ADJUSTED PROPERTY TAX BASE PER ADM	AVERAGE EFFECTIVE TAX RATE	COUNTY	RANK	PREVIOUS YEAR'S RANK	LAST YEAR REVALUED	2004/05 FINAL ADM	2004/05 ADJUSTED TAX BASE	ADJUSTED PROPERTY TAX BASE PER ADM	AVERAGE EFFECTIVE TAX RATE
Dare	1	1	1998	4,830	\$11,673,346,467	\$2,416,842	\$0.264	Rutherford	51	51	2002	10,228	\$4,263,310,346	\$416,827	\$0.556
Jackson	2	2	2004	3,740	\$5,576,781,543	\$1,491,118	\$0.36	Craven	52	55	2002	14,377	\$5,921,678,745	\$411,886	\$0.539
Watauga	3	3	2002	4,537	\$6,359,260,475	\$1,401,644	\$0.306	Lee	53	52	2003	9,129	\$3,755,146,846	\$411,343	\$0.65
Macon	4	4	2003	4,120	\$5,572,174,261	\$1,352,469	\$0.36	McDowell	54	56	2003	6,364	\$2,597,739,805	\$408,193	\$0.547
Brunswick	5	5	2003	11,286	\$14,469,742,785	\$1,282,097	\$0.495	Northampton	55	68	2001	3,410	\$1,390,748,918	\$407,844	\$0.734
Avery	6	7	2002	2,381	\$2,899,964,339	\$1,217,961	\$0.439	Randolph	56	53	2001	22,550	\$9,193,759,014	\$407,705	\$0.449
Hyde	7	6	2003	640	\$779,334,642	\$1,217,710	\$0.634	Rockingham	57	57	2003	14,495	\$5,793,424,128	\$399,684	\$0.621
Currituck	8	9	1997	3,854	\$4,344,053,386	\$1,127,154	\$0.386	Stanly	58	63	2001	9,786	\$3,899,121,655	\$398,439	\$0.59
Carteret	9	8	2001	8,393	\$8,677,232,755	\$1,033,865	\$0.377	Davidson	59	59	2001	25,040	\$9,918,285,308	\$396,098	\$0.517
Clay	10	11	2002	1,266	\$1,266,544,474	\$1,000,430	\$0.371	Yadkin	60	58	1999	6,020	\$2,375,903,767	\$394,668	\$0.571
Transylvania	11	10	2002	3,940	\$3,862,194,496	\$980,252	\$0.447	Pitt	61	62	2004	21,374	\$8,406,267,271	\$393,294	\$0.692
Alleghany	12	12	1999	1,489	\$1,337,431,505	\$898,208	\$0.439	Franklin	62	54	2004	8,132	\$3,182,515,048	\$391,357	\$0.79
Ashe	13	14	1998	3,176	\$2,707,703,827	\$852,552	\$0.386	Wilson	63	60	2000	12,990	\$5,060,884,859	\$389,599	\$0.683
Polk	14	15	2001	2,396	\$1,988,125,244	\$829,768	\$0.476	Stokes	64	65	2001	7,236	\$2,816,846,375	\$389,282	\$0.57
New Hanover	15	13	1999	23,336	\$19,135,702,040	\$820,008	\$0.626	Chowan	65	67	1998	2,432	\$943,643,162	\$388,011	\$0.607
Henderson	16	16	2003	12,451	\$9,282,755,904	\$745,543	\$0.45	Caswell	66	75	2004	3,281	\$1,267,020,673	\$386,169	\$0.596
Mecklenburg	17	22	2003	119,752	\$85,160,101,018	\$711,137	\$0.731	Surry	67	61	2004	11,868	\$4,563,059,918	\$384,484	\$0.63
Yancey	18	23	2000	2,514	\$1,724,196,564	\$685,838	\$0.41	Gaston	68	64	2003	31,915	\$12,103,760,604	\$379,250	\$0.866
Chatham	19	18	2001	7,838	\$5,330,212,942	\$680,048	\$0.594	Alexander	69	66	2002	5,650	\$2,130,356,814	\$377,054	\$0.438
Durham	20	17	2001	32,096	\$21,614,960,705	\$673,447	\$0.745	Caldwell	70	69	2001	12,850	\$4,779,022,251	\$371,908	\$0.511
Moore	21	19	2003	11,805	\$7,895,718,376	\$668,845	\$0.475	Burke	71	70	2001	14,461	\$5,373,874,377	\$371,612	\$0.527
Haywood	22	25	2002	7,746	\$5,163,700,979	\$666,628	\$0.551	Bladen	72	72	1999	5,636	\$2,085,906,661	\$370,104	\$0.658
Graham	23	26	2002	1,196	\$790,429,017	\$660,894	\$0.494	Martin	73	74	2001	4,400	\$1,595,838,160	\$362,690	\$0.709
Buncombe	24	21	2002	29,467	\$19,428,422,208	\$659,328	\$0.538	Edgecombe	74	71	2001	7,495	\$2,695,277,409	\$359,610	\$0.789
Orange	25	24	2001	17,578	\$11,439,078,225	\$650,761	\$0.76	Granville	75	76	2002	8,580	\$3,045,516,839	\$354,955	\$0.616
Wake	26	20	2000	117,986	\$76,093,598,451	\$644,938	\$0.553	Johnston	76	73	2003	26,075	\$9,185,728,958	\$352,281	\$0.756
Cherokee	27	29	2004	3,685	\$2,333,201,518	\$633,162	\$0.504	Camden	77	79	2001	1,662	\$568,173,289	\$341,861	\$0.62
Madison	28	27	2004	2,597	\$1,588,474,893	\$611,658	\$0.498	Cleveland	78	77	2004	17,035	\$5,808,175,642	\$340,955	\$0.571
Guilford	29	28	2004	67,783	\$39,823,799,879	\$587,519	\$0.614	Duplin	79	78	2001	8,759	\$2,892,671,304	\$330,251	\$0.697
Pender	30	36	2003	7,065	\$4,026,980,946	\$569,990	\$0.533	Pasquotank	80	83	1998	5,884	\$1,918,320,114	\$326,023	\$0.652
Iredell	31	30	2003	24,329	\$13,816,865,165	\$567,918	\$0.429	Halifax	81	82	1999	9,039	\$2,904,392,322	\$321,318	\$0.749
Pamlico	32	37	2004	1,972	\$1,118,187,930	\$567,032	\$0.658	Hertford	82	80	2003	3,500	\$1,123,455,754	\$320,987	\$0.91
Mitchell	33	34	2001	2,252	\$1,248,215,505	\$554,270	\$0.43	Lenoir	83	81	2001	10,178	\$3,212,941,446	\$315,675	\$0.755
Person	34	31	2001	6,077	\$3,348,195,363	\$550,962	\$0.622	Columbus	84	84	1997	9,492	\$2,970,518,584	\$312,950	\$0.601
Catawba	35	32	2003	24,031	\$12,924,227,532	\$537,815	\$0.477	Washington	85	88	1997	2,104	\$645,846,092	\$306,961	\$0.783
Tyrrell	36	42	1997	615	\$330,738,937	\$537,787	\$0.653	Nash	86	87	2001	18,791	\$5,756,828,816	\$306,361	\$0.601
Forsyth	37	33	2001	49,401	\$26,428,999,969	\$534,989	\$0.672	Wayne	87	86	2003	19,082	\$5,814,220,772	\$304,697	\$0.652
Perquimans	38	38	2000	1,706	\$902,597,263	\$529,072	\$0.575	Anson	88	85	2002	4,305	\$1,302,786,873	\$302,622	\$0.766
Cabarrus	39	41	2004	27,183	\$13,969,812,745	\$513,917	\$0.53	Onslow	89	92	2000	21,947	\$6,559,489,586	\$298,879	\$0.618
Davie	40	35	2001	6,234	\$3,144,600,857	\$504,427	\$0.535	Vance	90	90	2000	8,315	\$2,436,442,250	\$293,018	\$0.717
Beaufort	41	39	2002	7,347	\$3,673,501,708	\$500,000	\$0.565	Bertie	91	89	2004	3,307	\$968,556,458	\$292,881	\$0.78
Warren	42	45	2001	3,180	\$1,529,017,231	\$480,823	\$0.685	Sampson	92	91	2003	10,927	\$3,165,824,378	\$289,725	\$0.661
Swain	43	48	1997	1,873	\$893,234,555	\$476,900	\$0.334	Harnett	93	94	2003	16,783	\$4,734,210,693	\$282,084	\$0.712
Union	44	49	2004	29,130	\$13,748,282,789	\$471,963	\$0.512	Cumberland	94	95	2003	51,724	\$14,557,706,401	\$281,450	\$0.87
Montgomery	45	40	2004	4,459	\$2,093,393,770	\$469,476	\$0.564	Richmond	95	93	2004	8,146	\$2,252,219,072	\$276,482	\$0.78
Lincoln	46	46	2004	11,975	\$5,577,519,581	\$465,764	\$0.613	Gates	96	98	2001	1,959	\$534,403,903	\$272,794	\$0.757
Rowan	47	43	2003	20,592	\$9,460,680,786	\$459,435	\$0.619	Scotland	97	97	2003	6,896	\$1,830,839,323	\$265,493	\$1.1
Wilkes	48	44	2003	10,045	\$4,535,261,710	\$451,494	\$0.574	Greene	98	96	1997	3,139	\$832,619,121	\$265,250	\$0.634
Alamance	49	47	2001	22,309	\$9,922,862,540	\$444,792	\$0.494	Hoke	99	99	1998	6,708	\$1,550,374,501	\$231,123	\$0.663
Jones	50	50	1998	1,349	\$578,579,425	\$428,895	\$0.663	Robeson	100	100	1996	23,947	\$4,068,034,659	\$169,877	\$0.823
STATE TOTAL/AVERAGE												1,356,405	\$708,343,688,487	\$522,221	\$0.597

DISPARITIES IN REAL ESTATE WEALTH



Thirty-eight counties' property wealth was above the state average of \$522,221 per student, while the remaining 62 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

TABLE

2

This is a summary of data for the 100 counties in the state. It includes 2004-05 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.

COUNTY	RANK THIS YEAR	PREVIOUS YEAR'S RANK	2004/05 CURRENT EXPENSE	2004/05 SUPPLEMENTAL SCHOOL TAXES	SIX-YEAR CAPITAL OUTLAY AVERAGE	SIX-YEAR CAPITAL DEBT SERVICE AVERAGE	2004/05 TOTAL CURRENT SPENDING	2004/05 FINAL ADM	CAPITAL OUTLAY SPENDING PER ADM	DEBT SERVICE PER ADM	CURRENT SPENDING PER ADM	TOTAL CURRENT SPENDING PER ADM
Orange	1	1	\$46,736,614	\$13,051,810	\$20,560,771	\$11,775,259	\$59,788,424	17,578	\$1,170	\$670	\$2,659	\$3,401
Dare	2	2	\$14,390,464	\$-	\$6,741,702	\$5,886,091	\$14,390,464	4,830	\$1,396	\$1,219	\$2,979	\$2,979
Durham	3	3	\$77,899,932	\$-	\$3,446,236	\$18,482,169	\$77,899,932	32,096	\$107	\$576	\$2,427	\$2,427
Mecklenburg	4	4	\$271,000,000	\$-	\$127,727,082	\$76,404,363	\$271,000,000	119,752	\$1,067	\$638	\$2,263	\$2,263
New Hanover	5	5	\$50,266,477	\$-	\$27,236,528	\$9,327,377	\$50,266,477	23,336	\$1,167	\$400	\$2,154	\$2,154
Chatham	6	6	\$14,558,982	\$2,200,807	\$1,054,977	\$2,082,384	\$16,759,789	7,838	\$135	\$266	\$1,857	\$2,138
Carteret	7	7	\$16,956,993	\$-	\$6,463,700	\$5,388,111	\$16,956,993	8,393	\$770	\$642	\$2,020	\$2,020
Wake	8	8	\$233,570,793	\$-	\$109,763,108	\$88,468,577	\$233,570,793	117,986	\$930	\$750	\$1,980	\$1,980
Brunswick	9	9	\$22,076,810	\$-	\$14,949,396	\$6,628,084	\$22,076,810	11,286	\$1,325	\$587	\$1,956	\$1,956
Guilford	10	10	\$130,665,521	\$-	\$52,953,419	\$13,102,787	\$130,665,521	67,783	\$781	\$193	\$1,928	\$1,928
Currituck	11	11	\$7,362,740	\$-	\$1,991,570	\$1,429,223	\$7,362,740	3,854	\$517	\$371	\$1,910	\$1,910
Watauga	12	13	\$8,486,600	\$-	\$1,028,438	\$1,821,868	\$8,486,600	4,537	\$227	\$402	\$1,871	\$1,871
Forsyth	13	12	\$87,747,516	\$-	\$14,335,784	\$21,689,433	\$87,747,516	49,401	\$290	\$439	\$1,776	\$1,776
Buncombe	14	14	\$41,366,604	\$6,195,053	\$15,726,434	\$8,150,516	\$47,561,657	29,467	\$534	\$277	\$1,404	\$1,614
Transylvania	15	17	\$6,273,401	\$-	\$4,119,854	\$1,639,461	\$6,273,401	3,940	\$1,046	\$416	\$1,592	\$1,592
Hyde	16	15	\$1,003,971	\$-	\$240,806	\$49,696	\$1,003,971	640	\$376	\$78	\$1,569	\$1,569
Jackson	17	19	\$5,842,577	\$-	\$4,636,512	\$1,644,632	\$5,842,577	3,740	\$1,240	\$440	\$1,562	\$1,562
Haywood	18	20	\$11,977,134	\$-	\$2,316,944	\$2,059,673	\$11,977,134	7,746	\$299	\$266	\$1,546	\$1,546
Moore	19	18	\$18,235,000	\$-	\$5,009,505	\$3,233,011	\$18,235,000	11,805	\$424	\$274	\$1,545	\$1,545
Polk	20	16	\$3,604,225	\$55,408	\$224,209	\$301,168	\$3,659,633	2,396	\$94	\$126	\$1,504	\$1,527
Macon	21	26	\$5,788,280	\$-	\$4,862,113	\$2,563,162	\$5,788,280	4,120	\$1,180	\$622	\$1,405	\$1,405
Johnston	22	22	\$36,054,704	\$-	\$32,347,516	\$17,164,012	\$36,054,704	26,075	\$1,241	\$658	\$1,383	\$1,383
Chowan	23	21	\$3,356,442	\$-	\$2,698,115	\$859,499	\$3,356,442	2,432	\$1,109	\$353	\$1,380	\$1,380
Avery	24	29	\$3,200,000	\$-	\$2,688,627	\$1,296,113	\$3,200,000	2,381	\$1,129	\$544	\$1,344	\$1,344
Scotland	25	28	\$9,208,297	\$-	\$2,397,393	\$936,903	\$9,208,297	6,896	\$348	\$136	\$1,335	\$1,335
Pasquotank	26	24	\$7,624,532	\$-	\$2,621,852	\$1,388,505	\$7,624,532	5,884	\$446	\$236	\$1,296	\$1,296
Rowan	27	23	\$26,618,372	\$-	\$2,460,954	\$5,217,504	\$26,618,372	20,592	\$120	\$253	\$1,293	\$1,293
Henderson	28	25	\$15,977,592	\$-	\$9,286,159	\$3,605,427	\$15,977,592	12,451	\$746	\$290	\$1,283	\$1,283
Pitt	29	27	\$27,360,448	\$-	\$9,999,862	\$4,327,683	\$27,360,448	21,374	\$468	\$202	\$1,280	\$1,280
Iredell	30	30	\$29,060,013	\$1,338,549	\$14,901,123	\$9,259,876	\$30,398,562	24,329	\$612	\$381	\$1,194	\$1,249
Union	31	37	\$25,617,926	\$9,314,814	\$21,290,217	\$17,093,319	\$34,932,740	29,130	\$731	\$587	\$879	\$1,199
Martin	32	33	\$5,182,936	\$-	\$829,395	\$195,894	\$5,182,936	4,400	\$188	\$45	\$1,178	\$1,178
Cumberland	33	36	\$60,861,512	\$-	\$20,528,102	\$5,820,716	\$60,861,512	51,724	\$397	\$113	\$1,177	\$1,177
Pender	34	32	\$8,299,558	\$-	\$5,225,268	\$1,762,011	\$8,299,558	7,065	\$740	\$249	\$1,175	\$1,175
Stokes	35	45	\$8,484,571	\$-	\$1,853,263	\$1,082,573	\$8,484,571	7,236	\$256	\$150	\$1,173	\$1,173
Cabarrus	36	31	\$31,517,835	\$-	\$21,556,652	\$17,411,098	\$31,517,835	27,183	\$793	\$641	\$1,159	\$1,159
Wilson	37	47	\$14,952,188	\$-	\$8,694,627	\$2,335,951	\$14,952,188	12,990	\$669	\$180	\$1,151	\$1,151
Beaufort	38	43	\$8,418,383	\$-	\$891,522	\$590,632	\$8,418,383	7,347	\$121	\$80	\$1,146	\$1,146
Davie	39	35	\$7,098,969	\$-	\$1,637,765	\$1,050,824	\$7,098,969	6,234	\$263	\$169	\$1,139	\$1,139
Catawba	40	38	\$27,280,275	\$-	\$10,681,714	\$9,398,023	\$27,280,275	24,031	\$444	\$391	\$1,135	\$1,135
Alamance	41	39	\$25,121,359	\$-	\$4,962,453	\$4,517,083	\$25,121,359	22,309	\$222	\$202	\$1,126	\$1,126
Alleghany	42	46	\$1,671,083	\$-	\$572,152	\$486,464	\$1,671,083	1,489	\$384	\$327	\$1,122	\$1,122
Montgomery	43	40	\$4,991,716	\$-	\$775,758	\$853,667	\$4,991,716	4,459	\$174	\$191	\$1,119	\$1,119
Surry	44	44	\$11,477,127	\$1,642,411	\$2,897,588	\$3,019,910	\$13,119,538	11,868	\$244	\$254	\$967	\$1,105
Franklin	45	50	\$8,957,996	\$-	\$2,532,353	\$2,301,659	\$8,957,996	8,132	\$311	\$283	\$1,102	\$1,102
Pamlico	46	56	\$2,163,305	\$-	\$159,703	\$451,412	\$2,163,305	1,972	\$81	\$229	\$1,097	\$1,097
Nash	47	42	\$20,494,618	\$-	\$4,405,784	\$613,160	\$20,494,618	18,791	\$234	\$33	\$1,091	\$1,091
Cleveland	48	55	\$9,808,213	\$8,648,724	\$2,238,444	\$2,572,984	\$18,456,937	17,035	\$131	\$151	\$576	\$1,083
Lee	49	51	\$9,871,984	\$-	\$804,869	\$4,261,121	\$9,871,984	9,129	\$88	\$467	\$1,081	\$1,081
Person	50	41	\$6,535,836	\$-	\$4,217,559	\$1,694,952	\$6,535,836	6,077	\$694	\$279	\$1,076	\$1,076
Gates	51	48	\$2,070,000	\$-	\$332,589	\$465,315	\$2,070,000	1,959	\$170	\$238	\$1,057	\$1,057
Gaston	52	49	\$33,171,700	\$-	\$6,119,878	\$7,483,145	\$33,171,700	31,915	\$192	\$234	\$1,039	\$1,039
Lincoln	53	54	\$12,436,011	\$-	\$8,686,874	\$4,322,574	\$12,436,011	11,975	\$725	\$361	\$1,038	\$1,038
Davidson	54	53	\$24,295,936	\$1,432,852	\$4,306,872	\$2,885,229	\$25,728,788	25,040	\$172	\$115	\$970	\$1,028
Granville	55	57	\$8,747,275	\$-	\$4,650,348	\$1,053,261	\$8,747,275	8,580	\$542	\$123	\$1,019	\$1,019
Wilkes	56	52	\$10,106,275	\$-	\$7,245,418	\$464,082	\$10,106,275	10,045	\$721	\$46	\$1,006	\$1,006
Rutherford	57	62	\$10,224,313	\$-	\$3,986,953	\$5,836,491	\$10,224,313	10,228	\$390	\$571	\$1,000	\$1,000
Craven	58	63	\$13,985,964	\$-	\$6,054,766	\$3,687,476	\$13,985,964	14,377	\$421	\$256	\$973	\$973
Onslow	59	60	\$21,205,404	\$-	\$4,277,663	\$5,055,425	\$21,205,404	21,947	\$195	\$230	\$966	\$966
Rockingham	60	58	\$13,931,160	\$-	\$8,423,543	\$1,385,877	\$13,931,160	14,495	\$581	\$96	\$961	\$961
Vance	61	59	\$7,975,000	\$-	\$834,623	\$2,018,711	\$7,975,000	8,315	\$100	\$243	\$959	\$959
Stanly	62	61	\$9,272,508	\$-	\$8,168,261	\$1,474,195	\$9,272,508	9,786	\$835	\$151	\$948	\$948
Caldwell	63	65	\$12,160,978	\$-	\$2,648,862	\$1,611,473	\$12,160,978	12,850	\$206	\$125	\$946	\$946
Perquimans	64	66	\$1,599,280	\$-	\$273,100	\$254,204	\$1,599,280	1,706	\$160	\$149	\$937	\$937
Northampton	65	64	\$3,180,500	\$-	\$473,986	\$584,775	\$3,180,500	3,410	\$139	\$171	\$933	\$933
Yadkin	66	69	\$5,609,969	\$-	\$838,665	\$1,116,548	\$5,609,969	6,020	\$139	\$185	\$932	\$932
Ashe	67	67	\$2,957,876	\$-	\$1,611,110	\$1,409,015	\$2,957,876	3,176	\$507	\$444	\$931	\$931
Randolph	68	71	\$16,724,688	\$4,188,732	\$12,490,493	\$5,718,951	\$20,913,420	22,550	\$554	\$254	\$742	\$927
Cherokee	69	73	\$3,416,438	\$-	\$1,220,533	\$1,666,913	\$3,416,438	3,685	\$331	\$452	\$927	\$927
Hertford	70	75	\$3,221,983	\$-	\$696,049	\$175,610	\$3,221,983	3,500	\$199	\$50	\$921	\$921
McDowell	71	68	\$5,847,233	\$-	\$4,057,332	\$878,893	\$5,847,233	6,364	\$638	\$138	\$919	\$919
Yancey	72	76	\$2,271,067	\$-	\$643,559	\$160,181	\$2,271,067	2,514	\$256	\$64	\$903	\$903
Halifax	73	78	\$5,723,618	\$2,411,313	\$1,162,498	\$1,045,802	\$8,134,931	9,039	\$129	\$116	\$633	\$900
Lenoir	74	70	\$8,951,039	\$-	\$926,554	\$1,148,351	\$8,951,039	10,178	\$91	\$113	\$879	\$879
Wayne	75	74	\$16,608,398	\$-	\$2,525,024	\$1,742,528	\$16,608,398	19,082	\$132	\$91	\$870	\$870
Burke	76	72	\$12,368,265	\$-	\$851,884	\$4,487,136	\$12,368,265	14,461	\$59	\$310	\$855	\$855
Tyrrell	77	79	\$502,020	\$-	\$56,304	\$132,828	\$502,020	615	\$92	\$216	\$816	\$816
Edgecombe	78	34	\$6,100,000	\$-	\$947,124	\$526,536	\$6,100,000	7,495	\$126	\$70	\$814	\$814
Warren	79	87	\$2,535,226	\$-	\$210,365	\$776,863	\$2,535,226	3,180	\$66	\$244	\$797	\$797
Alexander	80	77	\$4,500,000	\$-	\$2,784,709	\$919,615	\$4,500,000	5,650	\$493	\$163	\$796	\$796
Harnett	81	84	\$12,823,506	\$257,092	\$1,788,628	\$4,924,275	\$13,080,598	16,783	\$107	\$293	\$764	\$779
Anson	82	80	\$3,333,840	\$-	\$337,438	\$862,847	\$3,333,840	4,305	\$78	\$200	\$774	\$774
Bladen	83	81	\$4,294,216	\$-	\$7,188,888	\$386,091	\$4,294,216	5,636	\$1,276	\$69	\$762	\$762
Sampson	84	83	\$8,203,780	\$-	\$5,651,868	\$1,951,467	\$8,203,780	10,927	\$517	\$179	\$751	\$751
Caswell	85	85	\$2,452,832	\$-	\$87,885	\$231,693	\$2,452,832	3,281	\$27	\$71	\$748	\$748
Washington	86	86	\$1,526,371	\$-	\$177,818	\$427,197	\$1,526,371	2,104	\$85	\$203	\$725	\$725
Madison	87	82	\$1,870,000	\$-	\$364,755	\$949,868	\$1,870,000	2,597	\$140	\$366	\$720	\$720
Mitchell	88	88	\$1,612,200	\$-	\$339,575	\$241,748	\$1,612,200	2,252	\$151	\$107	\$716	\$716
Duplin	89	90	\$6,097,646	\$-	\$1,259,312	\$539,086	\$6,097,646	8,759	\$144	\$62	\$696	\$696
Richmond	90	89	\$5,600,000	\$-	\$1,315,725	\$232,058	\$5,600,000	8,146	\$162	\$28	\$687	\$687
Jones	91	91	\$878,594	\$-	\$3							

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.

COUNTY	RANK	PREVIOUS YEAR'S RANK	2004/05 CURRENT EXPENSE	2004/05 SUPPLEMENTAL SCHOOL TAXES	2004/05 TOTAL CURRENT SPENDING	2004/05 LOW WEALTH FUNDING	2004/05 SMALL COUNTY FUNDING	2004/05 TOTAL CURRENT SPENDING WITH LOW WEALTH & SMALL COUNTY	2004/05 FINAL ADM	TOTAL CURRENT SPENDING PER ADM	2004/05 TOTAL CURRENT SPENDING/ADM W/LOW WEALTH & SMALL COUNTY/ADM	CHANGE IN SPENDING PER ADM
Hyde	1	1	\$1,003,971	\$-	\$1,003,971	\$-	\$1,453,196	\$2,457,167	640	\$1,569	\$3,839	\$2,271
Tyrrell	2	3	\$502,020	\$-	\$502,020	\$137,759	\$1,530,792	\$2,170,571	615	\$816	\$3,529	\$2,713
Orange	3	2	\$46,736,614	\$13,051,810	\$59,788,424	\$-	\$-	\$59,788,424	17,578	\$3,401	\$3,401	\$-
Dare	4	4	\$14,390,464	\$-	\$14,390,464	\$-	\$-	\$14,390,464	4,830	\$2,979	\$2,979	\$-
Durham	5	5	\$77,899,932	\$-	\$77,899,932	\$-	\$-	\$77,899,932	32,096	\$2,427	\$2,427	\$-
Currituck	6	8	\$7,362,740	\$-	\$7,362,740	\$-	\$1,404,601	\$8,767,341	3,854	\$1,910	\$2,275	\$364
Mecklenburg	7	6	\$271,000,000	\$-	\$271,000,000	\$-	\$-	\$271,000,000	119,752	\$2,263	\$2,263	\$-
New Hanover	8	7	\$50,266,477	\$-	\$50,266,477	\$-	\$-	\$50,266,477	23,336	\$2,154	\$2,154	\$-
Chatham	9	9	\$14,558,982	\$2,200,807	\$16,759,789	\$-	\$-	\$16,759,789	7,838	\$2,138	\$2,138	\$-
Polk	10	10	\$3,604,225	\$55,408	\$3,659,633	\$-	\$1,386,358	\$5,045,991	2,396	\$1,527	\$2,106	\$579
Chowan	11	11	\$3,356,442	\$-	\$3,356,442	\$416,645	\$1,340,201	\$5,113,288	2,432	\$1,380	\$2,103	\$722
Gates	12	12	\$2,070,000	\$-	\$2,070,000	\$652,907	\$1,327,865	\$4,050,772	1,959	\$1,057	\$2,068	\$1,011
Alleghany	13	18	\$1,671,083	\$-	\$1,671,083	\$-	\$1,371,710	\$3,042,793	1,489	\$1,122	\$2,044	\$921
Carteret	14	13	\$16,956,993	\$-	\$16,956,993	\$-	\$-	\$16,956,993	8,393	\$2,020	\$2,020	\$-
Wake	15	14	\$233,570,793	\$-	\$233,570,793	\$-	\$-	\$233,570,793	117,986	\$1,980	\$1,980	\$-
Jones	16	16	\$878,594	\$-	\$878,594	\$295,660	\$1,477,559	\$2,651,813	1,349	\$651	\$1,966	\$1,314
Brunswick	17	15	\$22,076,810	\$-	\$22,076,810	\$-	\$-	\$22,076,810	11,286	\$1,956	\$1,956	\$-
Guilford	18	17	\$130,665,521	\$-	\$130,665,521	\$-	\$-	\$130,665,521	67,783	\$1,928	\$1,928	\$-
Avery	19	21	\$3,200,000	\$-	\$3,200,000	\$-	\$1,341,126	\$4,541,126	2,381	\$1,344	\$1,907	\$563
Pamlico	20	23	\$2,163,305	\$-	\$2,163,305	\$223,839	\$1,318,578	\$3,705,722	1,972	\$1,097	\$1,879	\$782
Perquimans	21	19	\$1,599,280	\$-	\$1,599,280	\$241,858	\$1,361,225	\$3,202,363	1,706	\$937	\$1,877	\$940
Watauga	22	22	\$8,486,600	\$-	\$8,486,600	\$-	\$-	\$8,486,600	4,537	\$1,871	\$1,871	\$-
Forsyth	23	20	\$87,747,516	\$-	\$87,747,516	\$-	\$-	\$87,747,516	49,401	\$1,776	\$1,776	\$-
Clay	24	30	\$772,328	\$-	\$772,328	\$-	\$1,443,438	\$2,215,766	1,266	\$610	\$1,750	\$1,140
Camden	25	24	\$1,014,208	\$-	\$1,014,208	\$396,563	\$1,474,329	\$2,885,100	1,662	\$610	\$1,736	\$1,126
Graham	26	25	\$505,000	\$-	\$505,000	\$54,168	\$1,457,074	\$2,016,242	1,196	\$422	\$1,686	\$1,264
Washington	27	26	\$1,526,371	\$-	\$1,526,371	\$614,995	\$1,381,787	\$3,523,153	2,104	\$725	\$1,675	\$949
Buncombe	28	27	\$41,366,604	\$6,195,053	\$47,561,657	\$-	\$-	\$47,561,657	29,467	\$1,614	\$1,614	\$-
Scotland	29	32	\$9,208,297	\$-	\$9,208,297	\$1,870,492	\$-	\$11,078,789	6,896	\$1,335	\$1,607	\$271
Hertford	30	37	\$3,221,983	\$-	\$3,221,983	\$945,009	\$1,436,388	\$5,603,380	3,500	\$921	\$1,601	\$680
Transylvania	31	29	\$6,273,401	\$-	\$6,273,401	\$-	\$-	\$6,273,401	3,940	\$1,592	\$1,592	\$-
Jackson	32	35	\$5,842,577	\$-	\$5,842,577	\$-	\$-	\$5,842,577	3,740	\$1,562	\$1,562	\$-
Northampton	33	28	\$3,180,500	\$-	\$3,180,500	\$790,355	\$1,343,655	\$5,314,510	3,410	\$933	\$1,559	\$626
Haywood	34	36	\$11,977,134	\$-	\$11,977,134	\$59,990	\$-	\$12,037,124	7,746	\$1,546	\$1,554	\$8
Moore	35	31	\$18,235,000	\$-	\$18,235,000	\$-	\$-	\$18,235,000	11,805	\$1,545	\$1,545	\$-
Johnston	36	33	\$36,054,704	\$-	\$36,054,704	\$3,616,133	\$-	\$39,670,837	26,075	\$1,383	\$1,521	\$139
Pasquotank	37	34	\$7,624,532	\$-	\$7,624,532	\$1,301,377	\$-	\$8,925,909	5,884	\$1,296	\$1,517	\$221
Warren	38	42	\$2,535,226	\$-	\$2,535,226	\$770,879	\$1,340,539	\$4,646,644	3,180	\$797	\$1,461	\$664
Yancey	39	43	\$2,271,067	\$-	\$2,271,067	\$140,038	\$1,249,006	\$3,660,111	2,514	\$903	\$1,456	\$553
Caswell	40	45	\$2,452,832	\$-	\$2,452,832	\$803,383	\$1,450,664	\$4,706,879	3,281	\$748	\$1,435	\$687
Martin	41	39	\$5,182,936	\$-	\$5,182,936	\$1,045,381	\$-	\$6,228,317	4,400	\$1,178	\$1,416	\$238
Mitchell	42	59	\$1,612,200	\$-	\$1,612,200	\$179,397	\$1,395,437	\$3,187,034	2,252	\$716	\$1,415	\$699
Macon	43	49	\$5,788,280	\$-	\$5,788,280	\$-	\$-	\$5,788,280	4,120	\$1,405	\$1,405	\$-
Pitt	44	40	\$27,360,448	\$-	\$27,360,448	\$2,565,359	\$-	\$29,925,807	21,374	\$1,280	\$1,400	\$120
Bertie	45	54	\$2,050,000	\$-	\$2,050,000	\$1,060,024	\$1,468,966	\$4,578,990	3,307	\$620	\$1,385	\$765
Ashe	46	44	\$2,957,876	\$-	\$2,957,876	\$-	\$1,388,446	\$4,346,322	3,176	\$931	\$1,368	\$437
Rowan	47	38	\$26,618,372	\$-	\$26,618,372	\$1,339,355	\$-	\$27,957,727	20,592	\$1,293	\$1,358	\$65
Stokes	48	50	\$8,484,571	\$-	\$8,484,571	\$1,292,331	\$-	\$9,776,902	7,236	\$1,173	\$1,351	\$179
Cherokee	49	48	\$3,416,438	\$-	\$3,416,438	\$312,449	\$1,182,154	\$4,911,041	3,685	\$927	\$1,333	\$406
Pender	50	46	\$8,299,558	\$-	\$8,299,558	\$1,054,970	\$-	\$9,354,528	7,065	\$1,175	\$1,324	\$149
Madison	51	51	\$1,870,000	\$-	\$1,870,000	\$177,434	\$1,387,649	\$3,435,083	2,597	\$720	\$1,323	\$603
Greene	52	53	\$1,871,807	\$-	\$1,871,807	\$942,647	\$1,317,103	\$4,131,557	3,139	\$596	\$1,316	\$720
Cumberland	53	55	\$60,861,512	\$-	\$60,861,512	\$6,343,233	\$-	\$67,204,745	51,724	\$1,177	\$1,299	\$123
Henderson	54	47	\$15,977,592	\$-	\$15,977,592	\$-	\$-	\$15,977,592	12,451	\$1,283	\$1,283	\$-
Montgomery	55	52	\$4,991,716	\$-	\$4,991,716	\$709,347	\$-	\$5,701,063	4,459	\$1,119	\$1,279	\$159
Beaufort	56	57	\$8,418,383	\$-	\$8,418,383	\$937,379	\$-	\$9,355,762	7,347	\$1,146	\$1,273	\$128
Wilson	57	67	\$14,952,188	\$-	\$14,952,188	\$1,528,565	\$-	\$16,480,753	12,990	\$1,151	\$1,269	\$118
Nash	58	56	\$20,494,618	\$-	\$20,494,618	\$3,171,339	\$-	\$23,665,957	18,791	\$1,091	\$1,259	\$169
Cleveland	59	68	\$9,808,213	\$8,648,724	\$18,456,937	\$2,871,651	\$-	\$21,328,588	17,035	\$1,083	\$1,252	\$169
Granville	60	63	\$8,747,275	\$-	\$8,747,275	\$1,983,701	\$-	\$10,730,976	8,580	\$1,019	\$1,251	\$231
Iredell	61	58	\$29,060,013	\$1,338,549	\$30,398,562	\$-	\$-	\$30,398,562	24,329	\$1,249	\$1,249	\$-
Franklin	62	62	\$8,957,996	\$-	\$8,957,996	\$1,131,309	\$-	\$10,089,305	8,132	\$1,102	\$1,241	\$139
Union	63	64	\$25,617,926	\$9,314,814	\$34,932,740	\$979,259	\$-	\$35,911,999	29,130	\$1,199	\$1,233	\$34
Surry	64	60	\$11,477,127	\$1,642,411	\$13,119,538	\$1,473,398	\$-	\$14,592,936	11,868	\$1,105	\$1,230	\$124
Halifax	65	79	\$5,723,618	\$2,411,313	\$8,134,931	\$2,602,574	\$-	\$10,737,505	9,039	\$900	\$1,188	\$288
Vance	66	66	\$7,975,000	\$-	\$7,975,000	\$1,853,065	\$-	\$9,828,065	8,315	\$959	\$1,182	\$223
Lee	67	80	\$9,871,984	\$-	\$9,871,984	\$751,054	\$-	\$10,623,038	9,129	\$1,081	\$1,164	\$82
Cabarrus	68	65	\$31,517,835	\$-	\$31,517,835	\$77,084	\$-	\$31,594,919	27,183	\$1,159	\$1,162	\$3
Onslow	69	70	\$21,205,404	\$-	\$21,205,404	\$4,295,998	\$-	\$25,501,402	21,947	\$966	\$1,162	\$196
Rutherford	70	74	\$10,224,313	\$-	\$10,224,313	\$1,657,661	\$-	\$11,881,974	10,228	\$1,000	\$1,162	\$162
Swain	71	75	\$564,959	\$-	\$564,959	\$132,461	\$1,459,998	\$2,157,418	1,873	\$302	\$1,152	\$850
Person	72	61	\$6,535,836	\$-	\$6,535,836	\$413,914	\$-	\$6,949,750	6,077	\$1,076	\$1,144	\$68
Davie	73	69	\$7,098,969	\$-	\$7,098,969	\$-	\$-	\$7,098,969	6,234	\$1,139	\$1,139	\$-
Catawba	74	71	\$27,280,275	\$-	\$27,280,275	\$-	\$-	\$27,280,275	24,031	\$1,135	\$1,135	\$-
Alamance	75	72	\$25,121,359	\$-	\$25,121,359	\$103,469	\$-	\$25,224,828	22,309	\$1,126	\$1,131	\$5
Rockingham	76	73	\$13,931,160	\$-	\$13,931,160	\$2,392,920	\$-	\$16,324,080	14,495	\$961	\$1,126	\$165
Stanly	77	77	\$9,272,508	\$-	\$9,272,508	\$1,626,503	\$-	\$10,899,011	9,786	\$948	\$1,114	\$166
Lincoln	78	78	\$12,436,011	\$-	\$12,436,011	\$615,888	\$-	\$13,051,899	11,975	\$1,038	\$1,090	\$51
Wilkes	79	76	\$10,106,275	\$-	\$10,106,275	\$811,735	\$-	\$10,918,010	10,045	\$1,006	\$1,087	\$81
Yadkin	80	88	\$5,609,969	\$-	\$5,609,969	\$891,094	\$-	\$6,501,063	6,020	\$932	\$1,080	\$148
Davidson	81	81	\$24,295,936	\$1,432,852	\$25,728,788	\$1,309,588	\$-	\$27,038,376	25,040	\$1,028	\$1,080	\$52
McDowell	82	84	\$5,847,233	\$-	\$5,847,233	\$1,005,159	\$-	\$6,852,392	6,364	\$919	\$1,077	\$158
Lenoir	83	83	\$8,951,039	\$-	\$8,951,039	\$1,994,476	\$-	\$10,945,515	10,178	\$879	\$1,075	\$196
Caldwell	84	82	\$12,160,978	\$-	\$12,160,978	\$1,654,205	\$-	\$13,815,183	12,850	\$946	\$1,075	\$129
Wayne	85	89	\$16,608,398	\$-	\$16,608,398	\$3,893,925	\$-	\$20,502,323	19,082	\$870	\$1,074	\$204
Craven	86	86	\$13,985,964	\$-	\$13,985,964	\$1,151,673	\$-	\$15,137,637	14,377	\$973	\$1,053	\$80
Anson	87	87	\$3,333,840	\$-	\$3,333,840	\$1,185,856	\$-	\$4,519,696	4,305	\$774	\$1,050	\$275
Gaston	88	85	\$33,171,700	\$-	\$33,171,700	\$-	\$-	\$33,171,700	31,915	\$1,039	\$1,039	\$-
Sampson	89	94	\$8,203,780	\$-	\$8,203,780	\$3,047,651	\$-	\$11,251,431	10,927	\$751	\$1,030	\$279
Harnett	90	91	\$12,823,506	\$257,092	\$13,080,598	\$4,161,824	\$-	\$17,242,422	16,783	\$779	\$1,027	\$248
Edgecombe	91	41	\$6,100,000	\$-	\$6,100,000	\$1,561,594	\$-	\$7,661,594	7,495	\$814	\$1,022	\$208
Bladen	92	92	\$4,294,216	\$-	\$4,294,216	\$1,454,975	\$-	\$5,749,191	5,636	\$762	\$1,020	\$258
Randolph	93	93	\$16,724,688	\$4,188,732	\$20,913							

Ability to Pay

TABLE

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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 2004-05 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.

COUNTY	RANK	PREVIOUS YEAR'S RANK	2004/05 ADJUSTED TAX BASE	2004/05 STATE AVG. EFFECTIVE PROPERTY TAX RATE	2004/05 ADJUSTED PROPERTY TAX REVENUE	2004/05 NON-PROPERTY TAX REVENUE	2004/05 MANDATED SOCIAL SERVICES PAYMENTS	2004/05 TOTAL REVENUES LESS WELFARE	2004/05 ADM	2004 PER CAPITA INCOME	% STATE AVG. PER CAPITA INCOME	2004/05 INCOME ADJUSTED TOTAL REVENUES	2004/05 REVENUE PER ADM	% STATE AVG. REVENUE PER ADM
Dare	1	1	\$11,673,346,467	\$0.597	\$69,689,878	\$17,076,937	\$4,401,756	\$82,365,060	4,830	\$31,401	107.1%	\$88,204,940	\$18,262	476.9%
Watauga	2	2	\$6,359,260,475	\$0.597	\$37,964,785	\$11,115,682	\$2,757,677	\$46,322,790	4,537	\$26,033	88.8%	\$41,126,839	\$9,065	236.7%
Jackson	3	4	\$5,576,781,543	\$0.597	\$33,293,386	\$9,163,457	\$2,958,072	\$39,498,771	3,740	\$23,679	80.8%	\$31,897,258	\$8,529	222.7%
Macon	4	3	\$5,572,174,261	\$0.597	\$33,265,880	\$8,536,037	\$2,648,713	\$39,153,204	4,120	\$24,529	83.7%	\$32,753,187	\$7,950	207.6%
Currituck	5	7	\$4,344,053,386	\$0.597	\$25,933,999	\$7,186,282	\$1,886,563	\$31,233,682	3,854	\$28,362	96.7%	\$30,211,094	\$7,839	204.7%
Brunswick	6	5	\$14,469,742,785	\$0.597	\$86,384,364	\$19,012,534	\$8,107,706	\$97,289,192	11,286	\$24,805	84.6%	\$82,301,972	\$7,292	190.4%
Carteret	7	6	\$8,677,232,755	\$0.597	\$51,803,080	\$14,943,019	\$5,461,361	\$61,284,738	8,393	\$29,177	99.5%	\$60,981,679	\$7,266	189.7%
Avery	8	8	\$2,899,964,339	\$0.597	\$17,312,787	\$4,601,846	\$1,774,216	\$20,140,417	2,381	\$24,101	82.2%	\$16,554,266	\$6,953	181.6%
Mecklenburg	9	9	\$85,160,101,018	\$0.597	\$508,405,803	\$172,292,530	\$80,109,297	\$600,589,036	119,752	\$40,416	137.8%	\$827,822,335	\$6,913	180.5%
New Hanover	10	10	\$19,135,702,040	\$0.597	\$114,240,141	\$46,545,819	\$18,338,091	\$142,447,869	23,336	\$30,466	103.9%	\$148,005,483	\$6,342	165.6%
Polk	11	11	\$1,988,125,244	\$0.597	\$11,869,108	\$3,409,288	\$1,639,025	\$13,639,371	2,366	\$32,309	110.2%	\$13,028,799	\$6,272	163.8%
Transylvania	12	12	\$3,862,194,496	\$0.597	\$23,057,301	\$7,202,143	\$2,833,628	\$27,425,816	3,940	\$25,530	87.1%	\$23,879,036	\$6,061	158.3%
Chatham	13	14	\$5,330,212,942	\$0.597	\$31,821,371	\$9,980,770	\$4,249,394	\$37,552,747	7,838	\$35,426	120.8%	\$45,370,153	\$5,788	151.2%
Wake	14	13	\$76,093,598,451	\$0.597	\$454,278,783	\$128,436,900	\$52,238,366	\$530,477,316	117,986	\$36,685	125.1%	\$663,684,617	\$5,625	146.9%
Hyde	15	16	\$779,334,642	\$0.597	\$4,652,628	\$1,465,123	\$1,144,500	\$4,973,251	640	\$21,028	71.7%	\$3,566,521	\$5,573	145.5%
Moore	16	15	\$7,895,718,376	\$0.597	\$47,137,439	\$16,652,029	\$6,799,724	\$56,989,744	11,805	\$33,447	114.1%	\$65,007,024	\$5,507	143.8%
Orange	17	17	\$11,439,078,225	\$0.597	\$68,291,297	\$20,226,648	\$10,130,154	\$78,387,791	17,578	\$35,191	120.0%	\$94,077,647	\$5,352	139.8%
Alleghany	18	19	\$1,337,431,505	\$0.597	\$7,984,466	\$2,188,934	\$1,158,166	\$9,015,234	1,489	\$25,425	86.7%	\$7,817,077	\$5,250	137.1%
Henderson	19	18	\$9,282,755,904	\$0.597	\$55,418,053	\$20,044,270	\$9,857,580	\$65,604,743	12,451	\$28,721	98.0%	\$64,260,071	\$5,161	134.8%
Clay	20	21	\$1,266,544,474	\$0.597	\$7,561,271	\$2,076,037	\$1,086,127	\$8,551,180	1,266	\$22,093	75.3%	\$6,442,986	\$5,089	132.9%
Durham	21	20	\$21,614,960,705	\$0.597	\$129,041,315	\$42,980,126	\$27,651,190	\$144,370,251	32,096	\$32,649	111.3%	\$160,751,119	\$5,008	130.8%
Ashe	22	23	\$2,707,703,827	\$0.597	\$16,164,992	\$5,421,312	\$3,007,942	\$18,578,362	3,176	\$24,451	83.4%	\$15,492,106	\$4,878	127.4%
Buncombe	23	22	\$19,428,422,208	\$0.597	\$115,987,681	\$51,525,240	\$25,897,569	\$141,615,352	29,467	\$28,037	95.6%	\$135,409,236	\$4,595	120.0%
Guilford	24	24	\$39,823,799,879	\$0.597	\$237,748,085	\$82,191,972	\$43,439,183	\$276,500,875	67,783	\$32,888	112.2%	\$310,127,575	\$4,575	119.5%
Forsyth	25	25	\$26,428,999,969	\$0.597	\$157,781,130	\$64,586,150	\$29,043,940	\$193,323,340	49,401	\$33,575	114.5%	\$221,363,862	\$4,481	117.0%
Iredell	26	26	\$13,816,865,165	\$0.597	\$82,486,685	\$29,746,123	\$11,178,308	\$101,054,500	24,329	\$28,832	98.3%	\$99,365,778	\$4,084	106.7%
Haywood	27	28	\$5,163,700,979	\$0.597	\$30,827,295	\$12,065,230	\$6,863,569	\$36,028,956	7,746	\$25,346	86.4%	\$31,143,507	\$4,021	105.0%
Cabarrus	28	29	\$13,969,812,745	\$0.597	\$83,399,782	\$29,933,414	\$15,628,155	\$97,705,041	27,183	\$30,500	104.0%	\$101,630,303	\$3,739	97.6%
Davie	29	27	\$3,144,600,857	\$0.597	\$18,773,267	\$6,332,177	\$2,702,694	\$22,402,750	6,234	\$30,371	103.6%	\$23,204,213	\$3,722	97.2%
Catawba	30	30	\$12,924,227,532	\$0.597	\$77,157,638	\$30,111,118	\$21,949,078	\$85,319,679	24,031	\$27,829	94.9%	\$80,975,423	\$3,370	88.0%
Cherokee	31	40	\$2,333,201,518	\$0.597	\$13,929,213	\$6,283,282	\$3,108,360	\$17,104,135	3,685	\$20,549	70.1%	\$11,986,661	\$3,253	84.9%
Yancey	32	33	\$1,724,196,564	\$0.597	\$10,293,453	\$3,654,869	\$2,158,403	\$11,789,919	2,514	\$20,267	69.1%	\$8,149,045	\$3,241	84.6%
Union	33	35	\$13,748,282,789	\$0.597	\$82,077,248	\$29,232,565	\$11,645,202	\$99,664,611	29,130	\$27,667	94.4%	\$94,039,315	\$3,228	84.3%
Pamlico	34	42	\$1,118,187,930	\$0.597	\$6,675,582	\$2,420,037	\$1,918,016	\$7,177,603	1,972	\$26,002	88.7%	\$6,364,915	\$3,228	84.3%
Wilkes	35	34	\$4,535,261,710	\$0.597	\$27,075,512	\$14,935,364	\$6,908,004	\$35,102,872	10,045	\$26,753	91.2%	\$32,027,390	\$3,188	83.3%
Person	36	31	\$3,348,195,363	\$0.597	\$19,988,726	\$7,434,070	\$4,984,515	\$22,438,282	6,077	\$24,695	84.2%	\$18,897,530	\$3,110	81.2%
Madison	37	32	\$1,588,474,893	\$0.597	\$9,483,195	\$3,310,204	\$2,242,973	\$10,550,426	2,597	\$22,295	76.0%	\$8,022,023	\$3,089	80.7%
Pender	38	43	\$4,026,980,946	\$0.597	\$24,041,076	\$8,450,334	\$4,610,630	\$27,880,781	7,065	\$22,288	76.0%	\$21,192,512	\$3,000	78.3%
Craven	39	38	\$5,921,678,745	\$0.597	\$35,352,422	\$17,534,846	\$9,984,062	\$42,903,206	14,377	\$29,456	100.5%	\$43,099,272	\$2,998	78.3%
Alamance	40	36	\$9,922,862,540	\$0.597	\$59,239,489	\$24,025,232	\$11,525,575	\$71,739,146	22,309	\$27,016	92.1%	\$66,097,291	\$2,963	77.4%
Perquimans	41	48	\$902,597,263	\$0.597	\$5,388,506	\$1,973,329	\$1,280,330	\$6,081,505	1,706	\$24,096	82.2%	\$4,997,611	\$2,929	76.5%
Lincoln	42	41	\$5,577,519,581	\$0.597	\$33,297,792	\$13,534,227	\$5,467,019	\$41,364,999	11,975	\$24,692	84.2%	\$34,833,387	\$2,909	76.0%
Rowan	43	39	\$9,460,680,786	\$0.597	\$56,480,264	\$21,772,391	\$11,980,235	\$66,272,420	20,592	\$26,123	89.1%	\$59,042,167	\$2,867	74.9%
Beaufort	44	44	\$3,673,501,708	\$0.597	\$21,930,805	\$9,508,346	\$6,412,873	\$25,026,278	7,347	\$24,401	83.2%	\$20,826,213	\$2,835	74.0%
Graham	45	46	\$790,429,017	\$0.597	\$4,718,861	\$1,653,673	\$2,123,846	\$4,248,688	1,196	\$22,230	75.8%	\$3,221,074	\$2,693	70.3%
Davidson	46	45	\$9,918,285,308	\$0.597	\$59,212,163	\$25,605,667	\$11,948,271	\$72,869,559	25,040	\$27,029	92.2%	\$67,171,111	\$2,683	70.1%
Lee	47	37	\$3,755,146,846	\$0.597	\$22,418,227	\$9,713,587	\$5,088,494	\$27,043,320	9,129	\$26,455	90.2%	\$24,399,121	\$2,673	69.8%
Swain	48	57	\$893,234,555	\$0.597	\$5,332,610	\$2,731,669	\$1,241,070	\$6,823,209	1,873	\$21,109	72.0%	\$4,912,049	\$2,623	68.5%
Tyrrell	49	64	\$330,738,937	\$0.597	\$1,974,511	\$955,202	\$604,070	\$2,325,644	615	\$20,242	69.0%	\$1,605,473	\$2,611	68.2%
Surry	50	47	\$4,563,059,918	\$0.597	\$27,241,468	\$16,218,342	\$7,378,229	\$36,081,580	11,868	\$25,025	85.3%	\$30,793,996	\$2,595	67.8%
Gaston	51	55	\$12,103,760,604	\$0.597	\$72,259,451	\$36,423,859	\$25,331,429	\$83,351,881	31,915	\$28,961	98.8%	\$82,325,688	\$2,580	67.4%
Pitt	52	50	\$8,406,267,271	\$0.597	\$50,185,416	\$25,003,718	\$14,919,366	\$60,269,768	21,374	\$26,777	91.3%	\$55,038,659	\$2,575	67.2%
Mitchell	53	61	\$1,248,215,505	\$0.597	\$7,451,847	\$3,424,798	\$2,808,611	\$8,068,034	2,252	\$20,598	70.2%	\$5,667,600	\$2,517	65.7%
Randolph	54	52	\$9,193,759,014	\$0.597	\$54,886,741	\$23,347,346	\$10,825,558	\$67,408,529	22,550	\$24,639	84.0%	\$56,642,751	\$2,512	65.6%
Johnston	55	54	\$9,185,728,958	\$0.597	\$54,838,802	\$29,152,489	\$12,801,969	\$71,189,322	26,075	\$26,907	91.8%	\$65,326,072	\$2,505	65.4%
Montgomery	56	49	\$2,093,393,770	\$0.597	\$12,497,561	\$4,515,293	\$3,250,911	\$13,761,943	4,459	\$23,615	80.5%	\$11,083,428	\$2,486	64.9%
Franklin	57	51	\$3,182,515,048	\$0.597	\$18,999,615	\$9,873,911	\$5,511,214	\$23,362,311	8,132	\$25,191	85.9%	\$20,070,936	\$2,468	64.5%
Chowan	58	62	\$943,643,162	\$0.597	\$5,633,550	\$3,101,400	\$2,030,984	\$6,703,965	2,432	\$26,043	88.8%	\$5,954,279	\$2,448	63.9%
Stokes	59	60	\$2,816,846,375	\$0.597	\$16,816,573	\$8,023,198	\$3,708,676	\$21,131,095	7,236	\$24,526	83.6%	\$17,674,826	\$2,443	63.8%
Yadkin	60	56	\$2,375,903,767	\$0.597	\$14,184,145	\$6,777,216	\$3,879,875	\$17,081,487	6,020	\$25,013	85.3%	\$14,571,285	\$2,420	63.2%
Alexander	61	53	\$2,130,356,814	\$0.597	\$12,718,230	\$6,517,616	\$3,363,441	\$15,872,405	5,650	\$25,234	86.1%	\$13,659,514	\$2,418	63.1%
Stanly	62	66	\$3,899,121,655	\$0.597	\$23,277,756	\$10,159,338	\$5,340,915	\$28,096,180	9,786	\$24,652	84.1%	\$23,621,411	\$2,414	63.0%
Rutherford	63	59	\$4,263,310,346	\$0.597	\$25,451,963	\$12,238,993	\$6,872,126	\$30,818,830	10,228	\$23,486	80.1%	\$24,684,914	\$2,413	63.0%
Onslow	64	67	\$6,559,489,586	\$0.597	\$39,160,153	\$26,931,921	\$10,869,213	\$55,222,861	21,947	\$28,104	95.8%	\$52,928,971	\$2,412	63.0%
Wilson	65	58	\$5,060,884,859	\$0.597	\$30,213,483	\$14,564,228	\$10,341,971	\$34,435,740	12,990	\$26,277	89.6%	\$30,859,694	\$2,376	62.0%
Camden	66	63	\$568,173,289	\$0.597	\$3,391,995	\$1,651,433	\$654,553	\$4,388,875	1,662	\$26,276	89.6%	\$3,932,954	\$2,366	61.8%
McDowell	67	65	\$2,597,739,805	\$0.597	\$15,508,507	\$8,753,294	\$4,519,295	\$19,742,505	6,364	\$21,965	74.9%	\$14,789,037	\$2,324	60

TABLE

5

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.

COUNTY	RELATIVE EFFORT RANK: CURRENT SPENDING	ABILITY RANK	REVENUE PER ADM	EFFORT RANK	TOTAL CURRENT SPENDING SPENDING PER ADM	CAPITAL OUTLAY SPENDING PER ADM	DEBT SERVICE SPENDING PER ADM	EFFORT AS % OF REVENUE PER STUDENT: CURRENT SPENDING
Scotland	1	97	\$1,398	25	\$1,335	\$348	\$136	95.5%
Gates	2	90	\$1,558	51	\$1,057	\$170	\$238	67.8%
Pasquotank	3	77	\$1,995	26	\$1,296	\$446	\$236	64.9%
Robeson	4	100	\$790	97	\$505	\$147	\$42	63.8%
Orange	5	17	\$5,352	1	\$3,401	\$1,170	\$670	63.6%
Martin	6	81	\$1,901	32	\$1,178	\$188	\$45	62.0%
Halifax	7	94	\$1,486	73	\$900	\$129	\$116	60.6%
Vance	8	88	\$1,642	61	\$959	\$100	\$243	58.4%
Hertford	9	89	\$1,607	70	\$921	\$199	\$50	57.3%
Chowan	10	58	\$2,448	23	\$1,380	\$1,109	\$353	56.4%
Johnston	11	55	\$2,505	22	\$1,383	\$1,241	\$658	55.2%
Anson	12	96	\$1,427	82	\$774	\$78	\$200	54.3%
Cumberland	13	73	\$2,188	33	\$1,177	\$397	\$113	53.8%
Cleveland	14	74	\$2,080	48	\$1,083	\$131	\$151	52.1%
Bertie	15	98	\$1,206	92	\$620	\$129	\$172	51.4%
Nash	16	72	\$2,188	47	\$1,091	\$234	\$33	49.8%
Pitt	17	52	\$2,575	29	\$1,280	\$468	\$202	49.7%
Granville	18	75	\$2,068	55	\$1,019	\$542	\$123	49.3%
Northampton	19	82	\$1,898	65	\$933	\$139	\$171	49.1%
Durham	20	21	\$5,008	3	\$2,427	\$107	\$576	48.5%
Wilson	21	65	\$2,376	37	\$1,151	\$669	\$180	48.5%
Edgecombe	22	87	\$1,688	78	\$814	\$126	\$70	48.2%
Stokes	23	59	\$2,443	35	\$1,173	\$256	\$150	48.0%
Washington	24	92	\$1,526	86	\$725	\$85	\$203	47.5%
Lenoir	25	79	\$1,940	74	\$879	\$91	\$113	45.3%
Rowan	26	43	\$2,867	27	\$1,293	\$120	\$253	45.1%
Montgomery	27	56	\$2,486	43	\$1,119	\$174	\$191	45.0%
Harnett	28	85	\$1,746	81	\$779	\$107	\$293	44.7%
Franklin	29	57	\$2,468	45	\$1,102	\$311	\$283	44.6%
Richmond	30	91	\$1,545	90	\$687	\$162	\$28	44.5%
Wayne	31	78	\$1,980	75	\$870	\$132	\$91	44.0%
Sampson	32	86	\$1,722	84	\$751	\$517	\$179	43.6%
Warren	33	83	\$1,858	79	\$797	\$66	\$244	42.9%
Hoke	34	99	\$1,118	98	\$477	\$41	\$32	42.7%
Surry	35	50	\$2,595	44	\$1,105	\$244	\$254	42.6%
Caldwell	36	70	\$2,231	63	\$946	\$206	\$125	42.4%
Rockingham	37	68	\$2,278	60	\$961	\$581	\$96	42.2%
Guilford	38	24	\$4,575	10	\$1,928	\$781	\$193	42.1%
Rutherford	39	63	\$2,413	57	\$1,000	\$390	\$571	41.4%
Lee	40	47	\$2,673	49	\$1,081	\$88	\$467	40.5%
Beaufort	41	44	\$2,835	38	\$1,146	\$121	\$80	40.4%
Gaston	42	51	\$2,580	52	\$1,039	\$192	\$234	40.3%
Greene	43	95	\$1,481	95	\$596	\$192	\$136	40.3%
Onslow	44	64	\$2,412	59	\$966	\$195	\$230	40.1%
Bladen	45	80	\$1,906	83	\$762	\$1,276	\$69	40.0%
Forsyth	46	25	\$4,481	13	\$1,776	\$290	\$439	39.6%
McDowell	47	67	\$2,324	71	\$919	\$638	\$138	39.5%
Columbus	48	93	\$1,508	96	\$593	\$88	\$80	39.3%
Stanly	49	62	\$2,414	62	\$948	\$835	\$151	39.3%
Pender	50	38	\$3,000	34	\$1,175	\$740	\$249	39.2%
Yadkin	51	60	\$2,420	66	\$932	\$139	\$185	38.5%
Haywood	52	27	\$4,021	18	\$1,546	\$299	\$266	38.5%
Burke	53	71	\$2,230	76	\$855	\$59	\$310	38.4%
Davidson	54	46	\$2,683	54	\$1,028	\$172	\$115	38.3%
Duplin	55	84	\$1,830	89	\$696	\$144	\$62	38.0%
Alamance	56	40	\$2,963	41	\$1,126	\$222	\$202	38.0%
Caswell	57	76	\$1,999	85	\$748	\$27	\$71	37.4%
Union	58	33	\$3,228	31	\$1,199	\$731	\$587	37.1%
Chatham	59	13	\$5,788	6	\$2,138	\$135	\$266	36.9%
Randolph	60	54	\$2,512	68	\$927	\$554	\$254	36.9%
Lincoln	61	42	\$2,909	53	\$1,038	\$725	\$361	35.7%
Wake	62	14	\$5,625	8	\$1,980	\$930	\$750	35.2%
Buncombe	63	23	\$4,595	14	\$1,614	\$534	\$277	35.1%
Person	64	36	\$3,110	50	\$1,076	\$694	\$279	34.6%
Pamlico	65	34	\$3,228	46	\$1,097	\$81	\$229	34.0%
New Hanover	66	10	\$6,342	5	\$2,154	\$1,167	\$400	34.0%
Catawba	67	30	\$3,370	40	\$1,135	\$444	\$391	33.7%
Alexander	68	61	\$2,418	80	\$796	\$493	\$163	32.9%
Mecklenburg	69	9	\$6,913	4	\$2,263	\$1,067	\$638	32.7%
Craven	70	39	\$2,998	58	\$973	\$421	\$256	32.5%
Perquimans	71	41	\$2,929	64	\$937	\$160	\$149	32.0%
Wilkes	72	35	\$3,188	56	\$1,006	\$721	\$46	31.6%
Tyrrell	73	49	\$2,611	77	\$816	\$92	\$216	31.3%
Cabarrus	74	28	\$3,739	36	\$1,159	\$793	\$641	31.0%
Davie	75	29	\$3,722	39	\$1,139	\$263	\$169	30.6%
Iredell	76	26	\$4,084	30	\$1,249	\$612	\$381	30.6%
Jones	77	69	\$2,250	91	\$651	\$258	\$61	28.9%
Cherokee	78	31	\$3,253	69	\$927	\$331	\$452	28.5%
Mitchell	79	53	\$2,517	88	\$716	\$151	\$107	28.4%
Hyde	80	15	\$5,573	16	\$1,569	\$376	\$78	28.1%
Moore	81	16	\$5,507	19	\$1,545	\$424	\$274	28.1%
Yancey	82	32	\$3,241	72	\$903	\$256	\$64	27.9%
Carteret	83	7	\$7,266	7	\$2,020	\$770	\$642	27.8%
Brunswick	84	6	\$7,292	9	\$1,956	\$1,325	\$587	26.8%
Transylvania	85	12	\$6,061	15	\$1,592	\$1,046	\$416	26.3%
Camden	86	66	\$2,366	93	\$610	\$984	\$674	25.8%
Henderson	87	19	\$5,161	28	\$1,283	\$746	\$290	24.9%
Currituck	88	5	\$7,839	11	\$1,910	\$517	\$371	24.4%
Polk	89	11	\$6,272	20	\$1,527	\$94	\$126	24.4%
Madison	90	37	\$3,089	87	\$720	\$140	\$366	23.3%
Alleghany	91	18	\$5,250	42	\$1,122	\$384	\$327	21.4%
Watauga	92	2	\$9,065	12	\$1,871	\$227	\$402	20.6%
Avery	93	8	\$6,953	24	\$1,344	\$1,129	\$544	19.3%
Ashe	94	22	\$4,878	67	\$931	\$507	\$444	19.1%
Jackson	95	3	\$8,529	17	\$1,562	\$1,240	\$440	18.3%
Macon	96	4	\$7,950	21	\$1,405	\$1,180	\$622	17.7%
Dare	97	1	\$18,262	2	\$2,979	\$1,396	\$1,219	16.3%
Graham	98	45	\$2,693	99	\$422	\$227	\$139	15.7%
Clay	99	20	\$5,089	94	\$610	\$134	\$117	12.0%
Swain	100	48	\$2,623	100	\$302	\$92	\$224	11.5%

State Total/Average

\$3,829

\$1,432

\$357

\$553

37.4%

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 2004-05 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 2004-05 current expenses (including supplemental school taxes), a six-year average capital outlay, capital reserves, and interest on debt. 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 effort to be as accurate as possible, this study uses a three-year weighted average (except in the case of counties revalued in 2003 and 2004) 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. City school districts are combined with the county system and charter school enrollment is included (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.

The local school finance study will report 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.

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 FUNDING 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. 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 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, fines/forfeitures, and local tax aid. This past year counties did not receive any Local Tax Aid from the state. (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.

2006 Local School FINANCE STUDY

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Contact the Forum for additional copies of this study. (\$8 each)

“Because the North Carolina Constitution expressly states that units of local governments with financial responsibility for public education may provide additional funding to supplement the educational programs provided by the state, there can be nothing unconstitutional about doing so or in any inequality of opportunity occurring as a result...clearly then, a county with greater financial resources will be able to supplement its programs to a greater degree than less wealthy counties, resulting in enhanced educational opportunities for its students.”

—Leandro v. North Carolina, July 24, 1997

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