

2014 LOCAL SCHOOL FINANCE STUDY



> INTRODUCTION

Under North Carolina's school finance system, born more than eight decades ago, it is the state's responsibility to pay for instructional expenses (including personnel) while county governments pay for capital expenses (buildings and maintenance).

During the Great Depression, through the 1933 School Machinery Act, the General Assembly attempted to "relieve" counties of the responsibility for operating and maintaining public schools. In 1975, the School Budget and Fiscal Control Act reinforced the primacy of state support, setting forth the state's policy of using state revenue sources for instructional expenses for current operations while expecting county governments to meet public schools' facilities requirements.

Over time, however, the lines drawn in the 1933 and 1975 laws have become blurred, and the local role in funding school operations has increased. In 2012-13, counties spent \$2.98 billion to fund

instructional expenses, accounting for 25 percent of the combined federal, state, and local total. Counties provided funding for 1,003 principals and assistant principals (18.7 percent of the total), 6,296 teachers (6.4 percent of the total), 2,222 teacher assistants (8.8 percent of the total), and 2,932 professional instructional support personnel (19.6 percent of the total).

For more than 25 years, the Public School Forum of North Carolina has isolated local spending from state and federal spending to examine the capacity and actual effort of counties to support public schools. The annual Local School Finance Study focuses not only on the amount that counties spend on schools, but also on each county's investment in the context of that county's taxable resources.

Wealthier counties are able to spend more on schools while simultaneously making less taxing effort. Because wealthier counties have more taxable resources, they can keep

taxes low while still generating significant revenues. Conversely, counties with fewer taxable resources need to make greater taxing effort to support their schools at comparable levels. From the early years of the study, a troubling trend has become evident that has deepened over time: there is a widening gap between counties with many taxable resources and those with few, and simultaneously, a widening gap in counties' school spending patterns.

State policy decisions made during the last 25 years have blunted the impact of this trend, narrowing the educational investment gap by providing additional funds for the state's smallest and lowest-wealth counties. However, even with these important, positive policy steps, investments in North Carolina schools still vary dramatically by county. As a result, young people born into one of the state's economically thriving counties will have levels of investment in their education not shared elsewhere in the state.

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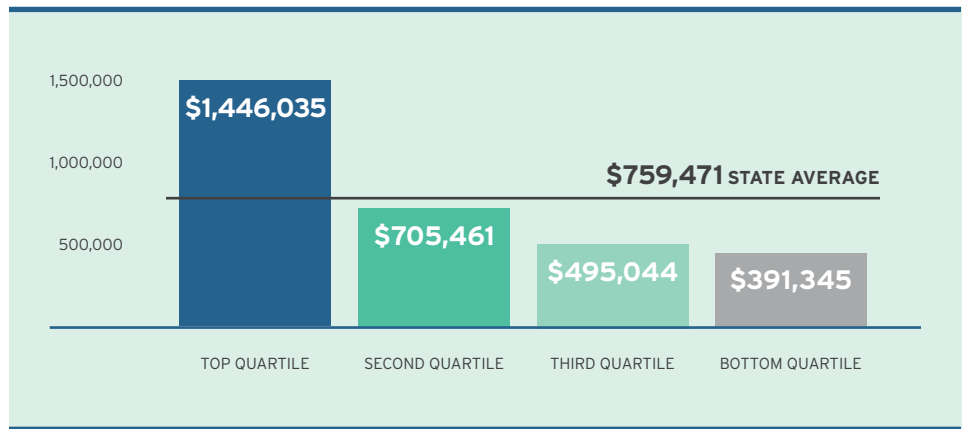
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> INTRODUCTION (CONTINUED)

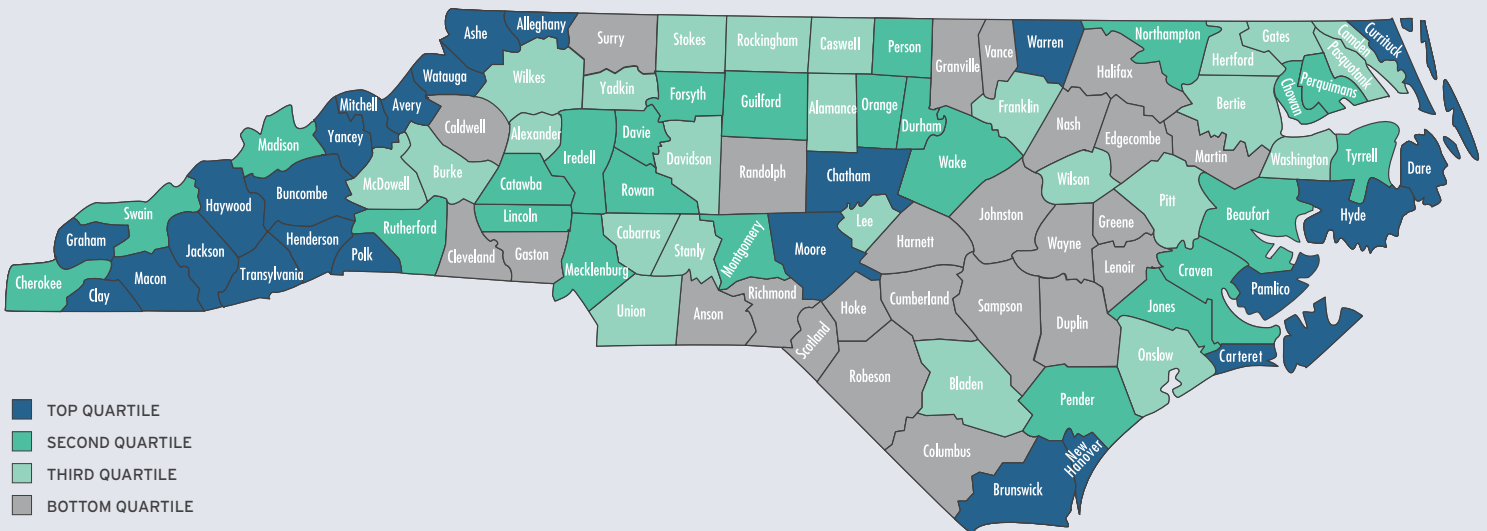
Disparities in resources available to counties can be illustrated by dividing the state into quartiles according to adjusted property wealth available per child. The top quartile includes high-growth Piedmont and mountain and beach resort areas, which had an average of \$1,446,035 real estate wealth available per child – \$686,564 above the state average. The bottom quartile has \$391,345 real estate wealth available per child – \$368,126 below the state average. The map illustrates where counties in each quartile are located throughout the state. In 2012-13, 33 counties were above the state average property wealth of \$759,471 available per child, while 67 counties were below the state average. Mountain and coastal areas, along with high-growth parts of the Piedmont, account for most of the counties above the state average.

In 2012-13, North Carolina counties spent, on average, \$1,462 per student, ranging from a high of \$4,145 in Orange County to a low of \$384 in Swain County (see “2012-13 Total Local Current Spending per Student” on page three).

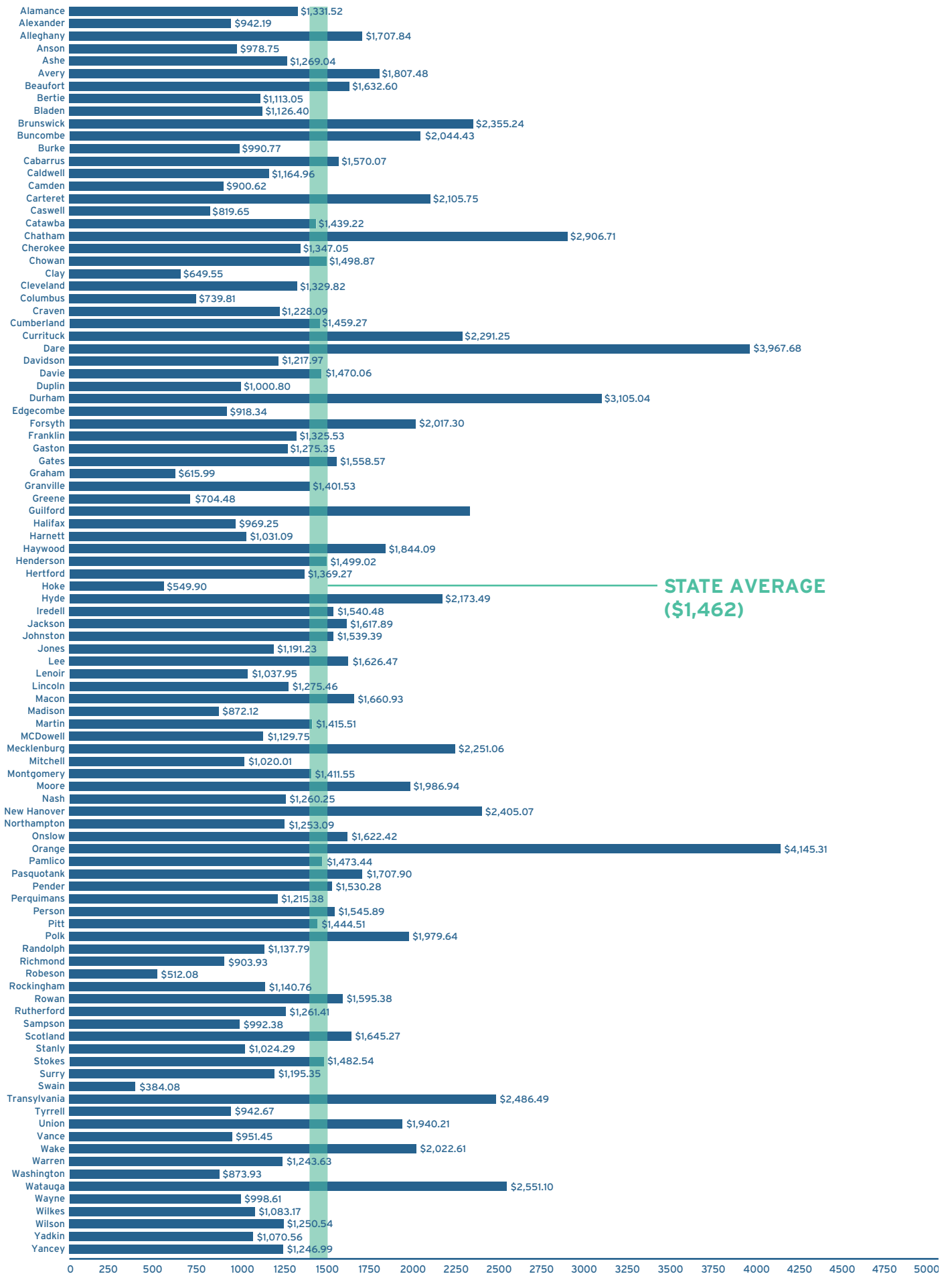
REAL ESTATE WEALTH AVAILABLE PER STUDENT



DISPARITIES IN REAL ESTATE WEALTH



2012-13 TOTAL LOCAL CURRENT SPENDING PER STUDENT



STATE AVERAGE
(\$1,462)

> WHAT'S NEW IN THE 2014 LOCAL SCHOOL FINANCE STUDY?

Long-time readers of the annual Local School Finance Study will notice a new look in 2014. "Under the hood," however, the study is largely the same as in previous years, with a few notable exceptions.

Most significantly, this year, for the first time, the study includes charter school enrollment in each county's total Average Daily Membership (ADM). Charter schools receive funding based on their ADM, just as district schools do. The change reflects that each county's funding for instructional expenses is divided approximately equally among all district and charter school students residing in the county.

For most counties, the new calculation resulted in little change to the study data. For some counties with large percentages of students attending charter schools, however, substantial shifts occurred. For instance, Person, Pamlico, and Northampton Counties, each with more than 10 percent of their public school students enrolled in charter schools, saw significant changes in their rankings in several of the finance study tables compared to the 2013 study. More detail about the change and its impact can be found in the report's "Notes on Methodology" section.

Also new this year, the state average per capita income used in Table 4 is the statewide average from the U.S. Bureau of Economic Analysis. Aside from this and the inclusion of charter school enrollments, the study's methodology is unchanged.

The five main data tables included in past years' studies appear again in this year's study as appendices. The tables appear in the same order as in past years, to facilitate comparison with previous studies. This year, the capital outlay and debt service averages, which previously appeared in Tables 2 and 5, and did not factor into the rankings, now appear as a separate Table 2A, with counties ranked to mirror the order in Table 2 to facilitate comparison with previous studies. Also in this year's study, several redundant table columns have been omitted and others reordered to facilitate readability.

Finally, the 2014 Local School Finance Study pioneers a new summary table: Local School Finance Study Rankings-at-a-Glance, which collects the rankings from Tables 1-5 in a single table, ordered by the Table 5 Relative Effort rank. The table is accompanied by a brief explanation of the rankings, which also serves as an introduction to the more detailed tables included in the appendices.

The rankings in these five columns are calculated in the five tables included in the appendices to this report.

Property Value Rank: The first column shows county rankings based on the real estate wealth available in each county. Most local funding for schools comes from property taxes. Counties ranked higher on this measure have more property available for potential taxation to support education. (See Table 1)

Actual Effort Rank: Rankings in the second column reflect the actual dollar effort of counties to fund schools, without taking into account property wealth. Counties that spend the most per student rank highest on this measure. (See Table 2)

Actual Effort Rank II: The rankings in the third column serve the same purpose as the second column but take into account supplemental state funding provided for low-wealth and small counties. Counties that spend the most per student based on county spending combined with low-wealth and small county supplemental state funding rank highest on this measure. This column can be analyzed alongside the second column to show the impact of supplemental funding on counties' relative rankings. (See Table 3)

Ability to Pay Rank: The fourth column's rankings reflect an analysis of each county's fiscal capacity to support public schools, taking into account property values (from the first column, adjusted using the state's average effective property tax rate) and non-property tax revenues. Large, urban counties that combine high adjusted property valuations with broad-based economic activity and high per capita incomes tend to receive high rankings on this measure. (See Table 4)

Relative Effort Rank: The final column compares Actual Effort (from Table 2) and Ability to Pay (from Table 4). Low-wealth counties with comparatively high spending levels tend to rank highest in this measure. (See Table 5)

LOCAL SCHOOL FINANCE STUDY RANKINGS-AT-A-GLANCE

	FROM TABLE 1	FROM TABLE 2	FROM TABLE 3	FROM TABLE 4	FROM TABLE 5	
COUNTY	PROPERTY VALUE RANK: Adjusted Property Tax Base Per ADM	ACTUAL EFFORT RANK: Total Current Spending Per ADM	ACTUAL EFFORT RANK II: Total Current Spending Per ADM with Low Wealth and Small County Funding	ABILITY TO PAY RANK: Revenue Per ADM	RELATIVE EFFORT RANK: Current Spending as Percentage of Revenue per Student	
TOP QUARTILE	Dare	1	2	4	1	96
	Jackson	2	29	60	4	97
	Currituck	3	10	19	2	95
	Avery	4	21	12	8	92
	Watauga	5	5	11	6	84
	Brunswick	6	8	16	5	89
	Hyde	7	12	1	7	88
	Macon	8	24	59	9	93
	Carteret	9	13	28	3	94
	Transylvania	10	6	13	12	69
	Ashe	11	55	49	21	91
	Clay	12	96	47	25	99
	Polk	13	18	10	14	80
	New Hanover	14	7	14	11	77
	Alleghany	15	23	9	22	74
	Yancey	16	60	39	27	82
	Graham	17	97	35	35	98
	Buncombe	18	14	29	16	72
	Chatham	19	4	8	10	59
	SECOND QUARTILE	Warren	20	61	33	34
Pamlico		21	40	15	20	86
Haywood		22	20	45	24	61
Moore		23	17	34	17	71
Henderson		24	37	75	23	83
Mitchell		25	78	46	46	79
Madison		26	92	79	37	90
Cherokee		27	49	92	41	60
Perquimans		28	64	26	29	81
Tyrrell		29	86	2	42	87
Durham		30	3	6	18	21
Mecklenburg		31	11	21	13	70
Orange		32	1	3	15	5
Beaufort		33	26	51	31	54
Pender		34	36	56	44	44
Northampton		35	58	27	50	56
Wake		36	15	30	19	64
Swain		37	100	99	49	100
Iredell		38	34	67	32	58
Person		39	33	53	51	30
THIRD QUARTILE	Montgomery	40	46	50	55	35
	Davie	41	41	69	33	62
	Jones	42	66	5	45	68
	Forsyth	43	16	31	28	34
	Lincoln	44	53	93	38	66
	Catawba	45	44	82	43	51
	Guilford	46	9	18	30	12
	Craven	47	62	95	36	76
	Chowan	48	38	20	47	36
	Rowan	49	30	48	57	20
	Rutherford	50	56	71	66	28
	Wilkes	51	73	91	53	67
	McDowell	52	70	81	76	33
	Stokes	53	39	44	65	11
	Cabarrus	54	31	64	39	45
	Camden	55	90	38	48	85
	Pasquotank	56	22	36	61	7
	Onslow	57	28	58	26	63
	Burke	58	82	96	62	65
	Caswell	59	93	52	71	73
Bladen	60	71	74	78	29	
BOTTOM QUARTILE	Alamance	61	50	73	54	47
	Lee	62	27	40	58	14
	Union	63	19	32	56	4
	Rockingham	64	68	72	68	39
	Davidson	65	63	84	60	46
	Wilson	66	59	78	59	43
	Stanly	67	77	89	63	57
	Alexander	68	87	94	77	55
	Washington	69	91	23	86	50
	Yadkin	70	74	80	75	40
	Hertford	71	48	17	79	9
	Pitt	72	43	57	52	37
	Gates	73	32	7	89	2
	Bertie	74	72	24	88	15
	Franklin	75	52	55	82	8
	Cleveland	76	51	54	74	17
	Caldwell	77	67	62	87	16
	Anson	78	83	37	95	19
	Surry	79	65	70	64	41
	Granville	80	47	42	83	6
Martin	81	45	25	73	10	
Gaston	82	54	90	69	24	
Randolph	83	69	66	80	26	
Halifax	84	84	85	85	42	
Duplin	85	79	68	84	38	
Cumberland	86	42	76	40	53	
Edgecombe	87	88	87	92	25	
Lenoir	88	75	83	70	48	
Nash	89	57	61	67	27	
Wayne	90	80	86	72	49	
Richmond	91	89	77	90	32	
Johnston	92	35	41	81	3	
Columbus	93	94	98	94	52	
Harnett	94	76	65	93	13	
Hoke	95	98	100	96	78	
Sampson	96	81	63	91	22	
Scotland	97	25	22	98	1	
Greene	98	95	43	99	23	
Vance	99	85	88	97	18	
Robeson	100	99	97	100	31	

> STATE AND LOCAL SCHOOL FUNDING IN NORTH CAROLINA: A HISTORICAL PERSPECTIVE

North Carolina's first state constitution in 1776 included an education provision that stated, "A School or Schools shall be established by the Legislature for the convenient Instruction of Youth." The legislature provided no financial support for schools.

A century later, the constitution adopted after the Civil War required the state to provide funding for all children ages 6-21 to attend school tuition-free. In 1901, the General Assembly appropriated \$100,000 for public schools, marking the first time there was a direct appropriation of tax revenue for public schools. Today, the 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." N.C. Const. art. IX, § 2 (see sidebar, "Sources of Local School Finance Law: The North Carolina State Constitution").

The constitution adopted after the Civil War required the state to provide funding for all children ages 6-21 to attend school tuition-free.



SOURCES OF LOCAL SCHOOL FINANCE LAW: THE NORTH CAROLINA STATE CONSTITUTION

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.

Apart from the constitutional provisions, 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 ensure 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.

As noted in the introduction, over time the delineations proscribed by the School Machinery Acts and the School Budget and Fiscal Control Act have given way to increased local investment in instructional expenses. Even so, the North Carolina Supreme Court has made clear that it is the state that bears responsibility for fulfilling the constitutional obligation to guard and maintain the right of every North Carolina child to receive a "sound basic education." *Leandro v. North Carolina*, 346 N.C. 336 (1997).

The North Carolina Supreme Court has made clear that it is the state that bears responsibility for fulfilling the constitutional obligation to guard and maintain the right of every North Carolina child to receive a "sound basic education."

North Carolina has been engaged in litigation defending its system of school finance for almost twenty years. The legal action was instigated in part by spending inequities between low-wealth and higher-wealth counties. These inequities persist today. In 2012-13, the state's ten highest-spending counties spent an average of \$56,758 more per classroom than the ten lowest-spending counties. This large gap exists primarily because of the variation in property wealth across the state. The wealthiest counties have more than \$2 million in real estate capacity available per student, compared with the poorest counties, which have approximately \$339,146 in real estate capacity available per student. This gap has widened by over \$1.2 million since the North Carolina Supreme Court's *Leandro* decision in 1997.



SOURCES OF LOCAL SCHOOL FINANCE LAW: THE *LEANDRO* CASE

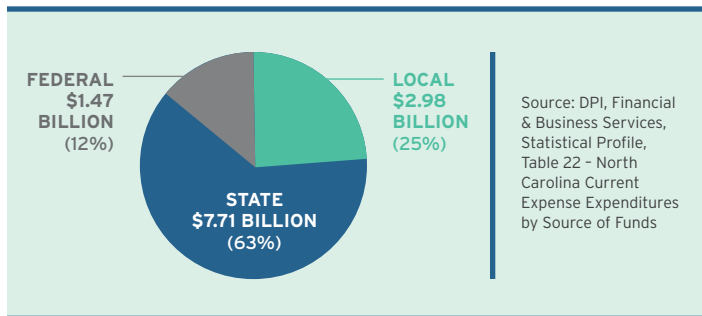
"Because the North Carolina Constitution expressly states that units of local governments with financial responsibility for public education may provide additional funding to supplement the educational programs provided by the state, there can be nothing unconstitutional about their doing so or in any 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. State, 488 S.E.2d 249 (N.C. 1997).

> SCHOOL FUNDING: WHO PAYS FOR WHAT?

North Carolina public schools spent \$12.2 billion on instructional expenses in the 2012-13 school year, using a combination of state, federal, and local resources. State funding accounted for 63 percent of expenditures, federal funding accounted for 12 percent, and local funding accounted for 25 percent of spending.

SOURCES OF FUNDS FOR SCHOOLS IN NC, 2012-13



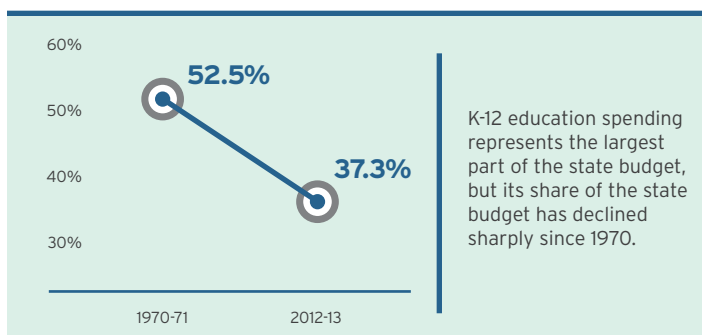
STATE FUNDS

In 2012-13, the state provided \$7.7 billion to operate 2,526 district, charter, and regional schools in 115 school systems across 100 counties for nearly 1.5 million students. Nearly 94 percent of state funds were spent on salaries and benefits for 138,329 state-funded school personnel.

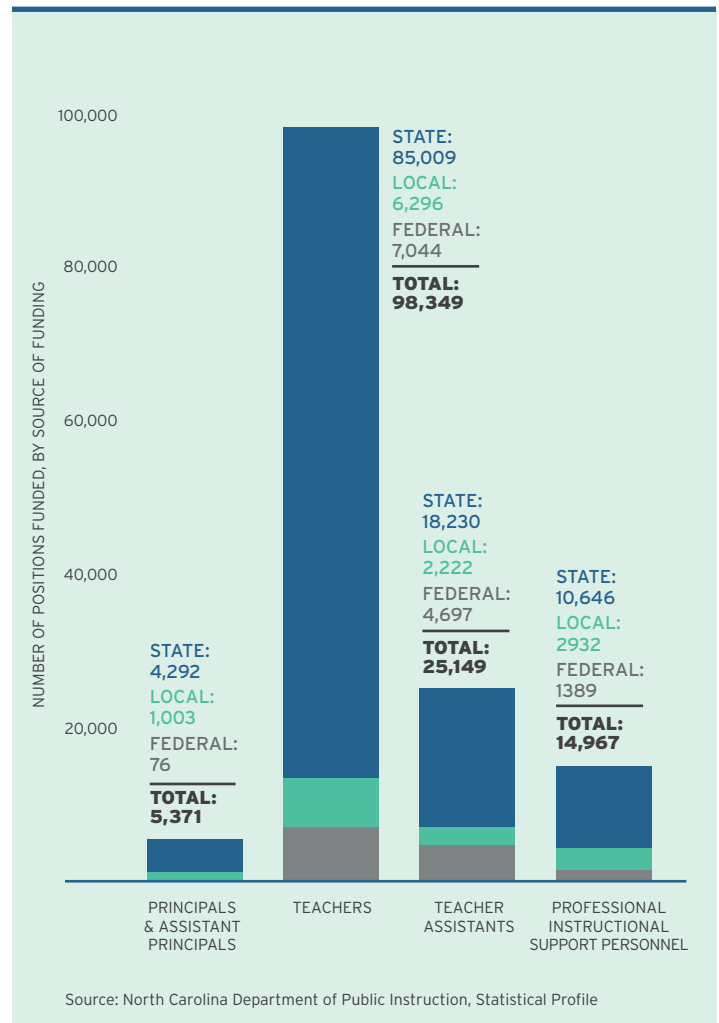
State funding for operations has continually increased from \$3.44 billion in 1992-93 to \$7.7 billion in 2012-13. But while the level of funding has increased, the percentage of the state's General Fund dedicated to education has continually declined. In 2012-13, 37.3 percent of the state's General Fund was appropriated for K-12 public education, a significant drop from 1970, when it was 52.5 percent. If public education were funded at the same percentage of the General Fund as in 1970, districts and schools would have an additional \$3.02 billion to educate our students.

State funding for capital expenses has been relatively small compared with the state's investment in operations, and compared with what counties invest in capital expenses. In 2012-13, the state spent \$32 million on capital expenses, which was 5.8 percent of the combined local, state, and federal total.

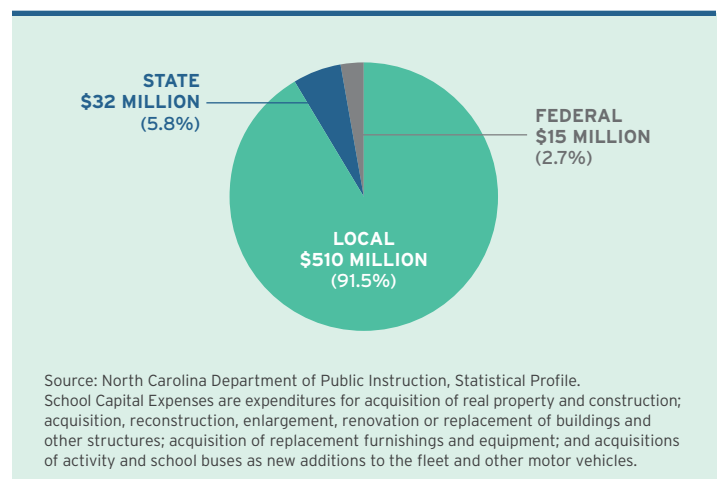
K-12 SPENDING (% OF GENERAL OPERATING BUDGET)



WHO PAYS FOR SCHOOL PERSONNEL? 2012-13



FUNDING FOR SCHOOL CAPITAL EXPENSES, 2012-13



LOCAL FUNDS

The nearly century-old division of state and local responsibility for school funding still shapes the way North Carolina pays for public education today, with 63 percent of instructional expenditures coming from the state and 91.5 percent of capital expenses paid at the local level. However, the division has eroded somewhat, with counties funding 18.7 percent of principal and assistant principal positions, 6.4 percent of teachers, 8.8 percent of teacher assistants, and 19.6 percent of professional instructional support personnel; and with the state paying 5.8 percent of capital expenses. School capital expenses include amounts paid for school construction and acquisition of real property and buses.

Considering local expenditures on programs and personnel in 2012-13, the ten counties that spent the most per student averaged \$2,855 per student compared to the ten that spent the least, which averaged \$672 per student. That represents a gap of \$2,183 – and 59 counties are below the state average of \$1,462. Orange County continues to spend as much per student as the bottom seven counties combined.

One of the primary challenges from the five low-wealth plaintiffs in the *Leandro* case dealt with the inequities between varying levels of county support for schools. However, 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.”



LOCAL SCHOOL FUNDING: IMPACTS ON SCHOOLS AND CLASSROOMS

Differences in counties' levels of investment in their school systems translate into dramatically different options at the school and classroom level. As an illustration, at a statewide average class size of 26 students per classroom, the ten counties that spend the most per student would spend, on average, \$74,230 per classroom. By contrast, the ten counties that spend the least per child would spend, on average, \$17,472 per classroom – a difference of \$56,758 per classroom. At the state's average elementary school size of 497 students, that translates to a difference of \$1,084,951 per elementary school. At the state's average high school size of 837, it translates to a difference of \$1,827,171 per high school.

FEDERAL FUNDS

Resources from the federal government accounted for 12 percent of North Carolina public education spending on instructional expenses in 2012-13, and totaled \$1,470,124,139. The federal government has added resources in an effort to help meet the mandates of the No Child Left Behind legislation. Federal resources are given to states in the form of direct grants, state applications, state plans, or a combination of the three.



RACE TO THE TOP'S ROLE IN THE 2014 FINANCE STUDY

Race to the Top (RttT) is a federal competitive grant awarded to North Carolina, focused on creating conditions for education innovation and reform, implementing ambitious plans in four education reform areas, and achieving significant improvement in student outcomes (U.S. Department of Education, Race to the Top Executive Summary, 2009). North Carolina was one of 12 states to receive an RttT grant in 2010. The grant includes \$400 million dollars to be used over four years on the state's public school system. Half of the grant is designated for use by local education agencies for their own initiatives that support the North Carolina RttT plan. North Carolina received RttT funding during the school year analyzed in the 2014 Local School Finance Study (2012-13).

> LOCAL SCHOOL FINANCE STUDY 2014: GAPS AND TRENDS

The primary source of revenue for county government is local property taxes, and this year the study once again revealed wide variation between the property values of the state's wealthiest and poorest counties, and resulting disparities in revenues generated. This year also saw the continuation of marked differences in spending per child between North Carolina's highest- and lowest-spending counties.

POOREST COUNTIES TAXED THEMSELVES AT HIGHER RATES, STILL GENERATED SUBSTANTIALLY LESS FROM PROPERTY TAX

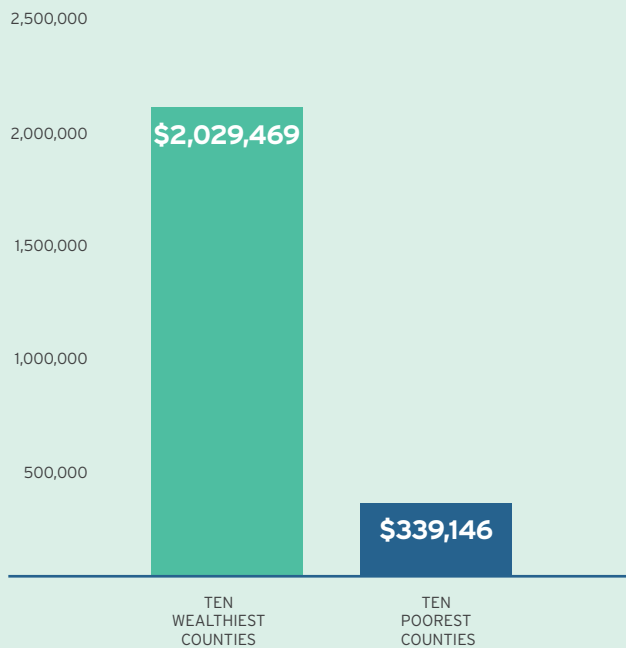
Coastal and mountain counties have the highest real estate wealth capacity in the state. In 2012-13, every county in the top ten had a per student real estate wealth capacity above \$1.59 million, and together had an average six times greater than the bottom ten counties. The ten wealthiest counties had an average real estate capacity of \$2,029,469 per student, compared with

the ten poorest counties, which had, on average, a real estate capacity of \$339,146 per student. This gap of \$1.69 million is roughly the same as last year's and about 20 percent below the previous year's (2010-11). Major factors narrowing the gap included reductions in real estate wealth in the wealthiest counties, some counties' 2011 revaluations, and increases in student enrollment in several counties.

The ten poorest counties taxed themselves at more than double the rate of the ten wealthiest counties – \$0.83 compared to \$0.39, a 44-cent difference. In spite of this, because of the disparity in real estate wealth capacity, the revenue the poorest counties could generate, even at the higher tax rate, was substantially lower than what the wealthier counties could generate at lower rates. The poorest counties continue raising their tax rates, while the wealthiest counties lower theirs, and yet the substantial revenue disparity persists.

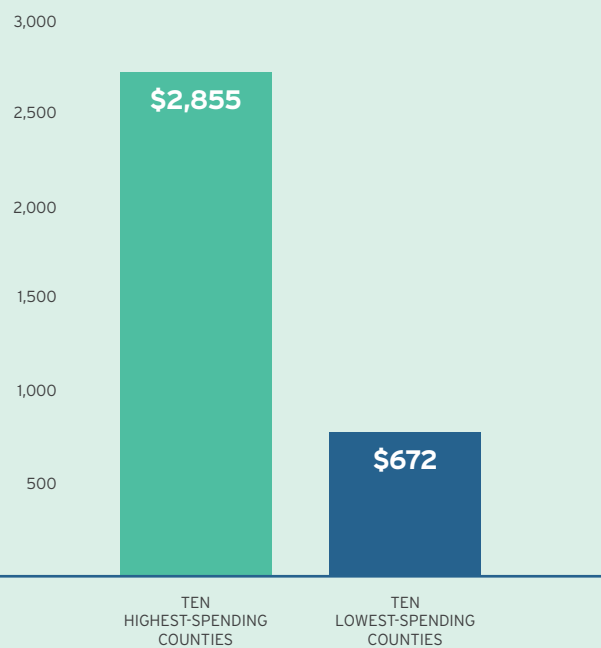
LOW VS. HIGH WEALTH COUNTIES

TAXABLE REAL ESTATE WEALTH PER CHILD



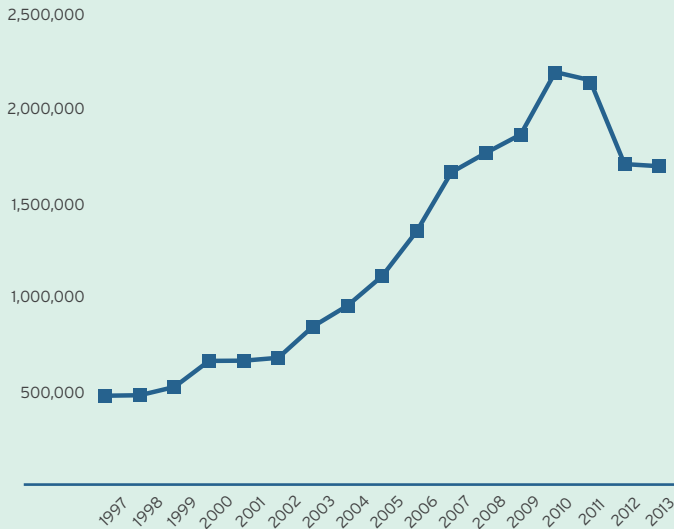
The wealthiest counties have six times the taxable property wealth per child available to the ten poorest counties. As a result, even though the ten poorest counties tax themselves at more than double the rate of the wealthiest counties, the revenue they generate through taxation is substantially lower.

SPENDING PER STUDENT



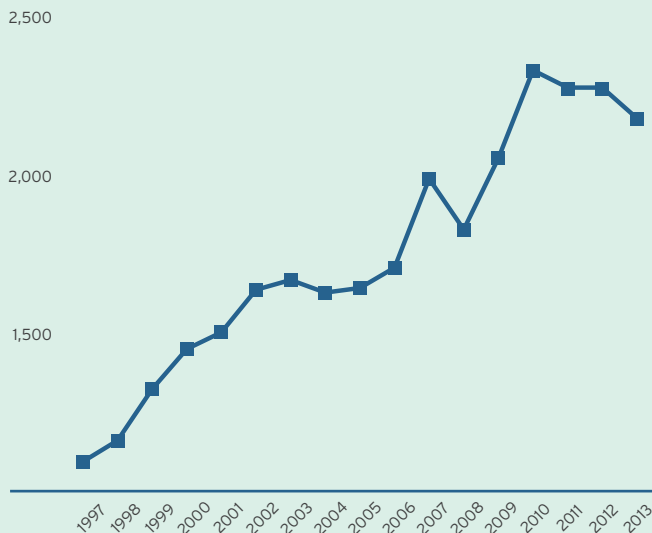
Annual per-student county spending on programs and personnel was \$2,183 higher in the ten highest-spending counties than in the ten lowest-spending counties. This gap is narrower than last year, when it was \$2,280 per student.

WIDENING REAL ESTATE WEALTH GAP



The difference in real estate wealth capacity between the ten wealthiest and ten poorest counties has grown from \$477,477 in 1997 to \$1,690,323 in 2013.

WIDENING SPENDING GAP



The spending gap between the top ten-spending and bottom ten-spending counties has grown from \$1,094 in 1997 to \$2,183 in 2013.

LARGE SPENDING DISPARITIES REMAIN

This year's study found a lower gap between the highest- and lowest-spending counties: \$2,183 per student, compared with \$2,280 last year. Still, this is a significant disparity. Orange County, at the top of the list, spends more than ten times more per student than Swain County at the bottom. The ten highest-spending counties spend 4.25 times more per child (\$2,855 per child) than the ten lowest-spending counties (\$672 per child). On average, the highest-spending counties spent about the same amount per child this year as last year. By contrast, the lowest-spending counties increased their average spending per student by 12.4 percent (\$74 per student).

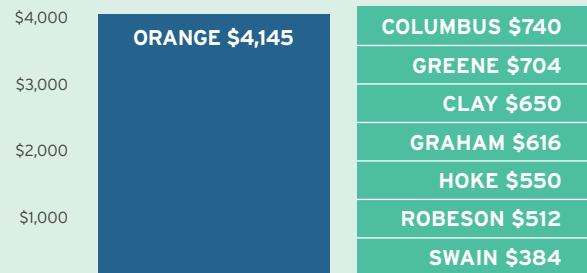
SUPPLEMENTAL FUNDING REMAINS CRUCIAL

In 1991, the state enacted supplemental funds for low-wealth and small counties, in part to address the limited capacity that some counties have to raise revenues through taxation because of their limited local resources and size. In 2012-13 the General Assembly provided an appropriation of \$213 million for 68 low-wealth counties (78 districts) and \$43 million for 27 small counties.

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 2012-13, low-wealth eligible counties received total low-wealth supplemental funding ranging from \$14,716 to \$17.7 million. Per-student dollars ranged from \$12 (Graham) to \$733 (Robeson).

Small county supplemental funding was provided in 2012-13 to those county school systems with average daily membership (ADM) less than 3,175 or to county school systems with ADM between 3,175 and 4,000 whose county adjusted property tax base per student was below the state adjusted property tax base per student. In 2012-13, eligible counties received between \$1.46 and \$1.94 million in small-county supplemental funding. Per-student dollars ranged from \$402 (Martin) to \$3,018 (Tyrrell)

SPENDING DISPARITIES



If the bottom seven counties' total current spending were combined, they would still only spend \$11 more per child than Orange County spends by itself.

> NOTES ON METHODOLOGY

CHARTER SCHOOL ENROLLMENT

Data from the Department of Public Instruction's Division of School Business' *Report on Average Daily Membership and Membership Last Day by LEA (ADM & MLD)* were used to estimate charter school enrollment in each county. Adding charter school enrollments to the ADM of the county in which each charter school was located produced a base calculation of total ADM for each county. However, this was only an estimate – charter schools may enroll students from across county lines, with local funding flowing from each student's district of residence to the charter school he or she attends (this is different from state ADM funding for charter schools). These cross-district enrollments are not captured by the *ADM & MLD* report.

Therefore, results of surveys of districts conducted by the Division of School Business in 2012 and 2014 to account for all students within each district who attend charter schools were adjusted to reflect new school openings and significant enrollment growth at individual schools in 2012-13, and then used to verify or adjust the initial estimates. Survey data are provided at the Office of Charter Schools website for information only and are not used for any financial or budget purposes.

CAPITAL SPENDING

Data from the North Carolina Department of State Treasurer's *Report on County Spending on Public School Capital Outlays* was used to calculate a six-year average of county appropriations for capital outlay, interest on debt for school construction, and the net change in capital reserves. Withdrawals from the Public School Building Capital Fund, Grants from the Public School Building Bond Fund, and the North Carolina Education Lottery Funds have been removed from the county total. 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, this 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, with additional revenue totaling \$56.8 million in 2012-13.



TABLE 1: RANKING OF ADJUSTED PROPERTY VALUATIONS PER STUDENT

This table reflects the real estate wealth available to counties to support education. The ranking is based on the total adjusted property valuation for each county, divided by the number of students attending public school in the county. The property valuation was adjusted using a three-year weighted average of the Sales/Assessment Ratios.

COUNTIES	RANK	PREVIOUS YEAR'S RANK*	LAST YEAR REVALUED	EFFECTIVE COUNTY TAX RATE	2012-13 ADJUSTED PROPERTY TAX BASE	2012-13 FINAL ADM	ADJUSTED PROPERTY TAX BASE PER ADM
Dare	1	1	2013	\$0.264	\$18,691,143,413	4,922	\$3,797,469
Jackson	2	2	2008	\$0.363	\$8,896,546,178	3,886	\$2,289,384
Currituck	3	8	2013	\$0.309	\$8,665,577,472	3,929	\$2,205,543
Avery	4	3	2010	\$0.440	\$4,223,059,308	2,166	\$1,949,704
Watauga	5	4	2006	\$0.319	\$8,761,935,148	4,641	\$1,887,941
Brunswick	6	5	2011	\$0.462	\$23,633,098,814	12,991	\$1,819,190
Hyde	7	6	2009	\$0.713	\$1,026,300,612	574	\$1,787,980
Macon	8	7	2007	\$0.346	\$7,489,889,094	4,459	\$1,679,724
Carteret	9	10	2011	\$0.310	\$14,253,332,621	8,738	\$1,631,189
Transylvania	10	9	2009	\$0.399	\$5,942,143,821	3,748	\$1,585,417
Ashe	11	12	2011	\$0.405	\$4,082,858,532	3,152	\$1,295,323
Clay	12	13	2010	\$0.485	\$1,602,439,462	1,346	\$1,190,520
Polk	13	15	2009	\$0.513	\$2,797,963,330	2,417	\$1,157,618
New Hanover	14	11	2012	\$0.549	\$29,052,489,299	25,545	\$1,137,306
Alleghany	15	16	2007	\$0.525	\$1,637,627,990	1,447	\$1,131,740
Yancey	16	17	2008	\$0.467	\$2,599,703,864	2,374	\$1,095,073
Graham	17	19	2010	\$0.442	\$1,254,679,154	1,236	\$1,015,113
Buncombe	18	20	2013	\$0.509	\$30,489,159,603	30,701	\$993,100
Chatham	19	18	2009	\$0.646	\$8,727,868,011	8,842	\$987,092
Warren	20	21	2009	\$0.694	\$2,471,207,152	2,579	\$958,204
Pamlico	21	22	2012	\$0.598	\$1,588,659,437	1,659	\$957,601
Haywood	22	24	2011	\$0.545	\$7,146,996,905	7,668	\$932,055
Moore	23	23	2007	\$0.478	\$11,755,309,516	12,854	\$914,525
Henderson	24	25	2011	\$0.511	\$12,162,040,638	13,809	\$880,733
Mitchell	25	28	2009	\$0.434	\$1,813,229,918	2,081	\$871,326
Madison	26	38	2012	\$0.489	\$2,191,915,960	2,557	\$857,222
Cherokee	27	14	2012	\$0.524	\$2,962,928,794	3,547	\$835,334
Perquimans	28	29	2008	\$0.535	\$1,477,108,590	1,769	\$834,996
Tyrrell	29	31	2009	\$0.734	\$473,032,480	570	\$829,882
Durham	30	26	2008	\$0.778	\$29,398,743,871	37,221	\$789,843
Mecklenburg	31	27	2011	\$0.787	\$116,288,287,393	148,878	\$781,098
Orange	32	30	2009	\$0.888	\$15,587,332,609	19,986	\$779,913
Beaufort	33	32	2010	\$0.558	\$5,565,364,307	7,194	\$773,612
Pender	34	37	2011	\$0.517	\$6,287,837,750	8,430	\$745,888
Northampton	35	33	2011	\$0.965	\$1,872,618,068	2,523	\$742,219
Wake	36	35	2008	\$0.582	\$113,654,915,164	156,818	\$724,757
Swain	37	36	2013	\$0.330	\$1,449,272,001	2,050	\$706,962
Iredell	38	39	2011	\$0.500	\$20,026,345,742	28,613	\$699,904
Person	39	34	2013	\$0.712	\$4,033,539,243	5,847	\$689,848
Montgomery	40	50	2012	\$0.583	\$2,837,311,211	4,164	\$681,391
Davie	41	44	2013	\$0.619	\$4,303,884,704	6,490	\$663,156
Jones	42	47	2006	\$0.692	\$746,540,208	1,129	\$661,240
Forsyth	43	49	2013	\$0.662	\$35,019,108,762	55,188	\$634,542
Lincoln	44	40	2011	\$0.627	\$8,030,950,618	12,682	\$633,256
Catawba	45	48	2011	\$0.539	\$15,484,463,165	24,650	\$628,173
Guilford	46	42	2012	\$0.776	\$45,898,656,014	75,249	\$609,957
Craven	47	46	2010	\$0.512	\$9,086,906,519	15,090	\$602,181
Chowan	48	43	2006	\$0.721	\$1,359,079,836	2,283	\$595,304
Rowan	49	51	2011	\$0.635	\$11,472,234,922	20,161	\$569,031
Rutherford	50	41	2012	\$0.608	\$5,514,069,529	9,728	\$566,825
Wilkes	51	52	2013	\$0.641	\$5,630,635,840	10,039	\$560,876
McDowell	52	63	2011	\$0.525	\$3,498,205,285	6,473	\$540,430
Stokes	53	58	2013	\$0.638	\$3,684,773,146	6,888	\$534,955
Cabarrus	54	45	2012	\$0.693	\$18,822,584,681	35,549	\$529,483
Camden	55	53	2007	\$0.699	\$1,023,067,052	1,942	\$526,811
Pasquotank	56	55	2006	\$0.699	\$3,081,185,812	5,858	\$525,979
Onslow	57	54	2010	\$0.600	\$13,029,848,330	25,081	\$519,511
Burke	58	73	2013	\$0.523	\$6,799,660,031	13,222	\$514,269
Caswell	59	62	2008	\$0.644	\$1,534,189,287	3,038	\$505,000
Bladen	60	59	2007	\$0.729	\$2,669,257,296	5,326	\$501,175
Alamance	61	60	2009	\$0.557	\$11,702,029,628	23,398	\$500,129
Lee	62	65	2013	\$0.738	\$4,894,449,332	9,868	\$495,992
Union	63	57	2008	\$0.775	\$20,623,263,626	42,008	\$490,937
Rockingham	64	69	2011	\$0.721	\$6,652,632,211	13,881	\$479,262
Davidson	65	67	2007	\$0.570	\$12,253,580,059	25,696	\$476,867
Wilson	66	61	2008	\$0.786	\$6,217,361,675	13,065	\$475,879
Stanly	67	64	2013	\$0.661	\$4,355,775,225	9,155	\$475,781
Alexander	68	68	2007	\$0.608	\$2,585,615,850	5,466	\$473,036
Washington	69	72	2013	\$0.776	\$823,078,998	1,745	\$471,679
Yadkin	70	76	2009	\$0.742	\$2,705,828,765	5,768	\$469,110
Hertford	71	84	2011	\$0.896	\$1,424,966,059	3,048	\$467,509
Pitt	72	56	2012	\$0.684	\$11,076,902,640	23,776	\$465,886
Gates	73	75	2009	\$0.772	\$826,866,614	1,794	\$460,907
Bertie	74	88	2012	\$0.758	\$1,237,488,875	2,698	\$458,669
Franklin	75	71	2012	\$0.857	\$4,248,365,277	9,317	\$455,980
Cleveland	76	80	2008	\$0.741	\$7,277,436,214	16,112	\$451,678
Caldwell	77	78	2013	\$0.641	\$5,571,027,609	12,508	\$445,397
Anson	78	81	2010	\$0.811	\$1,670,030,038	3,754	\$444,867
Surry	79	74	2012	\$0.580	\$5,203,933,725	11,781	\$441,723
Granville	80	77	2010	\$0.841	\$3,902,178,166	8,837	\$441,573
Martin	81	66	2009	\$0.679	\$1,765,315,226	4,000	\$441,329
Gaston	82	79	2007	\$0.892	\$14,208,294,302	32,561	\$436,359
Randolph	83	82	2007	\$0.607	\$10,062,811,046	23,442	\$429,264
Halifax	84	70	2007	\$0.668	\$3,654,187,514	8,544	\$427,690
Duplin	85	85	2009	\$0.699	\$3,927,204,182	9,280	\$423,190
Cumberland	86	89	2009	\$0.754	\$21,626,625,359	52,232	\$414,049
Edgecombe	87	83	2009	\$0.875	\$3,080,114,129	7,606	\$404,958
Lenoir	88	87	2009	\$0.841	\$3,853,738,832	9,538	\$404,041
Nash	89	86	2009	\$0.667	\$7,047,800,882	17,452	\$403,839
Wayne	90	92	2011	\$0.702	\$7,806,849,569	19,425	\$401,897
Richmond	91	91	2008	\$0.816	\$2,984,220,933	7,661	\$389,534
Johnston	92	90	2011	\$0.789	\$13,142,906,809	33,935	\$387,297
Columbus	93	94	2013	\$0.814	\$3,466,538,007	9,330	\$371,547
Harnett	94	93	2009	\$0.741	\$7,315,271,092	19,898	\$367,639
Hoke	95	95	2006	\$0.685	\$2,972,351,283	8,392	\$354,189
Sampson	96	96	2011	\$0.814	\$3,988,920,875	11,606	\$343,695
Scotland	97	99	2011	\$1.103	\$1,945,103,224	6,124	\$317,620
Greene	98	98	2013	\$0.779	\$1,008,143,110	3,218	\$313,283
Vance	99	97	2008	\$1.036	\$2,200,851,402	7,570	\$290,733
Robeson	100	100	2010	\$0.758	\$5,709,021,765	24,166	\$236,242
State Total/Average				\$0.642	\$978,580,193,639	1,493,652	\$759,471.46

> APPENDICES

TABLE 2: ACTUAL EFFORT

This table reflects the actual dollar effort of communities to fund schools, without taking into account property wealth. This ranking is based on 2012-13 total current spending for each county (including supplemental school taxes), divided by the number of students attending public school in the county. High-wealth communities with corresponding high levels of spending tend to rank highest in this measure.

COUNTIES	RANK THIS YEAR	PREVIOUS YEAR'S RANK*	2012-13 CURRENT SPENDING	2012-13 CURRENT SPENDING PER ADM	2012-13 SUPPLEMENTAL SCHOOL TAXES	2012-13 TOTAL CURRENT SPENDING (WITH SUPPLEMENTAL)	2012-13 FINAL ADM	2012-13 TOTAL CURRENT SPENDING PER ADM
Orange	1	1	\$63,377,901	\$3,171	\$19,470,218	\$82,848,119	19,986	\$4,145
Dare	2	2	\$19,528,900	\$3,968	\$0	\$19,528,900	4,922	\$3,968
Durham	3	3	\$115,572,760	\$3,105	\$0	\$115,572,760	37,221	\$3,105
Chatham	4	4	\$25,701,130	\$2,907	\$0	\$25,701,130	8,842	\$2,907
Watauga	5	6	\$11,839,645	\$2,551	\$0	\$11,839,645	4,641	\$2,551
Transylvania	6	5	\$9,319,383	\$2,486	\$0	\$9,319,383	3,748	\$2,486
New Hanover	7	7	\$61,437,450	\$2,405	\$0	\$61,437,450	25,545	\$2,405
Brunswick	8	9	\$30,596,925	\$2,355	\$0	\$30,596,925	12,991	\$2,355
Guilford	9	8	\$175,630,398	\$2,334	\$0	\$175,630,398	75,249	\$2,334
Currituck	10	13	\$9,002,329	\$2,291	\$0	\$9,002,329	3,929	\$2,291
Mecklenburg	11	12	\$335,132,664	\$2,251	\$0	\$335,132,664	148,878	\$2,251
Hyde	12	10	\$1,247,583	\$2,173	\$0	\$1,247,583	574	\$2,173
Carteret	13	11	\$18,400,000	\$2,106	\$0	\$18,400,000	8,738	\$2,106
Buncombe	14	15	\$54,661,395	\$1,780	\$8,104,621	\$62,766,016	30,701	\$2,044
Wake	15	14	\$317,181,372	\$2,023	\$0	\$317,181,372	156,818	\$2,023
Forsyth	16	16	\$111,330,755	\$2,017	\$0	\$111,330,755	55,188	\$2,017
Moore	17	17	\$25,540,140	\$1,987	\$0	\$25,540,140	12,854	\$1,987
Polk	18	19	\$4,784,788	\$1,980	\$0	\$4,784,788	2,417	\$1,980
Union	19	18	\$81,504,155	\$1,940	\$0	\$81,504,155	42,008	\$1,940
Haywood	20	21	\$14,140,444	\$1,844	\$0	\$14,140,444	7,668	\$1,844
Avery	21	20	\$3,915,000	\$1,807	\$0	\$3,915,000	2,166	\$1,807
Pasquotank	22	31	\$10,004,858	\$1,708	\$0	\$10,004,858	5,858	\$1,708
Alleghany	23	22	\$2,471,242	\$1,708	\$0	\$2,471,242	1,447	\$1,708
Macon	24	27	\$7,406,066	\$1,661	\$0	\$7,406,066	4,459	\$1,661
Scotland	25	29	\$10,075,654	\$1,645	\$0	\$10,075,654	6,124	\$1,645
Beaufort	26	25	\$11,744,957	\$1,633	\$0	\$11,744,957	7,194	\$1,633
Lee	27	30	\$16,050,050	\$1,626	\$0	\$16,050,050	9,868	\$1,626
Onslow	28	45	\$40,691,952	\$1,622	\$0	\$40,691,952	25,081	\$1,622
Jackson	29	24	\$6,287,113	\$1,618	\$0	\$6,287,113	3,886	\$1,618
Rowan	30	32	\$32,164,443	\$1,595	\$0	\$32,164,443	20,161	\$1,595
Cabarrus	31	28	\$55,814,525	\$1,570	\$0	\$55,814,525	35,549	\$1,570
Gates	32	35	\$2,796,079	\$1,559	\$0	\$2,796,079	1,794	\$1,559
Person	33	23	\$9,038,798	\$1,546	\$0	\$9,038,798	5,847	\$1,546
Iredell	34	36	\$38,189,890	\$1,335	\$5,887,922	\$44,077,812	28,613	\$1,540
Johnston	35	34	\$52,239,105	\$1,539	\$0	\$52,239,105	33,935	\$1,539
Pender	36	33	\$12,900,290	\$1,530	\$0	\$12,900,290	8,430	\$1,530
Henderson	37	50	\$20,700,000	\$1,499	\$0	\$20,700,000	13,809	\$1,499
Chowan	38	53	\$3,421,929	\$1,499	\$0	\$3,421,929	2,283	\$1,499
Stokes	39	40	\$10,211,763	\$1,483	\$0	\$10,211,763	6,888	\$1,483
Pamlico	40	26	\$2,444,438	\$1,473	\$0	\$2,444,438	1,659	\$1,473
Davie	41	44	\$9,540,718	\$1,470	\$0	\$9,540,718	6,490	\$1,470
Cumberland	42	43	\$76,220,676	\$1,459	\$0	\$76,220,676	52,232	\$1,459
Pitt	43	42	\$34,344,726	\$1,445	\$0	\$34,344,726	23,776	\$1,445
Catawba	44	47	\$35,476,657	\$1,439	\$0	\$35,476,657	24,650	\$1,439
Martin	45	38	\$5,662,044	\$1,416	\$0	\$5,662,044	4,000	\$1,416
Montgomery	46	67	\$5,877,697	\$1,412	\$0	\$5,877,697	4,164	\$1,412
Granville	47	46	\$12,385,287	\$1,402	\$0	\$12,385,287	8,837	\$1,402
Hertford	48	52	\$4,173,524	\$1,369	\$0	\$4,173,524	3,048	\$1,369
Cherokee	49	37	\$4,777,999	\$1,347	\$0	\$4,777,999	3,547	\$1,347
Alamance	50	39	\$31,555,000	\$1,332	\$0	\$31,555,000	23,398	\$1,332
Cleveland	51	55	\$10,408,213	\$646	\$11,017,918	\$21,426,131	16,112	\$1,330
Franklin	52	49	\$12,350,000	\$1,326	\$0	\$12,350,000	9,317	\$1,326
Lincoln	53	51	\$16,175,429	\$1,275	\$0	\$16,175,429	12,682	\$1,275
Gaston	54	54	\$41,526,704	\$1,275	\$0	\$41,526,704	32,561	\$1,275
Ashe	55	64	\$4,000,000	\$1,269	\$0	\$4,000,000	3,152	\$1,269
Rutherford	56	48	\$12,271,014	\$1,261	\$0	\$12,271,014	9,728	\$1,261
Nash	57	56	\$21,364,379	\$1,224	\$629,427	\$21,993,806	17,452	\$1,260
Northampton	58	41	\$3,161,538	\$1,253	\$0	\$3,161,538	2,523	\$1,253
Wilson	59	59	\$16,338,356	\$1,251	\$0	\$16,338,356	13,065	\$1,251
Yancey	60	58	\$2,960,358	\$1,247	\$0	\$2,960,358	2,374	\$1,247
Warren	61	57	\$3,207,311	\$1,244	\$0	\$3,207,311	2,579	\$1,244
Craven	62	63	\$18,531,889	\$1,228	\$0	\$18,531,889	15,090	\$1,228
Davidson	63	62	\$28,486,673	\$1,109	\$2,810,316	\$31,296,989	25,696	\$1,218
Perquimans	64	60	\$2,150,000	\$1,215	\$0	\$2,150,000	1,769	\$1,215
Surry	65	61	\$12,421,390	\$1,054	\$1,661,072	\$14,082,462	11,781	\$1,195
Jones	66	74	\$1,344,901	\$1,191	\$0	\$1,344,901	1,129	\$1,191
Caldwell	67	68	\$14,571,294	\$1,165	\$0	\$14,571,294	12,508	\$1,165
Rockingham	68	65	\$15,834,840	\$1,141	\$0	\$15,834,840	13,881	\$1,141
Randolph	69	66	\$21,664,017	\$924	\$5,008,100	\$26,672,117	23,442	\$1,138
McDowell	70	70	\$7,312,877	\$1,130	\$0	\$7,312,877	6,473	\$1,130
Bladen	71	69	\$5,999,210	\$1,126	\$0	\$5,999,210	5,326	\$1,126
Bertie	72	71	\$3,003,000	\$1,113	\$0	\$3,003,000	2,698	\$1,113
Wilkes	73	76	\$10,873,988	\$1,083	\$0	\$10,873,988	10,039	\$1,083
Yadkin	74	73	\$6,174,975	\$1,071	\$0	\$6,174,975	5,768	\$1,071
Lenoir	75	72	\$9,900,000	\$1,038	\$0	\$9,900,000	9,538	\$1,038
Harnett	76	77	\$20,288,004	\$1,020	\$228,608	\$20,516,612	19,898	\$1,031
Stanly	77	75	\$9,377,362	\$1,024	\$0	\$9,377,362	9,155	\$1,024
Mitchell	78	82	\$2,122,643	\$1,020	\$0	\$2,122,643	2,081	\$1,020
Duplin	79	87	\$9,287,444	\$1,001	\$0	\$9,287,444	9,280	\$1,001
Wayne	80	81	\$19,397,994	\$999	\$0	\$19,397,994	19,425	\$999
Sampson	81	86	\$9,893,962	\$852	\$1,623,555	\$11,517,517	11,606	\$992
Burke	82	78	\$13,100,000	\$991	\$0	\$13,100,000	13,222	\$991
Anson	83	85	\$3,674,215	\$979	\$0	\$3,674,215	3,754	\$979
Halifax	84	80	\$5,164,480	\$604	\$3,116,828	\$8,281,308	8,544	\$969
Vance	85	79	\$7,202,440	\$951	\$0	\$7,202,440	7,570	\$951
Tyrrell	86	83	\$537,320	\$943	\$0	\$537,320	570	\$943
Alexander	87	88	\$5,150,000	\$942	\$0	\$5,150,000	5,466	\$942
Edgecombe	88	84	\$6,984,909	\$918	\$0	\$6,984,909	7,606	\$918
Richmond	89	89	\$6,925,000	\$904	\$0	\$6,925,000	7,661	\$904
Camden	90	90	\$1,749,000	\$901	\$0	\$1,749,000	1,942	\$901
Washington	91	91	\$1,525,000	\$874	\$0	\$1,525,000	1,745	\$874
Madison	92	93	\$2,230,000	\$872	\$0	\$2,230,000	2,557	\$872
Caswell	93	92	\$2,490,085	\$820	\$0	\$2,490,085	3,038	\$820
Columbus	94	94	\$6,902,401	\$740	\$0	\$6,902,401	9,330	\$740
Greene	95	95	\$2,267,004	\$704	\$0	\$2,267,004	3,218	\$704
Clay	96	96	\$874,300	\$650	\$0	\$874,300	1,346	\$650
Graham	97	97	\$761,363	\$616	\$0	\$761,363	1,236	\$616
Hoke	98	98	\$4,614,776	\$550	\$0	\$4,614,776	8,392	\$550
Robeson	99	99	\$12,375,000	\$512	\$0	\$12,375,000	24,166	\$512
Swain	100	100	\$787,364	\$384	\$0	\$787,364	2,050	\$384
State Total/Average			\$2,511,827,019	\$1,431	\$59,558,585	\$2,571,385,604	1,493,652	\$1,462

TABLE 2A: SIX-YEAR AVERAGE OF CAPITAL OUTLAY AND DEBT SERVICE

This table provides a six-year average of capital outlay and debt service, ordered according to the rankings from Table 2. In previous years' studies, this data was included in Table 2.

COUNTIES	ACTUAL EFFORT RANK THIS YEAR (FROM TABLE 2)	2012-13 TOTAL CURRENT SPENDING PER ADM (FROM TABLE 2)	SIX-YEAR CAPITAL OUTLAY AVERAGE	SIX-YEAR CAPITAL DEBT SERVICE AVERAGE	2012-13 FINAL ADM	CAPITAL OUTLAY SPENDING PER ADM	DEBT SERVICE PER ADM
Orange	1	\$4,145	\$14,109,724	\$17,677,631	19,986	\$706	\$885
Dare	2	\$3,968	\$1,465,518	\$10,754,687	4,922	\$298	\$2,185
Durham	3	\$3,105	\$37,449,695	\$16,901,334	37,221	\$1,006	\$454
Chatham	4	\$2,907	\$6,052,326	\$3,725,313	8,842	\$684	\$421
Watauga	5	\$2,551	\$9,341,294	\$7,220,423	4,641	\$2,013	\$1,556
Transylvania	6	\$2,486	\$1,500,588	\$3,967,335	3,748	\$400	\$1,059
New Hanover	7	\$2,405	\$15,334,569	\$19,540,318	25,545	\$600	\$765
Brunswick	8	\$2,355	\$9,221,870	\$6,355,878	12,991	\$710	\$489
Guilford	9	\$2,334	\$59,422,330	\$43,385,101	75,249	\$790	\$577
Currituck	10	\$2,291	\$5,793,312	\$2,012,196	3,929	\$1,475	\$512
Mecklenburg	11	\$2,251	\$107,031,104	\$138,320,157	148,878	\$719	\$929
Hyde	12	\$2,173	\$757,419	\$38,018	574	\$1,320	\$66
Carteret	13	\$2,106	\$10,013,628	\$6,647,445	8,738	\$1,146	\$761
Buncombe	14	\$2,044	\$18,079,977	\$9,124,653	30,701	\$589	\$297
Wake	15	\$2,023	\$142,141,513	\$144,543,030	156,818	\$906	\$922
Forsyth	16	\$2,017	\$39,418,970	\$24,056,636	55,188	\$714	\$436
Moore	17	\$1,987	\$4,781,124	\$5,899,254	12,854	\$372	\$459
Polk	18	\$1,980	\$214,053	\$1,176,049	2,417	\$89	\$487
Union	19	\$1,940	\$35,985,403	\$45,377,655	42,008	\$857	\$1,080
Haywood	20	\$1,844	\$2,015,152	\$2,266,444	7,668	\$263	\$296
Avery	21	\$1,807	\$2,025,367	\$1,561,877	2,166	\$935	\$721
Pasquotank	22	\$1,708	\$1,098,802	\$2,387,203	5,858	\$188	\$408
Alleghany	23	\$1,708	\$875,906	\$574,026	1,447	\$605	\$397
Macon	24	\$1,661	\$6,290,181	\$3,793,804	4,459	\$1,411	\$851
Scotland	25	\$1,645	\$877,001	\$528,620	6,124	\$143	\$86
Beaufort	26	\$1,633	\$1,241,731	\$1,713,966	7,194	\$173	\$238
Lee	27	\$1,626	\$7,918,247	\$6,575,114	9,868	\$802	\$666
Onslow	28	\$1,622	\$15,607,195	\$7,981,785	25,081	\$622	\$318
Jackson	29	\$1,618	\$3,109,068	\$1,632,568	3,886	\$800	\$420
Rowan	30	\$1,595	\$3,399,360	\$9,127,396	20,161	\$169	\$453
Cabarrus	31	\$1,570	\$20,581,909	\$27,201,990	35,549	\$579	\$765
Gates	32	\$1,559	\$893,388	\$691,513	1,794	\$498	\$385
Person	33	\$1,546	\$1,391,217	\$2,399,105	5,847	\$238	\$410
Iredell	34	\$1,540	\$27,839,553	\$23,472,131	28,613	\$973	\$820
Johnston	35	\$1,539	\$22,071,399	\$29,898,085	33,935	\$650	\$881
Pender	36	\$1,530	\$6,849,344	\$5,701,153	8,430	\$812	\$676
Henderson	37	\$1,499	\$8,586,086	\$5,112,858	13,809	\$622	\$370
Chowan	38	\$1,499	\$263,326	\$876,002	2,283	\$115	\$384
Stokes	39	\$1,483	\$4,991,262	\$1,887,136	6,888	\$725	\$274
Pamlico	40	\$1,473	\$226,728	\$473,898	1,659	\$137	\$286
Davie	41	\$1,470	\$2,238,228	\$2,127,755	6,490	\$345	\$328
Cumberland	42	\$1,459	\$19,819,393	\$5,014,527	52,232	\$379	\$96
Pitt	43	\$1,445	\$12,273,546	\$7,600,589	23,776	\$516	\$320
Catawba	44	\$1,439	\$17,011,871	\$18,747,480	24,650	\$690	\$761
Martin	45	\$1,416	\$3,136,188	\$323,195	4,000	\$784	\$81
Montgomery	46	\$1,412	\$2,630,405	\$744,462	4,164	\$632	\$179
Granville	47	\$1,402	\$2,140,501	\$4,331,761	8,837	\$242	\$490
Hertford	48	\$1,369	\$1,006,961	\$0	3,048	\$330	\$0
Cherokee	49	\$1,347	\$1,492,637	\$1,089,801	3,547	\$421	\$307
Alamance	50	\$1,332	\$3,154,601	\$6,368,388	23,398	\$135	\$272
Cleveland	51	\$1,330	\$7,830,428	\$999,552	16,112	\$486	\$62
Franklin	52	\$1,326	\$12,612,690	\$5,639,622	9,317	\$1,354	\$605
Lincoln	53	\$1,275	\$4,384,136	\$8,646,076	12,682	\$346	\$682
Gaston	54	\$1,275	\$23,963,121	\$7,744,716	32,561	\$736	\$238
Ashe	55	\$1,269	\$699,930	\$1,396,222	3,152	\$222	\$443
Rutherford	56	\$1,261	\$2,789,322	\$5,589,173	9,728	\$287	\$575
Nash	57	\$1,260	\$10,284,220	\$1,256,000	17,452	\$589	\$72
Northampton	58	\$1,253	\$359,602	\$801,232	2,523	\$143	\$318
Wilson	59	\$1,251	\$3,761,774	\$3,831,424	13,065	\$288	\$293
Yancey	60	\$1,247	\$625,243	\$0	2,374	\$263	\$0
Warren	61	\$1,244	\$569,148	\$600,921	2,579	\$221	\$233
Craven	62	\$1,228	\$3,338,502	\$5,219,427	15,090	\$221	\$346
Davidson	63	\$1,218	\$16,658,818	\$7,252,751	25,696	\$648	\$282
Perquimans	64	\$1,215	\$2,093,878	\$532,838	1,769	\$1,184	\$301
Surry	65	\$1,195	\$5,256,436	\$3,738,268	11,781	\$446	\$317
Jones	66	\$1,191	\$72,168	\$0	1,129	\$64	\$0
Caldwell	67	\$1,165	\$1,775,780	\$2,276,368	12,508	\$142	\$182
Rockingham	68	\$1,141	\$3,810,480	\$2,604,789	13,881	\$275	\$188
Randolph	69	\$1,138	\$12,067,177	\$11,117,498	23,442	\$515	\$474
McDowell	70	\$1,130	\$941,216	\$988,517	6,473	\$145	\$153
Bladen	71	\$1,126	\$511,000	\$1,454,354	5,326	\$96	\$273
Bertie	72	\$1,113	\$679,077	\$589,889	2,698	\$252	\$219
Wilkes	73	\$1,083	\$4,189,271	\$4,280,172	10,039	\$417	\$426
Yadkin	74	\$1,071	\$4,391,233	\$1,220,525	5,768	\$761	\$212
Lenoir	75	\$1,038	\$11,103,043	\$333,333	9,538	\$1,164	\$35
Harnett	76	\$1,031	\$10,507,776	\$8,007,966	19,898	\$528	\$402
Stanly	77	\$1,024	\$4,020,022	\$2,164,418	9,155	\$439	\$236
Mitchell	78	\$1,020	\$499,717	\$470,446	2,081	\$240	\$226
Duplin	79	\$1,001	\$1,779,897	\$1,036,272	9,280	\$192	\$112
Wayne	80	\$999	\$5,179,827	\$615,108	19,425	\$267	\$32
Sampson	81	\$992	\$12,389,809	\$5,660,256	11,606	\$1,068	\$488
Burke	82	\$991	\$4,960,653	\$6,053,737	13,222	\$375	\$458
Anson	83	\$979	\$136,546	\$823,856	3,754	\$36	\$219
Halifax	84	\$969	\$2,318,938	\$1,438,002	8,544	\$271	\$168
Vance	85	\$951	\$3,496,995	\$1,754,887	7,570	\$462	\$232
Tyrrell	86	\$943	\$654,216	\$72,084	570	\$1,148	\$126
Alexander	87	\$942	\$345,806	\$1,248,444	5,466	\$63	\$228
Edgecombe	88	\$918	\$1,765,324	\$833,058	7,606	\$232	\$110
Richmond	89	\$904	\$3,221,221	\$784,233	7,661	\$420	\$102
Camden	90	\$901	\$801,439	\$226,208	1,942	\$413	\$116
Washington	91	\$874	\$503,020	\$242,921	1,745	\$288	\$139
Madison	92	\$872	\$236,246	\$223,881	2,557	\$92	\$88
Caswell	93	\$820	\$402,669	\$674,997	3,038	\$133	\$222
Columbus	94	\$740	\$1,710,059	\$103,896	9,330	\$183	\$11
Greene	95	\$704	\$2,542,208	\$271,676	3,218	\$790	\$84
Clay	96	\$650	\$317,937	\$28,703	1,346	\$236	\$21
Graham	97	\$616	\$13,946	\$277,119	1,236	\$11	\$224
Hoke	98	\$550	\$3,952,358	\$1,013,630	8,392	\$471	\$121
Robeson	99	\$512	\$4,634,839	\$0	24,166	\$192	\$0
Swain	100	\$384	\$572,051	\$660,964	2,050	\$279	\$322
State Total/Average		\$1,462	\$922,902,177	\$801,728,166	1,493,652	\$514	\$387

TABLE 3: ACTUAL EFFORT WITH SUPPLEMENTAL FUNDING FOR LOW-WEALTH AND SMALL COUNTIES

This table uses many of the same figures as Table 2 but adds state supplemental funding for low-wealth and small counties to the total current spending. Counties are ranked based on their total current spending combined with low-wealth and small county supplemental funding.

COUNTY	RANK	PREVIOUS YEAR'S RANK*	2012-13 TOTAL CURRENT SPENDING (FROM TABLE 2)	2012-13 TOTAL CURRENT SPENDING PER ADM	2012-13 LOW-WEALTH FUNDING	2012-13 SMALL COUNTY FUNDING	2012-13 TOTAL CURRENT SPENDING W/ LOW WEALTH & SMALL COUNTY	2012-13 FINAL ADM	2012-13 TOTAL CURRENT SPENDING PER ADM W/LOW WEALTH & SMALL COUNTY	CHANGE IN SPENDING PER ADM W/ LOW WEALTH & SMALL COUNTY
Hyde	1	1	\$1,247,583	\$2,173	\$0	\$1,713,381	\$2,960,964	574	\$5,158	\$2,985
Tyrrell	2	3	\$537,320	\$943	\$128,763	\$1,720,049	\$2,386,132	570	\$4,186	\$3,244
Orange	3	2	\$82,848,119	\$4,145	\$0	\$0	\$82,848,119	19,986	\$4,145	\$0
Dare	4	4	\$19,528,900	\$3,968	\$0	\$0	\$19,528,900	4,922	\$3,968	\$0
Jones	5	8	\$1,344,901	\$1,191	\$233,451	\$1,940,526	\$3,518,878	1,129	\$3,117	\$1,926
Durham	6	5	\$115,572,760	\$3,105	\$0	\$0	\$115,572,760	37,221	\$3,105	\$0
Gates	7	7	\$2,796,079	\$1,559	\$943,393	\$1,523,305	\$5,262,777	1,794	\$2,934	\$1,375
Chatham	8	6	\$25,701,130	\$2,907	\$0	\$0	\$25,701,130	8,842	\$2,907	\$0
Alleghany	9	9	\$2,471,242	\$1,708	\$0	\$1,460,219	\$3,931,461	1,447	\$2,717	\$1,009
Polk	10	14	\$4,784,788	\$1,980	\$0	\$1,480,066	\$6,264,854	2,417	\$2,592	\$612
Watauga	11	11	\$11,839,645	\$2,551	\$0	\$0	\$11,839,645	4,641	\$2,551	\$0
Avery	12	13	\$3,915,000	\$1,807	\$0	\$1,539,739	\$5,454,739	2,166	\$2,518	\$711
Transylvania	13	10	\$9,319,383	\$2,486	\$0	\$0	\$9,319,383	3,748	\$2,486	\$0
New Hanover	14	15	\$61,437,450	\$2,405	\$0	\$0	\$61,437,450	25,545	\$2,405	\$0
Pamlico	15	12	\$2,444,438	\$1,473	\$0	\$1,503,294	\$3,947,732	1,659	\$2,380	\$906
Brunswick	16	17	\$30,596,925	\$2,355	\$0	\$0	\$30,596,925	12,991	\$2,355	\$0
Hertford	17	19	\$4,173,524	\$1,369	\$1,423,589	\$1,558,342	\$7,155,455	3,048	\$2,348	\$978
Guilford	18	16	\$175,630,398	\$2,334	\$0	\$0	\$175,630,398	75,249	\$2,334	\$0
Currituck	19	24	\$9,002,329	\$2,291	\$0	\$0	\$9,002,329	3,929	\$2,291	\$0
Chowan	20	26	\$3,421,929	\$1,499	\$324,802	\$1,474,391	\$5,221,122	2,283	\$2,287	\$788
Mecklenburg	21	22	\$335,132,664	\$2,251	\$0	\$0	\$335,132,664	148,878	\$2,251	\$0
Scotland	22	23	\$10,075,654	\$1,645	\$3,601,096	\$0	\$13,676,750	6,124	\$2,233	\$588
Washington	23	31	\$1,525,000	\$874	\$643,901	\$1,714,625	\$3,883,526	1,745	\$2,226	\$1,352
Bertie	24	25	\$3,003,000	\$1,113	\$1,372,992	\$1,583,768	\$5,959,760	2,698	\$2,209	\$1,096
Martin	25	20	\$5,662,044	\$1,416	\$1,348,118	\$1,608,884	\$8,619,046	4,000	\$2,155	\$739
Perquimans	26	33	\$2,150,000	\$1,215	\$89,528	\$1,539,461	\$3,778,989	1,769	\$2,136	\$921
Northampton	27	18	\$3,161,538	\$1,253	\$618,089	\$1,566,136	\$5,345,763	2,523	\$2,119	\$866
Carteret	28	21	\$18,400,000	\$2,106	\$0	\$0	\$18,400,000	8,738	\$2,106	\$0
Buncombe	29	29	\$62,766,016	\$2,044	\$0	\$0	\$62,766,016	30,701	\$2,044	\$0
Wake	30	28	\$317,181,372	\$2,023	\$0	\$0	\$317,181,372	156,818	\$2,023	\$0
Forsyth	31	30	\$111,330,755	\$2,017	\$0	\$0	\$111,330,755	55,188	\$2,017	\$0
Union	32	34	\$81,504,155	\$1,940	\$2,928,465	\$0	\$84,432,620	42,008	\$2,010	\$70
Warren	33	32	\$3,207,311	\$1,244	\$382,969	\$1,537,100	\$5,127,380	2,579	\$1,988	\$745
Moore	34	35	\$25,540,140	\$1,987	\$0	\$0	\$25,540,140	12,854	\$1,987	\$0
Graham	35	27	\$761,363	\$616	\$14,716	\$1,671,834	\$2,447,913	1,236	\$1,981	\$1,365
Pasquotank	36	43	\$10,004,858	\$1,708	\$1,563,793	\$0	\$11,568,651	5,858	\$1,975	\$267
Anson	37	37	\$3,674,215	\$979	\$2,042,839	\$1,645,912	\$7,362,966	3,754	\$1,961	\$983
Camden	38	39	\$1,749,000	\$901	\$399,314	\$1,590,449	\$3,738,763	1,942	\$1,925	\$1,025
Yancey	39	44	\$2,960,358	\$1,247	\$0	\$0	\$4,532,285	2,374	\$1,909	\$662
Lee	40	40	\$16,050,050	\$1,626	\$2,705,648	\$0	\$18,755,698	9,868	\$1,901	\$274
Johnston	41	41	\$52,239,105	\$1,539	\$12,191,813	\$0	\$64,430,918	33,935	\$1,899	\$359
Granville	42	38	\$12,385,287	\$1,402	\$4,178,076	\$0	\$16,563,363	8,837	\$1,874	\$473
Greene	43	47	\$2,267,004	\$704	\$2,154,252	\$1,599,159	\$6,020,415	3,218	\$1,871	\$1,166
Stokes	44	42	\$10,211,763	\$1,483	\$2,515,067	\$0	\$12,726,830	6,888	\$1,848	\$365
Haywood	45	46	\$14,140,444	\$1,844	\$0	\$0	\$14,140,444	7,668	\$1,844	\$0
Mitchell	46	56	\$2,122,643	\$1,020	\$142,333	\$1,556,806	\$3,821,782	2,081	\$1,837	\$817
Clay	47	52	\$874,300	\$650	\$0	\$1,551,851	\$2,426,151	1,346	\$1,802	\$1,153
Rowan	48	48	\$32,164,443	\$1,595	\$4,152,136	\$0	\$36,316,579	20,161	\$1,801	\$206
Ashe	49	62	\$4,000,000	\$1,269	\$0	\$1,476,726	\$5,476,726	3,152	\$1,738	\$469
Montgomery	50	82	\$5,877,697	\$1,412	\$1,314,381	\$0	\$7,192,078	4,164	\$1,727	\$316
Beaufort	51	45	\$11,744,957	\$1,633	\$661,729	\$0	\$12,406,686	7,194	\$1,725	\$92
Caswell	52	50	\$2,490,085	\$820	\$1,182,012	\$1,540,533	\$5,212,630	3,038	\$1,716	\$896
Person	53	36	\$9,038,798	\$1,546	\$953,868	\$0	\$9,992,666	5,847	\$1,709	\$163
Cleveland	54	54	\$21,426,131	\$1,330	\$5,990,420	\$0	\$27,416,551	16,112	\$1,702	\$372
Franklin	55	49	\$12,350,000	\$1,326	\$3,378,439	\$0	\$15,728,439	9,317	\$1,688	\$363
Pender	56	57	\$12,900,290	\$1,530	\$1,312,871	\$0	\$14,213,161	8,430	\$1,686	\$156
Pitt	57	53	\$34,344,726	\$1,445	\$5,416,711	\$0	\$39,761,437	23,776	\$1,672	\$228
Onslow	58	83	\$40,691,952	\$1,622	\$1,100,023	\$0	\$41,791,975	25,081	\$1,666	\$44
Macon	59	60	\$7,406,066	\$1,661	\$0	\$0	\$7,406,066	4,459	\$1,661	\$0
Jackson	60	51	\$6,287,113	\$1,618	\$0	\$0	\$6,287,113	3,886	\$1,618	\$0
Nash	61	55	\$21,993,806	\$1,260	\$6,188,815	\$0	\$28,182,621	17,452	\$1,615	\$355
Caldwell	62	66	\$14,571,294	\$1,165	\$5,350,512	\$0	\$19,921,806	12,508	\$1,593	\$428
Sampson	63	65	\$11,517,517	\$992	\$6,824,088	\$0	\$18,341,605	11,606	\$1,580	\$588
Cabarrus	64	61	\$55,814,525	\$1,570	\$257,247	\$0	\$56,071,772	35,549	\$1,577	\$7
Harnett	65	63	\$20,516,612	\$1,031	\$10,662,381	\$0	\$31,178,993	19,898	\$1,567	\$536
Randolph	66	70	\$26,672,117	\$1,138	\$9,488,002	\$0	\$36,160,119	23,442	\$1,543	\$405
Iredell	67	74	\$44,077,812	\$1,540	\$0	\$0	\$44,077,812	28,613	\$1,540	\$0
Duplin	68	71	\$9,287,444	\$1,001	\$4,953,524	\$0	\$14,240,968	9,280	\$1,535	\$534
Davie	69	73	\$9,540,718	\$1,470	\$370,439	\$0	\$9,911,157	6,490	\$1,527	\$57
Surry	70	64	\$14,082,462	\$1,195	\$3,898,919	\$0	\$17,981,381	11,781	\$1,526	\$331
Rutherford	71	58	\$12,271,014	\$1,261	\$2,552,359	\$0	\$14,823,373	9,728	\$1,524	\$262
Rockingham	72	67	\$15,834,840	\$1,141	\$5,258,524	\$0	\$21,093,364	13,881	\$1,520	\$379
Alamance	73	59	\$31,155,000	\$1,332	\$4,270,355	\$0	\$35,425,355	23,398	\$1,514	\$183
Bladen	74	68	\$5,999,210	\$1,126	\$2,027,201	\$0	\$8,026,411	5,326	\$1,507	\$381
Henderson	75	92	\$20,700,000	\$1,499	\$0	\$0	\$20,700,000	13,809	\$1,499	\$0
Cumberland	76	69	\$76,220,676	\$1,459	\$1,808,886	\$0	\$78,029,562	52,232	\$1,494	\$35
Richmond	77	77	\$6,925,000	\$904	\$4,502,033	\$0	\$11,427,033	7,661	\$1,492	\$588
Wilson	78	75	\$16,338,356	\$1,251	\$3,045,458	\$0	\$19,383,814	13,065	\$1,484	\$233
Madison	79	85	\$2,230,000	\$872	\$52,009	\$1,478,456	\$3,760,465	2,557	\$1,471	\$599
Yadkin	80	81	\$6,174,975	\$1,071	\$2,227,363	\$0	\$8,402,338	5,768	\$1,457	\$386
McDowell	81	84	\$7,312,877	\$1,130	\$2,051,618	\$0	\$9,364,495	6,473	\$1,447	\$317
Catawba	82	86	\$35,476,657	\$1,439	\$0	\$0	\$35,476,657	24,650	\$1,439	\$0
Lenoir	83	78	\$9,900,000	\$1,038	\$3,612,965	\$0	\$13,512,965	9,538	\$1,417	\$379
Davidson	84	90	\$31,296,989	\$1,218	\$4,939,883	\$0	\$36,236,872	25,696	\$1,410	\$192
Halifax	85	79	\$8,281,308	\$969	\$3,636,753	\$0	\$11,918,061	8,544	\$1,395	\$426
Wayne	86	88	\$19,397,994	\$999	\$7,642,721	\$0	\$27,040,715	19,425	\$1,392	\$393
Edgecombe	87	80	\$6,984,909	\$918	\$3,588,169	\$0	\$10,573,078	7,606	\$1,390	\$472
Vance	88	72	\$7,202,440	\$951	\$3,215,478	\$0	\$10,417,918	7,570	\$1,376	\$425
Stanly	89	87	\$9,377,362	\$1,024	\$3,146,173	\$0	\$12,523,535	9,155	\$1,368	\$344
Gaston	90	91	\$41,526,704	\$1,275	\$2,803,833	\$0	\$44,330,537	32,561	\$1,361	\$86
Wilkes	91	96	\$10,873,988	\$1,083	\$2,712,392	\$0	\$13,586,380	10,039	\$1,353	\$270
Cherokee	92	76	\$4,777,999	\$1,347	\$0	\$0	\$4,777,999	3,547	\$1,347	\$0
Lincoln	93	89	\$16,175,429	\$1,275	\$508,355	\$0	\$16,683,784	12,682	\$1,316	\$40
Alexander	94	93	\$5,150,000	\$942	\$1,948,049	\$0	\$7,098,049	5,466	\$1,299	\$356
Craven	95	97	\$18,531,889	\$1,228	\$742,301	\$0	\$19,274,190	15,090	\$1,277	\$49
Burke	96	95	\$13,100,000	\$991	\$3,526,086	\$0	\$16,626,086	13,222	\$1,257	\$267
Robeson	97	98	\$12,375,000	\$512	\$17,725,371	\$0	\$30,100,371	24,166	\$1,246	\$733
Columbus	98	94	\$6,902,401	\$740	\$4,664,839	\$0	\$11,567,240	9,330	\$1,240	\$500
Swain	99	100	\$787,364	\$384	\$88,796	\$1,566,075	\$2,442,235	2,050	\$1,191	\$807
Hoke	100	99	\$4,614,776	\$550	\$5,149,905	\$0	\$9,764,681	8,392	\$1,164	\$614
State Total/Average			\$2,571,385,604	\$1,462	\$212,851,399	\$42,713,014	\$2,826,950,017	1,493,652	\$1,923	\$461

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 2012-13 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 services 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 on this measure.

COUNTY	RANK	PREVIOUS YEAR'S RANK	2012-13 ADJUSTED TAX BASE	2012-13 ADJUSTED PROPERTY TAX REVENUE (BASED ON STATE AVG. EFFECTIVE PROPERTY TAX RATE OF 0.6420)	2012-13 NON-PROPERTY TAX REVENUE	2012-13 MANDATED SOCIAL SERVICES PAYMENTS	2012-13 TOTAL REVENUES LESS SOCIAL SECURITY PAYMENTS	2012 PER CAPITA INCOME**	PERCENT OF STATE AVERAGE PER CAPITA INCOME	2012-13 INCOME ADJUSTED TOTAL REVENUES	2012-13 FINAL ADM	2012-13 PER REVENUE ADM
Dare	1	1	\$18,691,143,413	\$119,997,141	\$22,666,335	\$4,786,661	\$137,876,815	\$42,097	109.2%	\$150,609,795	4,922	\$30,599
Currituck	2	2	\$8,665,577,472	\$55,633,007	\$8,075,246	\$2,187,330	\$61,520,923	\$43,073	111.8%	\$68,760,462	3,929	\$17,501
Carteret	3	4	\$14,253,332,621	\$91,506,395	\$19,592,585	\$4,563,007	\$106,535,973	\$42,176	109.4%	\$116,593,005	8,738	\$13,343
Jackson	4	3	\$8,896,546,178	\$57,115,826	\$8,899,356	\$2,557,305	\$63,457,878	\$30,174	78.3%	\$49,685,454	3,886	\$12,786
Brunswick	5	5	\$23,633,098,814	\$151,724,494	\$27,671,097	\$6,498,279	\$172,897,312	\$35,313	91.6%	\$158,428,636	12,991	\$12,195
Watauga	6	6	\$8,761,935,148	\$56,251,624	\$13,862,774	\$2,411,762	\$67,702,636	\$31,172	80.9%	\$54,762,223	4,641	\$11,800
Hyde	7	10	\$1,026,300,612	\$6,588,850	\$1,405,313	\$858,839	\$7,135,323	\$34,516	88.6%	\$6,323,995	574	\$11,017
Avery	8	7	\$4,223,059,308	\$27,112,041	\$4,435,687	\$1,259,242	\$30,288,486	\$29,750	77.2%	\$23,381,661	2,166	\$10,795
Macon	9	9	\$7,489,889,094	\$48,085,088	\$8,924,834	\$1,981,131	\$55,028,790	\$32,115	83.3%	\$45,857,325	4,459	\$10,284
Chatham	10	11	\$8,727,868,011	\$56,032,913	\$11,284,260	\$4,419,865	\$62,897,308	\$53,318	138.4%	\$87,019,530	8,842	\$9,842
New Hanover	11	8	\$29,052,489,299	\$186,516,981	\$73,871,809	\$15,267,891	\$126,120,900	\$38,698	100.4%	\$246,138,579	25,545	\$9,635
Transylvania	12	12	\$5,942,143,821	\$38,148,563	\$6,545,153	\$2,259,955	\$42,433,762	\$32,319	83.9%	\$35,586,090	3,748	\$9,495
Mecklenburg	13	13	\$116,288,287,393	\$746,570,805	\$340,486,105	\$74,531,772	\$1,012,525,138	\$48,935	127.0%	\$1,285,689,907	148,878	\$8,636
Polk	14	14	\$2,797,963,330	\$17,962,925	\$2,964,254	\$1,473,633	\$19,453,546	\$40,951	106.3%	\$20,671,601	2,417	\$8,553
Orange	15	15	\$15,587,332,609	\$100,070,675	\$29,696,184	\$9,124,249	\$120,642,611	\$52,638	136.6%	\$164,782,442	19,986	\$8,245
Nuncombe	16	17	\$30,489,159,603	\$195,740,405	\$80,831,666	\$27,267,229	\$249,304,842	\$37,363	97.0%	\$241,703,690	30,701	\$7,873
Moore	17	18	\$11,755,309,516	\$75,469,087	\$22,221,251	\$5,099,283	\$97,591,056	\$40,829	105.9%	\$98,095,392	12,854	\$7,632
Durham	18	16	\$29,398,743,871	\$188,739,936	\$92,339,279	\$24,512,310	\$256,567,085	\$41,475	107.6%	\$276,120,189	37,221	\$7,418
Wake	19	19	\$13,654,915,164	\$72,664,555	\$24,810,376	\$3,450,509	\$94,368,423	\$45,801	118.8%	\$121,534,337	15,618	\$7,152
Pamlico	20	21	\$1,588,659,437	\$10,199,194	\$2,085,051	\$1,232,964	\$11,051,281	\$40,817	105.9%	\$11,704,814	1,659	\$7,055
Ashe	21	23	\$4,082,858,532	\$26,211,952	\$5,197,160	\$3,947,990	\$27,461,122	\$30,402	78.9%	\$21,663,631	3,152	\$6,873
Alleghany	22	20	\$1,637,627,990	\$10,513,572	\$1,842,070	\$739,487	\$11,616,155	\$32,290	83.8%	\$9,732,878	1,447	\$6,726
Henderson	23	22	\$12,162,040,638	\$78,080,301	\$22,504,909	\$8,341,887	\$92,243,323	\$38,612	100.2%	\$92,420,447	13,809	\$6,693
Haywood	24	27	\$7,146,996,905	\$45,883,720	\$14,834,085	\$6,724,587	\$53,993,219	\$34,638	89.9%	\$48,529,169	7,668	\$6,329
Clay	25	24	\$1,602,439,462	\$10,287,661	\$1,749,632	\$1,013,714	\$11,023,579	\$29,333	76.1%	\$8,390,540	1,346	\$6,234
Onslow	26	26	\$13,029,848,330	\$83,651,626	\$47,312,369	\$11,274,592	\$119,689,404	\$45,761	118.7%	\$142,122,238	25,081	\$5,667
Yancey	27	29	\$2,599,703,864	\$16,690,099	\$3,116,679	\$1,792,794	\$18,013,984	\$27,898	72.4%	\$13,040,483	2,374	\$5,493
Forsyth	28	31	\$35,019,108,762	\$224,822,678	\$89,945,019	\$20,731,849	\$294,035,849	\$39,683	103.0%	\$302,771,299	55,188	\$5,486
Perquimans	29	35	\$1,477,108,590	\$9,483,037	\$1,787,914	\$853,595	\$10,417,357	\$34,460	89.4%	\$9,315,017	1,769	\$5,266
Guilford	30	28	\$45,898,656,014	\$294,669,372	\$122,070,753	\$28,906,265	\$387,833,860	\$39,372	102.2%	\$396,226,964	75,249	\$5,266
Beaufort	31	32	\$5,565,364,307	\$35,729,639	\$10,655,312	\$4,820,438	\$41,564,513	\$34,783	90.3%	\$37,514,621	7,194	\$5,215
Iredell	32	30	\$20,026,345,742	\$128,569,140	\$40,065,236	\$10,433,552	\$158,200,824	\$36,087	93.6%	\$148,139,320	28,613	\$5,177
Davie	33	40	\$4,303,884,704	\$27,630,940	\$7,434,619	\$2,146,271	\$32,919,288	\$38,753	100.6%	\$33,102,942	6,490	\$5,101
Warren	34	33	\$2,471,207,152	\$15,865,150	\$4,703,203	\$2,106,250	\$18,462,102	\$26,680	69.2%	\$12,781,382	2,579	\$4,956
Graham	35	34	\$1,254,679,154	\$8,055,040	\$1,506,591	\$842,452	\$8,719,179	\$26,942	69.9%	\$6,095,597	1,236	\$4,932
Craven	36	37	\$9,086,906,519	\$58,337,940	\$21,732,883	\$7,366,854	\$72,703,969	\$39,169	101.6%	\$73,894,383	15,090	\$4,897
Madison	37	46	\$2,191,915,960	\$14,072,100	\$2,951,263	\$1,596,405	\$15,426,955	\$29,805	77.3%	\$11,931,091	2,557	\$4,666
Lincoln	38	38	\$8,030,950,618	\$51,558,703	\$14,392,900	\$4,814,015	\$61,137,588	\$37,049	96.1%	\$58,775,403	12,682	\$4,635
Cabarrus	39	36	\$18,822,584,681	\$120,840,994	\$56,325,905	\$13,008,868	\$164,158,031	\$38,465	99.8%	\$163,847,078	35,549	\$4,609
Cumberland	40	43	\$21,626,625,359	\$138,842,935	\$87,919,754	\$25,464,883	\$201,297,805	\$45,915	119.1%	\$239,830,524	52,232	\$4,592
Cherokee	41	25	\$2,962,928,794	\$19,022,003	\$6,027,243	\$2,459,305	\$22,589,940	\$27,624	71.7%	\$16,192,447	3,547	\$4,565
Tyrrell	42	56	\$473,032,480	\$3,036,869	\$706,540	\$497,964	\$3,245,445	\$30,849	80.0%	\$2,597,922	570	\$4,558
Catawba	43	44	\$15,484,463,165	\$99,410,254	\$42,530,690	\$19,552,820	\$122,388,124	\$34,988	90.8%	\$111,114,113	24,650	\$4,508
Pender	44	42	\$6,287,837,750	\$40,367,918	\$9,065,526	\$4,711,609	\$44,721,835	\$32,566	84.5%	\$37,791,564	8,430	\$4,483
Jones	45	50	\$746,540,208	\$4,792,788	\$1,257,512	\$960,977	\$5,089,324	\$37,406	97.1%	\$4,939,832	1,129	\$4,375
Mitchell	46	45	\$1,813,229,918	\$11,640,936	\$3,315,317	\$2,758,386	\$12,197,867	\$28,362	73.5%	\$8,964,663	2,081	\$4,308
Chowan	47	47	\$1,359,079,836	\$8,725,293	\$2,636,279	\$1,344,793	\$10,016,779	\$36,935	95.8%	\$9,600,128	2,283	\$4,205
Camden	48	49	\$1,023,067,052	\$6,568,090	\$1,502,925	\$572,184	\$7,498,832	\$41,878	108.7%	\$8,148,738	1,942	\$4,196
Swain	49	41	\$1,449,272,001	\$9,304,326	\$2,882,340	\$992,867	\$11,193,800	\$29,329	76.1%	\$8,518,941	2,050	\$4,156
Northampton	50	52	\$1,872,618,068	\$12,022,208	\$2,714,288	\$2,667,809	\$12,068,687	\$33,299	86.4%	\$10,428,024	2,523	\$4,133
Person	51	39	\$4,033,539,243	\$25,895,322	\$7,232,259	\$3,541,427	\$29,586,154	\$31,286	81.2%	\$24,018,693	5,847	\$4,108
Pitt	52	48	\$11,076,902,640	\$71,113,715	\$42,758,249	\$10,492,551	\$103,379,413	\$36,162	93.8%	\$97,005,717	23,776	\$4,080
Wilkes	53	55	\$5,630,635,840	\$36,148,682	\$13,950,340	\$4,986,606	\$45,112,416	\$34,089	88.5%	\$39,904,435	10,039	\$3,975
Alamance	54	51	\$11,702,029,628	\$75,127,030	\$38,674,054	\$7,990,642	\$105,810,442	\$33,712	87.5%	\$92,560,112	23,398	\$3,956
Montgomery	55	58	\$2,837,311,211	\$18,215,538	\$4,705,029	\$2,172,485	\$16,206,848	\$30,103	78.1%	\$16,206,848	4,164	\$3,892
Union	56	54	\$20,623,263,626	\$132,401,352	\$36,025,235	\$10,911,897	\$157,514,691	\$39,611	102.8%	\$161,900,317	42,008	\$3,854
Rowan	57	57	\$11,472,234,922	\$73,651,748	\$28,666,516	\$7,949,708	\$94,368,556	\$31,142	80.8%	\$76,257,865	20,161	\$3,782
Lee	58	53	\$4,894,449,332	\$31,422,365	\$15,204,941	\$3,641,875	\$42,985,430	\$32,670	84.8%	\$36,440,241	9,868	\$3,693
Wilson	59	58	\$6,217,361,675	\$39,915,462	\$19,492,436	\$7,876,516	\$51,531,382	\$35,598	92.4%	\$47,600,139	13,065	\$3,643
Davidson	60	60	\$12,253,580,059	\$78,667,984	\$27,789,957	\$7,111,747	\$99,346,194	\$36,025	93.5%	\$92,867,991	25,696	\$3,614
Pasquotank	61	62	\$3,081,185,812	\$19,781,213	\$5,581,118	\$3,586,979	\$25,775,352	\$30,833	80.0%	\$22,622,021	5,858	\$3,520
Burke	62	71	\$6,799,660,031	\$43,653,817	\$16,177,733	\$5,187,585	\$54,643,966	\$32,756	85.0%	\$46,445,527	13,222	\$3,513
Stanly	63	63	\$4,355,775,225	\$27,964,077	\$12,225,582	\$3,057,050	\$37,132,609	\$32,528	84.2%	\$31,341,780	9,155	\$3,423
Surry	64	61	\$5,203,933,725	\$33,409,255	\$19,083,689	\$4,130,042	\$48,362,902	\$32,077	83.4%	\$40,254,730	11,781	\$3,417
Stokes	65	70	\$3,684,773,146	\$23,656,244	\$6,224,106	\$2,762,874	\$27,117,475	\$32,680	84.8%	\$22,995,461	6,888	\$3,338
Rutherford	66	59	\$5,514,069,529	\$35,400,326	\$12,806,009	\$4,182,405	\$44,023,930	\$28,295	73.4%	\$32,322,827	9,728	\$3,323
Nash	67	66	\$7,047,800,882	\$45,246,842	\$22,087,392	\$6,461,693	\$60,872,581	\$36,479	94.7%	\$57,620,293	17,452	\$3,302
Rockingham	68	67	\$6,652,632,211	\$42,709,899	\$16,978,621	\$6,222,085	\$53,466,435	\$32,512	84.4%	\$45,106,148	13,881	\$3,249
Gaston	69	64	\$14,208,294,302	\$91,217,249	\$42,058,047	\$18,422,111	\$114,853,186	\$35,286	91.6%	\$105,161,386	32,561	\$3,230
Lenoir	70	63	\$3,853,738,832	\$24,741,003	\$12,561,322	\$4,720,932	\$32,581,394	\$35,952	93.3%	\$30,395,097	9,538	\$3,187
Caswell	71	69	\$1,534,189,287	\$9,849,495	\$2,594,694	\$1,606,267	\$10,837,922	\$34,110	88.5%	\$9,592,650	3,038	\$3,158
Wayne	72	78	\$7,806,849,569	\$50,119,974	\$25,688,590	\$7,382,944	\$68,425,620	\$33,870	87.9%	\$60,137,416	19,425	\$3,096
Martin	73	65	\$1,765,315,226	\$11,333,324	\$5,265,632	\$2,250,614	\$14,348,342	\$33,158	86.0%	\$12,345,278	4,000	\$3,086
Cleveland	74	76	\$7,277,436,214	\$46,721,140	\$19,047,519	\$8,453,477	\$57,315,183	\$33,229	86.2%	\$49,419,436	16,112	\$3,067
Yadkin	75	81	\$2,705,828,765	\$17,371,421	\$5,727,102	\$2,770,904	\$20,327,619	\$33,411	86.7%	\$17,623,283	5,768	\$3,055

TABLE 5: RELATIVE EFFORT

This is a measure comparing Actual Effort (from Table 2) and Ability to Pay (from Table 4). Actual effort includes county appropriations for current expenses, and, when appropriate, supplemental tax levies for schools. Low-wealth counties with comparatively high spending levels have tended to rank highest on this measure.

COUNTY	RELATIVE EFFORT RANK: CURRENT SPENDING	ABILITY RANK	REVENUE PER ADM	EFFORT RANK	TOTAL CURRENT SPENDING PER ADM	EFFORT AS PERCENTAGE OF REVENUE PER STUDENT: CURRENT SPENDING
Scotland	1	98	\$2,303	25	\$1,645.27	71.4%
Gates	2	89	\$2,800	32	\$1,558.57	55.7%
Johnston	3	81	\$3,245	35	\$1,539.39	47.4%
Union	4	56	\$4,318	19	\$1,940.21	44.9%
Orange	5	15	\$9,238	1	\$4,145.31	44.9%
Granville	6	83	\$3,202	47	\$1,401.53	43.8%
Pasquotank	7	61	\$3,944	22	\$1,707.90	43.3%
Franklin	8	82	\$3,207	52	\$1,325.53	41.3%
Hertford	9	79	\$3,327	48	\$1,369.27	41.2%
Martin	10	73	\$3,458	45	\$1,415.51	40.9%
Stokes	11	65	\$3,740	39	\$1,482.54	39.6%
Guilford	12	30	\$5,900	9	\$2,333.99	39.6%
Harnett	13	93	\$2,612	76	\$1,031.09	39.5%
Lee	14	58	\$4,137	27	\$1,626.47	39.3%
Bertie	15	88	\$2,854	72	\$1,113.05	39.0%
Caldwell	16	87	\$3,011	67	\$1,164.96	38.7%
Cleveland	17	74	\$3,437	51	\$1,329.82	38.7%
Vance	18	97	\$2,468	85	\$951.45	38.6%
Anson	19	95	\$2,588	83	\$978.75	37.8%
Rowan	20	57	\$4,238	30	\$1,595.38	37.6%
Durham	21	18	\$8,312	3	\$3,105.04	37.4%
Sampson	22	91	\$2,683	81	\$992.38	37.0%
Greene	23	99	\$1,957	95	\$704.48	36.0%
Gaston	24	69	\$3,619	54	\$1,275.35	35.2%
Edgecombe	25	92	\$2,656	88	\$918.34	34.6%
Randolph	26	80	\$3,313	69	\$1,137.79	34.3%
Nash	27	67	\$3,699	57	\$1,260.25	34.1%
Rutherford	28	66	\$3,723	56	\$1,261.41	33.9%
Bladen	29	78	\$3,353	71	\$1,126.40	33.6%
Person	30	51	\$4,603	33	\$1,545.89	33.6%
Robeson	31	100	\$1,530	99	\$512.08	33.5%
Richmond	32	90	\$2,727	89	\$903.93	33.1%
McDowell	33	76	\$3,419	70	\$1,129.75	33.0%
Forsyth	34	28	\$6,147	16	\$2,017.30	32.8%
Montgomery	35	55	\$4,361	46	\$1,411.55	32.4%
Chowan	36	47	\$4,711	38	\$1,498.87	31.8%
Pitt	37	52	\$4,571	43	\$1,444.51	31.6%
Duplin	38	84	\$3,188	79	\$1,000.80	31.4%
Rockingham	39	68	\$3,641	68	\$1,140.76	31.3%
Yadkin	40	75	\$3,423	74	\$1,070.56	31.3%
Surry	41	64	\$3,828	65	\$1,195.35	31.2%
Halifax	42	85	\$3,116	84	\$969.25	31.1%
Wilson	43	59	\$4,082	59	\$1,250.54	30.6%
Pender	44	44	\$5,023	36	\$1,530.28	30.5%
Cabarrus	45	39	\$5,164	31	\$1,570.07	30.4%
Davidson	46	60	\$4,049	63	\$1,217.97	30.1%
Alamance	47	54	\$4,432	50	\$1,331.52	30.0%
Lenoir	48	70	\$3,570	75	\$1,037.95	29.1%
Wayne	49	72	\$3,469	80	\$998.61	28.8%
Washington	50	86	\$3,042	91	\$873.93	28.7%
Catawba	51	43	\$5,050	44	\$1,439.22	28.5%
Columbus	52	94	\$2,599	94	\$739.81	28.5%
Cumberland	53	40	\$5,145	42	\$1,459.27	28.4%
Beaufort	54	31	\$5,843	26	\$1,632.60	27.9%
Alexander	55	77	\$3,382	87	\$942.19	27.9%
Northampton	56	50	\$4,631	58	\$1,253.09	27.1%
Stanly	57	63	\$3,836	77	\$1,024.29	26.7%
Iredell	58	32	\$5,801	34	\$1,540.48	26.6%
Chatham	59	10	\$11,027	4	\$2,906.71	26.4%
Cherokee	60	41	\$5,115	49	\$1,347.05	26.3%
Haywood	61	24	\$7,091	20	\$1,844.09	26.0%
Davie	62	33	\$5,715	41	\$1,470.06	25.7%
Onslow	63	26	\$6,349	28	\$1,622.42	25.6%
Wake	64	19	\$8,013	15	\$2,022.61	25.2%
Burke	65	62	\$3,936	82	\$990.77	25.2%
Lincoln	66	38	\$5,193	53	\$1,275.46	24.6%
Wilkes	67	53	\$4,454	73	\$1,083.17	24.3%
Jones	68	45	\$4,902	66	\$1,191.23	24.3%
Transylvania	69	12	\$10,638	6	\$2,486.49	23.4%
Mecklenburg	70	13	\$9,676	11	\$2,251.06	23.3%
Moore	71	17	\$8,550	17	\$1,986.94	23.2%
Buncombe	72	16	\$8,821	14	\$2,044.43	23.2%
Caswell	73	71	\$3,538	93	\$819.65	23.2%
Alleghany	74	22	\$7,536	23	\$1,707.84	22.7%
Warren	75	34	\$5,553	61	\$1,243.63	22.4%
Craven	76	36	\$5,487	62	\$1,228.09	22.4%
New Hanover	77	11	\$10,796	7	\$2,405.07	22.3%
Hoke	78	96	\$2,571	98	\$549.90	21.4%
Mitchell	79	46	\$4,827	78	\$1,020.01	21.1%
Polk	80	14	\$9,582	18	\$1,979.64	20.7%
Perquimans	81	29	\$5,900	64	\$1,215.38	20.6%
Yancey	82	27	\$6,155	60	\$1,246.99	20.3%
Henderson	83	23	\$7,499	37	\$1,499.02	20.0%
Watauga	84	6	\$13,221	5	\$2,551.10	19.3%
Camden	85	48	\$4,701	90	\$900.62	19.2%
Pamlico	86	20	\$7,905	40	\$1,473.44	18.6%
Tyrrell	87	42	\$5,107	86	\$942.67	18.5%
Hyde	88	7	\$12,344	12	\$2,173.49	17.6%
Brunswick	89	5	\$13,664	8	\$2,355.24	17.2%
Madison	90	37	\$5,228	92	\$872.12	16.7%
Ashe	91	21	\$7,701	55	\$1,269.04	16.5%
Avery	92	8	\$12,095	21	\$1,807.48	14.9%
Macon	93	9	\$11,523	24	\$1,660.93	14.4%
Carteret	94	3	\$14,950	13	\$2,105.75	14.1%
Currituck	95	2	\$19,608	10	\$2,291.25	11.7%
Dare	96	1	\$34,284	2	\$3,967.68	11.6%
Jackson	97	4	\$14,325	29	\$1,617.89	11.3%
Graham	98	35	\$5,526	97	\$615.99	11.1%
Clay	99	25	\$6,984	96	\$649.55	9.3%
Swain	100	49	\$4,656	100	\$384.08	8.2%
State Total/Average			\$5,885		\$1,462	29%

APPENDICES

* Previous year's rankings did not include charter school enrollments in Final ADM

** County and state averages from the Bureau of Economic Analysis (differs from prior years)

> 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 2012-13 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. Each county's mandated social service payments were subtracted from the total adjusted revenues. (See Table 4.)

Actual Effort: Includes 2012-13 current expenses (including supplemental school taxes); 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 to calculate the adjusted property valuation.

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 (see Charter School Enrollment under "Notes on Methodology").

Capital Outlay: 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. Withdrawals from the Public School Building Capital Fund, Grants from the Public School Building Bond Fund, and the North Carolina Education Lottery Funds have been removed from the county total.

Capital Outlay per ADM: Six-year average of capital outlay spending for a county divided by the ADM for the county.

Current Spending: 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.

Current Spending per ADM: The total amount of spending for a county divided by the ADM for the county.

Debt Service: 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. Using the Public School Capital Outlay report, withdrawals from the Public School Building Capital Fund and North Carolina Education Lottery Funds have been removed from the county total.

Debt Service per ADM: Six-year average of debt service 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 social security payments, 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, the formula takes into account county adjusted property tax base, square miles in the county and per capita income.

Mandated Social Services Payments: 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.

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.

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 3,175 ADM, and those with 3,175-4,000 ADM who have an adjusted property tax base less than the state average.

State Average Effective Property Tax: The average of all 100 counties' adjusted tax rates.

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."

Total Current Spending per ADM: The sum of the current expense and the supplemental school taxes for a county, divided by the county's ADM.

> DATA SOURCES

The 2014 Local School Finance Study examines data from the 2012-13 school year. Every effort has been made to verify that the data included in this year's study is accurate and reflects what it intends to measure.

The primary source of financial information is the Division of School Business in the Office of Financial and Business Services at the Department of Public Instruction, which provided data on non-property tax revenue, low-wealth and small county supplemental funding information, final average daily membership (except as noted above for charter school enrollments), effective county tax rate, adjusted revenue tax base, current expense, and other data found in the Division's helpful *Facts & Figures*, *Highlights of the NC Public School Budget*, and online *Statistical Profile*.

Other sources include the North Carolina Department of Revenue's *County Property Tax Rates and Revaluation Schedules* and *Sales Assessment Ratio Studies*, which provided the 2012-13 property tax valuations and tax rates; the Department of Revenue's data on Local Government Sales and Use Tax Distribution; and the North Carolina Department of State Treasurer's *Report on County Spending on Public School Capital Outlays*. The North Carolina Department of Health and Human Services provided data for the mandated social services expenditures, and the North Carolina Administrative Office of the Courts provided data on fines and forfeitures. Per capita income was obtained through the United States Bureau of Economic Analysis.

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