

2007 LOCAL SCHOOL FINANCE STUDY

EDITORIAL

For 20 years the Public School Forum has published an annual study of local school spending across North Carolina. The study focuses not only on the amount that county commissioners spend on their local schools; it puts that number in the context of the wealth of a county. Specifically, the study rates counties based on the “effort” they make to support their local schools.

From the early years of the study a trend became evident that has deepened each year. For the most part, counties that have the lowest taxable resources tend to make the greatest taxing effort to support their schools. On the other hand, counties that have the most taxable resources spend more on their local schools, but because of their wealth they do so while making very little effort (i.e., taxes remain low because they can generate large amounts of tax revenue with low tax rates).

The other trend that has deepened over time is the widening gap between “have” and “have not” counties in North Carolina. North Carolina has 100 counties, 21 of them are above the state average in terms of how much taxable real estate wealth they have to support an average public school student; conversely, 79 of the 100 counties are below the state average.

Job growth, population, new housing, and business growth increasingly are concentrated in fewer than 20% of North Carolina’s 100 counties. In fact, in recent years, four counties, Mecklenburg, Wake, Union and Johnson, have accounted for over 50% of the growth in K-12 student population. At the same time, 30 counties are losing student population which is a good proxy for job losses and an exodus of people leaving to find work in other areas.

Predictably, the widening gap between county prosperity is mirrored in the school spending patterns of counties.

As the chart below illustrates, there is an enormous gap between the per pupil amount that is spent by counties. Looking at spending patterns from 1990-91 to 2005-06, counties investing the most in their schools are spending substantially more today than they were in 1990-91, even when inflation is taken into account. On the other hand, most of the counties spending the least on their young people are spending less in inflation-adjusted dollars than they were in 1990-91.

Fortunately, during the 20 years the Forum has published annual studies of local school expenditures, the state of North Carolina has made policy decisions that have narrowed the educational investment gap between counties. Additional funds for the state’s poorest and smallest school systems have made it possible for low-wealth counties to invest more in their young people; however, when it comes to investments in young people, educational opportunity is largely determined by one’s zip code. Young people born into one of North Carolina’s economically thriving counties will have opportunities denied to those born in the counties we drive through.

If one overlays educational performance data on North Carolina’s most economically challenged counties, the educational opportunity gap becomes painfully clear. The largest concentration of low performing schools, the counties that have the most schools facing the consequences of failure under No Child Left Behind and those that have the highest school dropout rates, are clustered in eastern North Carolina. While the state’s efforts to equalize opportunity have been well-intentioned, unless there is a major policy initiative aimed at bolstering the educational opportunities of young people in these counties, it is unlikely the annual Forum studies of school spending will do little more than record the gap between two North Carolinas in the years to come. ♦

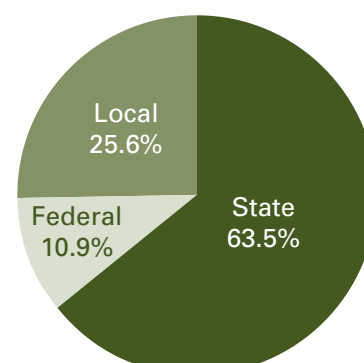
Current Spending Per Student Per County

TOP 5				BOTTOM 5			
County	1990-91	2005-06	% of change	County	1990-91	2005-06	% of change
Orange	\$1,187	\$3,586	202.1%	Camden	\$664	\$570	-14.2%
Dare	\$1,447	\$3,297	127.9%	Robeson	\$428	\$514	20.1%
Durham	\$1,338	\$2,567	91.9%	Hoke	\$259	\$499	92.7%
Mecklenburg	\$1,275	\$2,357	84.9%	Graham	\$298	\$418	40.3%
New Hanover	\$789	\$2,188	177.3%	Swain	\$302	\$296	-2.0%

SYNOPSIS

North Carolina public schools spent \$6.8 billion in the 2005-06 school year using a combination of state, federal, and local resources. State funding accounts for 63.5 percent of expenditures, federal funding accounts for 10.9 percent, and local funding accounts for 25.6 percent of spending. According to a recent National Education Association survey, the US average breakdown of expenditures is 47.6 percent from the state, 9.1 percent from the federal government, and 43.3 percent from local sources. ♦

Current Expenditures



Source: DPI, Financial & Business Services

Celebrating Our
20th
FINANCE STUDY
1987-2007

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 2005-06, the General Assembly provided \$6.86 billion for public schools and oversaw \$1 billion in federal funds, which accounts for 80.5% of the \$9.76 billion spent on the state’s 1,390,168 school children to meet the constitutional mandate.

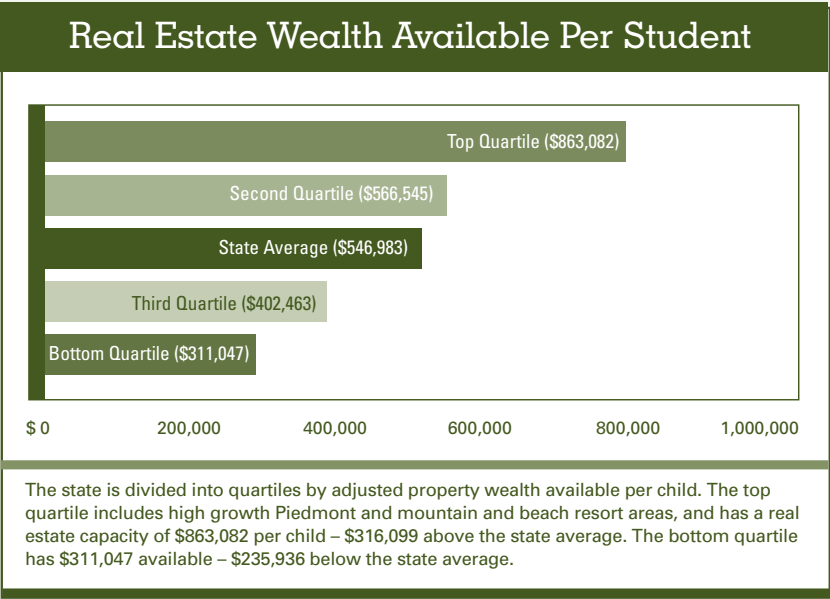
Also contained in that section is a provision whereby the General Assembly can require "local government such responsibility for the financial support of the free public schools as it may deem appropriate. The governing boards of units of local government with financial responsibility for public education may use local revenues to add to or supplement any public school or post-secondary school program." Last year county governments provided \$2 billion for public education. Counties provided one of every six full-time personnel.

For 20 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 in the whole state for a term of eights... 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) Despite being “relieved” of their responsibility, last year counties spent \$2.0 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 state's ten highest-spending counties spend an average of \$44,434 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 \$1.6 million per student in real capacity available, compared with the poorest counties that have approximately \$280,000 per student in real estate capacity available. This gap has grown by more than 300 percent since the Supreme Court's first decision in the school case finance in 1997. ♦



FINDINGS

Capacity, Capacity, Capacity

The primary source of revenue for county governments 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 \$1,626,973 per student, compared with the ten poorest counties that have a real estate capacity of \$279,644 per student. The gap has been growing steadily every year, and this year finally exceeded \$1.3 million. The wealthiest counties real estate capacity rose 19% since last year, compared with the poorest counties whose capacity grew by only 8%.

lowest-spending counties has widened to \$1,709 per child. The top spending counties spend four times more per child (\$2,255 per child), compared with the bottom spending counties (\$546 per child). At the classroom level, the highest spending counties are spending \$44,434 more per classroom.

The highest-spending counties have increased their spending \$820 per student since 1997, compared with the lowest-spending counties that have raised their spending \$100. Only one-fifth of the state's 100 counties are above the state average of \$1,491 per student.

General Assembly has provided \$1.1 billion for both funds, including last year's appropriation of \$133.2 million for the 70 low wealth counties and \$39.5 million for the 27 small counties last year.

Low wealth supplemental funding is provided to systems whose ability to generate local revenue per student is below the state average. Some of the factors used to determine eligibility are county adjusted property tax base, square miles in the county, and per capita income. In FY 2005-06 low wealth eligible counties received per student dollars that ranged from \$19.67 (Union) to \$465.53 (Robeson).

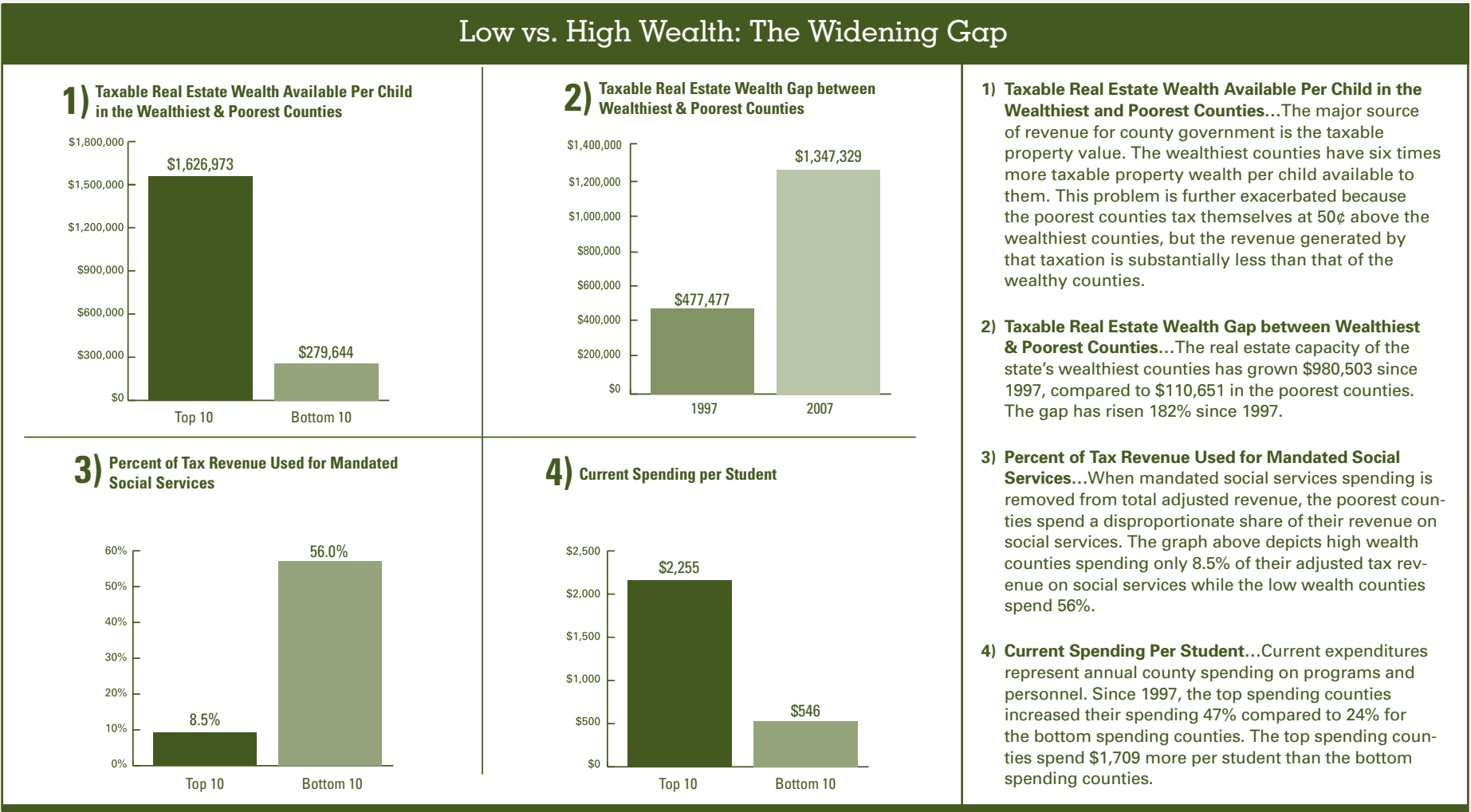
Small county supplemental funding is provided to those county school systems with average daily membership (ADM) less than 3,239 or to county school systems with ADM between 3,239 and 1,080 whose county adjusted property tax base per student is below the state adjusted property tax base per student. In FY 2005-06

Spending Disparities Grow

Orange County spends 12 times more per student than Swain County, and, if you treat the supplemental tax in Orange County as its only source of current expenditures, it would spend \$501 more per student than Swain County. The gap between the highest- and

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 limited capacity that some counties have because of their limited local resources and size. Since 1991 the



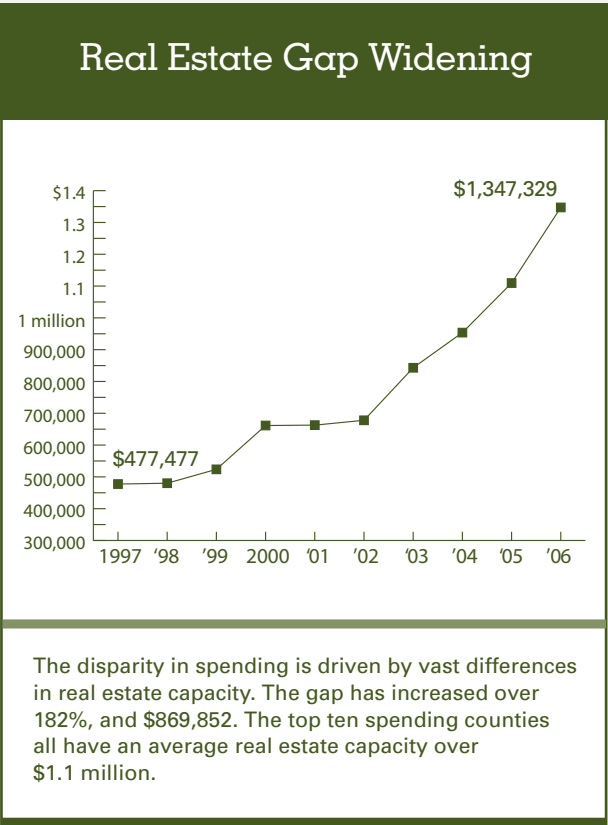
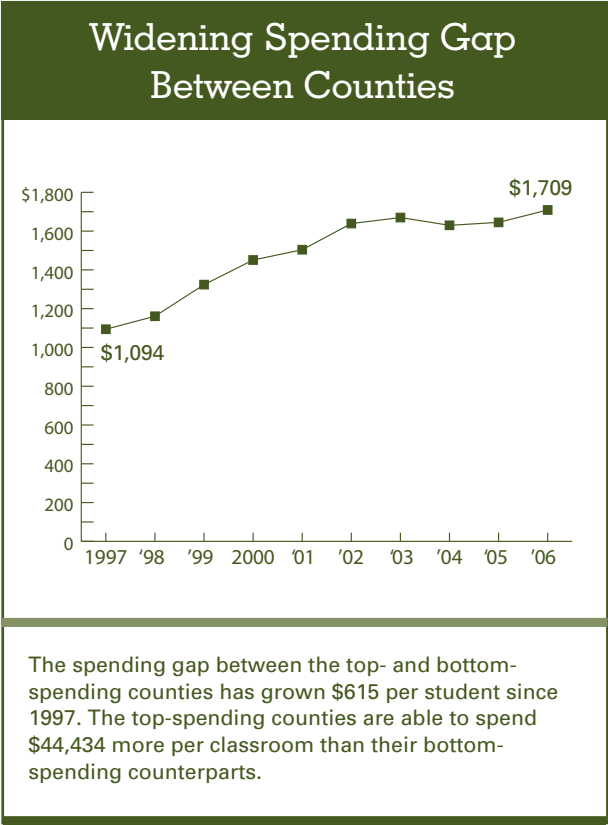
eligible counties received between \$1.25 million and \$1.6 million in small county supplemental funding. The per student dollars were between \$335 (Currituck) and \$2,474 (Tyrrell).

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 has an average per student real capacity above \$1.1 million, an average nearly six times greater than the bottom ten counties.

The ten wealthiest counties have an average real estate capacity of \$1,626,973 million, compared with the ten poorest counties which have a real capacity of \$279,644 per student. The gap has reached over \$1.3 million, and has risen 21% since last year and 182% since 1997.

The state’s wealthiest counties have nearly six times the real estate capacity of the poorest counties despite having an average effective tax that is 50¢ lower. The poorest counties continue raising their tax rates, but the revenue they can generate remains limited, while the wealthiest counties rate is over eleven cents lower than it was a decade ago. ♦



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 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 21 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 proscribed by the School Machinery Act and the School Budget and Fiscal Control Act have become blurred. Last year counties funded 1,034 principals and assistant principals, 6,621 teachers (7.0% of the total), 3,052 teacher assistants (10.6% of the total), and 2,276 instructional support personnel (17.9% 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 this year. According to the most current information from the Department of Public Instruction, county government has provided 74.6% of capital outlay for schools since 1995, and the state has provided 25% of the capital expenditures.

State Funds

Thirty-nine percent of the state’s General Fund is appropriated for public education, which is a decline from the 41% a decade earlier. The state provided \$6.8 billion to operate 2,414 regular and charter schools in 115 school systems across 100 counties for 1,390,168 students. Ninety-one percent of state funds were spent on salaries and benefits for 135,149 state-funded school personnel, including 86.3% who are principals, teachers, instructional support personnel, or teacher assistants.

The state ranks sixth in the nation and first in the Southeast in the percentage of the education dollar paid by the state. Two-thirds of state funds are appropriated as position allotments (e.g., teachers and principals), 20.6% as categorical allotments (e.g., transportation cost or for children with special needs), and 14.8% as dollar allotments (e.g., textbooks, teacher assistants, or central office administration).

State spending has increased 63% since 1996, but while the level of funding has increased the percentage of the state’s General Fund that is dedicated to education continues declining. 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. For example, these extra resources could be used to:

- Triple the professional development budget to \$36 million
- Triple the Academically & Intellectually Gifted budget to \$152.2 million
- Expand the Reading First initiative by \$43 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 10.9% of public education spending, up slightly from 10.4% the previous year, and currently total \$1,032,766,572. The federal government has added additional resources in an effort to school to help meet the mandates of the No Child Left Behind legislation. Eighty-five percent of federal support goes toward helping the low-income students improve academically (Title I), providing services for disabled students, and funding school nutrition programs (see chart). Federal resources are given to states in the form of direct

ARTICLE IX, SEC. 2.
UNIFORM SYSTEM OF SCHOOLS

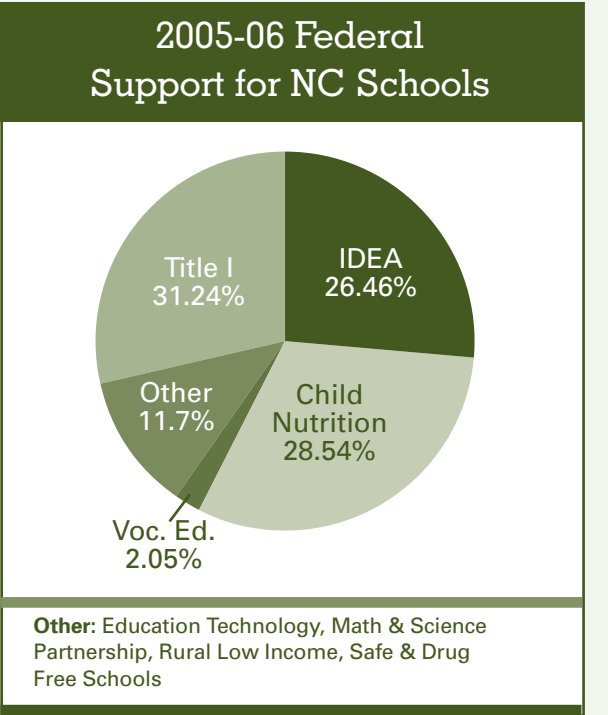
(1) General and uniform system: term. The General Assembly shall provide by taxation and otherwise for a general and uniform system of free public schools, which shall be maintained at least nine months in every year, and wherein equal opportunities shall be provided for all students.

(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.

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.” The seven-decade-old division of responsibility has eroded with local governments funding 9.2% of the instructional-related positions, including 20.9% of principals



and assistant principals, 7.0% of teachers, 17.9% of instructional support personnel, and 10.6% of teacher assistants.

The primary school funding responsibility of counties is providing school buildings and maintaining them. Since 1960 counties have approved 286 bonds out of 402 – a 71.1% approval rate- totaling \$8.9 billion. Last year counties spent \$3.3 billion on schools, including 57.5% on current expenditures (classrooms & instruction) and 42.5% on capital expenditures (capital outlay & debt payments).

Since 1995 the state has spent more than \$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 1997 the top-spending counties have increased their average student expenditure 66.6%, compared with the bottom-spending counties that have increased their average expenditure 25.3%. The gap has grown to \$1,709 – a 56% increase – and only 21 counties are above the state average of \$1,491. 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

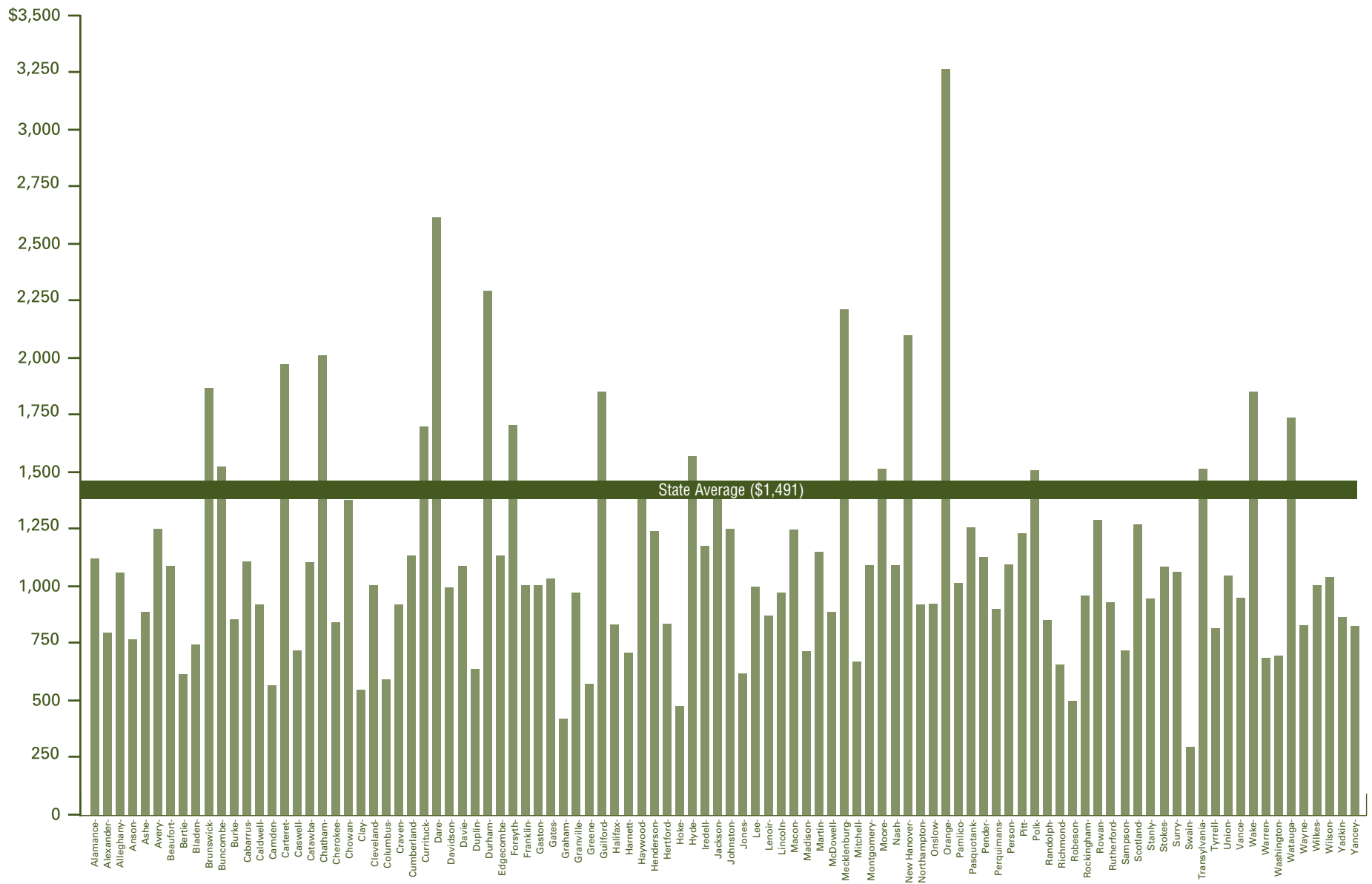
Between 1979 and 2004 Medicaid spending increased 1,967%! The Kaiser Commission on Medicaid and the Uninsured reports that since 1999 the growth in Medicaid spending has outpaced state tax revenue each year placing strains on state coffers and pressuring other areas of state government across the nation. According to the National Association of State Budget Officers, Medicaid expenditures comprised a larger percent of state budgets than 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% of an \$8.2 billion budget. Almost 28% of county spending is devoted to human services expenditures, especially Medicaid. 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.

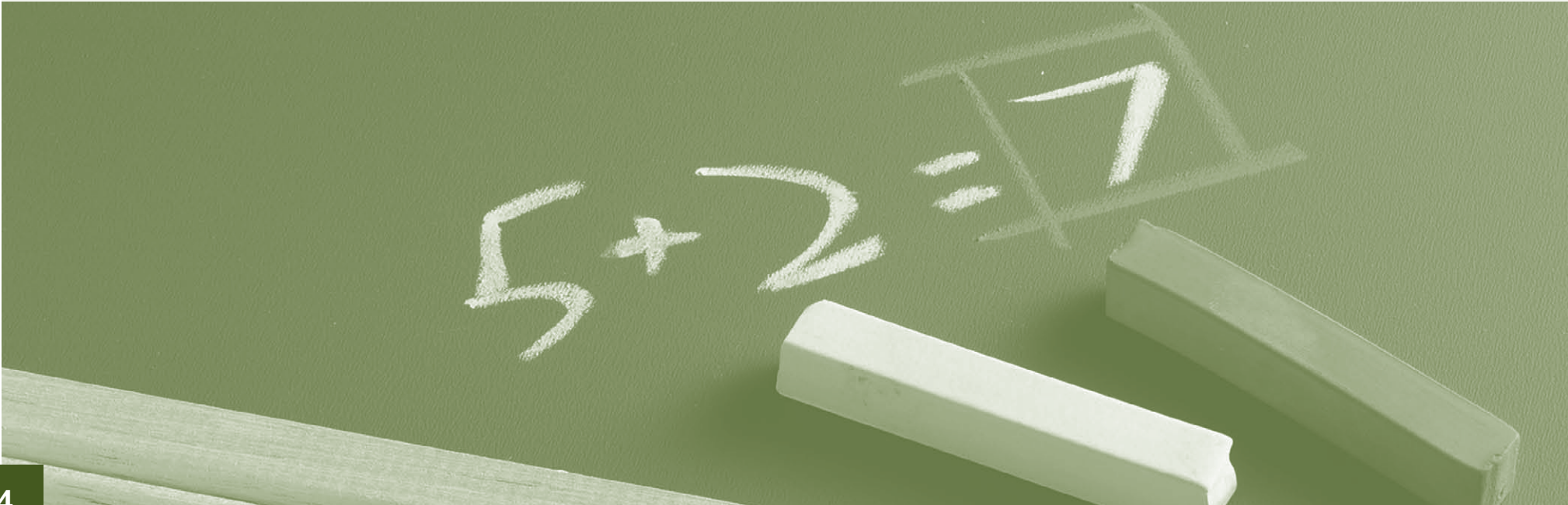
Like real estate capacity and total current spending, there are large gaps between counties in North Carolina. As a contrast, the wealthiest counties experience with the state’s poorest counties, which has a much smaller pie to begin with. If you imagine the adjusted tax revenue available for county spending is like a pie, the wealthiest counties have a large pie. The wealthiest counties must devote slightly less than one-tenth (8.5%) of their resources for mandated social service spending, a 1% decrease from last year. In contrast, the poorest counties must devote over half (56%) of their resources for mandated social services spending.

As 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. ♦

Total Current Spending Per Student



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



CROSSING THE COUNTY LINE

	DARE COUNTY		TYRRELL COUNTY	
	Then!	Now!	Then!	Now!
	Property Wealth & Taxes		Property Wealth & Taxes	
Adj Property Tax Base	\$4,417,801,100	16,622,552,455	\$223,331,985	396,977,917
Per Capita Income	20,611	33,463	16,189	22,329
Adj. Prop. Tax Revenue	26,711,875	99,070,413	1,353,392	2,365,988
Mandated Welfare Payments	1.9%	4.0%	16.0%	20.0%
Effective Tax Rate	\$.40	\$0.247	\$0.73	\$0.700
	The Spending Gap		The Spending Gap	
Student Enrollment	4,283	4,858	791	616
SPENDING PER STUDENT				
Current	1,699	3,297	738	847
Capital	1,024	4,206	785	92
Total	2,723	7,503	1,523	939
Total Spending per Class	70,798	195,078	39,598	24,414
	Ability/Effort to Support Local Schools		Ability/Effort to Support Local Schools	
Ability to Pay	1	1	76	43
Actual Effort	4	2	23	80
Relative Effort	91	97	4	79
* ranking out of 100 counties	1998	2006	1998	2006

In the 1998 Local School Finance Study, the dramatic disparities in wealth and school funding were illustrated by two neighboring counties in eastern North Carolina. Dare, described as a wealthy coastal county with a rapidly growing population, has experienced phenomenal growth over the last 10 years, while Tyrrell, its neighbor to the west, remains a sparsely populated, rural county, where the median family income remains one of the lowest in the state. ♦



PROPERTY WEALTH & REVENUE

The primary source of local school revenue is derived from property taxation. While 45.6% of the state’s students attend school in higher wealth counties (counties above the state average adjusted property tax base per pupil), those 40 counties account for 62% of the state’s adjusted property tax.

The state average adjusted tax base per pupil grew by 16% over the past five years. However, the difference between the adjusted property tax base per pupil in

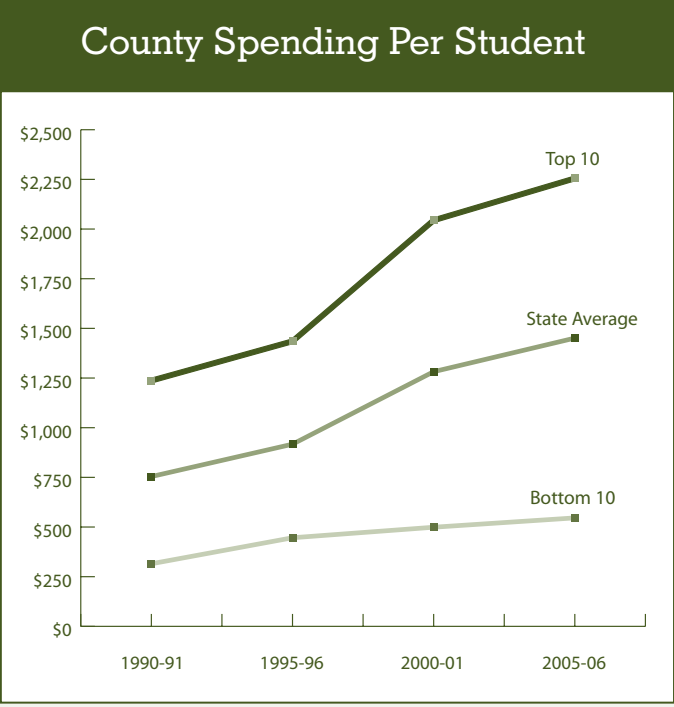
the state’s top quartile and bottom quartile counties increased by over 34% during the last five years. In 1990-91, the difference between the top and bottom quartiles equated to \$228,027 per pupil. The difference has reached a staggering \$552,035 per pupil in 2005-06.

In addition to property taxes, local funding is augmented by non-property tax revenue, including local option sales taxes, inventory tax reimbursements, and fines and forfeitures. When all of these revenue sources

are taken into account, an accurate picture of just what counties have available to spend on public schools comes into focus. And the discrepancy between what richer and poorer systems have available to finance public education becomes clear.

With the state’s top ten systems generating an average of \$2,255 per pupil in revenue and the ten poorest only \$546, a difference slightly more than \$1,700 per pupil separates the state’s wealthiest and poorest counties.

This gap has grown from the \$922 per pupil that separated the top and bottom ten counties in 1990-91. Since 1990-91, the state average has increased 92%. While the state’s poorest counties have only seen an increase of \$231 per pupil over the last 15 years, the top counties have seen an increase of \$1,018 per pupil. The differences are magnified when talking at the classroom or school level. Over the past 15 years, the state’s poorest counties have increased spending \$231 per pupil, \$6,006 per classroom, or \$115,500 per school; while the top ten counties have increased their spending \$1,018 per pupil; \$26,468 per classroom, or \$509,000 per school. ♦



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 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 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 \$55.1 million, up 9 percent from last year. ♦

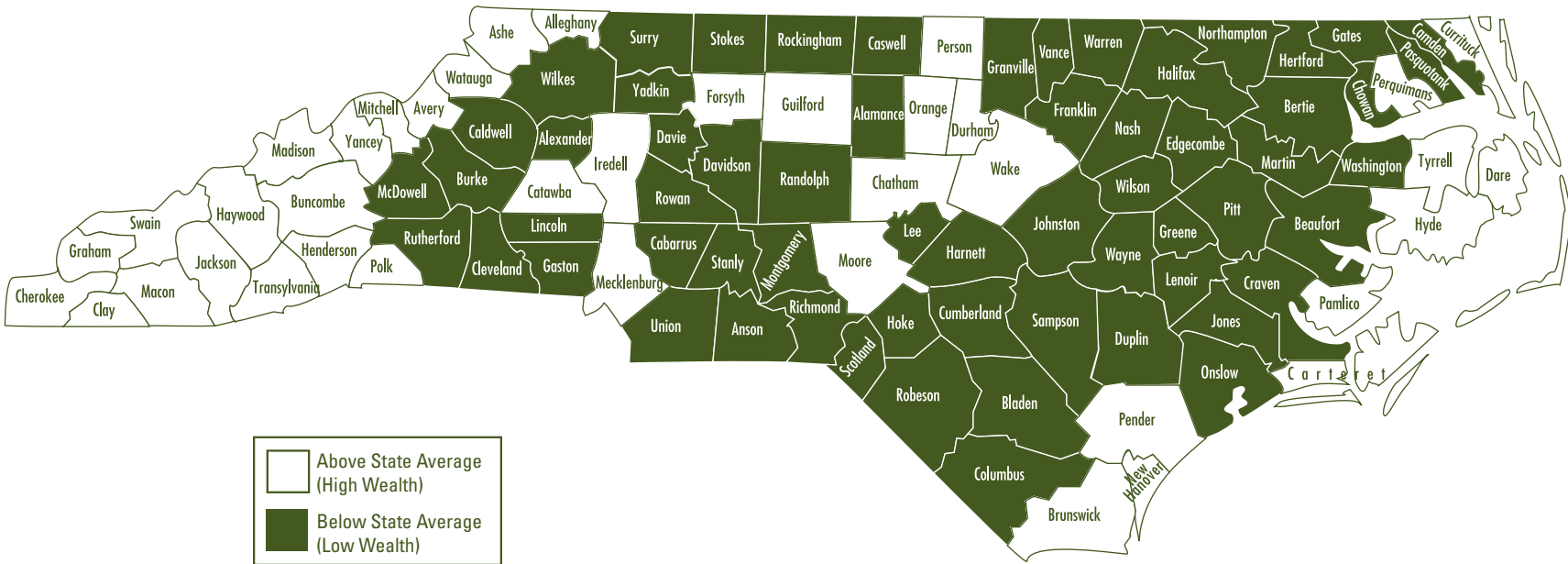
TABLE 1

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	2005-06 STUDENT POPULATION	2005-06 ADJUSTED TAX BASE	ADJUSTED PROPERTY TAX BASE PER STUDENT	AVERAGE EFFECTIVE TAX RATE	COUNTY	RANK	PREVIOUS YEAR'S RANK	LAST YEAR REVALUED	2005-06 STUDENT POPULATION	2005-06 ADJUSTED TAX BASE	ADJUSTED PROPERTY TAX BASE PER STUDENT	AVERAGE EFFECTIVE TAX RATE
Dare	1	1	2005	4,858	\$16,622,552,455	\$3,421,686	\$0.247	Jones	51	50	1998	1,317	\$574,031,894	\$435,863	\$0.685
Currituck	2	8	2005	4,025	\$7,707,879,197	\$1,915,001	\$0.320	Craven	52	52	2002	14,544	\$6,332,272,492	\$435,387	\$0.569
Jackson	3	2	2004	3,796	\$6,174,839,168	\$1,626,670	\$0.349	Rutherford	53	51	2002	10,293	\$4,452,345,882	\$432,561	\$0.548
Watauga	4	3	2002	4,563	\$7,023,344,644	\$1,539,195	\$0.320	Northampton	54	55	2001	3,412	\$1,450,406,443	\$425,090	\$0.669
Macon	5	4	2003	4,183	\$5,941,911,140	\$1,420,490	\$0.346	Stokes	55	64	2005	7,305	\$3,081,875,196	\$421,886	\$0.599
Brunswick	6	5	2003	11,727	\$16,274,205,541	\$1,387,755	\$0.463	Chowan	56	65	1998	2,444	\$1,024,413,361	\$419,154	\$0.604
Hyde	7	7	2003	627	\$855,611,781	\$1,364,612	\$0.581	Randolph	57	56	2001	22,860	\$9,475,214,442	\$414,489	\$0.466
Avery	8	6	2002	2,411	\$3,254,750,193	\$1,349,959	\$0.401	McDowell	58	54	2003	6,397	\$2,649,874,171	\$414,237	\$0.522
Carteret	9	9	2001	8,539	\$9,585,286,004	\$1,122,530	\$0.349	Franklin	59	62	2004	8,184	\$3,372,187,986	\$412,046	\$0.784
Clay	10	10	2002	1,314	\$1,470,321,124	\$1,118,966	\$0.333	Rockingham	60	57	2003	14,421	\$5,914,523,560	\$410,133	\$0.614
Transylvania	11	11	2002	3,955	\$4,008,212,118	\$1,013,454	\$0.497	Bladen	61	72	1999	5,470	\$2,235,082,218	\$408,607	\$0.622
Alleghany	12	12	1999	1,520	\$1,427,416,304	\$939,090	\$0.439	Davidson	62	59	2001	25,516	\$10,412,518,242	\$408,078	\$0.512
Ashe	13	13	1998	3,235	\$2,933,070,671	\$906,668	\$0.379	Caswell	63	66	2004	3,253	\$1,313,219,868	\$403,695	\$0.571
Polk	14	14	2001	2,451	\$2,148,553,343	\$876,603	\$0.525	Wilson	64	63	2000	13,076	\$5,272,713,756	\$403,236	\$0.704
New Hanover	15	15	1999	24,163	\$21,038,510,880	\$870,691	\$0.591	Pitt	65	61	2004	21,925	\$8,828,425,238	\$402,665	\$0.682
Henderson	16	16	2003	12,737	\$9,906,655,948	\$777,786	\$0.467	Surry	66	67	2004	11,909	\$4,733,785,935	\$397,497	\$0.616
Graham	17	23	2002	1,216	\$944,068,106	\$776,372	\$0.469	Stanly	67	58	2005	9,816	\$3,893,666,825	\$396,665	\$0.644
Chatham	18	19	2005	7,964	\$6,062,113,210	\$761,190	\$0.597	Caldwell	68	70	2005	12,922	\$5,047,014,568	\$390,575	\$0.540
Haywood	19	22	2002	7,799	\$5,708,489,925	\$731,952	\$0.505	Burke	69	71	2001	14,342	\$5,596,472,343	\$390,216	\$0.511
Yancey	20	18	2000	2,520	\$1,809,357,643	\$717,999	\$0.390	Alexander	70	69	2002	5,682	\$2,210,411,717	\$389,020	\$0.467
Buncombe	21	24	2002	29,789	\$21,388,106,331	\$717,987	\$0.507	Yadkin	71	60	2005	6,151	\$2,373,519,416	\$385,875	\$0.680
Mecklenburg	22	17	2003	125,142	\$88,771,736,765	\$709,368	\$0.802	Gaston	72	68	2003	32,518	\$12,407,441,181	\$381,556	\$0.868
Cherokee	23	27	2004	3,701	\$2,591,094,309	\$700,107	\$0.452	Martin	73	73	2001	4,255	\$1,596,994,725	\$375,322	\$0.703
Orange	24	25	2005	17,922	\$12,447,258,148	\$694,524	\$0.806	Camden	74	77	2001	1,808	\$666,042,383	\$368,386	\$0.648
Durham	25	20	2001	32,767	\$22,614,607,477	\$690,164	\$0.750	Granville	75	75	2002	8,662	\$3,139,603,961	\$362,457	\$0.681
Madison	26	28	2004	2,601	\$1,719,250,522	\$660,996	\$0.464	Johnston	76	76	2003	27,433	\$9,888,705,989	\$360,468	\$0.756
Moore	27	21	2003	12,299	\$8,096,627,036	\$658,316	\$0.439	Edgecombe	77	74	2001	7,469	\$2,685,137,728	\$359,504	\$0.788
Wake	28	26	2000	125,198	\$81,066,880,963	\$647,509	\$0.545	Cleveland	78	78	2004	16,878	\$6,044,860,775	\$358,150	\$0.548
Tyrrell	29	36	2005	616	\$396,977,917	\$644,445	\$0.700	Pasquotank	79	80	1998	6,029	\$2,133,070,566	\$353,802	\$0.594
Pender	30	30	2003	7,352	\$4,609,942,685	\$627,032	\$0.534	Halifax	80	81	1999	8,913	\$3,108,591,972	\$348,771	\$0.716
Swain	31	43	2005	1,932	\$1,186,415,319	\$614,087	\$0.327	Washington	81	85	2005	2,140	\$741,800,724	\$346,636	\$0.790
Pamlico	32	32	2004	1,925	\$1,177,018,791	\$611,438	\$0.648	Anson	82	88	2002	4,167	\$1,428,400,224	\$342,789	\$0.692
Mitchell	33	33	2001	2,252	\$1,349,667,283	\$599,319	\$0.403	Duplin	83	79	2001	8,896	\$3,048,502,199	\$342,682	\$0.675
Guilford	34	29	2004	69,528	\$40,950,910,216	\$588,984	\$0.636	Hertford	84	82	2003	3,469	\$1,158,691,475	\$334,013	\$0.893
Iredell	35	31	2003	25,575	\$14,948,329,904	\$584,490	\$0.418	Columbus	85	84	2005	9,514	\$3,130,141,771	\$329,004	\$0.719
Person	36	34	2005	6,109	\$3,549,982,657	\$581,107	\$0.650	Lenoir	86	83	2001	10,198	\$3,267,744,042	\$320,430	\$0.762
Perquimans	37	38	2000	1,770	\$991,856,873	\$560,371	\$0.584	Onslow	87	89	2000	22,593	\$7,226,298,010	\$319,847	\$0.586
Forsyth	38	37	2005	50,986	\$28,383,368,962	\$556,689	\$0.666	Wayne	88	87	2003	19,132	\$6,095,829,915	\$318,620	\$0.710
Warren	39	42	2001	3,035	\$1,680,615,241	\$553,745	\$0.639	Nash	89	86	2001	18,736	\$5,926,824,136	\$316,333	\$0.601
Davie	40	40	2005	6,350	\$3,453,140,183	\$543,802	\$0.570	Bertie	90	91	2004	3,211	\$1,010,723,229	\$314,769	\$0.752
Catawba	41	35	2003	24,438	\$13,192,069,918	\$539,818	\$0.480	Vance	91	90	2000	8,331	\$2,536,528,641	\$304,469	\$0.719
Beaufort	42	41	2002	7,373	\$3,834,711,010	\$520,102	\$0.548	Gates	92	96	2001	2,003	\$598,182,690	\$298,643	\$0.688
Montgomery	43	45	2004	4,477	\$2,316,208,459	\$517,357	\$0.510	Cumberland	93	94	2003	51,973	\$15,499,442,407	\$298,221	\$0.842
Cabarrus	44	39	2004	28,870	\$14,738,668,201	\$510,518	\$0.623	Sampson	94	92	2003	11,131	\$3,307,556,689	\$297,148	\$0.732
Wilkes	45	48	2003	10,122	\$4,844,541,133	\$478,615	\$0.554	Harnett	95	93	2003	17,310	\$5,132,911,037	\$296,529	\$0.704
Union	46	44	2004	32,003	\$15,162,460,642	\$473,782	\$0.530	Richmond	96	95	2004	8,164	\$2,335,833,762	\$286,114	\$0.735
Lincoln	47	46	2004	12,471	\$5,884,421,509	\$471,848	\$0.591	Greene	97	98	2005	3,195	\$898,779,287	\$281,308	\$0.721
Rowan	48	47	2003	20,732	\$9,654,065,088	\$465,660	\$0.619	Scotland	98	97	2003	6,953	\$1,855,926,641	\$266,925	\$1.086
Alamance	49	49	2001	22,731	\$10,261,428,907	\$451,429	\$0.538	Hoke	99	99	1998	6,964	\$1,706,859,414	\$245,098	\$0.633
Lee	50	53	2003	9,209	\$4,131,248,701	\$448,610	\$0.734	Robeson	100	100	2005	24,006	\$5,286,581,266	\$220,219	\$0.778
STATE TOTAL/AVERAGE												1,390,168	\$760,398,742,937	\$546,983	\$0.596

Disparities in Real Estate Wealth



Thirty-nine counties’ property wealth was above the state average of \$546,983 per student, while the remaining 61 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 2005-06 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	2005-06 Current Expense	2005-06 Supplemental School Taxes	Six-Year Capital Outlay Average	Six-Year Capital Debt Service Average	2005-06 Total Current Spending	2005-06 Student Population	Capital Outlay Spending Per Student	Debt Service Per Student	Current Spending Per Student	Total Current Spending Per Student
Orange	1	1	\$49,981,296	\$14,290,145	\$21,946,343	\$13,520,159	\$64,271,441	17,922	\$1,225	\$754	\$2,789	\$3,586
Dare	2	2	\$16,015,041	\$0	\$20,433,024	\$4,975,692	\$16,015,041	4,858	\$4,206	\$1,024	\$3,297	\$3,297
Durham	3	3	\$84,127,705	\$0	\$12,997,526	\$13,813,016	\$84,127,705	32,767	\$397	\$422	\$2,567	\$2,567
Mecklenburg	4	4	\$295,000,000	\$0	\$153,344,555	\$79,358,983	\$295,000,000	125,142	\$1,225	\$634	\$2,357	\$2,357
New Hanover	5	5	\$52,866,477	\$0	\$19,061,676	\$13,532,068	\$52,866,477	24,163	\$789	\$560	\$2,188	\$2,188
Chatham	6	6	\$14,525,778	\$2,292,190	\$790,241	\$2,684,954	\$16,817,968	7,964	\$99	\$337	\$1,824	\$2,112
Guilford	7	10	\$141,665,521	\$0	\$67,721,667	\$11,856,211	\$141,665,521	69,528	\$974	\$171	\$2,038	\$2,038
Currituck	8	11	\$8,085,571	\$0	\$2,101,533	\$1,436,576	\$8,085,571	4,025	\$522	\$357	\$2,009	\$2,009
Wake	9	8	\$251,247,744	\$0	\$146,816,794	\$86,236,855	\$251,247,744	125,198	\$1,173	\$689	\$2,007	\$2,007
Carteret	10	7	\$17,031,214	\$0	\$4,825,856	\$5,728,099	\$17,031,214	8,539	\$565	\$671	\$1,995	\$1,995
Watauga	11	12	\$9,075,796	\$0	\$884,821	\$1,938,407	\$9,075,796	4,563	\$194	\$425	\$1,989	\$1,989
Brunswick	12	9	\$23,177,608	\$0	\$16,920,345	\$6,109,893	\$23,177,608	11,727	\$1,443	\$521	\$1,976	\$1,976
Forsyth	13	13	\$93,065,030	\$0	\$27,221,812	\$18,994,350	\$93,065,030	50,986	\$534	\$373	\$1,825	\$1,825
Buncombe	14	14	\$43,523,215	\$6,287,278	\$19,779,893	\$3,163,402	\$49,810,493	29,789	\$664	\$106	\$1,461	\$1,672
Transylvania	15	15	\$6,601,722	\$0	\$1,623,899	\$1,746,911	\$6,601,722	3,955	\$411	\$442	\$1,669	\$1,669
Hyde	16	16	\$1,003,971	\$0	\$402,671	\$0	\$1,003,971	627	\$642	\$0	\$1,601	\$1,601
Haywood	17	18	\$12,480,304	\$0	\$1,970,660	\$2,341,123	\$12,480,304	7,799	\$253	\$300	\$1,600	\$1,600
Jackson	18	17	\$6,069,231	\$0	\$4,272,615	\$1,122,520	\$6,069,231	3,796	\$1,126	\$296	\$1,599	\$1,599
Moore	19	19	\$19,116,449	\$0	\$2,616,685	\$3,659,098	\$19,116,449	12,299	\$213	\$298	\$1,554	\$1,554
Polk	20	20	\$3,757,896	\$0	\$355,919	\$499,397	\$3,757,896	2,451	\$145	\$204	\$1,533	\$1,533
Macon	21	21	\$6,405,243	\$0	\$3,618,164	\$2,899,690	\$6,405,243	4,183	\$865	\$693	\$1,531	\$1,531
Chowan	22	23	\$3,515,514	\$0	\$2,063,363	\$1,212,679	\$3,515,514	2,444	\$844	\$496	\$1,438	\$1,438
Johnston	23	22	\$38,654,953	\$0	\$34,295,978	\$16,833,378	\$38,654,953	27,433	\$1,250	\$614	\$1,409	\$1,409
Avery	24	24	\$3,336,000	\$0	\$2,295,174	\$1,704,376	\$3,336,000	2,411	\$952	\$707	\$1,384	\$1,384
Scotland	25	25	\$9,386,584	\$0	\$609,913	\$662,127	\$9,386,584	6,953	\$88	\$95	\$1,350	\$1,350
Pasquotank	26	26	\$8,128,761	\$0	\$3,828,418	\$1,613,596	\$8,128,761	6,029	\$635	\$268	\$1,348	\$1,348
Henderson	27	28	\$16,903,840	\$0	\$10,426,236	\$3,464,192	\$16,903,840	12,737	\$819	\$272	\$1,327	\$1,327
Lee	28	49	\$12,171,984	\$0	\$4,759,047	\$3,133,176	\$12,171,984	9,209	\$517	\$340	\$1,322	\$1,322
Pitt	29	29	\$28,768,545	\$0	\$12,444,451	\$5,206,659	\$28,768,545	21,925	\$568	\$237	\$1,312	\$1,312
Stokes	30	35	\$9,485,169	\$0	\$1,416,655	\$582,889	\$9,485,169	7,305	\$194	\$80	\$1,298	\$1,298
Union	31	31	\$31,219,598	\$10,230,114	\$45,216,263	\$13,222,501	\$41,449,712	32,003	\$1,413	\$413	\$976	\$1,295
Iredell	32	30	\$31,582,719	\$1,450,000	\$20,508,770	\$8,494,607	\$33,032,719	25,575	\$802	\$332	\$1,235	\$1,292
Rowan	33	27	\$26,396,493	\$0	\$13,474,464	\$5,075,624	\$26,396,493	20,732	\$650	\$245	\$1,273	\$1,273
Alleghany	34	42	\$1,919,225	\$0	\$673,040	\$237,514	\$1,919,225	1,520	\$443	\$156	\$1,263	\$1,263
Beaufort	35	38	\$9,178,283	\$0	\$941,742	\$155,661	\$9,178,283	7,373	\$128	\$21	\$1,245	\$1,245
Martin	36	32	\$5,214,203	\$0	\$1,009,586	\$0	\$5,214,203	4,255	\$237	\$0	\$1,225	\$1,225
Cabarrus	37	36	\$34,993,592	\$0	\$27,564,271	\$16,684,316	\$34,993,592	28,870	\$955	\$578	\$1,212	\$1,212
Franklin	38	45	\$9,908,811	\$0	\$2,310,641	\$2,982,589	\$9,908,811	8,184	\$282	\$364	\$1,211	\$1,211
Cumberland	39	33	\$62,690,705	\$0	\$16,497,942	\$4,323,125	\$62,690,705	51,973	\$317	\$83	\$1,206	\$1,206
Montgomery	40	43	\$5,399,057	\$0	\$650,452	\$586,923	\$5,399,057	4,477	\$145	\$131	\$1,206	\$1,206
Catawba	41	40	\$29,307,227	\$0	\$13,499,979	\$11,253,829	\$29,307,227	24,438	\$552	\$461	\$1,199	\$1,199
Nash	42	47	\$22,150,211	\$0	\$5,297,940	\$157,728	\$22,150,211	18,736	\$283	\$8	\$1,182	\$1,182
Pender	43	34	\$8,590,043	\$0	\$5,026,219	\$3,195,726	\$8,590,043	7,352	\$684	\$435	\$1,168	\$1,168
Alamance	44	41	\$26,466,238	\$0	\$3,612,607	\$4,828,750	\$26,466,238	22,731	\$159	\$212	\$1,164	\$1,164
Person	45	50	\$7,075,000	\$0	\$864,719	\$2,154,662	\$7,075,000	6,109	\$142	\$353	\$1,158	\$1,158
Pamlico	46	46	\$2,228,205	\$0	\$126,971	\$419,924	\$2,228,205	1,925	\$66	\$218	\$1,158	\$1,158
Davie	47	39	\$7,349,697	\$0	\$3,916,753	\$1,220,407	\$7,349,697	6,350	\$617	\$192	\$1,157	\$1,157
Wilson	48	37	\$14,952,188	\$0	\$7,138,318	\$2,805,582	\$14,952,188	13,076	\$546	\$215	\$1,143	\$1,143
Surry	49	44	\$11,768,297	\$1,692,710	\$3,642,617	\$3,021,396	\$13,461,007	11,909	\$306	\$254	\$988	\$1,130
Halifax	50	73	\$6,064,041	\$3,938,162	\$1,783,598	\$1,115,401	\$10,002,203	8,913	\$200	\$125	\$680	\$1,122
Cleveland	51	48	\$9,808,213	\$8,974,851	\$3,038,142	\$2,114,223	\$18,783,064	16,878	\$180	\$125	\$581	\$1,113
Gates	52	51	\$2,190,000	\$0	\$256,427	\$501,661	\$2,190,000	2,003	\$128	\$250	\$1,093	\$1,093
Granville	53	55	\$9,371,165	\$0	\$6,263,116	\$1,357,134	\$9,371,165	8,662	\$723	\$157	\$1,082	\$1,082
Gaston	54	52	\$34,471,700	\$0	\$8,258,455	\$5,959,991	\$34,471,700	32,518	\$254	\$183	\$1,060	\$1,060
Lincoln	55	53	\$13,212,011	\$0	\$14,627,319	\$5,104,002	\$13,212,011	12,471	\$1,173	\$409	\$1,059	\$1,059
Wilkes	56	56	\$10,606,275	\$0	\$6,840,781	\$0	\$10,606,275	10,122	\$676	\$0	\$1,048	\$1,048
Rutherford	57	57	\$10,642,388	\$0	\$6,359,409	\$3,718,842	\$10,642,388	10,293	\$618	\$361	\$1,034	\$1,034
Davidson	58	54	\$24,745,003	\$1,452,644	\$6,859,355	\$2,425,408	\$26,197,647	25,516	\$269	\$95	\$970	\$1,027
Rockingham	59	60	\$14,697,160	\$0	\$9,706,817	\$931,432	\$14,697,160	14,421	\$673	\$65	\$1,019	\$1,019
Hertford	60	70	\$3,521,983	\$0	\$905,469	\$0	\$3,521,983	3,469	\$261	\$0	\$1,015	\$1,015
Craven	61	58	\$14,666,053	\$0	\$5,848,087	\$3,317,011	\$14,666,053	14,544	\$402	\$228	\$1,008	\$1,008
Onslow	62	59	\$22,290,295	\$0	\$5,689,563	\$3,828,401	\$22,290,295	22,593	\$252	\$169	\$987	\$987
Cherokee	63	69	\$3,635,376	\$0	\$1,987,342	\$980,823	\$3,635,376	3,701	\$537	\$265	\$982	\$982
Randolph	64	68	\$18,124,688	\$4,265,870	\$9,704,997	\$6,888,768	\$22,390,558	22,860	\$425	\$301	\$793	\$979
Vance	65	61	\$8,112,000	\$0	\$1,046,838	\$1,646,730	\$8,112,000	8,331	\$126	\$198	\$974	\$974
Caldwell	66	63	\$12,489,978	\$0	\$2,171,779	\$1,350,716	\$12,489,978	12,922	\$168	\$105	\$967	\$967
Stanly	67	62	\$9,484,524	\$0	\$8,027,504	\$1,542,523	\$9,484,524	9,816	\$818	\$157	\$966	\$966
McDowell	68	71	\$6,123,985	\$0	\$3,998,048	\$962,623	\$6,123,985	6,397	\$625	\$150	\$957	\$957
Perquimans	69	64	\$1,677,516	\$0	\$310,344	\$213,837	\$1,677,516	1,770	\$175	\$121	\$948	\$948
Ashe	70	67	\$3,046,839	\$0	\$1,921,767	\$1,227,773	\$3,046,839	3,235	\$594	\$380	\$942	\$942
Yancey	71	72	\$2,371,658	\$0	\$829,712	\$0	\$2,371,658	2,520	\$329	\$0	\$941	\$941
Yadkin	72	66	\$5,734,000	\$0	\$1,950,647	\$411,666	\$5,734,000	6,151	\$317	\$67	\$932	\$932
Northampton	73	65	\$3,180,500	\$0	\$1,796,174	\$610,144	\$3,180,500	3,412	\$526	\$179	\$932	\$932
Burke	74	76	\$13,161,680	\$0	\$1,514,170	\$5,132,923	\$13,161,680	14,342	\$106	\$358	\$918	\$918
Lenoir	75	74	\$9,040,549	\$0	\$628,309	\$737,875	\$9,040,549	10,198	\$62	\$72	\$887	\$887
Wayne	76	75	\$16,958,698	\$0	\$2,406,009	\$1,502,745	\$16,958,698	19,132	\$126	\$79	\$886	\$886
Alexander	77	80	\$4,900,000	\$0	\$3,458,150	\$935,042	\$4,900,000	5,682	\$609	\$165	\$862	\$862
Bladen	78	83	\$4,689,216	\$0	\$6,360,116	\$150,000	\$4,689,216	5,470	\$1,163	\$27	\$857	\$857
Edgecombe	79	78	\$6,344,000	\$0	\$1,200,827	\$377,991	\$6,344,000	7,469	\$161	\$51	\$849	\$849
Tyrrell	80	77	\$522,020	\$0	\$56,833	\$74,782	\$522,020	616	\$92	\$121	\$847	\$847
Warren	81	79	\$2,535,226	\$0	\$74,881	\$803,911	\$2,535,226	3,035	\$25	\$265	\$835	\$835
Harnett	82	81	\$14,150,000	\$259,042	\$4,343,704	\$4,486,225	\$14,409,042	17,310	\$251	\$259	\$817	\$832
Anson	83	82	\$3,400,517	\$0	\$188,717	\$1,016,188	\$3,400,517	4,167	\$45	\$244	\$816	\$816
Caswell	84	85	\$2,531,710	\$0	\$173,154	\$610,411	\$2,531,710	3,253	\$53	\$188	\$778	\$778
Sampson	85	84	\$8,482,903	\$0	\$3,473,980	\$2,302,069	\$8,482,903	11,131	\$312	\$207	\$762	\$762
Madison	86	87	\$1,907,400	\$0	\$367,089	\$725,274	\$1,907,400	2,601	\$141	\$279	\$733	\$733
Richmond	87	90	\$5,900,004	\$0	\$1,436,218	\$240,190	\$5,900,004	8,164	\$176	\$29	\$723	\$723
Jones	88	91	\$931,310	\$0	\$419,730	\$0	\$931,310	1,317	\$319	\$0	\$707	\$707
Washington	89	86	\$1,509,332	\$0	\$106,318	\$457,650	\$1,509,332	2,140	\$50	\$214	\$705	\$705
Duplin	90	89	\$6,097,646	\$0	\$1,496,627	\$522,703	\$6,097,646	8,896	\$168	\$59	\$685	\$685
Mitchell	91	88	\$1,513,315	\$0	\$523,030	\$80,289	\$1,513,315	2,252	\$232			

TABLE

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	2005-06 CURRENT EXPENSE	2005-06 SUPPLEMENTAL SCHOOL TAXES	2005-06 TOTAL CURRENT SPENDING	2005-06 LOW WEALTH FUNDING	2005-06 SMALL COUNTY FUNDING	2005-06 TOTAL CURRENT SPENDING WITH LOW WEALTH & SMALL COUNTY	2005-06 STUDENT POPULATION	TOTAL CURRENT SPENDING PER STUDENT	2005-06 TOTAL CURRENT SPENDING/STUDENT W/LOW WEALTH & SMALL COUNTY/STUDENT	CHANGE IN SPENDING PER STUDENT
Hyde	1	1	\$1,003,971	\$-	\$1,003,971	\$-	\$1,446,893	\$2,450,864	627	\$1,601	\$3,909	\$2,308
Tyrrell	2	2	\$522,020	\$-	\$522,020	\$150,485	\$1,597,881	\$2,270,386	616	\$847	\$3,686	\$2,838
Orange	3	3	\$49,981,296	\$14,290,145	\$64,271,441	\$-	\$0	\$64,271,441	17,922	\$3,586	\$3,586	\$-
Dare	4	4	\$16,015,041	\$-	\$16,015,041	\$-	\$0	\$16,015,041	4,858	\$3,297	\$3,297	\$-
Durham	5	5	\$84,127,705	\$-	\$84,127,705	\$-	\$0	\$84,127,705	32,767	\$2,567	\$2,567	\$-
Mecklenburg	6	7	\$295,000,000	\$-	\$295,000,000	\$-	\$0	\$295,000,000	125,142	\$2,357	\$2,357	\$-
Currituck	7	6	\$8,085,571	\$-	\$8,085,571	\$-	\$1,384,329	\$9,469,900	4,025	\$2,009	\$2,353	\$344
Alleghany	8	13	\$1,919,225	\$-	\$1,919,225	\$-	\$1,443,401	\$3,362,626	1,520	\$1,263	\$2,212	\$950
New Hanover	9	8	\$52,866,477	\$-	\$52,866,477	\$-	\$0	\$52,866,477	24,163	\$2,188	\$2,188	\$-
Chowan	10	11	\$3,515,514	\$-	\$3,515,514	\$454,071	\$1,368,460	\$5,338,045	2,444	\$1,438	\$2,184	\$746
Gates	11	12	\$2,190,000	\$-	\$2,190,000	\$756,095	\$1,342,037	\$4,288,132	2,003	\$1,093	\$2,141	\$1,047
Jones	12	16	\$931,310	\$-	\$931,310	\$335,957	\$1,519,576	\$2,786,843	1,317	\$707	\$2,116	\$1,409
Chatham	13	9	\$14,525,778	\$2,292,190	\$16,817,968	\$-	\$0	\$16,817,968	7,964	\$2,112	\$2,112	\$-
Polk	14	10	\$3,757,896	\$-	\$3,757,896	\$-	\$1,322,469	\$5,080,365	2,451	\$1,533	\$2,073	\$540
Guilford	15	18	\$141,665,521	\$-	\$141,665,521	\$-	\$0	\$141,665,521	69,528	\$2,038	\$2,038	\$-
Wake	16	15	\$251,247,744	\$-	\$251,247,744	\$-	\$0	\$251,247,744	125,198	\$2,007	\$2,007	\$-
Carteret	17	14	\$17,031,214	\$-	\$17,031,214	\$-	\$0	\$17,031,214	8,539	\$1,995	\$1,995	\$-
Watauga	18	22	\$9,075,796	\$-	\$9,075,796	\$-	\$0	\$9,075,796	4,563	\$1,989	\$1,989	\$-
Brunswick	19	17	\$23,177,608	\$-	\$23,177,608	\$-	\$0	\$23,177,608	11,727	\$1,976	\$1,976	\$-
Pamlico	20	20	\$2,228,205	\$-	\$2,228,205	\$199,314	\$1,347,940	\$3,775,459	1,925	\$1,158	\$1,961	\$804
Avery	21	19	\$3,336,000	\$-	\$3,336,000	\$-	\$1,343,676	\$4,679,676	2,411	\$1,384	\$1,941	\$557
Perquimans	22	21	\$1,677,516	\$-	\$1,677,516	\$261,548	\$1,343,283	\$3,282,347	1,770	\$948	\$1,854	\$907
Forsyth	23	23	\$93,065,030	\$-	\$93,065,030	\$-	\$0	\$93,065,030	50,986	\$1,825	\$1,825	\$-
Hertford	24	30	\$3,521,983	\$-	\$3,521,983	\$1,135,206	\$1,321,483	\$5,978,672	3,469	\$1,015	\$1,723	\$708
Clay	25	24	\$781,828	\$-	\$781,828	\$-	\$1,433,871	\$2,215,699	1,314	\$595	\$1,686	\$1,091
Scotland	26	29	\$9,386,584	\$-	\$9,386,584	\$2,267,962	\$0	\$11,654,546	6,953	\$1,350	\$1,676	\$326
Buncombe	27	28	\$43,523,215	\$6,287,278	\$49,810,493	\$-	\$0	\$49,810,493	29,789	\$1,672	\$1,672	\$-
Transylvania	28	31	\$6,601,722	\$-	\$6,601,722	\$-	\$0	\$6,601,722	3,955	\$1,669	\$1,669	\$-
Washington	29	27	\$1,509,332	\$-	\$1,509,332	\$729,210	\$1,251,331	\$3,489,873	2,140	\$705	\$1,631	\$925
Camden	30	25	\$1,030,099	\$-	\$1,030,099	\$465,542	\$1,411,725	\$2,907,366	1,808	\$570	\$1,608	\$1,038
Haywood	31	34	\$12,480,304	\$-	\$12,480,304	\$-	\$0	\$12,480,304	7,799	\$1,600	\$1,600	\$-
Jackson	32	32	\$6,069,231	\$-	\$6,069,231	\$-	\$0	\$6,069,231	3,796	\$1,599	\$1,599	\$-
Pasquotank	33	37	\$8,128,761	\$-	\$8,128,761	\$1,491,899	\$0	\$9,620,660	6,029	\$1,348	\$1,596	\$247
Johnston	34	36	\$38,654,953	\$-	\$38,654,953	\$4,879,276	\$0	\$43,534,229	27,433	\$1,409	\$1,587	\$178
Graham	35	26	\$508,838	\$-	\$508,838	\$47,208	\$1,371,524	\$1,927,570	1,216	\$418	\$1,585	\$1,167
Warren	36	38	\$2,535,226	\$-	\$2,535,226	\$897,881	\$1,365,943	\$4,799,050	3,035	\$835	\$1,581	\$746
Northampton	37	33	\$3,180,500	\$-	\$3,180,500	\$859,904	\$1,350,299	\$5,390,703	3,412	\$932	\$1,580	\$648
Moore	38	35	\$19,116,449	\$-	\$19,116,449	\$-	\$0	\$19,116,449	12,299	\$1,554	\$1,554	\$-
Yancey	39	39	\$2,371,658	\$-	\$2,371,658	\$162,377	\$1,352,361	\$3,886,396	2,520	\$941	\$1,542	\$601
Macon	40	43	\$6,405,243	\$-	\$6,405,243	\$-	\$0	\$6,405,243	4,183	\$1,531	\$1,531	\$-
Stokes	41	48	\$9,485,169	\$-	\$9,485,169	\$1,632,389	\$0	\$11,117,558	7,305	\$1,298	\$1,522	\$223
Martin	42	41	\$5,214,203	\$-	\$5,214,203	\$1,230,639	\$0	\$6,444,842	4,255	\$1,225	\$1,515	\$289
Halifax	43	65	\$6,064,041	\$3,938,162	\$10,002,203	\$3,037,864	\$0	\$13,040,067	8,913	\$1,122	\$1,463	\$341
Pitt	44	44	\$28,768,545	\$-	\$28,768,545	\$3,003,194	\$0	\$31,771,739	21,925	\$1,312	\$1,449	\$137
Bertie	45	45	\$2,057,000	\$-	\$2,057,000	\$1,205,287	\$1,370,856	\$4,633,143	3,211	\$641	\$1,443	\$802
Cherokee	46	49	\$3,635,376	\$-	\$3,635,376	\$285,372	\$1,362,417	\$5,283,165	3,701	\$982	\$1,427	\$445
Montgomery	47	55	\$5,399,057	\$-	\$5,399,057	\$946,199	\$0	\$6,345,256	4,477	\$1,206	\$1,417	\$211
Lee	48	67	\$12,171,984	\$-	\$12,171,984	\$828,919	\$0	\$13,000,903	9,209	\$1,322	\$1,412	\$90
Caswell	49	40	\$2,531,710	\$-	\$2,531,710	\$694,516	\$1,357,260	\$4,583,486	3,253	\$778	\$1,409	\$631
Greene	50	52	\$1,972,000	\$-	\$1,972,000	\$1,135,105	\$1,390,886	\$4,497,991	3,195	\$617	\$1,408	\$791
Beaufort	51	56	\$9,178,283	\$-	\$9,178,283	\$1,160,280	\$0	\$10,338,563	7,373	\$1,245	\$1,402	\$157
Franklin	52	62	\$9,908,811	\$-	\$9,908,811	\$1,552,393	\$0	\$11,461,204	8,184	\$1,211	\$1,400	\$190
Nash	53	58	\$22,150,211	\$-	\$22,150,211	\$3,800,516	\$0	\$25,950,727	18,736	\$1,182	\$1,385	\$203
Granville	54	60	\$9,371,165	\$-	\$9,371,165	\$2,432,661	\$0	\$11,803,826	8,662	\$1,082	\$1,363	\$281
Rowan	55	47	\$26,396,493	\$-	\$26,396,493	\$1,838,571	\$0	\$28,235,064	20,732	\$1,273	\$1,362	\$89
Ashe	56	46	\$3,046,839	\$-	\$3,046,839	\$-	\$1,329,940	\$4,376,779	3,235	\$942	\$1,353	\$411
Cumberland	57	53	\$62,690,705	\$-	\$62,690,705	\$6,924,389	\$0	\$69,615,094	51,973	\$1,206	\$1,339	\$133
Madison	58	51	\$1,907,400	\$-	\$1,907,400	\$213,839	\$1,356,188	\$3,477,427	2,601	\$733	\$1,337	\$604
Pender	59	50	\$8,590,043	\$-	\$8,590,043	\$1,177,520	\$0	\$9,767,563	7,352	\$1,168	\$1,329	\$160
Henderson	60	54	\$16,903,840	\$-	\$16,903,840	\$-	\$0	\$16,903,840	12,737	\$1,327	\$1,327	\$-
Mitchell	61	42	\$1,513,315	\$-	\$1,513,315	\$209,091	\$1,261,704	\$2,984,110	2,252	\$672	\$1,325	\$653
Union	62	63	\$31,219,598	\$10,230,114	\$41,449,712	\$601,300	\$0	\$42,051,012	32,003	\$1,295	\$1,314	\$19
Surry	63	64	\$11,768,297	\$1,692,710	\$13,461,007	\$2,098,072	\$0	\$15,559,079	11,909	\$1,130	\$1,306	\$176
Cleveland	64	59	\$9,808,213	\$8,974,851	\$18,783,064	\$3,228,069	\$0	\$22,011,133	16,878	\$1,113	\$1,304	\$191
Iredell	65	61	\$31,582,719	\$1,450,000	\$33,032,719	\$-	\$0	\$33,032,719	25,575	\$1,292	\$1,292	\$-
Wilson	66	57	\$14,952,188	\$-	\$14,952,188	\$1,805,043	\$0	\$16,757,231	13,076	\$1,143	\$1,282	\$138
Person	67	72	\$7,075,000	\$-	\$7,075,000	\$562,489	\$0	\$7,637,489	6,109	\$1,158	\$1,250	\$92
Vance	68	66	\$8,112,000	\$-	\$8,112,000	\$2,259,495	\$0	\$10,371,495	8,331	\$974	\$1,245	\$271
Rockingham	69	76	\$14,697,160	\$-	\$14,697,160	\$3,031,959	\$0	\$17,729,119	14,421	\$1,019	\$1,229	\$210
Cabarrus	70	68	\$34,993,592	\$-	\$34,993,592	\$102,551	\$0	\$35,096,143	28,870	\$1,212	\$1,216	\$4
Rutherford	71	70	\$10,642,388	\$-	\$10,642,388	\$1,762,596	\$0	\$12,404,984	10,293	\$1,034	\$1,205	\$171
Onslow	72	69	\$22,290,295	\$-	\$22,290,295	\$4,825,532	\$0	\$27,115,827	22,593	\$987	\$1,200	\$214
Catawba	73	74	\$29,307,227	\$-	\$29,307,227	\$-	\$0	\$29,307,227	24,438	\$1,199	\$1,199	\$-
Alamance	74	75	\$26,466,238	\$-	\$26,466,238	\$433,712	\$0	\$26,899,950	22,731	\$1,164	\$1,183	\$19
Davie	75	73	\$7,349,697	\$-	\$7,349,697	\$128,788	\$0	\$7,478,485	6,350	\$1,157	\$1,178	\$20
Anson	76	87	\$3,400,517	\$-	\$3,400,517	\$1,499,424	\$0	\$4,899,941	4,167	\$816	\$1,176	\$360
Bladen	77	92	\$4,689,216	\$-	\$4,689,216	\$1,739,675	\$0	\$6,428,891	5,470	\$857	\$1,175	\$318
McDowell	78	82	\$6,123,985	\$-	\$6,123,985	\$1,311,779	\$0	\$7,435,764	6,397	\$957	\$1,162	\$205
Wilkes	79	79	\$10,606,275	\$-	\$10,606,275	\$1,158,776	\$0	\$11,765,051	10,122	\$1,048	\$1,162	\$114
Stanly	80	77	\$9,484,524	\$-	\$9,484,524	\$1,914,678	\$0	\$11,399,202	9,816	\$966	\$1,161	\$195
Lincoln	81	78	\$13,212,011	\$-	\$13,212,011	\$967,511	\$0	\$14,179,522	12,471	\$1,059	\$1,137	\$78
Wayne	82	85	\$16,958,698	\$-	\$16,958,698	\$4,735,128	\$0	\$21,693,826	19,132	\$886	\$1,134	\$247
Harnett	83	90	\$14,150,000	\$259,042	\$14,409,042	\$4,991,357	\$0	\$19,400,399	17,310	\$832	\$1,121	\$288
Sampson	84	89	\$8,482,903	\$-	\$8,482,903	\$3,989,132	\$0	\$12,472,035	11,131	\$762	\$1,120	\$358
Caldwell	85	84	\$12,489,978	\$-	\$12,489,978	\$1,972,529	\$0	\$14,462,507	12,922	\$967	\$1,119	\$153
Lenoir	86	83	\$9,040,549	\$-	\$9,040,549	\$2,368,960	\$0	\$11,409,509	10,198	\$887	\$1,119	\$232
Randolph	87	93	\$18,124,688	\$4,265,870	\$22,390,558	\$3,131,902	\$0	\$25,522,460	22,860	\$979	\$1,116	\$137
Edgecombe	88	91	\$6,344,000	\$-	\$6,344,000	\$1,990,523	\$0	\$8,334,523	7,469	\$849	\$1,116	\$267
Swain	89	71	\$571,929	\$-	\$571,929	\$130,617	\$1,435,505	\$2,138,051	1,932	\$296	\$1,107	\$811
Davidson	90	81	\$24,745,003	\$1,452,644	\$26,197,647	\$1,923,671	\$0	\$28,121,318	25,516	\$1,027	\$1,102	\$75
Yadkin	91	80	\$5,734,000	\$-	\$5,734,000	\$1,000,203	\$0	\$6,734,203	6,151	\$932	\$1,095	\$163
Craven	92	86	\$14,666,053	\$-	\$14,666,053	\$1,249,813	\$0	\$15,915,866	14,544			

TABLE 4

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 2005-06 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	2005-06 ADJUSTED TAX BASE	2005-06 STATE AVG. EFFECTIVE PROPERTY TAX RATE	2005-06 ADJUSTED PROPERTY TAX REVENUE	2005-06 NON-PROPERTY TAX REVENUE	2005-06 MANDATED SOCIAL SERVICES PAYMENTS	2005-06 TOTAL REVENUES LESS WELFARE	2005-06 STUDENTS	2005 ESTIMATED PER CAPITA INCOME	% STATE AVG. PER CAPITA INCOME	INCOME ADJUSTED TOTAL REVENUES	2005-06 REVENUE PER STUDENT	% STATE AV REVENUE PER STUDENT
Dare	1	1	\$16,622,552,455	\$0.596	\$99,070,413	\$17,731,536	\$4,700,237	\$112,101,712	4,858	\$33,463	107.8%	\$120,848,542	\$24,876	627.7%
Currituck	2	5	\$7,707,879,197	\$0.596	\$45,938,960	\$7,833,873	\$1,985,607	\$51,787,226	4,025	\$29,982	96.6%	\$50,020,445	\$12,427	313.6%
Watauga	3	2	\$7,023,344,644	\$0.596	\$41,859,134	\$11,681,625	\$2,992,609	\$50,548,150	4,563	\$28,323	91.2%	\$46,122,073	\$10,108	255.1%
Jackson	4	3	\$6,174,839,168	\$0.596	\$36,802,041	\$9,907,339	\$3,176,225	\$43,533,156	3,796	\$25,471	82.1%	\$35,721,562	\$9,410	237.5%
Macon	5	4	\$5,941,911,140	\$0.596	\$35,413,790	\$9,267,369	\$2,902,890	\$41,778,269	4,183	\$25,848	83.3%	\$34,788,979	\$8,317	209.9%
Brunswick	6	6	\$16,274,205,541	\$0.596	\$96,994,265	\$21,142,231	\$8,419,000	\$109,717,496	11,727	\$26,866	86.6%	\$94,960,544	\$8,098	204.3%
Carteret	7	7	\$9,585,286,004	\$0.596	\$57,128,305	\$16,064,518	\$5,722,731	\$67,470,091	8,539	\$30,961	99.7%	\$67,296,205	\$7,881	198.9%
Avery	8	8	\$3,254,750,193	\$0.596	\$19,398,311	\$4,822,549	\$1,857,554	\$22,363,306	2,411	\$25,115	80.9%	\$18,093,954	\$7,505	189.4%
Polk	9	11	\$2,148,553,343	\$0.596	\$12,805,378	\$3,547,213	\$1,815,238	\$14,537,353	2,451	\$36,528	117.7%	\$17,107,065	\$6,980	176.1%
Mecklenburg	10	9	\$88,771,736,765	\$0.596	\$529,079,551	\$183,552,771	\$89,145,654	\$623,486,668	125,142	\$42,984	138.5%	\$863,372,666	\$6,899	174.1%
New Hanover	11	10	\$21,038,510,880	\$0.596	\$125,389,525	\$52,176,576	\$19,936,494	\$157,629,607	24,163	\$32,607	105.0%	\$165,581,927	\$6,853	172.9%
Hyde	12	15	\$855,611,781	\$0.596	\$5,099,446	\$1,473,872	\$1,101,833	\$5,471,485	627	\$23,692	76.3%	\$4,176,104	\$6,660	168.1%
Transylvania	13	12	\$4,008,212,118	\$0.596	\$23,888,944	\$7,583,344	\$2,973,393	\$28,498,895	3,955	\$28,487	91.8%	\$26,154,055	\$6,613	166.9%
Chatham	14	13	\$6,062,113,210	\$0.596	\$36,130,195	\$10,734,823	\$4,752,484	\$42,112,534	7,964	\$38,426	123.8%	\$52,131,575	\$6,546	165.2%
Orange	15	17	\$12,447,258,148	\$0.596	\$74,185,659	\$21,706,198	\$10,464,400	\$85,427,456	17,922	\$39,380	126.9%	\$108,377,089	\$6,047	152.6%
Clay	16	20	\$1,470,321,124	\$0.596	\$8,763,114	\$2,326,426	\$1,025,997	\$10,063,542	1,314	\$23,230	74.8%	\$7,531,204	\$5,732	144.6%
Wake	17	14	\$81,066,880,963	\$0.596	\$483,158,611	\$138,528,779	\$57,765,145	\$563,922,245	125,198	\$37,756	121.6%	\$685,913,736	\$5,479	138.3%
Moore	18	16	\$8,096,627,036	\$0.596	\$48,255,897	\$17,471,809	\$7,507,282	\$58,220,424	12,299	\$35,575	114.6%	\$66,724,384	\$5,425	136.9%
Henderson	19	19	\$9,906,655,948	\$0.596	\$59,043,669	\$20,975,976	\$10,672,148	\$69,347,497	12,737	\$30,603	98.6%	\$68,368,978	\$5,368	135.5%
Alleghany	20	18	\$1,427,416,304	\$0.596	\$8,507,401	\$2,246,189	\$1,273,797	\$9,479,793	1,520	\$26,205	84.4%	\$8,002,899	\$5,265	132.9%
Buncombe	21	23	\$21,388,106,331	\$0.596	\$127,473,114	\$55,712,808	\$28,606,773	\$154,579,149	29,789	\$30,158	97.2%	\$150,181,952	\$5,042	127.2%
Ashe	22	22	\$2,933,070,671	\$0.596	\$17,481,101	\$5,522,308	\$3,604,010	\$19,399,399	3,235	\$25,899	83.4%	\$16,185,852	\$5,003	126.3%
Durham	23	21	\$22,614,607,477	\$0.596	\$134,783,061	\$45,267,001	\$28,919,470	\$151,130,591	32,767	\$33,669	108.5%	\$163,925,643	\$5,003	126.2%
Forsyth	24	25	\$28,383,368,962	\$0.596	\$169,164,879	\$68,906,612	\$31,379,809	\$206,691,682	50,986	\$34,973	112.7%	\$232,873,561	\$4,567	115.3%
Guilford	25	24	\$40,950,910,216	\$0.596	\$244,067,425	\$84,525,758	\$46,618,834	\$281,974,349	69,528	\$34,604	111.5%	\$314,340,400	\$4,521	114.1%
Haywood	26	27	\$5,708,489,925	\$0.596	\$34,022,600	\$12,728,731	\$7,484,257	\$39,267,074	7,799	\$26,743	86.2%	\$33,830,075	\$4,338	109.5%
Iredell	27	26	\$14,948,329,904	\$0.596	\$89,092,046	\$32,346,029	\$12,330,887	\$109,107,188	25,575	\$29,676	95.6%	\$104,309,298	\$4,079	102.9%
Davie	28	29	\$3,453,140,183	\$0.596	\$20,580,715	\$6,985,857	\$2,840,287	\$24,726,285	6,350	\$31,836	102.6%	\$25,359,557	\$3,994	100.8%
Cabarrus	29	28	\$14,738,668,201	\$0.596	\$87,842,462	\$31,951,955	\$7,191,034	\$102,603,383	28,870	\$32,111	103.4%	\$106,140,177	\$3,676	92.8%
Cherokee	30	31	\$2,591,094,309	\$0.596	\$15,442,922	\$6,973,982	\$3,169,180	\$19,247,724	3,701	\$21,814	70.3%	\$13,526,299	\$3,655	92.2%
Graham	31	45	\$944,068,106	\$0.596	\$5,626,646	\$1,752,904	\$1,614,560	\$5,764,989	1,216	\$23,763	76.6%	\$4,413,306	\$3,629	91.6%
Pamlico	32	34	\$1,177,018,791	\$0.596	\$7,015,032	\$2,576,271	\$2,110,442	\$7,480,861	1,925	\$28,214	90.9%	\$6,799,556	\$3,532	89.1%
Wilkes	33	35	\$4,844,541,133	\$0.596	\$28,873,465	\$15,214,445	\$7,667,368	\$36,420,542	10,122	\$29,314	94.4%	\$34,394,245	\$3,398	85.7%
Pender	34	38	\$4,609,942,685	\$0.596	\$27,475,258	\$9,230,467	\$4,965,706	\$31,740,020	7,352	\$24,218	78.0%	\$24,763,371	\$3,368	85.0%
Yancey	35	32	\$1,809,357,643	\$0.596	\$10,783,772	\$3,833,493	\$2,280,799	\$12,336,466	2,520	\$21,238	68.4%	\$8,440,510	\$3,349	84.5%
Catawba	36	30	\$13,192,069,918	\$0.596	\$78,624,737	\$31,162,922	\$23,685,479	\$86,102,180	24,438	\$28,598	92.1%	\$79,325,735	\$3,246	81.9%
Union	37	33	\$15,162,460,642	\$0.596	\$90,368,265	\$32,769,001	\$12,569,411	\$110,567,856	32,003	\$29,018	93.5%	\$103,361,942	\$3,230	81.5%
Madison	38	37	\$1,719,250,522	\$0.596	\$10,246,733	\$3,426,697	\$2,336,267	\$11,337,163	2,601	\$22,893	73.8%	\$8,361,254	\$3,215	81.1%
Swain	39	48	\$1,186,415,319	\$0.596	\$7,071,035	\$2,888,604	\$1,441,617	\$8,518,023	1,932	\$22,594	72.8%	\$6,200,065	\$3,209	81.0%
Person	40	36	\$3,549,982,657	\$0.596	\$21,157,897	\$7,668,422	\$5,396,752	\$23,429,566	6,109	\$25,552	82.3%	\$19,286,501	\$3,157	79.7%
Craven	41	39	\$6,332,272,492	\$0.596	\$37,740,344	\$18,407,296	\$10,262,104	\$45,885,536	14,544	\$30,794	99.2%	\$45,520,415	\$3,130	79.0%
Perquimans	42	41	\$991,856,873	\$0.596	\$5,911,467	\$2,081,712	\$1,393,560	\$6,599,619	1,770	\$25,996	83.7%	\$5,527,003	\$3,123	78.8%
Tyrrell	43	49	\$396,977,917	\$0.596	\$2,365,988	\$937,222	\$666,586	\$2,636,624	616	\$22,329	71.9%	\$1,896,626	\$3,079	77.7%
Lincoln	44	42	\$5,884,421,509	\$0.596	\$35,071,152	\$14,596,494	\$6,147,807	\$43,519,839	12,471	\$26,785	86.3%	\$37,552,878	\$3,011	76.0%
Alamance	45	40	\$10,261,428,907	\$0.596	\$61,158,116	\$25,502,027	\$12,393,493	\$74,266,650	22,731	\$27,551	88.8%	\$65,916,706	\$2,900	73.2%
Rowan	46	43	\$9,654,065,088	\$0.596	\$57,538,228	\$22,675,770	\$13,175,136	\$67,038,862	20,732	\$27,376	88.2%	\$59,123,607	\$2,852	72.0%
Lee	47	47	\$4,131,248,701	\$0.596	\$24,622,242	\$10,017,950	\$5,491,756	\$29,148,437	9,209	\$27,884	89.8%	\$26,183,918	\$2,843	71.8%
Mitchell	48	53	\$1,349,667,283	\$0.596	\$8,044,017	\$3,542,799	\$2,843,596	\$8,743,220	2,252	\$22,669	73.0%	\$6,385,105	\$2,835	71.5%
Onslow	49	64	\$7,226,298,010	\$0.596	\$43,068,736	\$29,231,210	\$12,065,280	\$60,234,666	22,593	\$32,705	105.4%	\$63,463,637	\$2,809	70.9%
Beaufort	50	44	\$3,834,711,010	\$0.596	\$22,854,878	\$10,016,571	\$7,895,743	\$24,975,705	7,373	\$25,377	82.9%	\$20,708,087	\$2,809	70.9%
Davidson	51	46	\$10,412,518,242	\$0.596	\$62,058,609	\$26,133,123	\$13,539,156	\$74,652,576	25,516	\$28,983	93.4%	\$69,703,154	\$2,732	68.9%
Montgomery	52	56	\$2,316,208,459	\$0.596	\$13,804,602	\$4,597,669	\$3,725,636	\$14,676,636	4,477	\$25,452	82.0%	\$12,034,075	\$2,688	67.8%
Chowan	53	58	\$1,024,413,361	\$0.596	\$6,105,504	\$3,206,178	\$2,214,866	\$7,096,816	2,444	\$28,456	91.7%	\$6,505,815	\$2,662	67.2%
Surry	54	50	\$4,733,785,935	\$0.596	\$28,213,364	\$16,965,606	\$7,695,174	\$37,483,796	11,909	\$25,875	83.4%	\$31,245,554	\$2,624	66.2%
Pitt	55	52	\$8,828,425,238	\$0.596	\$52,617,414	\$27,416,742	\$17,268,090	\$62,766,067	21,925	\$28,200	90.8%	\$57,021,458	\$2,601	65.6%
Stokes	56	59	\$3,081,875,196	\$0.596	\$18,367,976	\$8,318,749	\$4,194,151	\$22,492,574	7,305	\$26,193	84.4%	\$18,979,672	\$2,598	65.6%
Johnston	57	55	\$9,888,705,989	\$0.596	\$58,936,688	\$31,485,853	\$14,239,795	\$76,182,746	27,433	\$28,315	91.2%	\$69,492,427	\$2,533	63.9%
Gaston	58	51	\$12,407,441,181	\$0.596	\$73,948,349	\$37,494,914	\$25,821,109	\$85,622,155	32,518	\$29,854	96.2%	\$82,347,985	\$2,532	63.9%
Randolph	59	54	\$9,475,214,442	\$0.596	\$56,472,278	\$24,103,541	\$11,252,288	\$69,323,531	22,860	\$25,435	81.9%	\$56,799,245	\$2,485	62.7%
Camden	60	66	\$666,042,383	\$0.596	\$3,969,613	\$1,915,028	\$752,045	\$5,132,595	1,808	\$27,167	87.5%	\$4,492,034	\$2,485	62.7%
Alexander	61	61	\$2,210,411,717	\$0.596	\$13,174,054	\$6,760,749	\$3,591,582	\$16,343,220	5,682	\$26,760	86.2%	\$14,089,256	\$2,480	62.6%
Franklin	62	57	\$3,372,187,986	\$0.596	\$20,098,240	\$10,275,324	\$6,059,303	\$24,314,261	8,184	\$25,890	83.4%	\$20,279,508	\$2,478	62.5%
Rutherford	63	63	\$4,452,345,882	\$0.596	\$26,535,981	\$12,828,368	\$7,417,492	\$31,946,857	10,293	\$24,496	78.9%	\$25,210,857	\$2,449	61.8%
Cumberland	64	73	\$15,499,442,407	\$0.596	\$92,376,677	\$55,708,968	\$30,729,399	\$117,356,246	51,973	\$33,192	106.9%	\$125,488,499	\$2,414	60.9%
Wilson	65	65	\$5,272,713,756	\$0.596	\$31,425,374	\$14,759,522	\$11,615,550	\$34,569,346	13,076	\$28,345	91.3%	\$31,566,899	\$2,414	60.9%
Stanly	66	62	\$3,893,666,825	\$0.596	\$23,206,254	\$10,512,252	\$5,786,289	\$27,932,217	9,816	\$26,251	84.6%	\$23,621,940	\$2,406	60.7%
Jones	67	69	\$574,031,894	\$0.596	\$3,421,230	\$1,678,116	\$1,498,324	\$3,601,022	1,317	\$27,093	87.3%	\$3,143,020	\$2,386	60.2%
McDowell	68	67	\$2,649,874,171	\$0.596	\$15,793,250</									

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 Student	Effort Rank	Total Current Spending Spending Per Student	Capital Outlay Spending Per Student	Debt Service Spending Per Student	Effort as % of Revenue Per Student: Current Spending
Scotland	1	97	\$1,361	25	\$1,350	\$88	\$95	99.2%
Halifax	2	94	\$1,658	50	\$1,122	\$200	\$125	67.7%
Pasquotank	3	77	\$2,047	26	\$1,348	\$635	\$268	65.9%
Gates	4	90	\$1,690	52	\$1,093	\$128	\$250	64.7%
Martin	5	81	\$1,930	36	\$1,225	\$237	\$-	63.5%
Hertford	6	89	\$1,613	60	\$1,015	\$261	\$-	62.9%
Orange	7	17	\$6,047	1	\$3,586	\$1,225	\$754	59.3%
Vance	8	88	\$1,645	65	\$974	\$126	\$198	59.2%
Nash	9	72	\$2,060	42	\$1,182	\$283	\$8	57.4%
Johnston	10	55	\$2,533	23	\$1,409	\$1,250	\$614	55.6%
Robeson	11	100	\$933	97	\$514	\$198	\$-	55.1%
Chowan	12	58	\$2,662	22	\$1,438	\$844	\$496	54.0%
Edgecombe	13	87	\$1,610	79	\$849	\$161	\$51	52.8%
Cleveland	14	74	\$2,113	51	\$1,113	\$180	\$125	52.7%
Granville	15	75	\$2,071	53	\$1,082	\$723	\$157	52.2%
Durham	16	21	\$5,003	3	\$2,567	\$397	\$422	51.3%
Anson	17	96	\$1,593	83	\$816	\$45	\$244	51.2%
Pitt	18	52	\$2,601	29	\$1,312	\$568	\$237	50.5%
Bertie	19	98	\$1,274	92	\$641	\$326	\$109	50.3%
Stokes	20	59	\$2,598	30	\$1,298	\$194	\$80	50.0%
Cumberland	21	73	\$2,414	39	\$1,206	\$317	\$83	50.0%
Northampton	22	82	\$1,870	73	\$932	\$526	\$179	49.8%
Franklin	23	57	\$2,478	38	\$1,211	\$282	\$364	48.9%
Richmond	24	91	\$1,495	87	\$723	\$176	\$29	48.3%
Lenoir	25	79	\$1,868	75	\$887	\$62	\$72	47.4%
Wilson	26	65	\$2,414	48	\$1,143	\$546	\$215	47.4%
Lee	27	47	\$2,843	28	\$1,322	\$517	\$340	46.5%
Harnett	28	85	\$1,794	82	\$832	\$251	\$259	46.4%
Washington	29	92	\$1,564	89	\$705	\$50	\$214	45.1%
Guilford	30	24	\$4,521	7	\$2,038	\$974	\$171	45.1%
Rockingham	31	68	\$2,271	59	\$1,019	\$673	\$65	44.9%
Montgomery	32	56	\$2,688	40	\$1,206	\$145	\$131	44.9%
Sampson	33	86	\$1,699	85	\$762	\$312	\$207	44.9%
Wayne	34	78	\$1,984	76	\$886	\$126	\$79	44.7%
Rowan	35	43	\$2,852	33	\$1,273	\$650	\$245	44.6%
Beaufort	36	44	\$2,809	35	\$1,245	\$128	\$21	44.3%
Hoke	37	99	\$1,146	98	\$499	\$153	\$45	43.5%
Surry	38	50	\$2,624	49	\$1,130	\$306	\$254	43.1%
Caldwell	39	70	\$2,278	66	\$967	\$168	\$105	42.4%
Rutherford	40	63	\$2,449	57	\$1,034	\$618	\$361	42.2%
Gaston	41	51	\$2,532	54	\$1,060	\$254	\$183	41.9%
Bladen	42	80	\$2,055	78	\$857	\$1,163	\$27	41.7%
Yadkin	43	60	\$2,301	72	\$932	\$317	\$67	40.5%
McDowell	44	67	\$2,363	68	\$957	\$625	\$150	40.5%
Stanly	45	62	\$2,406	67	\$966	\$818	\$157	40.2%
Alamance	46	40	\$2,900	44	\$1,164	\$159	\$212	40.2%
Union	47	33	\$3,230	31	\$1,295	\$1,413	\$413	40.1%
Forsyth	48	25	\$4,567	13	\$1,825	\$534	\$373	40.0%
Burke	49	71	\$2,309	74	\$918	\$106	\$358	39.7%
Columbus	50	93	\$1,595	93	\$632	\$102	\$69	39.6%
Randolph	51	54	\$2,485	64	\$979	\$425	\$301	39.4%
Warren	52	83	\$2,152	81	\$835	\$25	\$265	38.8%
Duplin	53	84	\$1,811	90	\$685	\$168	\$59	37.8%
Greene	54	95	\$1,638	94	\$617	\$189	\$111	37.7%
Davidson	55	46	\$2,732	58	\$1,027	\$269	\$95	37.6%
Caswell	56	76	\$2,075	84	\$778	\$53	\$188	37.5%
Catawba	57	30	\$3,246	41	\$1,199	\$552	\$461	36.9%
Haywood	58	27	\$4,338	17	\$1,600	\$253	\$300	36.9%
Person	59	36	\$3,157	45	\$1,158	\$142	\$353	36.7%
Wake	60	14	\$5,479	9	\$2,007	\$1,173	\$689	36.6%
Lincoln	61	42	\$3,011	55	\$1,059	\$1,173	\$409	35.2%
Onslow	62	64	\$2,809	62	\$987	\$252	\$169	35.1%
Alexander	63	61	\$2,480	77	\$862	\$609	\$165	34.8%
Pender	64	38	\$3,368	43	\$1,168	\$684	\$435	34.7%
Mecklenburg	65	9	\$6,899	4	\$2,357	\$1,225	\$634	34.2%
Buncombe	66	23	\$5,042	14	\$1,672	\$664	\$106	33.2%
Cabarrus	67	28	\$3,676	37	\$1,212	\$955	\$578	33.0%
Pamlico	68	34	\$3,532	46	\$1,158	\$66	\$218	32.8%
Chatham	69	13	\$6,546	6	\$2,112	\$99	\$337	32.3%
Craven	70	39	\$3,130	61	\$1,008	\$402	\$228	32.2%
New Hanover	71	10	\$6,853	5	\$2,188	\$789	\$560	31.9%
Iredell	72	26	\$4,079	32	\$1,292	\$802	\$332	31.7%
Wilkes	73	35	\$3,398	56	\$1,048	\$676	\$-	30.8%
Perquimans	74	41	\$3,123	69	\$948	\$175	\$121	30.4%
Jones	75	69	\$2,386	88	\$707	\$319	\$-	29.6%
Davie	76	29	\$3,994	47	\$1,157	\$617	\$192	29.0%
Moore	77	16	\$5,425	19	\$1,554	\$213	\$298	28.6%
Yancey	78	32	\$3,349	71	\$941	\$329	\$-	28.1%
Tyrrell	79	49	\$3,079	80	\$847	\$92	\$121	27.5%
Cherokee	80	31	\$3,655	63	\$982	\$537	\$265	26.9%
Carteret	81	7	\$7,881	10	\$1,995	\$565	\$671	25.3%
Transylvania	82	12	\$6,613	15	\$1,669	\$411	\$442	25.2%
Henderson	83	19	\$5,368	27	\$1,327	\$819	\$272	24.7%
Brunswick	84	6	\$8,098	12	\$1,976	\$1,443	\$521	24.4%
Hyde	85	15	\$6,660	16	\$1,601	\$642	\$-	24.0%
Alleghany	86	18	\$5,265	34	\$1,263	\$443	\$156	24.0%
Mitchell	87	53	\$2,835	91	\$672	\$232	\$36	23.7%
Camden	88	66	\$2,485	96	\$570	\$1,315	\$41	22.9%
Madison	89	37	\$3,215	86	\$733	\$141	\$279	22.8%
Polk	90	11	\$6,980	20	\$1,533	\$145	\$204	22.0%
Watauga	91	2	\$10,108	11	\$1,989	\$194	\$425	19.7%
Ashe	92	22	\$5,003	70	\$942	\$594	\$380	18.8%
Avery	93	8	\$7,505	24	\$1,384	\$952	\$707	18.4%
Macon	94	4	\$8,317	21	\$1,531	\$865	\$693	18.4%
Jackson	95	3	\$9,410	18	\$1,599	\$1,126	\$296	17.0%
Currituck	96	5	\$12,427	8	\$2,009	\$522	\$357	16.2%
Dare	97	1	\$24,876	2	\$3,297	\$4,206	\$1,024	13.3%
Graham	98	45	\$3,629	99	\$418	\$319	\$252	11.5%
Clay	99	20	\$5,732	95	\$595	\$280	\$20	10.4%
Swain	100	48	\$3,209	100	\$296	\$83	\$277	9.2%
STATE TOTAL/AVERAGE			\$3,963		\$1,491	\$665	\$331	37.6%

DATA SOURCES

The 2007 Local School Finance Study examines data from the 2005-06 school year. Every effort has been made to guarantee that the data included in this year’s study is accurate and reflects 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 2005-06 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. ♦

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 2005-06 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 2005-06 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 2004 and 2005) 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 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, 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.



2007 LOCAL SCHOOL FINANCE STUDY

Celebrating Our
20th
FINANCE STUDY

FINANCE STUDY STAFF

Kendall Jordan, *Director of Policy Research*
opus 1, inc., *Design and Production*

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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 opportunity for its students. ”

-Leandro v. North Carolina, July 24, 1997

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