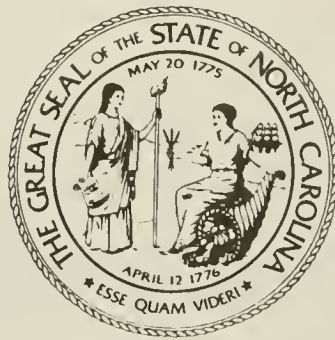


LEGISLATIVE RESEARCH COMMISSION

SCHOOL FINANCE ACT



REPORT TO THE
1987 GENERAL ASSEMBLY
OF NORTH CAROLINA

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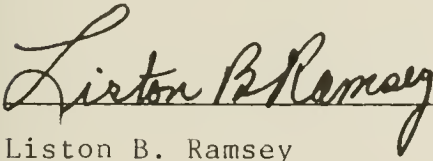
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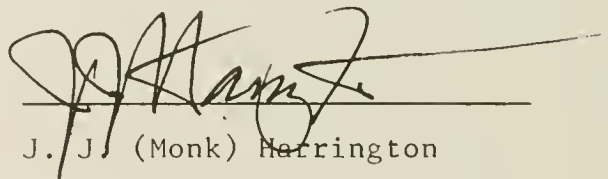
TO THE MEMBERS OF THE 1987 GENERAL ASSEMBLY:

The Legislative Research Commission herewith reports to the 1987 General Assembly on the matter of the school finance act. This report is made pursuant to Chapter 790 of the 1985 General Assembly (1985 Session).

This report was prepared by the Legislative Research Commission's Committee on the School Finance Act and is transmitted by the Legislative Research Commission for your consideration.

Respectfully submitted,


Liston B. Ramsey


J. J. (Monk) Harrington

Cochairmen

Legislative Research Commission

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PREFACE

The North Carolina Legislative Research Commission is an interim study organization of the General Assembly. The Commission is established and governed by the North Carolina General Statutes §§ 120-30.10 through 120-30.18. The Commission is cochaired by the President Pro Tempore of the Senate and the Speaker of the House of Representatives. The Cochairmen appoint five members from their respective houses. Among the Commission's duties is that of making or causing to be made, upon the direction of the General Assembly, "such studies of and investigations into governmental agencies and institutions and matters of public policy as will aid the General Assembly in performing its duties in the most efficient and effective manner." (G.S. 120-30.17(1)).

At the direction of legislation enacted by the 1985 General Assembly, the Legislative Research Commission has undertaken studies of numerous subjects. These studies were grouped into broad categories and each member of the Commission was given responsibility for one category of studies. The Cochairmen of the Legislative Research Commission, under the authority of G.S. 120-30.10(b) and (c), appointed committees consisting of members of the General Assembly and of the public to conduct the studies. Cochairmen, one from each house of the General Assembly, were designated for each committee.

The Study of the School Finance Act was authorized by Chapter 790 of the 1985 Session Laws. (A copy of the pertinent parts of Chapter 790 may be found in Appendix A of this report.) That act made reference to Senate Bill 848 introduced by Senator Taft and others. (A copy of Senate Bill 848 may also be found in Appendix A of this report.)

The Legislative Research Commission placed the Study on the School Finance Act under the Education Area for which Representative Aaron Fussell is responsible. The Committee on the School Finance Act is cochaired by Senator Robert Warren and Representative Joe Hudson. Membership lists of the Legislative Research Commission and of the Committee may be found in Appendix B of this report.

The Legislative Research Commission is authorized to report its findings on the Study of the School Finance Act and the other studies it has undertaken, together with any recommended legislation to the 1987 General Assembly, or to make an interim report to the 1986 Session and a final report to the 1987 General Assembly. (Chapter 790, Section 3). Because a School Finance Act (Senate Bill 49) passed the Senate during the 1985 Session and was in the House Education Committee for consideration during the 1986 Session, the Committee elected to make an interim report to the 1986 Session describing its progress to date and to make its recommendations in this final report to the 1987 General Assembly.

COMMITTEE PROCEEDINGS

The Committee on the School Finance Act held four meetings prior to the adoption of its interim report and two additional meetings prior to the adoption of this final report. In the course of its deliberations, the Committee heard testimony from educators, State officials, education lobbyists, local government lobbyists, and other experts in school finance.

Prior to the adoption of its interim report to the 1986 Session of the 1985 General Assembly, the Committee examined school finance in North Carolina today, the division of State and local responsibilities for financing the public schools proposed in Senate Bill 49, proposed funding by the State for operating costs under the Basic Education Program, the funding responsibilities allocated to local governments under Senate Bill 49, and the projected impact on local governments of meeting those funding responsibilities. A limited number of copies of the interim report are available for distribution through the legislative library.

Prior to the adoption of this final report, the Committee examined the projected impact of the additional 1/2% local-option sales and use tax enacted by the 1986 Session on the ability of local governments to meet the funding responsibilities assigned to them under Senate Bill 49, the projected impact of allocations of funding responsibilities other than that in Senate Bill 49, whether the State should provide funds for counties willing but unable to meet their responsibilities for financing the public schools, and the need for statewide school facility standards.

I. Authorization for the Study.

The Legislative Research Commission undertook the Study of the School Finance Act at the direction of Chapter 790 (Senate Bill 636) of the 1985 Session Laws. Chapter 790 authorized the

Legislative Research Commission to study a list of topics including "(43) School Finance Act (S.B. 848-Taft)." (See Chapter 790, Section 1, in Appendix A.) Under Chapter 790, the Legislative Research Commission is authorized to consider the bill or resolution that originally proposed the study - S.J.R. 848 - in determining the nature, scope, and aspects of its study, but the Legislative Research Commission is not required to do so. (See Chapter 790, Section 1).

Senate Joint Resolution 848, the resolution that originally proposed the study, set out in its preamble the following as justification for the study:

"Whereas, the Senate has approved Senate Bill 49 which delineates the financing responsibilities of the State, the counties, and the local boards of education for public elementary and secondary education; and

Whereas, this bill will be considered by the House of Representatives when the 1985 General Assembly convenes for the Regular Session of 1986; and

Whereas, there is a critical need for additional detailed information regarding the budgetary and fiscal implications of Senate Bill 49, especially the impacts upon local government expenditures for public education..."

The body of the resolution went on to authorize the Legislative Research Commission to:

- (1) Study the division of State and local government responsibilities for financing the public school system which is proposed in Senate Bill 49;
- (2) Review the phased approach to full funding of the Basic Education Program by July 1, 1993, proposed by the State Board of Education;
- (3) Study the present level of local appropriations for public schools, and the building needs of the public school system in order to determine whether the proposed financing responsibilities for local governments contained in Senate Bill 49 can be addressed by existing financial resources; and
- (4) Review the Public School Budget and Fiscal Control Act to determine whether the existing system of budgeting, accounting and fiscal control is compatible with the assignment of responsibilities proposed in Senate Bill 49.

Although S.J.R. 848 was not binding on the Committee, the Committee elected to use it to determine the nature, scope, and aspects of this study. (See, S.J.R. 848, in Appendix A).

II. Summary of interim report

The Committee on the School Finance Act decided not to make any recommendations to the 1986 Session of the General Assembly because many of the Committee's concerns about the School Finance Act were unresolved. The Committee elected to make an interim progress report, however, because a School Finance Act (Senate Bill 49) passed the Senate during the 1985 Session and was in the House Education Committee for consideration during the 1986 Session. The Committee on the School Finance Act wanted the House Education Committee to have the benefit of its progress when the House Education Committee considered Senate Bill 49 during the 1986 Session. The House Education Committee elected not to consider Senate Bill 49 during the 1986 Session.

Testimony before the Committee prior to the adoption of the interim report indicated overwhelming support for the main purpose of Senate Bill 49 - to redefine and clarify the responsibilities of the State and the local governments for funding the public schools. The respective funding responsibilities of the State and the local governments have been blurred over time, in some cases to the detriment of the school curriculum and school facilities; there is no clear understanding of which level of government is responsible for what.

Testimony before the Committee prior to the adoption of the interim report also indicated that the level of uncertainty about the State and local fiscal outlook made it inappropriate to redefine major funding responsibilities at that time. There were major backlogs in capital needs facing the State and local governments. The level of federal funding the State and local governments receive was decreasing dramatically. One could only guess what federal budget cutting efforts and the Gramm-Rudman-Hollings legislation would do to further cut the amount of

federal money the State and local governments would receive in the future for education and otherwise. The Committee felt that when some of this uncertainty was resolved it would be easier to determine whether the delineation of funding responsibilities for the public schools proposed in Senate Bill 49 or some other delineation of funding responsibilities would be more appropriate.

Testimony before the Committee also indicated that it would be inappropriate to redefine major funding responsibilities before more of the Basic Education Program was implemented. As the State went further along with the Basic Education Program, it was felt we would have a better idea of its financial impact on the counties. The influx of State money for school operating costs would free up some local money for school facility costs. To what extent it would do so and what the counties' financial responsibility for the schools ought to be in light of the freed up resources would become more obvious as more of the Basic Education Program was implemented.

A major unresolved concern the Committee had about Senate Bill 49 was whether all counties could adequately meet the financial obligations assigned to them under the bill. Data presented to the Committee indicated some counties may not be able to do so, even if they raised their property tax effort to the statewide average. The Committee decided to further examine the validity of this concern and, if it was found to be valid, to consider ways to alleviate it before it made its final report to the 1987 General Assembly.

The Committee was also concerned that there were no clear statewide standards in force for school facilities. Also, there were no State compliance review, regular reporting, or inventory on the status of school facilities. Therefore, it was impossible to determine with any degree of certainty or uniformity what the school facility needs really were. Since providing for school facilities is a major component of the counties' responsibility

under Senate Bill 49, the Committee felt the lack of clear statewide standards for school facilities and the lack of State compliance reviews and regular reports on school facilities could indicate serious deficiencies in the bill.

Finally, prior to the adoption of the interim report, maintenance and custodial personnel expressed concern to the Committee that they would not and could not be State employees under the delineation of funding responsibilities set out in Senate Bill 49.

III. Senate Bill 49

(A complete history of Senate Bill 49 and a discussion of its preamble may be found on pages 5-7 of the interim report.)

A. Sections 1, 3, and 6 of Senate Bill 49

The text of the bill delineates the responsibilities of the State and of local governments for funding the Basic Education Program. Local boards of education and boards of county commissioners are required to fund from local sources (i) all facility construction and renovation costs; (ii) all facility maintenance costs; (iii) all facility operations costs, including insurance, custodial and utility costs; and (iv) all necessary expenses of the governing boards for the local school administrative units. The State Board of Education is required to fund fully, on an incremental basis within funds appropriated by the General Assembly, all other costs of the basic education program. (See Section 1 of Senate Bill 49.) Notwithstanding this delineation of funding responsibilities, the bill states that nothing in it shall prohibit the State from providing funds for the financing responsibilities assigned to local governments or local governments from providing funds for the financing responsibilities assigned to the State. (See Section 6 of Senate Bill 49.)

The bill goes on to set out an implementation schedule for local governments to assume their financial responsibilities. Effective July 1, 1986, local boards of education and local boards

of county commissioners would be responsible for providing the following items with local funds:

- (1) School buildings, related furniture, and apparatus adequate to meet the requirements of the Basic Education Program;
- (2) School maintenance personnel;
- (3) School property insurance pursuant to G.S. 115C-534;
- (4) Necessary expenses for the governing boards of the several local school administrative units pursuant to G.S. 115C-38 (per diem, subsistence, and mileage for local board meetings), 115C-42 (liability insurance, which is optional), and 115C-43 (legal defense of board members or employees, which is optional).

Effective when State funding of the Basic Education Program is fully implemented, local governments would be responsible for providing for school utilities and custodial personnel with local funds. In the interim, the General Assembly would be directed to appropriate sufficient funds so that the State's proportionate share of these costs is no less than it was in the 1984-85 fiscal year. (See Section 3 of Senate Bill 49.)

These provisions do not constitute a major departure from the principles set out in current law. The general delineation of State and local funding responsibility in Senate Bill 49 is similar to G.S. 115C-408(b), as rewritten by the 1984 Session of the General Assembly. The first two paragraphs of G.S. 115C-408(b) state:

(b) 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 facility requirements for a public education system will be met by county governments.

Other laws currently on the books already give local governments financial responsibility for most of the items for

which Senate Bill 49 would give them financial responsibility.

These laws include:

(1) G.S. 115C-521(a) - "It shall be the duty of local boards of education to provide classroom facilities adequate to meet the requirements of G.S. 115C-47(10) and 115C-301." (Both cited statutes deal with allocation of teachers and class size requirements.);

(2) 115C-521(b), first paragraph - "It shall be the duty of the boards of education of the several local school administrative units of the State to make provisions for the public school term by providing adequate school buildings equipped with suitable school furniture and apparatus. The needs and the cost of such buildings, equipment, and apparatus shall be presented each year when the school budget is submitted to the respective tax-levying authorities. The boards of commissioners shall be given reasonable time to provide the funds which they, upon investigation, shall find to be necessary for providing their respective units with buildings suitably equipped, and it shall be the duty of the several boards of county commissioners to provide funds for the same.";

(3) 115C-522(b), first paragraph - "It shall be the duty of the local boards of education to provide suitable school furniture and apparatus, as provided in G.S. 115C-521(b)." (The pertinent part of G.S. 115C-521(b) is quoted above.);

(4) G.S. 115C-522(c) - "It shall be the duty of local boards of education and tax-levying authorities to provide suitable supplies for the school buildings under their jurisdictions. These shall include, in addition to the necessary instructional supplies, proper window shades, blackboards, reference books, library equipment, maps, and equipment for teaching the sciences.";

(5) G.S. 115C-524(b) - "It shall be the duty of local boards of education and tax-levying authorities, in order to safeguard the investment made in public schools, to keep all school buildings in good repair to the end that all public school property shall be taken care of and be at all times in proper condition for use...";

(6) G.S. 115C-534(b) - "The tax-levying authority for each local school administrative unit shall appropriate funds necessary for compliance with the provisions of subsection (a)." (Subsection (a) sets out the duty to insure property.); and

(7) G.S. 115C-38, second paragraph - Funds for the per diem, subsistence, and mileage for all meetings of county and city boards of education shall be provided from the current expense fund budget of the particular county or city."

There are only two items local boards of education and county commissioners would be responsible for under Senate Bill 49 that they are not already clearly responsible for under current law. These two items are utilities and custodial personnel. Under Senate Bill 49, local boards of education and county commissioners would assume responsibility for these two items only after full implementation of the Basic Education Program.

The State's financial responsibility for the public schools is set out in the State Constitution. Article IX, Section 2 of the North Carolina Constitution says, "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....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 proposed bill says essentially the same thing - that the State is required to provide funds for the elements of the Basic Education Program it does not require the local governments to fund.

B. Section 4 of Senate Bill 49

The bill requires the maintenance of current financial efforts for education until the Basic Education Program is implemented or until June 30, 1993, whichever is first. During this time, county commissioners must appropriate sufficient funds for education so that local funds plus State funds are no less per pupil than the per pupil amount available during the 1984-85 fiscal year. Also, if a county government lowers the per pupil amount it appropriates from local funds for operating expenses, it must raise its appropriation from local funds for capital expenses by a corresponding amount per pupil. The Local Government Commission may waive these requirements upon a showing that a county can provide for its public school capital needs without them.

C. Section 5 of Senate Bill 49

The current law sets out a legal mechanism by which a local board of education can compel the board of county commissioners to provide sufficient funds "to support a system of free public schools". The bill changes this legal mechanism so that the local board of education can compel the board of county commissioners only to provide sufficient funds "to finance those responsibilities assigned by the General Assembly to county governments in G.S. 115C-81(g)." (G.S. 115C-81(g) is the general delineation of State and local funding responsibilities set out in this bill.)

D. Section 2 of Senate Bill 49

The bill states that it is the intent of the General Assembly that funds for the operation of the Basic Education Program be allocated to local school units in categories by July 1, 1987. Under the bill, the State Board of Education would have developed these categories and presented them to the 1986 Session of the General Assembly. The categories would have to be approved by the General Assembly.

IV. Cost of the State's obligation under Senate Bill 49

Senate Bill 49 contemplates that the State will provide all costs of the Basic Education Program except school facility costs, school facility maintenance costs, facility operations costs, and necessary expenses of local school boards by the 1992-93 school year. Also, during the implementation of the Basic Education Program, the State would continue to pay the same proportion of school utility and school custodial costs as it is currently paying.

For the 1985-86 fiscal year, the General Assembly appropriated \$2.17 billion for the public schools or 44.5% of the General Fund appropriations; of this amount, \$6.9 million was in special appropriations. Funding increases for the Basic Education Program for the 1985-86 fiscal year totalled \$69.8 million in

continuing expenses, \$13.8 million in onetime appropriations, and \$5.9 million in related appropriations.

For the 1986-87 fiscal year, the General Assembly appropriated \$2.33 billion for the public schools or 44.5% of the General Fund appropriations; of this amount, \$4.7 million was in special appropriations. Net funding increases for the Basic Education Program for the 1986-87 fiscal year over the prior year are estimated at \$32.9 million in continuing expenses, and \$17.9 million in related appropriations; there was an estimated reduction of \$4.4 million in onetime appropriations.

If the General Assembly follows the Basic Education Program Implementation Schedule updated by the State Board of Education in June 1986, increased continuing expenses from the 1987-88 fiscal year through the 1992-93 fiscal year would approximate \$631 million in additional State funds. The State Board of Education intends to update this schedule annually to reflect the most recent cost figures and average daily membership projections available and changes in priorities of the State Board of Education and the General Assembly. Ultimately, the General Assembly is responsible for determining how much it will appropriate for the Basic Education Program and when it will appropriate the funds. (A copy of the June 1986 Basic Education Implementation Schedule adopted by the State Board of Education may be found in Appendix D of this report.)

V. Cost of the counties' obligation under Senate Bill 49

A. Overview of the counties' obligation

Senate Bill 49 contemplates that commencing on the effective date of the bill the counties will provide all costs of school facilities adequate to meet the requirements of the Basic Education Program, school maintenance personnel, school facility operations costs, and necessary expenses of local school boards. This is essentially the same as the counties' obligation under the current law. Effective upon full implementation of the Basic

Education Program, the counties will also provide for all school utility and school custodial costs.

Senate Bill 49 also contemplates that as the Basic Education Program is being implemented funds for operating expenses that counties currently elect to provide will be provided by the State. If, for example, a county is currently providing funds for additional teachers and teacher aides, the county may no longer need to do so when the State provides funds for additional teachers and teacher aides. (Under the bill, a county could always provide funds for operating expenses in addition to those provided by the State.)

B. School facility costs

The largest component of the counties' financial obligation under Senate Bill 49 is the cost of school facilities. According to an August 1984 survey of school facility needs by the Department of Public Instruction, the cost of housing all school students in North Carolina in attractive, safe, and functional facilities would be in excess of \$2.2 billion. In this survey, school superintendents were asked to report school facility needs in their local school administrative units according to the following categories - replacement of temporary facilities, replacement of obsolete facilities, renovation of buildings that are suitable for long-range use, new or renovated facilities for exceptional children, accessibility for the handicapped, renovations for utility conservation, community schools, new or renovated facilities for administration, maintenance, transportation and warehousing, and other needs.

Although the instructions that accompanied the survey were quite detailed, members of the Committee expressed concerns that some superintendents may have followed the instructions more closely than others, some superintendents may have had more detailed information at their disposal than others with which to accurately gauge their facility needs, some superintendents may have submitted a "wish list" with the realization that regardless

of how their school facility needs were funded some cuts would be made, and some superintendents may have responded with estimates of their long-range needs while others tabulated only immediate needs.

C. County responsibilities under Senate Bill 49 and resources available to meet them

A comparison of a county's responsibilities under Senate Bill 49 and the resources it has available to meet them will differ from year to year for two reasons. First of all, as the State provides more and more of the cost of operating expenses for the public schools under the Basic Education Program, a county will be required to provide less and less. Secondly, after full implementation of the Basic Education Program, a county will have to provide all of the costs of school utilities and custodial personnel.

1. County responsibilities

A county's responsibilities for a given year under Senate Bill 49 are:

- (1) Costs of school facilities. (For each year, these are estimated to be one-tenth of the difference between the county's school facility needs and the amount the county has in accumulated capital reserves. As a practical matter, however, some counties may not be able to complete their capital projects within 10 years.);
- (2) The costs for maintenance and operation of plant, supplies, equipment, and energy costs; and
- (3) School board expenses, property insurance, and audits.

2. County resources

In calculating the resources available to a county for implementation of Senate Bill 49, 1985-86 appropriations are used as a benchmark because of the maintenance of effort provision in Senate Bill 49. Resources available for a given year are:

- (1) Current State allotments for custodians, utilities, and maintenance directors. (After full implementation of the Basic Education Program, this would be \$0.);
- (2) Local capital outlay appropriations for 1985-86;
- (3) Local capital reserve appropriations for 1985-86, except for bond receipts and nonrecurring sources of revenues;
- (4) Resources accruing to the county school fund for 1985-86 from the proceeds of fines and forfeitures, interest on county school fund investments, etc.
- (5) Local current expense appropriations for maintenance and operation of plant, property insurance, the governing board, and audits; and
- (6) The portion of local current expense funds for the instructional program for 1985-86 that the Basic Education Program will provide for the year for which the calculation is being made. (The assumption is that after full implementation of the Basic Education Program, 100% of the local current expense funds for the instructional program for the 1985-86 fiscal year will be freed up.)

The 1986 General Assembly also made an additional resource available to the counties for implementation of Senate Bill 49 - it gave counties the option of levying an additional 1/2% local sales and use tax. (See Chapter 906 (House Bill 1542) of the 1986 Session Laws). The tax would be collected by the State and distributed to the cities and counties on the basis of population.

For the first 11 years the tax is in effect in a county, that county is required to use a certain percentage of the county's share of the proceeds from the tax for public school capital outlay purposes (including retirement of public school debt owed by the county for public school capital outlay purposes within the last five years before the tax took effect. A county may use all of the proceeds it receives from the tax for public

school capital outlay purposes; the percent each county must use for public school capital outlay purposes is as follows:

| | |
|------------|-----|
| Years 1-2 | 60% |
| Years 3-4 | 50 |
| Years 5-8 | 40 |
| Years 9-10 | 30 |
| Year 11 | 20 |

A county may petition the Local Government Commission for permission to use the percent of the funds earmarked for public school capital outlay purposes for other lawful purposes. The Local Government Commission may grant the petition if it finds the county can provide for its public schools capital needs without those funds.

3. Comparison of county resources and county responsibilities

(Please note that the statistics that appear in this report are not the same as the statistics in the Committee's interim report to the 1986 Session of the 1985 General Assembly. The statistics that appear in this report are more accurate than those in the interim report for two reasons. First of all, estimated figures for the 1985-86 fiscal year have been replaced with actual figures. Secondly, funds accruing to the county school fund were added to the computation of local resources.)

The analyses of county resources and county responsibilities under Senate Bill 49 were done for the Committee by the Department of Public Instruction in cooperation with the Association of County Commissioners. (A discussion of the methodology used in these computations may be found in Appendix E.) Because estimates and projections had to be used in these analyses and because estimates of school facility costs may be more reliable for some counties than others, the results of these analyses are not mathematically exact for each county. The analyses do however, give some indication of the costs of Senate Bill 49 to the counties.

a. Analysis without consideration of the additional 1/2% local sales tax

Tables showing each county's resources and its responsibilities under Senate Bill 49 for the 1987-88 and 1992-93 fiscal

years may be found in Appendix F. These tables assume that no counties have levied the additional 1/2% local-option sales and use tax authorized by the 1986 Session of the General Assembly. The first column in each of these tables shows the county name. The second column shows the resources available to a county for implementation of Senate Bill 49 without the additional 1/2% local sales and use tax. The third column shows the county's financial responsibilities under Senate Bill 49.

The fourth column shows the difference between a county's responsibilities under Senate Bill 49 and its financial resources without the additional 1/2% sales tax. If the number in the fourth column is in parentheses, it indicates how much less a county, without the additional tax, will have at its 1985-86 level of funding for school facilities than it would need to meet its responsibilities under Senate Bill 49; if the number is not in parentheses, it indicates how much more that county will have at its 1985-86 level of funding than it would need to meet its responsibilities under Senate Bill 49.

The financial burden on the counties under Senate Bill 49 tends to be highest in the 1987-88 fiscal year because less of the Basic Education Program will have been implemented at that time. As more of the Basic Education Program is implemented, the financial burden will drop. If a county is not currently making a significant contribution toward instructional expenses, its costs will not, of course, decline as the Basic Education Program is implemented and resources will not be freed up for facility needs. The total level of funding for instructional expenses for the school children in the county will simply go up. By the 1992-93 fiscal year, the State will be providing for all school operating expenses under the Basic Education Program and the county will be providing all school utility and school custodial funds; at that time, the financial burden on the counties should stabilize.

For the 1987-88 fiscal year, the analyses show that without the 1/2% additional sales tax, 69 counties would be unable to meet

their financial obligations under Senate Bill 49 at their 1985-86 levels of funding 31 counties would be able to do so. For the 69 counties experiencing a deficit, the total additional cost requirement would be \$63.7 million; for the 31 counties with a surplus, the total surplus would be \$68.7 million.

For the 1992-93 fiscal year, 48 counties would still be unable to meet their financial obligations under the bill. For these counties, the total additional cost requirement would be down to \$42.7 million; thus, the cumulative deficit is \$21.2 million less for the 1992-93 fiscal year than for the 1987-88 fiscal year. For the 52 counties with a surplus, the total surplus would be up to \$203.4 million; thus, the cumulative surplus would be \$134.7 million more for the 1992-93 fiscal year than for the 1987-88 fiscal year.

If a county has a surplus or a relatively low cost of meeting its obligations under Senate Bill 49, it may mean that the county has already taken steps to meet some of its school construction needs or that the county is experiencing a decline in school-age children. It may also mean that the county was providing substantial supplements for the operating costs of its instructional program and that Senate Bill 49 is having its intended effect - that is, that the increase in State expenditures for the instructional program is freeing up enough county resources to provide school facilities adequate to accommodate the Basic Education Program.

b. Analysis considering the additional 1/2% local sales tax

In the legislation authorizing the counties to levy an additional 1/2% local sales tax, the General Assembly said it intended for the counties to appropriate funds generated under the tax to increase the level of county spending for public elementary and secondary school capital outlay above and beyond the level of spending prior to the levy of the tax. Assuming all counties levy the new tax prior to June 1, 1987, there will be a statewide pool

of \$198.1 million of additional revenue of which the counties will receive roughly \$144 million. The tables found in Appendix G show the counties' ability to meet their financial obligations under Senate Bill 49 if the counties levy the new tax and if they follow the intent of the General Assembly and use these new tax funds to increase their level of appropriations for public school capital outlay.

The first column in each of the tables gives the county name. The second column shows the difference between a county's responsibilities under Senate Bill 49 and its financial resources without the additional 1/2% sales tax. (This figure also appears in column 4 on the charts in Appendix F. Again, if the number is in parenthesis, it shows how much less the county will have than it needs.)

The third and fourth columns show the impact of the additional 1/2% sales tax on the counties' ability to meet their obligations under Senate Bill 49. The third column shows the difference between a county's responsibilities under Senate Bill 49 and its financial resources if the county levies the new tax and uses 60% of the money it receives from the tax to increase its appropriation for public school capital projects. (A county that levies the tax is required by law to use 60% for public school capital outlay during the first two years the tax is in effect; a county is strongly urged by a statement of purpose in the law, but is not required by law, to appropriate these funds in addition to other funds for public school capital outlay.) The fourth column shows the difference between a county's responsibilities under Senate Bill 49 and its financial resources if the county levies the new tax and uses 100% of the money it receives from the tax to increase its appropriation for public school capital projects. (A county that levies the tax is permitted by law to use 100% for public school capital outlay.)

For the 1987-88 fiscal year, the tables in Appendix G may be summarized as follows:

| | <u>WITHOUT 1/2% SALES TAX</u> | <u>WITH 1/2% SALES TAX (60%)</u> | <u>WITH 1/2% SALES TAX (100%)</u> |
|---|---------------------------------------|--|---|
| # OF COUNTIES UNABLE TO COMPLY WITH SB 49 | 69 | 42 | 32 |
| CUMULATIVE DEFICIT | \$ 63.9 mil. | \$ 31.9 mil. | \$ 18.3 mil. |
| # OF COUNTIES ABLE TO COMPLY WITH SB 49 | 31 | 58 | 68 |
| CUMULATIVE SURPLUS | \$ 68.7 mil. | \$116.6 mil. | \$156.3 mil. |

For the 1992-93 fiscal year, the tables in Appendix G may be summarized as follows:

| | <u>WITHOUT 1/2% SALES TAX</u> | <u>WITH 1/2% SALES TAX (60%)</u> | <u>WITH 1/2% SALES TAX (100%)</u> |
|---|---------------------------------------|--|---|
| # OF COUNTIES UNABLE TO COMPLY WITH SB 49 | 48 | 30 | 24 |
| CUMULATIVE DEFICIT | \$ 42.7 mil. | \$ 21.2 mil. | \$ 13.2 mil. |
| # OF COUNTIES ABLE TO COMPLY WITH SB 49 | 52 | 70 | 76 |
| CUMULATIVE SURPLUS | \$203.4 mil. | \$261.9 mil. | \$307.1 mil. |

These tables show that by enacting the additional 1/2% local-option sales and use tax, the General Assembly made the counties better able to meet their financial responsibilities under Senate Bill 49. For 1987-88, the year that the counties will have the most difficulty meeting their obligations under Senate Bill 49, the analysis shows that 69 counties would be unable to meet their responsibilities for the 1987-88 fiscal year without the new tax. This drops to 42 counties if the counties levy the tax and use 60% of it for school facilities and drops to 32 counties if the counties levy the tax and use 100% of it for school facilities. The cumulative deficit they face drops from \$63.9 million without

the tax, to \$31.9 million with 60% of the tax, and to \$18.3 million with 100% of the tax.

By the 1992-93 fiscal year, if the Basic Education Program is fully implemented, 48 counties would be unable to meet their responsibilities under Senate Bill 49 without the new tax. This number drops to 30 if the counties levy the tax and use 60% of it for school facilities and drops to 24 if the counties levy the tax and use 100% of it for school facilities. The cumulative deficit the counties unable to meet their responsibilities would face from \$42.7 million without the tax to \$21.2 million with 60% of the tax, to \$13.2 million with 100% of the tax.

D. The impact on counties of meeting the financial requirements of Senate Bill 49

Counties can provide for their public school capital needs in several ways. First of all, they can postpone or divert spending from other county functions.

Secondly, they can improve their tax assessment practices to assure that all taxable property is assessed at 100% of fair market value. (The General Statutes require the counties to assess taxable property at 100% of fair market value.) For counties that revalued effective January 1, 1984, the level of assessment of real property ranged from 59% to 98% (according to the 1984 Sales-Assessment Study by the Department of Revenue).

Thirdly, they can "pay-as-they-go"; that is, they can set aside a certain amount from their general revenues each year in a capital reserve or project fund. Finally, they can issue school bonds and pay the principal and interest on the bonds over time from the county general fund. The cost of paying-as-they-go and issuing school bond is roughly the same over a period of at least ten years. Either method would require additional money from the County General Fund. A county could increase the revenues in the County General Fund by levying the additional 1/2% local-option sales and use tax (the effect of levying the tax is discussed on

pages 18 through 21 of this report) or by increasing the property tax rate.

1. Measures of ability to pay

Clearly, all counties are not equally able to provide for their public school capital needs. The table in Appendix H of this report ranks the counties according to their per capita personal income for 1984, per capita adjusted property tax base for 1984-85 (adjusted to bring taxable real property values in each county up to January 1, 1984 terms, using the sales-assessment ratio study of the North Carolina Department of Revenue - that is, adjusted to treat each county as if it had revalued at 100% of market value as of January 1, 1984), per capita local-option sales tax distribution for 1984-85, and per capita intangibles tax distribution for 1984-85.

The first two columns represent the two most common approaches to measuring ability to pay - the income approach and the wealth approach (adjusted property tax base). In North Carolina, the taxation of personal income is under the province of the federal government and the State government. Counties receive the majority of their non-federal revenue (90%) from the property tax.

The last two columns of the table indicate fiscal capacity on two other major sources of county tax revenue - the sales tax and the intangible personal property tax. Counties can affect the amount of sales tax revenue by adopting the tax. (100 counties have adopted the 1971 1% and the 1983 1/2% tax. More than 3/4's of the counties have adopted the 1/2% tax authorized by the 1986 General Assembly.)

The table shows that some counties are relatively wealthy by some indicators of ability to pay and relatively poor by others. Other counties are consistently wealthy or consistently poor by all indicators. (See, for example, Brunswick County, which is 81st in per capita personal income and 2nd in per capita adjusted property tax base. See also, Davidson, which is 24th in per

capita personal income, 73rd in per capita adjusted property tax base, 55th in per capita 1% local sales tax, and 33rd in per capita intangibles tax distribution.)

2. Analysis without consideration of the additional

1/2% local sales and use tax

a. Impact on the county tax rate of meeting its responsibilities under Senate Bill 49 -1987-88

The committee reviewed the impact of the increased cost requirements of Senate Bill 49 on the property tax rate in each county. The table in Appendix I of this report analyzes this impact for the 1987-88 fiscal year, without consideration of the 1/2% local-option sales and use tax. (Please note that these tables give data only for the 92 counties for which all data was available. Also, please note that data on property tax rates and values are for the 1985-86 fiscal year; therefore, conclusions that may be drawn from the analyses are only rough approximations.)

Columns (1) through (4) of the table contain data on per capita personal income and the per capita adjusted property tax base, two of the most commonly used measures of ability to pay. Column (5) gives the county name. Column (6) shows the counties' cost requirements for 1987-88 under Senate Bill 49, without the 1/2% local option sales and use tax. (In this column, parentheses indicate that the county would experience a deficit under Senate Bill 49.) Column (7) indicates how much a county that does not levy the additional 1/2% tax would have to raise its 1985-86 property tax rate to fund its responsibilities under Senate Bill 49 for 1987-88. Column (8) shows the percent by which the county would have to increase its property tax rate.

For the 1987-88 fiscal year, this table shows that, at one end of the spectrum, Madison County would have to increase its tax rate by 65.8 cents or 73%, Northampton County would have to increase its tax rate by 55.7 cents or 50.5%, and Swain County would have to increase its tax rate by 48.9 cents or 108.7%. At

the other end of the spectrum, Wilson County could decrease its tax rate by 24 cents or 36.9% and Bertie County could decrease its tax rate by 27.2 cents or 41.2%.

b. Ability of counties to meet their responsibilities under Senate Bill 49 if they adopt the average statewide adjusted tax rate - 1987-88

The Committee then considered whether the counties that would need additional funding to meet their obligations under Senate Bill 49 are currently making as much effort (through the property tax rate) as other counties. The table in Appendix J of this report shows the effect on ability to pay for Senate Bill 49 if all counties made an average tax effort. (Please note that these tables give data for only 85 counties.)

Column (1) is the county name. Column (2) shows the additional revenue a county would receive if its property tax rate were the adjusted statewide average. (This figure is the product of the adjusted tax rate and the average statewide adjusted tax rate of 53.2 cents. The adjusted tax rate is derived by dividing the current tax levy by the adjusted tax base. (See page 22 for a discussion of adjusted tax base.))

If the figure in Column (2) is positive, it means that the county would receive additional revenue if it adopted the statewide average tax rate; Alexander County would, for example, receive \$2,780 dollars in additional revenue if it adopted the statewide average tax rate. If the figure in Column (2) is negative, it means the county's tax rate is already higher than the statewide average and that it would receive less revenue if it adopted the statewide average tax rate; Anson County would lose \$1,014,421 if it adopted the statewide average tax rate.

Column (3) is the additional cost a county would incur under Senate Bill 49. (Parentheses indicate the county would experience a deficit under Senate Bill 49).

A comparison of columns (3) and (4) shows the effect each county's using the statewide average tax rate on its ability to meet its financial responsibilities under Senate Bill 49. Alexander County, for example, needs an additional \$803,883 to meet its responsibilities under Senate Bill 49 for the 1987-88 fiscal year. It would raise an additional \$2,780 by adopting the average tax rate. Thus, after adopting the average rate, Alexander County would still be unable to meet its responsibilities under Senate Bill 49.

Another situation can be illustrated by Anson County. It needs an additional \$1,076,382 to meet its financial responsibilities under Senate Bill 49. However, it would lose \$1,014,421 by adopting the average tax rate. Thus, Anson County cannot meet its requirements under Senate Bill 49 even with its above-average tax effort.

Ashe County needs an additional \$410,537 to meet its financial responsibilities under Senate Bill 49. It would raise an additional \$828,533 by adopting the average tax rate. Thus, it could more than meet its needs by adopting the statewide average adjusted property tax rate.

The final category is illustrated by Avery County. Avery County can meet its needs without adopting the statewide average adjusted property tax rate.

For the 1987-88 fiscal year, the table in Appendix J indicates that of the 85 counties analyzed, an estimated 31% are now spending more for their public schools than they would be required to spend under Senate Bill 49. (See, for example, Avery County.) An estimated 18% of all counties could meet their obligations under Senate Bill 49 if they adopted the statewide adjusted average tax rate. (See Ashe County). An estimated 19% of the counties could not meet their obligations even if they adopted the statewide adjusted average tax rate. (See Alexander County.) Finally, an estimated 32% of the counties already have a

tax rate above the statewide adjusted average and still cannot meet their obligations under Senate Bill 49. (See Anson County.)

These analyses show a "worst case" situation because they do not take into account the additional 1/2% local-option sales and use tax authorized by the 1986 Session of the General Assembly and because the financial burden on the counties under Senate Bill 49 will be greatest for the 1987-88 fiscal year. Also, the cost of meeting school construction needs is a major component of the analysis and the Committee expressed concerns about the data that was used on school construction needs. (See pages 13 and 14 of this report.) Another point is that these analyses assumed a ten year time frame for meeting school construction needs; in some cases, that was apparently not the time frame that was used in estimating the school facility needs for the county.

A final point is that the counties that could meet their costs under Senate Bill 49 without additional resources may have issued school bonds, set aside money each year for school facilities, or diverted spending from other areas to meet their public school needs. These counties may feel they have a fiscal need to reduce the property tax rate or a chance to catch up spending in other areas.

c. Impact on the county tax rate of meeting its responsibilities under Senate Bill 49 - 1992-93

The picture improves somewhat by the 1992-93 fiscal year for most but not all counties. For 1992-93, the table in Appendix K shows the impact of the increased cost requirements of Senate Bill 49 on the property tax rate in each county; that is, how much a county that can not meet its cost requirements under Senate Bill 49 would have to raise its property tax rate to do so.

For the 1992-93 fiscal year, the table in Appendix K shows that, at one end of the spectrum, Madison County would have to increase its tax rate by 87.5 cents or 97.1%; Graham County would have to increase its tax rate by 47.3 cents or 91.7%, and Swain

County would have to increase its tax rate by 46.3 cents or 102.9%. At the other end of the spectrum, Wilson County could decrease its tax rate by 32.9 cents or 50.6% and Pitt County could decrease its tax rate by 31.6 cents or 49.2%.

d. Ability of counties to meet their responsibilities under Senate Bill 49 if they adopt the average statewide adjusted tax rate - 1992-93

The table in Appendix L shows the estimated impact on each county of adopting the statewide average property tax rate. At the statewide average property tax rate, an estimated 52% of the counties can meet their financial responsibilities under Senate Bill 49 for the 1992-93 fiscal year; an estimated 48% of the counties analyzed would still experience increased costs under Senate Bill 49. An estimated 13% of the counties could meet their obligations under Senate Bill 49 if they adopted the statewide adjusted average tax rate. An estimated 15% of the counties could not meet their obligations even if they adopted the statewide adjusted average tax rate. An estimated 20% of the counties already have a tax rate above the statewide adjusted average and still could not meet their obligations under Senate Bill 49.

3. Analysis considering the additional 1/2% local-option sales and use tax

a. Impact on the county tax rate of meeting its responsibilities under Senate Bill 49 - 1987-88

The picture also improves when we consider the additional 1/2% local-option sales tax authorized by the 1986 General Assembly. The Committee considered the impact on the counties of meeting their financial obligations under Senate Bill 49 in light of the new tax. The tables found in Appendix M through P of this report replicate the analyses done in Appendix I through L. These tables assume however, that all counties levy the tax and that all counties use the proceeds of the tax to supplement and not

supplant the funds they are currently using for school facilities.

The tables in Appendix M show the impact of the increased cost requirements of Senate Bill 49 on property tax rates in each county for the 1987-88 fiscal year if all counties levy the additional 1/2% local sales and use tax and if they commit 60% or 100% of the additional tax revenues to school facilities.

b. Ability of counties to meet their responsibilities under Senate Bill 49 if they adopt the average statewide adjusted tax rate - 1987-88

The Committee considered whether the counties that would still need additional funding for the 1987-88 fiscal year, after levying the additional 1/2% local sales and use tax, to meet their obligations under Senate Bill 49 are currently making as much effort (through the property tax rate) as other counties. The table in Appendix N shows the effect on ability to pay for Senate Bill 49 if all counties made an average tax effort.

Column (1) is the county name. Column (2) shows the additional revenue a county would receive if it adopted the statewide average property tax rate. (See page 24 for an explanation of how this column was derived.) Column (3) shows the cost requirements under Senate Bill 49 of a county that does not levy the additional 1/2% local sales and use tax. Column (4) shows the cost requirements under Senate Bill 49 of a county that levies the additional 1/2% tax and uses 60% of its revenue from the tax to increase its appropriations for schools. Column (5) shows the cost requirements under Senate Bill 49 of a county that levies the additional 1/2% tax and uses 100% of its revenue from the tax to increase its appropriations for schools.

A comparison of column (2) and columns (3), (4), and (5) of the table in Appendix N shows the following for the 1987-88 fiscal year:

| | SB49 WITHOUT 1/2% SALES TAX | SB49 WITH 1/2% SALES TAX (60%) | SB49 WITH 1/2% SALES TAX (100%) |
|--|--------------------------------------|---|--|
| % COUNTIES UNABLE TO COMPLY WITH SB49 | 69% | 42% | 32% |
| CUMULATIVE DEFICIT | \$63.9 mil. | \$31.9 mil. | \$18.3 mil. |

% OF COUNTIES
UNABLE TO COMPLY
WITH CURRENT
TAX EFFORT; ABLE
TO COMPLY WITH
AVERAGE EFFORT

| | | |
|-----|----|----|
| 18% | 9% | 6% |
|-----|----|----|

% OF COUNTIES
UNABLE TO COMPLY
WITH AVERAGE
TAX EFFORT;
CURRENT EFFORT
BELOW AVERAGE

| | | |
|-----|----|----|
| 19% | 9% | 8% |
|-----|----|----|

% OF COUNTIES
UNABLE TO COMPLY
WITH AVERAGE
TAX EFFORT;
CURRENT EFFORT
ABOVE AVERAGE

| | | |
|-----|-----|-----|
| 32% | 24% | 18% |
|-----|-----|-----|

% OF COUNTIES
ABLE TO COMPLY
WITH CURRENT TAX
EFFORT

| | | |
|-----|-----|-----|
| 31% | 58% | 68% |
|-----|-----|-----|

| | | | |
|--------------------|-------------|--------------|--------------|
| CUMULATIVE SURPLUS | \$68.7 mil. | \$116.6 mil. | \$156.3 mil. |
|--------------------|-------------|--------------|--------------|

c. Impact on the county tax rate of meeting
its responsibilities under Senate Bill 49 -
1992-93

The tables in Appendix O show the impact of the increased cost requirements of Senate Bill 49 on property tax rates in each county for the 1992-93 fiscal year if all counties levy the additional 1/2% local sales and use tax and if they use 60% or 100% of the additional tax revenues to increase their appropriations for schools.

d. Ability of counties to meet their responsibilities under Senate Bill 49 if they adopt the average statewide adjusted tax rate - 1992-93

The table in Appendix P considers whether the counties that would still need additional funding for the 1987-88 fiscal year, after levying the additional 1/2% local sales and use tax, to meet their obligations under Senate Bill 49 are currently making as much effort (through the property tax rate) as other counties. The table shows the effect on ability to pay for Senate Bill 49 if all counties made an average tax effort.

A comparison of column (2) and columns (3), (4), and (5) of the table in Appendix P shows the following for the 1992-93 fiscal year:

| | SB49 WITHOUT 1/2% <u>SALES TAX</u> | SB49 WITH 1/2% SALES TAX <u>(60%)</u> | SB49 WITH 1/2% SALES TAX <u>(100%)</u> |
|---------------------------------------|---|--|---|
| % COUNTIES UNABLE TO COMPLY WITH SB49 | 48% | 30% | 24% |
| CUMULATIVE DEFICIT | \$42.7 mil. | \$21.2 mil. | \$13.2 mil. |

% OF COUNTIES UNABLE TO COMPLY WITH CURRENT TAX EFFORT; ABLE TO COMPLY WITH AVERAGE EFFORT

| | | |
|-----|----|----|
| 13% | 5% | 7% |
|-----|----|----|

% OF COUNTIES UNABLE TO COMPLY WITH AVERAGE TAX EFFORT; CURRENT EFFORT BELOW AVERAGE

| | | |
|-----|----|----|
| 15% | 6% | 3% |
|-----|----|----|

% OF COUNTIES
UNABLE TO COMPLY
WITH AVERAGE
TAX EFFORT;
CURRENT EFFORT
ABOVE AVERAGE

20%

19%

14%

% OF COUNTIES
ABLE TO COMPLY
WITH CURRENT TAX
EFFORT

52%

70%

76%

CUMULATIVE SURPLUS \$203.4 mil. \$261.9 mil. \$307.1 mil.

The summary tables above show that for the 1987-88 fiscal year, with 60% of the 1/2% local-option sales and use tax, an estimated 58% of the counties can meet their financial responsibilities under Senate Bill 49 at their current tax rate; an estimated nine percent more could meet their financial responsibilities if they adopted the statewide property tax rate. Thus, 67% of the counties could meet their financial responsibilities for 1987-88 if they levied the tax, used 60% of it for school facilities, and either maintained their current level of expenditures for schools or adopted the statewide average property tax rate.

With 100% of the 1/2% local-option sales and use tax, an estimated 68% of the counties can meet their financial responsibilities under Senate Bill 49 for the 1987-88 fiscal year at their current tax rate; an estimated 6% more could meet their financial responsibilities if they adopted the statewide property tax rate. Thus 74% of the counties could meet their financial responsibilities for the 1987-88 fiscal year if they levied the tax, used 100% of it for school facilities, and either maintained their current level expenditures for schools or adopted the statewide average property tax rate.

Adopting the statewide average property tax will, of course, help some counties to meet their financial responsibilities under Senate Bill 49. However, even if they levied the tax, used 100% of it to increase their appropriations for schools, and adopted

the statewide average property tax rate, 26% of the counties could not meet their financial responsibilities for the 1987-88 fiscal year.

The picture improves somewhat by 1992-93. By that year, only 17% of the counties could not meet their financial requirements by 1992-93 if they levied the tax, used 100% of the proceeds to increase their appropriations for schools, and adopted the statewide average property tax rate.

VI. Alternatives to Senate Bill 49

A. Senate Bill 49, as amended so that the State assumes responsibility for funding school maintenance and custodial personnel and, in the 1987-88 fiscal year, the counties assume full responsibility for funding school utility costs.

At the request of several education groups appearing before the Committee, the Committee considered whether Senate Bill 49 should be amended so that the State would assume responsibility for funding all school maintenance and custodial personnel and, effective with the 1987-88 fiscal year, the counties would assume full responsibility for funding school utility costs. The amount this would cost the State and save the counties each year would be \$56 million.

1. County responsibilities and resources available to meet them

The tables found in Appendix Q of this report show the counties' ability to meet their financial obligations under Senate Bill 49, as amended so that the State would assume responsibility for funding all school maintenance and custodial personnel and the counties would assume full responsibility for funding school utility costs, if the counties levy the additional 1/2% sales tax.

For the 1987-88 fiscal year, the tables in Appendix Q may be summarized as follows:

| | SB 49 WITH 1/2% SALES TAX (60%) | SB49 WITH 1/2% SALES TAX (100%) | SB49 AS AMENDED WITH 1/2% SALES TAX (60%) | SB49 AS AMENDED WITH 1/2% SALES TAX (100%) |
|-----------------------------------|--|--|---|--|
| # OF COUNTIES UNABLE TO COMPLY | 42 | 32 | 36 | 30 |
| CUMULATIVE DEFICIT | \$ 31.9 mil. | \$ 18.3 mil. | \$ 25.5 mil. | \$ 13.7 mil. |

| | | | | |
|---------------------------------|--------------|--------------|--------------|--------------|
| # OF COUNTIES ABLE TO COMPLY | 58 | 68 | 64 | 70 |
| CUMULATIVE SURPLUS | \$116.6 mil. | \$156.3 mil. | \$134.8 mil. | \$176.3 mil. |

For the 1992-93 fiscal year, the tables in Appendix Q may be summarized as follows:

| | SB 49 WITH 1/2% SALES TAX (60%) | SB49 WITH 1/2% SALES TAX (100%) | SB49 AS AMENDED WITH 1/2% SALES TAX (60%) | SB49 AS AMENDED WITH 1/2% SALES TAX (100%) |
|-----------------------------------|--|--|---|--|
| # OF COUNTIES UNABLE TO COMPLY | 30 | 24 | 24 | 9 |
| CUMULATIVE DEFICIT | \$ 21.2 mil. | \$ 13.2 mil. | \$ 8.7 mil. | \$ 5.1 mil. |
| # OF COUNTIES ABLE TO COMPLY | 70 | 86 | 76 | 91 |
| CUMULATIVE SURPLUS | \$261.9 mil. | \$307.1 mil. | \$345.7 mil. | \$395.3 mil. |

Clearly, if the State relieves the county of the burden of funding all school maintenance and custodial personnel and the counties assume the burden of funding all school utility costs, the counties would be better able to meet their financial responsibilities toward the public schools. For 1987-88, the analysis shows that under Senate Bill 49 with 60% of the additional 1/2% local-option sales and use tax, 42 counties would be unable to meet their responsibilities and their cumulative deficit would be \$31.9 million; under Senate Bill 49 with the

funding swap and with 60% of the tax, the number of the counties unable to meet their responsibilities would drop to 36 and the cumulative deficit would drop to \$25.5 million. For 1987-88, the analysis shows that under Senate Bill 49 with 100% of the additional 1/2% local-option sales and use tax, 32 counties would be unable to meet their responsibilities and their cumulative deficit would be \$18.3 million; under Senate Bill 49 with the funding swap and with 100% of the tax, the number of the counties unable to meet their responsibilities would drop to 30 and the cumulative deficit would drop to \$13.7 million.

By the 1992-93 fiscal year, if the Basic Education Plan is fully funded by the State, more counties will be better able to meet their financial responsibilities under Senate Bill 49, as amended so that the State assumes funding responsibilities for school maintenance and custodial personnel and the counties assume funding responsibilities for all school utilities, effective with the 1987-88 fiscal year. For 1992-93, under Senate Bill 49, the analysis shows that with 60% of the additional 1/2% local-option sales and use tax, 30 counties would be unable to meet their responsibilities and their cumulative deficit would be \$21.2 million; under Senate Bill 49 with the funding swap and with 60% of the tax, the number of the counties unable to meet their responsibilities would drop to 24 and the cumulative deficit would drop to \$8.7 million. For 1992-93, under Senate Bill 49, the analysis shows that with 100% of the additional 1/2% local-option sales and use tax, 24 counties would be unable to meet their responsibilities and their cumulative deficit would be \$13.2 million; under Senate Bill 49 with the funding swap and with 100% of the tax, the number of the counties unable to meet their responsibilities would drop to 90 and the cumulative deficit would drop to \$5.1 million.

2. Counties' ability to meet their financial responsibilities

The tables in Appendix R through Appendix U of this report show the counties' ability to meet their financial obligations under Senate Bill 49, as amended so that the State would assume responsibility for funding all school maintenance and custodial personnel and the counties would assume responsibility for funding all school utility costs effective with the 1987-88 fiscal year, at the current property tax rate and at the statewide average property tax rate.

a. Impact on the county tax rate of meeting its responsibilities under Senate Bill 49, as amended - 1987-88

The tables in Appendix R show the impact of the increased cost requirements of Senate Bill 49, as amended, on property tax rates in each county for the 1987-88 fiscal year if all counties levy the additional 1/2% local sales and use tax and if they use 60% or 100% of the additional tax revenues to supplement their appropriations for schools.

b. Ability of counties to meet their responsibilities under Senate Bill 49, as amended, if they adopt the average statewide adjusted tax rate - 1987-88

The table in Appendix S considers whether the counties that would still need additional funding for the 1987-88 fiscal year, after levying the additional 1/2% local sales and use tax, to meet their obligations under Senate Bill 49, as amended, are currently making as much effort (through the property tax rate) as other counties. The table shows the effect on ability to pay for Senate Bill 49, as amended, if all counties made an average tax effort. Column (1) is the county name. Column (2) shows the additional revenue a county would receive if it adopted the statewide average property tax rate. (See page 24 for an explanation of how this column was derived.) Column (3) shows the cost requirements under

Senate Bill 49 of a county that levies the additional 1/2% tax and commits 60% of its revenue from the tax to school facilities. Column (4) shows the cost requirements under Senate Bill 49 of a county that levies the additional 1/2% tax and commits 100% of its revenue from the tax to school facilities. Column (5) shows the cost requirements under Senate Bill 49, as amended, of a county that levies the additional 1/2% tax and uses 60% of its revenue from the tax to increase its appropriations for schools. Column (6) shows the cost requirements under Senate Bill 49, as amended, of a county that levies the additional 1/2% tax and uses 100% of its revenue from the tax to increase its appropriations for school facilities.

A comparison of column (2) and columns (3), (4), (5), and (6) of the table in Appendix S shows the following for the 1987-88 fiscal year:

| | SB49 WITH 1/2% SALES TAX (60%) | SB49 WITH 1/2% SALES TAX (100%) | SB49 AS AMENDED WITH 1/2% SALES TAX (60%) | SB49 AS AMENDED WITH 1/2% SALES TAX (100%) |
|--|---|--|---|--|
| % COUNTIES UNABLE TO COMPLY WITH SB49 | 42% | 32% | 36% | 30% |
| CUMULATIVE DEFICIT | \$31.9 mil. | \$18.3 mil. | \$25.5 mil. | \$13.7 mil. |
| <hr/> | | | | |
| % OF COUNTIES UNABLE TO COMPLY WITH CURRENT TAX EFFORT; ABLE TO COMPLY WITH AVERAGE EFFORT | 9% | 6% | 5% | 5% |
| % OF COUNTIES UNABLE TO COMPLY WITH AVERAGE TAX EFFORT; CURRENT EFFORT BELOW AVERAGE | 9% | 8% | 15% | 8% |

| | | | | |
|---|-----|-----|-----|-----|
| % OF COUNTIES UNABLE TO COMPLY WITH AVERAGE TAX EFFORT; CURRENT EFFORT ABOVE AVERAGE | 24% | 18% | 16% | 17% |
|---|-----|-----|-----|-----|

| | | | | |
|---|--------------|--------------|--------------|--------------|
| % OF COUNTIES ABLE TO COMPLY WITH CURRENT TAX EFFORT | 58% | 68% | 64% | 70% |
| CUMULATIVE SURPLUS | \$116.6 mil. | \$156.3 mil. | \$134.8 mil. | \$176.3 mil. |

c. Impact on the county tax rate of meeting its responsibilities under Senate Bill 49, as amended; ability of a county to meet its responsibilities under Senate Bill 49 if it adopts the average statewide adjusted tax rate - 1992-93

The tables in Appendix T and Appendix U replicate for the 1992-93 fiscal year the analyses done for the 1987-88 fiscal year in Appendix R and Appendix S. The results of this analysis may be summarized as follows:

| | SB49 WITH 1/2% SALES TAX (60%) | SB49 WITH 1/2% SALES TAX (100%) | SB49 AS AMENDED WITH 1/2% SALES TAX (60%) | SB49 AS AMENDED WITH 1/2% SALES TAX (100%) |
|--|---|--|---|--|
| % COUNTIES UNABLE TO COMPLY WITH SB49 | 30% | 24% | 14% | 9% |
| CUMULATIVE DEFICIT | \$21.2 mil. | \$13.2 mil. | \$ 8.7 mil. | \$ 5.1 mil. |

| | | | | |
|---|----|----|----|----|
| % OF COUNTIES UNABLE TO COMPLY WITH CURRENT TAX EFFORT; ABLE TO COMPLY WITH AVERAGE EFFORT | 5% | 7% | 3% | 1% |
|---|----|----|----|----|

| | | | | |
|---|----|----|----|----|
| % OF COUNTIES UNABLE TO COMPLY WITH AVERAGE TAX EFFORT; CURRENT EFFORT BELOW AVERAGE | 6% | 3% | 3% | 2% |
|---|----|----|----|----|

| | | | | |
|---|-----|-----|----|----|
| % OF COUNTIES UNABLE TO COMPLY WITH AVERAGE TAX EFFORT; CURRENT EFFORT ABOVE AVERAGE | 19% | 14% | 8% | 6% |
|---|-----|-----|----|----|

| | | | | |
|---|--------------|--------------|--------------|--------------|
| % OF COUNTIES ABLE TO COMPLY WITH CURRENT TAX EFFORT | 70% | 76% | 86% | 91% |
| CUMULATIVE SURPLUS | \$261.9 mil. | \$307.1 mil. | \$345.7 mil. | \$395.3 mil. |

The summary tables above show that for the 1987-88 fiscal year, with the funding swap, if the counties levy the 1/2% local sales and use tax and use 60% of it for school facilities, 69% of the counties can meet their financial obligations to the public schools either at their present property tax rate or at the statewide average property tax rate; 67% could meet their obligations without the funding swap. With the funding swap, if the counties apply 100% of the additional 1/2% sales and use tax to school facilities, 75% of the counties could meet their obligations for the 1987-88 fiscal year; without the funding swap, 74% could meet their responsibilities.

For the 1992-93 fiscal year, with the funding swap and with all counties applying 60% of the additional 1/2% local-option sales and use tax to school facilities, an estimated 89% of the counties could meet their obligations either at current levels of funding for schools or by adopting the average statewide property tax rate; if the counties apply 100% of the tax to school facilities, an estimated 92% could meet their responsibilities. Without the funding swap, an estimated 75% could meet their responsibilities with 60% of the sales tax and an estimated 83%

could meet their responsibilities with 100% of the tax for school facilities.

B. Senate Bill 49, as amended so that the State assumes responsibility for funding school maintenance and custodial personnel and all school clerical personnel and the counties assume full responsibility for funding all school utility costs effective, with the 1987-88 fiscal year

The Committee also considered whether Senate Bill 49 should be amended so the State would assume responsibility for funding all school maintenance and custodial personnel and all school clerical personnel and the counties would assume responsibility for funding all school utilities costs, effective with the 1987-88 fiscal year. The State will assume all responsibility for funding clerical personnel under the Basic Education Program; under this amendment, the State would assume this responsibility immediately instead of throughout the implementation of the Basic Education Program.

The net cost to the State of assuming responsibility for funding all school maintenance and custodial personnel, if the counties assume responsibility for funding all school utility costs effective with the 1987-88 fiscal year, and the total savings to the counties would be \$56 million per year. The effect this would have on individual counties was analyzed on pages 32 through 38 of this report.

The total additional cost to the State of assuming responsibility for funding all clerical personnel contemplated in the Basic Education Program, July 1, 1987, instead of throughout the implementation of the Basic Education Program would be \$46.2 million per year. It is impossible to compute how much this would save the counties because the State does not have data on how much the counties are currently spending for clerical personnel.

Some counties are currently doing without adequate clerical personnel. These counties would of course receive the benefit of

having adequate clerical personnel if the State assumed responsibility for paying for the extra personnel positions; no county funds would be freed up by the State funding these positions because the positions are currently nonexistent.

VII. Alternate allotment proposal for State-funded assistant principals and State-funded school secretaries.

The Committee considered an alternate allotment proposal for State-funded assistant principals and State-funded school secretaries, which was proposed by the North Carolina Principals/Assistant Principals Association. A copy of this proposal may be found in Appendix V.

RECOMMENDATIONS

Pursuant to the direction of Chapter 790 of the 1985 Session Laws, the Legislative Research Commission's Committee on the School Finance Act, after having reviewed the information presented, makes the following recommendations to the 1987 General Assembly:

RECOMMENDATION 1: SENATE BILL 49 (3RD EDITION), A BILL TO BE ENTITLED AN ACT TO ESTABLISH STATE AND LOCAL FUNDING RESPONSIBILITIES FOR THE UNIFORM SYSTEM OF FREE PUBLIC SCHOOLS, WHICH WAS CONSIDERED BY THE 1985 GENERAL ASSEMBLY, SHOULD BE ENACTED BY THE 1987 GENERAL ASSEMBLY WITH TWO AMENDMENTS - THE BILL SHOULD BE AMENDED (i) TO GIVE THE STATE FULL RESPONSIBILITY FOR FUNDING ALL SCHOOL MAINTENANCE AND CUSTODIAL PERSONNEL AND (ii) TO GIVE THE COUNTIES FULL RESPONSIBILITY FOR FUNDING ALL SCHOOL UTILITY COSTS EFFECTIVE WITH THE 1987-88 FISCAL YEAR.

I. Support for the goals of Senate Bill 49, as amended

There is overwhelming support for the main purpose of Senate Bill 49 - to redefine and clarify the responsibilities of the State and local governments for funding the public schools. The staff of several organizations concerned about school finance, however, including the North Carolina Association of County Commissioners, the Department of Public Instruction, the North Carolina School Boards Association, and the North Carolina Association of School Administrators urged that Senate Bill 49 be amended so that the State would assume full responsibility for funding all public school maintenance and custodial personnel and the counties would assume full responsibility for funding all school utility costs. Everyone appearing before the Committee expressed concern that the funding responsibilities of the State and local governments have been blurred over time - in some cases to the detriment of school operations and school facilities. Everyone appearing before the Committee felt that Senate Bill 49,

with this one adjustment in funding responsibilities, would do much to rectify this problem.

The General Statutes and the history of school finance in North Carolina give the State the primary responsibility for funding the operating expenses of the public schools and local governments the primary responsibility for funding school facilities. The current practice, however, is that many counties make significant financial contributions toward school operations and many counties anticipate that the State will make significant financial contributions toward school facilities. In some local school administrative units, this has worked well. In others, with no level of government clearly shouldering responsibility for funding different aspects of the public school program, it is difficult for the State government, the county governments, or the people of the State to see that the job gets done.

In recent years, North Carolina has begun to reexamine and reaffirm its long-standing commitment to providing for a general and uniform system of free public schools and for equal educational opportunity for every child. Part of this effort is the Basic Education Program, a program that describes the education program to be offered to every school child in the State and commits the State to funding the operating expenses of the program. Another part of this effort is the attempt to redefine funding responsibilities for the public schools that is contained in Senate Bill 49.

II. Issues addressed by Senate Bill 49, as amended

A. Delineation of State and local responsibilities for public schools

Senate Bill 49, with the proposed amendments, does four things. First of all, it sets out exactly what the State and the counties are required to pay for. The counties are required to pay for the following:

- (1) School buildings, related furniture, and apparatus adequate to meet the requirements of the Basic Education Program;
- (2) School property insurance;
- (3) Necessary expenses for the governing boards of the several local school administrative units such as per diem, subsistence, and mileage for local board meetings, any liability insurance they opt to have, and any legal defense of board members or employees they opt to provide; and
- (4) School utility costs.

The State is required to pay for all other costs of the Basic Education Program under the bill, as amended.

Senate Bill 49, without the amendments, requires the counties to pay the costs of school maintenance personnel. It also requires the counties to pay part of the costs of school custodial personnel and part of the costs of school utilities prior to full implementation of the Basic Education Program and to pay all of the costs of school custodial personnel and all of the costs of school utilities after full implementation of the Basic Education Program. The Committee decided to amend these provisions for three reasons. First of all, the North Carolina Association of County Commissioners, the Department of Public Instruction, the North Carolina School Boards Association, and the North Carolina Association of School Administrators urged that the provisions be amended so that the State shouldered the full costs of school maintenance and custodial personnel. Secondly, the school maintenance and custodial personnel expressed their preference to be treated as State employees. Finally, by funding this additional part of the costs of school facilities, the State is making more counties better able to meet the financial obligations assigned to them by Senate Bill 49.

The bill, as amended, also states that counties can opt to pay for items the State is required to fund and the State can opt

to pay for items the counties are required to fund. Thus, the citizens of a given county could decide to provide their children with a better education than that currently funded in the Basic Education Program. Also, the State could decide to improve school facilities either where there is critical need or statewide.

B. Local maintenance of effort

Second, Senate Bill 49, as amended, requires the counties to maintain their current level of appropriations for education until the Basic Education Program is implemented or until June 30, 1993 (the projected date for full implementation of the Basic Education Program), whichever is sooner. This requirement makes the bill complement the State's funding of the Basic Education Program. As the State provides more and more money for school operating expenses via the Basic Education Program, the bill requires the counties to keep the total per pupil expenditures for school operating expenses at least as high as it was for the 1984-85 fiscal year. The bill also requires the counties to use any funds they save when the State increases its share of school operating costs to increase the counties' contributions for school facilities costs. Finally, the bill provides that the Local Government Commission can waive these maintenance of effort provisions if a county shows it can provide for its public school capital needs without them.

C. Redefinition of what local boards of education can legally compel the county commissioners to pay for

Third, Senate Bill 49, as amended, narrows what the local boards of education can legally compel the county commissioners to pay for. The current law contains a mechanism by which a local board of education can compel the county commissioners to provide sufficient funds "to support a system of free public schools". The bill changes the current law so the local board of education can only compel the county commissioners to pay for those responsibilities for funding the public schools that the General Assembly assigns to counties. This provision of the bill both

narrows and clarifies what is a very broad and general standard under current law. Under the narrower and clearer standard, the local board of educations would be better able to determine what they should take the county commissioners to task for and the county commissioners would be better able to determine their responsibilities.

D. Categorical funding

Finally, Senate Bill 49, as amended, states the intent of the General Assembly to fund school operations in categories. The bill directs the State Board of Education to develop appropriate categories and present them to the General Assembly. The General Assembly would approve the categories and begin to appropriate funds in them.

The current method of State funding for public schools narrowly limits what the funds can be used for. This constraint makes it extremely difficult for local boards of education to try out different ideas that may be better suited to their local circumstances or that may even serve as a model for the State as a whole. A pilot program to permit some small amount of flexibility in expenditures of State funds has given the State some experience with the concept of categorical funding for schools. Participants in the pilot program urge that the concept be pursued with adequate safeguards and oversight.

III. Concerns about the counties' ability to meet the financial responsibilities assigned to them by Senate Bill 49

A major concern that the 1985 General Assembly had when it considered Senate Bill 49 was whether local governments could meet the financial responsibilities assigned to them by Senate Bill 49. This concern was one of the things that prompted this study by the Legislative Research Commission and it was the issue that this Committee spent the most time and effort deliberating.

It is clear throughout this report that the data the Committee analyzed was often imprecise. The Committee's analysis did, however, show that, without the 1/2% local-option sales and

use tax authorized by the 1986 Session of the 1985 General Assembly, an estimated 69% of the counties would be unable to meet their financial responsibilities under Senate Bill 49 for the 1987-88 fiscal year at their current level of appropriations for public schools. If the counties levied the additional 1/2% local-option sales and use tax authorized by the 1986 Session of the General Assembly and used 60% of it to supplement their appropriations for school facilities, an estimated 42% could not meet their financial responsibilities under Senate Bill 49. If they used 100% of the additional tax to supplement their appropriations for public schools, 32% still could not meet their financial responsibilities under Senate Bill 49 for the 1987-88 fiscal year. Even if the counties levied the additional tax, used 100% of it to supplement appropriations for schools, and raised their property tax rate to the statewide average and used the money from the property tax increase to supplement appropriations for public schools, an estimated 26% of the counties could not meet their financial responsibilities under Senate Bill 49 for the 1987-88 fiscal year.

These statistics are somewhat better if the State assumes responsibility for funding all school maintenance and custodial personnel and the counties, in 1987-88, assume full responsibility for funding all utility costs. The cost to the State for the 1987-88 fiscal year would be \$56 million. If the counties were relieved of this responsibility, they would be better able to meet their obligations under the bill. The concerns would not, however, disappear. Under Senate Bill 49, as amended, if the counties levied the additional 1/2% local-option sales and use tax authorized by the 1986 Session of the General Assembly and used 60% of it to supplement their appropriations for school facilities, an estimated 36% could not meet their financial responsibilities under Senate Bill 49, as amended. If they used 100% of the additional tax to supplement their appropriations for public schools, 30% still could not meet their financial

responsibilities under Senate Bill 49, as amended, for the 1987-88 fiscal year. Even if the counties levied the additional tax, used 100% of it to supplement appropriations for schools, and raised their property tax rate to the statewide average and used the money from the property tax increase to supplement appropriations for public schools, an estimated 26% of the counties could not meet their financial responsibilities under Senate Bill 49, as amended, for the 1987-88 fiscal year.

There are a number of possible reasons why a county might have a problem meeting the requirements of Senate Bill 49, as amended. A significant reason for most "problem counties" is below-average fiscal capacity. Many of these counties are in rural or remote areas of the State and have not shared in the "wealth" of industrial development that has taken place in the major urban areas and in a few rural areas. These counties have low property values and income levels and do not have the retail sales base of other areas.

Another significant reason is that a county may have a large backlog of school facility needs. This backlog may have been caused by past inability to pay for school facilities or past unwillingness to commit funds for school facilities.

A final reason that a county could not meet its financial requirements under Senate Bill 49, as amended, is that special needs in other areas of a county's budget may have preempted spending on school facilities. The cutback in federal aid since 1981 and the specific loss of \$117 million of federal revenue sharing funds has placed a great burden on the counties in North Carolina.

Although the Committee continues to be concerned about the apparent inability of some counties to meet the financial obligations assigned to them in the bill, the Committee recognizes that this problem is not caused by the bill. The duty of the counties to provide for school facilities and the current backlog of school facility needs antedate Senate Bill 49. The enactment

by the 1986 General Assembly of the additional 1/2% local-option sales and use tax did much to alleviate the problem of inability to pay.

Senate Bill 49, as amended, may, in fact, do much more to alleviate the problem of inability to pay. The bill, in effect, redirects the counties to focus their resources and efforts on school facilities. This in and of itself may cause the counties to reexamine their priorities and place more emphasis on school facility needs. Also, the bill directs the counties to use for school facilities any local funds that are freed up as the State provides more money for school operating costs. The statistics the Committee developed indicate that as the State fully funds the Basic Education Program and as the counties use funds freed up by increased State appropriations for school operating costs, the counties are better able to meet their financial requirements under the bill. The influx of new State funds for school operating costs coupled with the maintenance of effort provisions greatly lessen the problems of inability to pay.

The Committee finds that Senate Bill 49, as amended, is a major step toward improving educational opportunities for every school-age child in North Carolina. Lingering concerns about the counties' ability to pay indicate only that, like any other major piece of legislation, the School Finance Act may need to be fine-tuned by subsequent General Assemblies.

RECOMMENDATION 2: THE GENERAL ASSEMBLY SHOULD CREATE A SPECIAL FUND, ADMINISTERED BY THE STATE BOARD OF EDUCATION, TO HELP THE COUNTIES WITH THE GREATEST SCHOOL FACILITY NEEDS RELATIVE TO THEIR AVAILABLE RESOURCES TO MEET THEIR MOST CRITICAL SCHOOL FACILITY NEEDS. TEN MILLION DOLLARS SHOULD BE APPROPRIATED TO THE FUND FOR THE 1987-88 FISCAL YEAR.

Even with the new revenues the 1986 Session of the General Assembly provided to local governments in the form of the additional 1/2% local-option sales tax, the analyses in this report indicate that certain counties will be unable to meet their

financial responsibilities under Senate Bill 49 as amended. The biggest reason these counties cannot meet their responsibilities is their great backlog of school facility needs. Many of these counties are rural in nature, and with a declining farm economy and a loss of federal aid, have no resources to improve their facilities.

The loss of federal revenue-sharing is extremely important in this regard because approximately one-third of these revenues were distributed on the basis of ability to pay; that is, poorer counties received a greater relative share. Also, the formula provided additional funds to those poor counties that made an above average tax effort. Finally, a significant proportion of federal revenue-sharing funds were used for school facilities.

In looking at ways to provide additional assistance to counties in meeting their school facility needs, the Committee is aware of numerous constraints. For one thing, it will be much more difficult to increase state and local sales taxes in the future because these taxes are no longer deductible under federal tax reform. In addition, if Congress decides to live under the Gramm-Rudman-Hollings legislation next year, federal aid to the State could be reduced as much as 8%. Also, the overall economy has been growing at a slower rate for the past two years and there seems to be no prospect that this outlook will improve. The farm and manufacturing economies continue to be faced with long-term problems. Finally, a continued commitment by the State to the Basic Education Program and the Career Development Program will eliminate almost all of the revenue available to the State for new projects or to increase funding for existing projects.

The overall fiscal outlook for 1987-88 leads the Committee to conclude that any State initiative to provide further assistance to counties must be limited in scope. To limit the funding level of such a State initiative and to still have a substantial impact, the Committee decided to target the new program to those poor counties having the most pressing needs. Spreading the assistance

too far would lead to a situation in which the help would not be meaningful.

The Committee decided that a "critical needs" fund approach should be used to target State assistance to those counties whose school facility needs are greatest in relation to their resources. Such an approach was considered by the 1985 General Assembly in Senate Bill 431. Senate Bill 431 would have increased the State sales and use tax by 1/2% and used the proceeds for public school capital construction. The bill would have earmarked up to 5% of the proceeds of the tax each year to be used "for demonstration projects, emergency projects, and other special projects, as the State Board (of Education) deems appropriate." Five percent of the annual proceeds of the tax proposed in Senate Bill 431 would have been around \$10 million per year.

The Committee recommends that a Special Fund to Meet Critical School Facility Needs be created in the Department of Public Education. The fund should be administered by the State Board of Education. In light of the fiscal situation in the State, the Committee recommends an appropriation of \$10 million for the 1987-88 fiscal year to the fund.

The Committee is wary of the General Assembly or the State Board of Education trying to set any single formula under which funds from the fund should be allocated. The available statistics on school facility needs and the fiscal ability of the counties to meet those needs are too imprecise to be used in any mathematical formulas.

Instead of allocation formulas, the Committee recommends that the legislation creating the fund contain specific criteria that the State Board of Education must consider in deciding how to allocate assistance. These criteria should include:

- (1) The total amount of school facility needs relative to the per pupil needs.

- (2) Specific information on school facility needs that shows the critical nature of the needs.
- (3) Whether the county's plans to improve school facilities would bring the facilities into compliance with statewide standards for school facilities as established by the State Board of Education.
- (4) The per capita income of the county.
- (5) The per capita taxable property level of the county, as compared to other counties that are required to revalue their property the same year as the applicant county.
- (6) The property tax effort of the county, relative to other counties that revalue their property the same year as the applicant county.
- (7) The effort the county has made to meet its school facility needs.
- (8) Any pressing non-school needs that would force a county to divert its resources from school facilities.

A county that wanted money from the fund would apply to the State Board of Education for funds for a particular critical project, not just for funds to meet school facility needs in general. The application would contain information on how the critical need for which funds are requested would be met, how much State money is required, and how much the county plans to contribute to the project. The application would also include an analysis of the school facility needs of the county and a long-range plan for meeting those needs. At the request of the county commissioners or a board of education in a county, the State Board of Education shall provide technical assistance in facility planning to a county submitting an application for funds for a project.

The Committee feels that this fund offers a reasonable first step toward helping poor counties meet their school facility needs. As the State provides additional funds for the Basic Education Program and as it gets more experience with a School

Finance Act, if enacted, the General Assembly may want to increase or decrease the amount appropriated to the fund or to find other ways to provide assistance to these counties.

A draft of a bill containing this recommendation may be found in Appendix W of this report.

RECOMMENDATION 3: THE STATE BOARD OF EDUCATION SHOULD DEVELOP AND REPORT TO THE GENERAL ASSEMBLY ON STATEWIDE STANDARDS FOR SCHOOL FACILITIES ADEQUATE TO MEET THE REQUIREMENTS OF THE BASIC EDUCATION PROGRAM. THE STANDARDS SHOULD BE PHASED IN OVER TIME AND SHOULD "GRANDFATHER IN" OLD BUILDINGS FOR THE PROJECTED LIFE OF THOSE BUILDINGS.

A major problem the Committee encountered in the course of its work is that it is impossible to determine with any degree of certainty or uniformity the school facility needs of each county. There are no clear statewide standards in force as to what are adequate facilities to accommodate the Basic Education Program. Without this clarity, it is difficult to judge the reasonableness of information on school facility needs compiled by the Department of Public Instruction. The Committee experienced great difficulty in trying to analyze the ability of the counties to meet their financial responsibilities under Senate Bill 49 because of uncertainty about just how much adequate school facilities - the greatest component of the counties' responsibility - would cost.

Also, it is difficult to hold the counties accountable for providing adequate school facilities if there is no clear standard to compare them to. If North Carolina is to follow through on its commitment to provide for a general and uniform system of free public schools and for equal educational opportunity for every child, the State must set a basic standard for school facilities that must be met by every school in every county of the State.

A reliable standard for school facilities would also be helpful to the Local Government Commission when it considers petitions to lift the restrictions on the expenditure of revenue from the 1983 1/2% local-option sales and use tax and the 1986

1/2% local-option sales and use tax. The General Statutes require counties that levy these taxes to use a certain percent of the revenue from the taxes for public school capital outlay purposes. The law allows counties that can otherwise provide for their public school capital needs to petition the Local Government Commission to waive this limitation. The Commission must issue a written decision on the petition stating the findings of the Commission concerning the public school capital needs of the petitioning county. Statewide standards would give the Commission a uniform yardstick by which to make its determination and its findings.

Statewide standards would have to be phased in over time and existing structures would have to be grandfathered in. Obviously, the counties could not be expected to bring their school facilities into compliance with new standards immediately. To require immediate compliance with new standards would place an unreasonable burden on the counties. It would also involve large expenditures of scarce funds to modify buildings that are adequate, at least in the short run.

The State Board of Education should be primarily responsible for developing the standards. The State Board has the expertise available to it in the Department of Public Instruction and it has the constitutional mandate to supervise and administer the system of free public schools.

A draft of a bill containing this recommendation may be found in Appendix X.

RECOMMENDATION 4: THE DEPARTMENT OF REVENUE SHOULD BE REQUIRED TO PERFORM SALES-ASSESSMENT RATIO STUDIES FOR ALL 100 COUNTIES. ADDITIONAL FUNDING FOR THIS PURPOSE SHOULD BE APPROPRIATED TO THE DEPARTMENT OF REVENUE FROM INTANGIBLES TAX REVENUES. THE COUNTIES SHOULD BE REQUIRED TO ASSIST THE DEPARTMENT OF REVENUE IN PERFORMING THESE STUDIES.

Sales-assessment ratio studies examine the relationship between the assessed value of certain classes of property and the market value of the property. The primary purposes of the studies

are to check the reliability of real property revaluation in a county, to compare assessment efforts between counties, and to determine fiscal capacity and tax effort for use in State aid formulas.

Practically all states have had a mechanism for requiring periodic sales-assessment ratio studies in place for years. A major reason for these studies was the existence of equalization formulas - often, court-ordered equalization formulas. The first such study in North Carolina took place in 1984-85, at the direction of the General Assembly. That study was performed by the Department of Revenue, with existing Departmental resources and county assistance, using January 1, 1984 assessed values. The result of this study is shown in the table in Appendix Y. Column 2 in the table shows the relationship of each county's assessment of real property to the property's market value as of January 1, 1984. The range of values is from 28.3% in Gates County to 98.5% in Surry County. (For counties that revalued in 1984, the range is from 59.4% in Rutherford County to 97.8% in Iredell County).

Since the Department of Revenue study, the only other sales-assessment ratio studies performed in North Carolina were done by the railroads for use in lawsuits in federal district court. These studies cover only the counties subject to the lawsuit and will not be repeated in the future unless further litigation takes place.

In response to the lawsuit by the railroads, the 1985 General Assembly enacted legislation requiring that the tax value of public service property be adjusted downward in the year of a revaluation and in certain years thereafter according to sales-assessment ratio studies. These studies will be performed by the Department of Revenue on a schedule of about 40 per year. The Department told the Finance Committees of the House and Senate that it could meet this schedule without additional financial resources.

A similar bill backed by the railroad industry, House Bill 842, came close to enactment during the 1986 Session. This bill provided that railroad property would be adjusted downward to the level at which other real property was revalued in the year of a revaluation and in certain years thereafter. The adjustments would be based on sales-assessment ratio studies by the Department of Revenue with the assistance of the counties. These studies would have been performed on a schedule of 60 to 65 per year. The Department felt that additional financial resources would be required to perform that many studies a year.

Legislation similar to House Bill 842 is currently under review by the Property Tax System Study Committee. It is likely that the 1987 General Assembly will give such a bill serious review.

One reason this Committee's conclusions regarding the fiscal capacity and tax efforts of the various counties are as imprecise as they are is that the special sales-assessment ratio study it used was performed back in 1984. Thus, there is no way under the staggered octennial revaluation schedule for real property to compare data on the current property tax base in different counties with any certainty. There is no prospect for future sales-assessment ratio studies of all 100 counties.

The Committee finds that it is essential that, like most other states, North Carolina perform annual sales-assessment ratio studies for every county. Senate Bill 49 would assign the counties financial responsibility for certain costs of the public schools, principally public school facility costs. Without sales-assessment data, the General Assembly will never be able to determine whether the counties can meet the costs assigned to them under Senate Bill 49; therefore, there will always be uncertainty about whether the State should help the counties in meeting these costs, how much help the State should provide, and how the State should target the help it provides. Also, future studies of school finance and school facility needs will be seriously

hampered. Finally, the General Assembly will have difficulty in monitoring the effects of Senate Bill 49 or another School Finance Act.

The Committee notes that there are a number of other reasons to recommend annual sales-assessment ratio studies. First of all, 40% of the counties already must be reviewed annually under the 1985 legislation. Under legislation the 1987 General Assembly is likely to consider, at least 60% of all counties would be studied annually. Second, data from annual sales-assessment ratio studies could be used in the continuing efforts to modernize the property tax system. Finally, there is a good basis for annual studies of all 100 counties since in 1984 a statewide study was performed.

The proceeds from the intangible tax would be an appropriate source of funds for sales-assessment ratio studies. The net proceeds of the tax are distributed to the counties and cities. Prior to this distribution, an amount is appropriated by the General Assembly for the operations of the Ad Valorem Tax Division of the Department of Revenue and for property tax assistance provided by the Institute of Government. The only step required to implement this recommendation is a provision authorizing the Department of Revenue to use intangibles tax revenues for the studies. No additional State funds would be required.

A draft of a bill containing this recommendation may be found in Appendix Z.

RECOMMENDATION 5: THE LEGISLATIVE RESEARCH COMMISSION SHOULD DIRECT THE STUDY ON THE SCHOOL FINANCE ACT TO CONTINUE TO MONITOR SCHOOL FINANCE DURING THE 1987-89 FISCAL BIENNIUM.

Due to the complexity of the issues involved, the major commitment the General Assembly has made and continues to make to funds for the public schools, and the critical importance of school finance to the citizens of the State, the Committee recommends that the Legislative Research Commission continue the Study on the School Finance Act during the 1987-89 fiscal biennium. The Committee feels that it is extremely important that

a School Finance Act be enacted by the General Assembly. If the 1987 Session fails to do so, the Committee will need to do more work on such a bill. If the 1987 Session enacts a School Finance Act, it, like any other major piece of legislation, will need monitoring and fine-tuning.

The Committee is especially concerned about the great backlog of school facility needs across the State. The Committee feels that Senate Bill 49, along with the new 1/2% local-option sales tax, would do much to alleviate this backlog but it will not alleviate it over night. Also, there may be counties where the counties' ability to pay for public schools and the level of State funding for education are simply not adequate to get the job done; if this proves to be the case, the Committee may need to consider other mechanisms to provide assistance.

A draft of a resolution containing this recommendation may be found in Appendix AA.

APPENDIX A

APPENDIX A

CHAPTER 790
SENATE BILL 636

AN ACT AUTHORIZING STUDIES BY THE LEGISLATIVE RESEARCH COMMISSION, MAKING TECHNICAL AMENDMENTS THERE TO, AND TO MAKE OTHER AMENDMENTS.

The General Assembly of North Carolina enacts:

Section 1. Studies Authorized. The Legislative Research Commission may study the topics listed below. Listed with each topic is the 1985 bill or resolution that originally proposed the issue or study and the name of the sponsor. The Commission may consider the original bill or resolution in determining the nature, scope and aspects of the study. The topics are:

(43) School Finance Act (S. D. 848-Taft).

Sec. 3. Reporting Dates. For each of the topics the Legislative Research Commission decides to study under this act or pursuant to G.S. 120-30.17(1), the Commission may report its findings, together with any recommended legislation, to the 1987 General Assembly, or the Commission may make an interim report to the 1986 Session and a final report to the 1987 General Assembly.

Sec. 4. Bills and Resolution References. The listing of the original bill or resolution in this act is for reference purposes only and shall not be deemed to have incorporated by reference any of the substantive provisions contained in the original bill or resolution.

Sec. 8. This act is effective upon ratification.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1985

SENATE JOINT RESOLUTION 848

Sponsors: Senators Taft, Winner; Warren, Hardison, Smith.

Referred to: Appropriations.

July 9, 1985

1 A JOINT RESOLUTION AUTHORIZING THE LEGISLATIVE RESEARCH
2 COMMISSION TO STUDY THE FISCAL IMPACT OF SENATE BILL 49.

3 Whereas, the Senate has approved Senate Bill 49 which
4 delineates the financing responsibilities of the State, the
5 counties, and the local boards of education for public elementary
6 and secondary education; and

7 Whereas, this bill will be considered by the House of
8 Representatives when the 1985 General Assembly convenes for the
9 regular Session of 1986; and

10 Whereas, there is a critical need for additional
11 detailed information regarding the budgetary and fiscal
12 implications of Senate Bill 49, especially the impacts upon
13 local government expenditures for public education;

14 Now, therefore, be it resolved by the Senate, the House of
15 Representatives concurring:

16 Section 1. The Legislative Research Commission may
17 study the division of State and local government responsibilities
18 for financing the public school system which is proposed in
19 Senate Bill 49. The Commission may review the phased approach to
20 full funding of the Basic Education Program by July 1, 1993,

1 proposed by the State Board of Education. The Commission may
2 study the present level of local appropriations for public
3 schools, and the building needs of the public school system in
4 order to determine whether the proposed financing
5 responsibilities for local governments contained in Senate Bill
6 49 can be addressed by existing local financial resources. The
7 Commission may review the Public School Budget and Fiscal Control
8 Act to determine whether the existing system of budgeting,
9 accounting and fiscal control is compatible with the assignment
10 of responsibilities proposed in Senate Bill 49.

11 Sec. 2. The Commission may call upon the Department of
12 Public Education and representatives of local governments
13 directly involved in the financing of public schools to
14 participate in the study of Senate Bill 49. The Superintendent
15 of Public Instruction and the Controller to the State Board of
16 Education shall ensure that their staff cooperate fully with the
17 Commission.

18 Sec. 3. The Commission shall make a final report of its
19 recommendations to the 1985 General Assembly, Regular Session
20 1986.

21 Sec. 4. This resolution is effective upon ratification.
22
23
24
25
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27
28

APPENDIX B

LEGISLATIVE RESEARCH COMMISSION

Senator J. J. Harrington, Cochairman
Senator Henson P. Barnes
Senator A. D. Guy
Senator Ollie Harris
Senator Lura Tally
Senator Robert D. Warren

Representative Liston B. Ramsey, Cochairman
Representative Christopher S. Barker, Jr.
Representative John T. Church
Representative Bruce Ethridge
Representative Aaron Fussell
Representative Barney Paul Woodard

STATE OF NORTH CAROLINA
LEGISLATIVE RESEARCH COMMISSION
STATE LEGISLATIVE BUILDING
RALEIGH 27611



MEMBERSHIP OF THE
LEGISLATIVE RESEARCH STUDY COMMITTEE
ON
SCHOOL FINANCE ACT

Senator Robert D. Warren, Cochairman
Mr. Dallas L. Alford
Mrs. Earl Bonner
Senator Harold W. Hardison
Senator Thomas F. Taft

Representative Joe R. Hudson, Cochairman
Representative Richard E. Chalk, Jr.
Representative David H. Diamont
Representative Henry M. Michaux, Jr.
Representative Wendell H. Murphy

Legislative Research Commission Member -
Representative Aaron Fussell

Legal Staff - Ms. Sarah Fuerst

Fiscal Staff - Mr. David Crotts
Ms. Bida Highfill

Committee Clerk - Ms. Sue Floyd

APPENDIX C

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1985

S

3

SENATE BILL 49
Committee Substitute Adopted 6/21/85
Third Edition Engrossed 7/1/85

Short Title: Public School Funding.

(Public)

Sponsors: Senator

Referred to: Education.

February 22, 1985

1

A BILL TO BE ENTITLED

2 AN ACT TO ESTABLISH STATE AND LOCAL FUNDING RESPONSIBILITIES FOR
3 THE UNIFORM SYSTEM OF FREE PUBLIC SCHOOLS.

4

Whereas, North Carolina has a long-standing commitment
5 to providing for a general and uniform system of free public
6 schools and for equal educational opportunity for every child;
7 and

8

Whereas, it is a nationwide problem that the quality and
9 the quantity of the school programs is in part dependent upon
10 where a child lives; and

11

Whereas, no one approach to solving this problem of
12 inequity has been widely accepted as the best solution; and

13

Whereas, in North Carolina, total State funding of
14 school operating costs would assure that an acceptable level of
15 educational opportunity is available for every school child; and

16

Whereas, because the needs of local school systems are
17 not uniform throughout the State, local school boards must have
18 the power and the duty to tailor certain elements of their
19 educational systems to their local educational needs; and

20

21

1 Whereas, State funds for education operating expenses
2 should primarily be allocated to local school administrative
3 units on the basis of the number of pupils served so that the
4 local school boards can gear their expenditures to serving pupil
5 learning; and

6 Whereas, county governments may enhance the level of
7 educational opportunity funded by the State with local
8 supplemental funds; and

9 Whereas, North Carolina's tradition of dual funding -
10 that is the tradition of having the State fund school operating
11 costs and the counties the capital costs - has been blurred over
12 time, in some cases to the detriment of adequate school
13 curriculum and school facilities; and

14 Whereas, the counties' duty to provide adequate school
15 facilities to support the educational program funded by the State
16 should be clearly defined; and

17 Whereas, it is imperative that local school boards
18 operate the public school system efficiently, so as to provide
19 the school children the best possible education at the minimum
20 cost to the taxpayers; and

21 Whereas, the State Board of Education, acting pursuant
22 to G.S. 115C-81, has defined a basic education program; and

23 Whereas, the Public Education Policy Council, after a
24 thorough analysis of North Carolina's public education program,
25 found that it was essential to clarify State and local funding
26 responsibilities so as to assure equal educational opportunity
for every school child in North Carolina; Now, therefore,

27 The General Assembly of North Carolina enacts:

1 Section 1. Financial Responsibility. G.S. 115C-1 is
2 amended by adding the following subsection:

3 "(g, The traditional partnership between State and local
4 funding sources is hereby made a part of the statutory framework
5 undergirding the public school system of the State by the
6 following definition of responsibility for funding the Basic
7 Education Program for North Carolina's Public Schools. Local
8 boards of education and boards of county commissioners are
9 authorized and directed to fund from local sources all facility
10 construction and renovation costs; all facility maintenance
11 costs; all facility operations costs, including insurance,
12 custodial and energy costs; and all necessary expenses of the
13 governing boards for the local school administrative units. The
14 State Board of Education is authorized and directed to fully fund
15 on an incremental basis within funds appropriated by the General
16 Assembly all other costs of the Basic Education Program."

17 Sec. 2. Intent. It is the intent of the General
18 Assembly that effective July 1, 1987, State funds for the
19 operation of the Basic Education Program be allocated to local
20 administrative units in categories to be developed by the State
21 Board of Education and approved by the General Assembly. Toward
22 that end, the State Board of Education shall develop a plan for
23 implementing this new allocation method and shall report that
24 plan to the 1986 General Assembly.

25 Sec. 3. Schedule of Implementation. The following
26 schedule of implementation shall apply to those financing
responsibilities assigned to the several boards of county

28

1 commissione., and local boards of education in Section 1 of this
2 act.

3 (a) Effective July 1, 1986, the several boards of
4 county commissioners and local boards of education shall be
5 solely responsible for financing from local sources the costs of:

6 (1) providing school buildings, related furniture, and
7 apparatus adequate to meet the requirements of the
8 Basic Education Program;

9 (2) school maintenance personnel;

10 (3) school property insurance pursuant to G.S. 115C-
11 534;

12 (4) necessary expenses for the governing boards of the
13 several local school administrative units pursuant
14 to G.S. 115C-38, 115C-42, and 115C-43.

15 (b) Upon full implementation of those elements of the
16 Basic Education Program that are the financial responsibility of
17 the State, the costs of school utilities and the costs of
18 custodial personnel shall be paid solely from local funds. In
19 this interim, the General Assembly shall appropriate sufficient
20 funds to maintain a share of these costs no less than the
21 proportion of these expenditures paid from State funds in fiscal
year 1984-85.

22 Sec. 4. Maintenance of Effort. [S-(a)] During the
23 period of time in which the Basic Education Program is being
24 implemented but not beyond June 30, 1993, the several boards of
25 county commissioners shall appropriate sufficient funds to the
26 local Current Expense Fund of their local boards of education to
27 assure that these funds, when added to State funds appropriated

1 by the General Assembly for the operating costs of public
2 schools, are not less than the combined amount available on a per
3 pupil basis from those sources during fiscal year 1984-85. Any
4 reductions in operating expenses from county appropriations shall
5 be reflected by increases in capital improvements and maintenance
6 operations, reduction of capital debt, and/or appropriations to
7 capital reserve funds for schools. In calculating the amount of
8 local money to be appropriated, county commissioners shall use
9 official estimates of pupil population and allotment data
10 provided by the State Board of Education.

11 (b) The Local Government Commission may, upon petition
12 by a county, authorize a county to use part or all of its tax
13 revenue otherwise required by subsection (a) for any lawful
14 purpose. The petition shall be in the form prescribed by the
15 Local Government Commission and shall demonstrate that the county
16 can provide for its public school capital needs without
17 restricting the use of part or all of the local tax dollars
18 replaced by State appropriations to the county for this purpose.

19 In making its decision, the Local Government Commission
20 may consider information from sources other than the petition.
21 The Commission shall issue a written decision on each petition
22 stating the findings of the Commission concerning the public
23 school capital needs of the petitioning county and the percentage
24 of revenue otherwise restricted by subsection (a) that may be
25 used by the petitioning county for any lawful purpose.

26 Decisions of the Commission allowing counties allowing
27 counties to use a percentage of their tax revenue that would
28 otherwise be restricted under subsection (a) for any lawful

1 THE MAXIMUM DAILY LOAD FOR TEACHERS IN GRADES 7 AND 8 IS THE
 2 PRODUCT OF SIX TIMES THE CURRENTLY FUNDING MAXIMUM AVERAGE CLASS
 3 SIZE. THE MAXIMUM DAILY LOAD OF TEACHERS IN GRADES 9 THROUGH 12
 4 IS THE PRODUCT OF FIVE TIMES THE CURRENTLY FUNDING MAXIMUM AVERAGE
 5 AVERAGE CLASS SIZE.

6 UNDER EXCEPTIONAL CIRCUMSTANCES, THE BOARD OF EDUCATION
 7 MAY RECEIVE MATTERS FROM THE MAXIMUM AVERAGE CLASS SIZES, THE
 8 MAXIMUM CLASS SIZES FOR EACH CLASS, AND THE MAXIMUM DAILY LOADS
 9 FOR TEACHERS SET OUT IN THE SECTION. MATTERS RECEIVED UNDER
 10 THIS PARAGRAPH SHALL BE DISCLOSED IN THE BIENNIAL REPORT REQUIRED
 11 BY S/81 1180722(A)(1)(B)(1)(C)

12 [S-800/ 6/][S-Sec. 5.] Arbitration of Disputes. (a)
 13 G. S. 115C-431(a) is amended in the first sentence by deleting the
 14 words "to the local current expense fund, or the capital outlay
 15 fund, or both, by the board of county commissioners is not
 16 sufficient to support a system of free public schools" and
 17 substituting the words "by the county commissioners to finance
 18 the responsibilities assigned by the General Assembly to county
 19 governments in G.S. 115C-81(g)".

20 (b) G.S. 115C-431(c) is amended in the second sentence
 21 by deleting the words "maintain a system of free public schools"
 22 and substituting the words "finance those responsibilities
 23 assigned by the General Assembly to county governments in G.S.
 24 115C-81(g)".

25 (c) G.S. 115C-431(c) is further amended in the last
 26 sentence of the first paragraph by deleting the words "to
 27 maintain a system of free public schools" and substituting the

28

1 words "to finance those responsibilities assigned by the General
2 Assembly to county governments in G.S. 115C-81(g)".

3 (d) G.S. 115C-431(d) is amended in the first sentence
4 by deleting the words "for deposit in the local current expense
5 fund".

6 [~~S-822/ 7/~~][S-Sec. 6.] Additional Appropriations.
7 Nothing in this act shall prohibit the General Assembly from
8 providing funds for the financing responsibilities assigned to
9 the boards of county commissioners and local boards of education
10 in Section 1 of this act or prohibit the boards of county
11 commissioners and local boards of education from providing funds
12 for the financing responsibilities assigned to the General
13 Assembly in Section 1 of this act.

14 [~~S-822/ 8/~~][S-Sec. 7.] This act shall become effective
15 July 1, 1986.

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APPENDIX D

The State Board of Education will update this schedule annually to reflect the most recent cost figures and average daily membership projections available, as well as changes in the priorities of the State Board of Education and the General Assembly. In addition, the figures in each column below represent the increment of funding above the previous year's funding needed to implement the Basic Education Program (except for the 1985-86 school year, which column reflects the actual amounts funded).

June 1986 (Rev.)

NORTH CAROLINA BASIC EDUCATION PROGRAM TENTATIVE IMPLEMENTATION SCHEDULE
(In millions of dollars)

| Instr. Personnel | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 | 1992-93 | Total |
|--|----------|---------|----------|----------|----------|----------|----------|----------|-----------|
| 1. Reg. Class. Tchrs. | 1,357 | 205 | 1,618 | 1,645 | 1,598 | 1,311 | 1,803 | 1,257 | 10,794 |
| | \$36.277 | \$5.500 | \$43.199 | \$44.217 | \$42.952 | \$35.238 | \$48.463 | \$33.787 | \$289.560 |
| 2. Exc. Child Tchrs. | 0 | 0 | 669 | 624 | 0 | 0 | 0 | 0 | 1,293 |
| | \$0 | \$0 | \$17.884 | \$16.681 | \$0 | \$0 | \$0 | \$0 | \$37.566 |
| 3. Voc. Ed. Tchrs. | 0 | 0 | 0 | 0 | 123 | 104 | 96 | 111 | 434 |
| | \$0 | \$0 | \$0 | \$0 | \$3.287 | \$2.779 | \$2.565 | \$2.966 | \$11.597 |
| 4. Voc.Ed.Full Funding | \$0 | \$0 | \$21.100 | \$21.100 | \$0 | \$0 | \$0 | \$0 | \$42.200 |
| 5. In-Sch.Susp.Tch., Dropout Prev. & Job Place. Couns. | 534 | 173 | 69 | 69 | 69 | 69 | 68.5 | 0 | 1,051 |
| | \$15.102 | \$4.878 | \$1.951 | \$1.951 | \$1.951 | \$1.951 | \$1.937 | \$0 | \$29.723 |
| 6. Cert. Support Pos. (Couns., Media Spec., Psychologists, School Nurses, Social Wkrs.) | 0 | 200 | 100 | 300 | 665 | 665 | 668 | 668 | 3,266 |
| | \$0 | \$5.695 | \$2.847 | \$8.542 | \$18.935 | \$18.935 | \$19.020 | \$19.020 | \$92.993 |
| 7. Tchr. Aides, K-3 | 0 | 0 | 0 | 0 | 0 | 0 | 851 | 858 | 1,709 |
| | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$9.315 | \$9.392 | \$18.707 |
| 8. Summer Sch.Instr. | \$3.900 | \$3.900 | \$17.428 | \$0 | \$0 | \$0 | \$0 | \$0 | \$25.228 |

(In millions of dollars)

| Instructional Support | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 | 1992-93 | Total |
|-------------------------------------|--------------------|------------------|----------------------|----------------------|----------------------|----------------------|--------------------|--------------------|----------------------|
| 1. Asst. Principals | 55 \$1.732 | (3) (\$0.094) | 163 \$5.149 | 164 \$5.185 | 0 \$9.362 | 0 \$0 | 0 \$0 | 0 \$0 | 379 \$21.333 |
| 2. Principals | 0 \$0 | 0 \$0 | 0 \$0 | 0 \$0 | 0 \$0 | 0 \$0 | 0 \$0 | 0 \$0 | 0 \$0 |
| 3. Supervisors | 0 \$0 | 0 \$0 | 0 \$0 | 0 \$0 | 0 \$0 | 61 \$61 | 62 \$62 | 0 \$0 | 123 \$123 |
| 4. Inst/Lab/Cler.Aides | 0 \$0 | 0 \$0 | 0 \$0 | 0 \$0 | 0 \$0 | \$2.465 \$2,465 | \$2.505 \$2,505 | \$0 \$0 | \$4,970 \$4,970 |
| 5. Clerical Assistance | 0 \$0 | 0 \$0 | 854 \$854 | 848 \$848 | \$13.571 \$13,571 | \$13.571 \$13,571 | \$6.796 \$6,796 | \$6.796 \$6,796 | \$40,734 \$40,734 |
| 6. Staff Development | 0 \$0 | 0 \$0 | \$11.500 \$11,500 | \$11.400 \$11,400 | \$11.848 \$11,848 | \$11.413 \$11,413 | \$0 \$0 | \$0 \$0 | 2,517 \$2,517 |
| 7. Athletic Training Supplements | \$2,000 \$2,000 | \$0 \$0 | \$5,265 \$5,265 | \$0 \$0 | \$0 \$0 | \$0 \$0 | \$0 \$0 | \$0 \$0 | \$46,180 \$46,180 |
| | \$0.035 | \$0.035 | \$0.005 | \$0 | \$0 | \$0 | \$0 | \$0 | \$7,265 |
| | | | | | | | | | \$0.075 |

(In millions of dollars)

| Related Initiatives | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 | 1992-93 | Total |
|----------------------------------|----------|-----------|-----------|-----------|-----------|---------|---------|---------|-----------|
| 1. Career Growth* | \$11.274 | \$7.193 | \$10.385 | \$7.593 | n.a. | n.a. | n.a. | n.a. | \$36.445 |
| 2. Teacher Salaries | \$0 | \$133.000 | \$142.000 | \$153.000 | \$163.000 | \$0 | \$0 | \$0 | \$591.000 |
| 3. ADM Reserve | \$0 | \$6.000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$6.000 |
| 4. Substitute Pay | \$0 | \$3.500 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$3.500 |
| 5. Bus Drivers | \$0 | \$12.000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$12.000 |
| 6. Satellite Project | \$0 | \$1.000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$1.000 |
| Subtotal | \$11.274 | \$162.693 | \$152.385 | \$160.593 | \$163.000 | \$0 | \$0 | \$0 | \$649.945 |
| Items From Other Funding Sources | | | | | | | | | |
| 1. Facilities** | \$0 | \$0 | \$91.250 | \$91.250 | \$0 | \$0 | \$0 | \$0 | \$182.500 |

*Amount for 1986-87 includes \$2,117,000 recommended adjustment for higher participation rate.

**Amount based on Senate Bill 431, which establishes a state building fund with a half-cent increase in the state sales tax. Local matching funds are not reflected in this amount.

BREAKDOWN OF REGULAR CLASSROOM TEACHERS

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 | 1992-93 | Total |
|-------------------|---------|---------|---------|---------|---------|---------|---------|---------|--------|
| Reduce Class Size | | | | | | | | | |
| Grades 7-9 | 1,357 | 205 | 0 | 0 | 0 | 0 | 0 | 0 | 1,562 |
| Expand Program | | | | | | | | | |
| Grades 7-8 | 0 | 0 | 848 | 651 | 0 | 0 | 0 | 0 | 1,499 |
| Expand Program | | | | | | | | | |
| Grades 4-6 | 0 | 0 | 770 | 462 | 664 | 0 | 0 | 0 | 1,896 |
| Expand Program | | | | | | | | | |
| Grades K-3 | 0 | 0 | 0 | 532 | 561 | 547 | 548 | 0 | 2,188 |
| Expand Program | | | | | | | | | |
| Grades 9-12 | 0 | 0 | 0 | 0 | 373 | 331 | 0 | 0 | 704 |
| Reduce Class Size | | | | | | | | | |
| Grades 10-12 | 0 | 0 | 0 | 0 | 0 | 433 | 415 | 412 | 1,260 |
| Reduce Class Size | | | | | | | | | |
| Grades k-3 | 0 | 0 | 0 | 0 | 0 | 0 | 840 | 845 | 1,685 |
| Total | 1,357 | 205 | 1,618 | 1,645 | 1,598 | 1,311 | 1,803 | 1,257 | 10,794 |

APPENDIX E

APPENDIX E

Analysis of S.B. 49

Senate Bill 49 assigns to the state responsibility for the instructional program in public schools and to county commissions responsibility for school construction, maintenance and operation of schools, audits, property insurance, and school board expenses. Following is a description of each county's responsibilities under S.B. 49 and the resources available to meet them in 1987-88.

Steps in Calculating Resources:

1. We determined local capital outlay appropriations for 1985-86.
2. We added local capital reserve appropriations for 1985-86, but did not include bond receipts or any non-recurring sources of revenue.
3. We estimated 1985-86 local current expense appropriations for maintenance and operation of plant, property insurance, governing board, and audits.
4. We assumed that the balance of current expense funds were being used for the instructional program. We then adjusted this balance to reflect the portion of the Basic Education Program that will have been funded. (In 1987-88 this is 28.5 percent, and 1988-89 is 45.9 percent.)
5. We added to these items current state allotments for custodians, energy, and maintenance directors.

Steps in Calculating Responsibilities:

1. We subtracted accumulated capital reserves from total facility needs and divided the result by 10.
2. We estimated costs for maintenance and operation of plant, including one maintenance director per unit, one maintenance worker for every 400 students, one custodian for every 216 students, supplies and equipment, and all energy costs.
3. We added to these two items estimated school board expenses, property insurance, and audits in current dollars.

The accompanying table was prepared by the Department of Public Instruction in cooperation with the North Carolina Association of County Commissioners.

APPENDIX F

Comparison of Available Resources and S. 49 Local Responsibilities - 1987-88

| | Est. Resources | S. 49 | Difference |
|------------------|----------------|--------------|---------------|
| Alamance | \$7,603,331 | \$6,448,195 | \$1,355,136 |
| Burlington City | \$0 | \$0 | |
| Alexander | \$1,403,533 | \$2,207,446 | (\$803,883) |
| Alleghany | \$616,724 | \$623,498 | (\$6,774) |
| Anson | \$1,704,404 | \$2,790,786 | (\$1,076,382) |
| Ashe | \$1,435,038 | \$1,845,574 | (\$410,537) |
| Avery | \$988,757 | \$962,487 | \$26,270 |
| Beaufort | \$3,757,133 | \$3,952,949 | (\$195,816) |
| Washington City | \$0 | \$0 | |
| Bertie | \$2,899,723 | \$1,485,232 | \$1,414,492 |
| Bladen | \$3,078,166 | \$3,520,899 | (\$442,733) |
| Brunswick | \$3,863,729 | \$2,870,105 | \$993,624 |
| Buncombe | \$12,500,113 | \$12,944,949 | (\$444,836) |
| Asheville City | \$0 | \$0 | |
| Burke | \$4,262,730 | \$5,953,922 | (\$2,691,192) |
| Cabarrus | \$5,799,050 | \$8,441,797 | (\$2,642,747) |
| Kannapolis City | \$0 | \$0 | |
| Caldwell | \$4,622,760 | \$4,854,132 | (\$231,372) |
| Camden | \$471,927 | \$555,781 | (\$83,854) |
| Carteret | \$3,219,591 | \$3,023,717 | \$195,874 |
| Caswell | \$1,411,941 | \$1,567,853 | (\$155,913) |
| Catawba | \$8,543,350 | \$7,455,075 | \$1,088,275 |
| Hickory City | \$0 | \$0 | |
| Newton City | \$0 | \$0 | |
| Chatham | \$3,693,573 | \$2,713,246 | \$980,327 |
| Cherokee | \$1,302,027 | \$1,925,663 | (\$623,635) |
| Chowan | \$1,261,746 | \$1,865,203 | (\$603,457) |
| Clay | \$396,001 | \$474,892 | (\$78,890) |
| Cleveland | \$5,731,418 | \$8,410,802 | (\$2,679,384) |
| Kings Mountain C | \$0 | \$0 | |
| Shelby City | \$0 | \$0 | |
| Columbus | \$4,100,585 | \$6,501,935 | (\$2,401,350) |
| Whiteville City | \$0 | \$0 | |
| Craven | \$5,443,281 | \$7,152,218 | (\$1,708,937) |
| Cumberland | \$16,791,218 | \$15,930,755 | \$860,462 |
| Currituck | \$1,233,920 | \$1,854,606 | (\$620,686) |
| Dare | \$1,559,441 | \$1,134,362 | \$425,079 |
| Davidson | \$7,214,246 | \$9,164,776 | (\$1,950,530) |
| Lexington City | \$0 | \$0 | |
| Thomasville City | \$0 | \$0 | |
| Davie | \$1,810,340 | \$1,788,213 | \$22,127 |
| Duplin | \$2,946,235 | \$3,889,743 | (\$943,503) |
| Durham | \$14,578,150 | \$15,305,042 | (\$726,882) |
| Durham City | \$0 | \$0 | |
| Edgecombe | \$3,211,970 | \$3,849,114 | (\$637,245) |
| Tarboro City | \$0 | \$0 | |
| Forsyth | \$20,028,195 | \$15,843,639 | \$4,184,562 |
| Franklin | \$2,912,418 | \$3,918,348 | (\$1,005,930) |
| Franklinton City | \$0 | \$0 | |
| Gaston | \$10,522,538 | \$9,189,247 | \$1,333,261 |
| Gates | \$718,956 | \$869,920 | (\$150,964) |
| Graham | \$426,039 | \$1,172,525 | (\$746,487) |
| Granville | \$3,555,078 | \$2,766,744 | \$788,332 |

| | | | |
|------------------|--------------|--------------|---------------|
| Greene | \$1,163,927 | \$2,011,343 | (\$847,416) |
| Guilford | \$39,327,491 | \$24,410,374 | \$5,917,155 |
| Greensboro City | \$0 | \$0 | |
| High Point City | \$0 | \$0 | |
| Halifax | \$3,508,586 | \$5,463,458 | (\$1,954,872) |
| Roanoke Rapids C | \$0 | \$0 | |
| Weldon City | \$0 | \$0 | |
| Harnett | \$4,153,397 | \$6,632,837 | (\$2,479,440) |
| Haywood | \$3,537,756 | \$3,579,591 | (\$41,835) |
| Henderson | \$5,223,687 | \$4,364,467 | \$859,220 |
| Hendersonville C | \$0 | \$0 | |
| Hertford | \$2,082,680 | \$2,257,144 | (\$174,464) |
| Hoke | \$1,420,007 | \$3,224,321 | (\$1,804,314) |
| Hyde | \$441,281 | \$375,034 | \$66,247 |
| Iredell | \$5,730,814 | \$6,181,278 | (\$450,464) |
| Mooresville City | \$0 | \$0 | |
| Statesville City | \$0 | \$0 | |
| Jackson | \$1,194,209 | \$1,707,778 | (\$513,569) |
| Johnston | \$5,062,609 | \$5,118,271 | (\$49,662) |
| Jones | \$1,114,358 | \$1,139,096 | (\$24,739) |
| Lee | \$2,656,172 | \$3,149,634 | (\$493,462) |
| Lenoir | \$4,699,009 | \$5,961,655 | (\$1,262,646) |
| Kinston City | \$0 | \$0 | |
| Lincoln | \$3,631,607 | \$3,939,529 | (\$307,922) |
| Macon | \$1,343,538 | \$467,368 | \$876,220 |
| Madison | \$441,636 | \$1,776,816 | (\$1,335,180) |
| Martin | \$2,260,739 | \$2,145,185 | \$115,554 |
| McDowell | \$2,514,082 | \$3,232,742 | (\$718,660) |
| Mecklenburg | \$54,780,767 | \$23,650,917 | \$21,129,850 |
| Mitchell | \$863,096 | \$1,414,659 | (\$551,563) |
| Montgomery | \$1,336,129 | \$2,199,001 | (\$812,872) |
| Moore | \$5,207,518 | \$4,459,552 | \$747,965 |
| Nash | \$7,310,534 | \$7,897,379 | (\$586,845) |
| Rocky Mount City | \$0 | \$0 | |
| New Hanover | \$8,676,081 | \$4,453,250 | \$4,222,831 |
| Northampton | \$1,118,295 | \$3,013,424 | (\$1,895,130) |
| Onslow | \$5,778,912 | \$7,366,045 | (\$1,587,133) |
| Orange | \$7,775,577 | \$6,274,752 | \$1,500,454 |
| Chapel Hill City | \$0 | \$0 | |
| Pamlico | \$1,007,790 | \$1,031,877 | (\$24,087) |
| Fasquotank | \$2,087,892 | \$2,536,599 | (\$448,707) |
| Pender | \$2,299,898 | \$2,616,745 | (\$326,847) |
| Perquimans | \$612,671 | \$1,113,568 | (\$500,897) |
| Person | \$1,974,255 | \$2,331,586 | (\$406,730) |
| Pitt | \$12,858,562 | \$7,792,170 | \$5,066,392 |
| Greenville City | \$0 | \$0 | |
| Polk | \$1,275,521 | \$2,224,361 | (\$948,840) |
| Tryon City | \$0 | \$0 | |
| Randolph | \$5,994,972 | \$6,195,056 | (\$200,085) |
| Asheboro City | \$0 | \$0 | |
| Richmond | \$2,592,642 | \$3,552,472 | (\$954,430) |
| Robeson | \$7,515,545 | \$12,405,166 | (\$4,889,620) |
| Fairmont City | \$0 | \$0 | |
| Lumberton City | \$0 | \$0 | |
| Red Springs City | \$0 | \$0 | |
| St. Pauls City | \$0 | \$0 | |

| | | | |
|-----------------|---------------|---------------|----------------|
| Rockingham | \$6,032,362 | \$8,257,727 | \$2,176,865) |
| Eden City | \$0 | \$0 | |
| West Rockingham | \$0 | \$0 | |
| Reidsville City | \$0 | \$0 | |
| Rowan | \$7,154,916 | \$7,821,155 | (\$666,238) |
| Salisbury City | \$0 | \$0 | |
| Rutherford | \$4,450,574 | \$6,781,154 | (\$2,330,580) |
| Sampson | \$3,604,978 | \$5,428,214 | (\$1,823,236) |
| Clinton City | \$0 | \$0 | |
| Scotland | \$2,807,638 | \$4,052,943 | (\$1,245,306) |
| Stanly | \$3,539,002 | \$3,878,406 | (\$339,404) |
| Albemarle City | \$0 | \$0 | |
| Stokes | \$2,620,983 | \$2,180,635 | \$440,349 |
| Surry | \$6,556,364 | \$6,323,001 | \$233,363 |
| Elkin City | \$0 | \$0 | |
| Mount Airy City | \$0 | \$0 | |
| Swain | \$489,727 | \$1,174,259 | (\$684,532) |
| Transylvania | \$1,879,701 | \$2,042,203 | (\$162,502) |
| Tyrrell | \$417,515 | \$378,002 | \$39,513 |
| Union | \$8,411,812 | \$5,445,890 | \$2,965,922 |
| Monroe City | \$0 | \$0 | |
| Vance | \$2,792,809 | \$2,903,911 | (\$111,102) |
| Wake | \$37,260,645 | \$31,600,167 | \$5,660,478 |
| Warren | \$1,211,575 | \$1,772,915 | (\$561,340) |
| Washington | \$1,268,695 | \$1,773,530 | (\$504,836) |
| Watauga | \$1,610,829 | \$1,545,638 | \$65,190 |
| Wayne | \$9,430,768 | \$8,301,770 | \$1,128,998 |
| Goldsboro City | \$0 | \$0 | |
| Wilkes | \$3,322,227 | \$3,363,308 | (\$41,081) |
| Wilson | \$8,343,872 | \$4,355,156 | \$3,988,716 |
| Yadkin | \$1,946,229 | \$2,220,622 | (\$374,392) |
| Yancey | \$894,523 | \$1,497,910 | (\$603,387) |
| Total | \$507,843,458 | \$503,030,771 | \$4,812,687 \$ |

Comparison of Available Resources and S.B. 49 Local Responsibilities - 1992-93

| | Est. Resources | S.B. 49 | Difference |
|------------------|----------------|--------------|---------------|
| Alamance | \$3,918,474 | \$6,448,195 | \$2,470,279 |
| Burlington City | \$0 | \$0 | |
| Alexander | \$1,451,202 | \$2,207,446 | (\$756,244) |
| Alleghany | \$690,720 | \$623,498 | \$67,222 |
| Anson | \$1,854,358 | \$2,780,786 | (\$926,428) |
| Ashe | \$1,788,500 | \$1,845,574 | (\$57,074) |
| Avery | \$1,218,125 | \$962,487 | \$255,638 |
| Beaufort | \$4,429,343 | \$3,952,949 | \$476,394 |
| Washington City | \$0 | \$0 | |
| Bertie | \$2,961,821 | \$1,485,232 | \$1,476,589 |
| Bladen | \$3,395,404 | \$3,520,899 | (\$125,495) |
| Brunswick | \$5,024,000 | \$2,870,105 | \$2,153,895 |
| Buncombe | \$17,526,400 | \$12,944,949 | \$4,581,451 |
| Asheville City | \$0 | \$0 | |
| Burke | \$5,501,873 | \$6,953,922 | (\$1,452,049) |
| Cabarrus | \$7,279,940 | \$8,441,797 | (\$1,161,857) |
| Kannapolis City | \$0 | \$0 | |
| Caldwell | \$5,824,219 | \$4,854,132 | \$970,087 |
| Camden | \$537,065 | \$555,781 | (\$18,716) |
| Carteret | \$3,854,507 | \$3,022,917 | \$831,590 |
| Caswell | \$1,389,832 | \$1,567,853 | (\$178,021) |
| Catawba | \$12,005,029 | \$7,455,075 | \$4,549,954 |
| Hickory City | \$0 | \$0 | |
| Newton City | \$0 | \$0 | |
| Chatham | \$4,467,696 | \$2,713,246 | \$1,754,450 |
| Cherokee | \$1,182,719 | \$1,925,663 | (\$742,944) |
| Chowan | \$1,552,456 | \$1,865,203 | (\$312,747) |
| Clay | \$393,000 | \$474,892 | (\$81,892) |
| Cleveland | \$6,404,414 | \$8,410,802 | (\$2,006,388) |
| Kings Mountain C | \$0 | \$0 | |
| Shelby City | \$0 | \$0 | |
| Columbus | \$4,256,726 | \$6,501,935 | (\$2,245,209) |
| Whiteville City | \$0 | \$0 | |
| Craven | \$5,797,486 | \$7,152,218 | (\$1,354,732) |
| Cumberland | \$22,720,746 | \$15,930,755 | \$6,789,991 |
| Currituck | \$1,862,590 | \$1,854,606 | \$7,984 |
| Dare | \$2,560,000 | \$1,134,362 | \$1,425,638 |
| Davidson | \$3,292,381 | \$9,164,776 | (\$572,395) |
| Lexington City | \$0 | \$0 | |
| Thomasville City | \$0 | \$0 | |
| Davie | \$2,262,742 | \$1,788,213 | \$474,529 |
| Duplin | \$2,921,305 | \$3,689,743 | (\$768,438) |
| Durham | \$18,919,111 | \$15,305,042 | \$3,614,069 |
| Durham City | \$0 | \$0 | |
| Edgecombe | \$4,051,545 | \$3,849,114 | \$202,431 |
| Tarboro City | \$0 | \$0 | |
| Forsyth | \$36,224,380 | \$15,843,633 | \$20,380,747 |
| Franklin | \$3,361,186 | \$3,918,348 | (\$557,162) |
| Franklinton City | \$0 | \$0 | |
| Gaston | \$14,447,240 | \$9,189,247 | \$5,257,993 |
| Gates | \$380,874 | \$869,920 | (\$110,954) |
| Graham | \$392,574 | \$1,172,526 | (\$779,952) |
| Granville | \$3,773,500 | \$2,766,744 | \$1,006,756 |

| | | | |
|------------------|--------------|--------------|---------------|
| Greene | \$1,478,785 | \$2,011,143 | (\$532,253) |
| Guilford | \$43,811,999 | \$24,410,324 | \$19,401,675 |
| Greensboro City | \$0 | \$0 | |
| High Point City | \$0 | \$0 | |
| Halifax | \$3,483,370 | \$5,463,453 | (\$1,980,083) |
| Roanoke Rapids C | \$0 | \$0 | |
| Weldon City | \$0 | \$0 | |
| Harnett | \$4,242,000 | \$6,632,837 | (\$2,390,837) |
| Haywood | \$4,745,742 | \$3,579,591 | \$1,166,151 |
| Henderson | \$6,152,374 | \$4,364,467 | \$1,787,907 |
| Hendersonville C | \$0 | \$0 | |
| Hertford | \$2,472,129 | \$2,257,144 | \$214,985 |
| Hoke | \$1,479,268 | \$3,224,321 | (\$1,745,053) |
| Hyde | \$573,830 | \$375,034 | \$198,796 |
| Iredell | \$7,575,030 | \$8,181,278 | (\$606,248) |
| Mooreville City | \$0 | \$0 | |
| Statesville City | \$0 | \$0 | |
| Jackson | \$1,519,750 | \$1,707,778 | (\$188,028) |
| Johnston | \$7,102,771 | \$5,118,271 | \$1,984,500 |
| Jones | \$675,414 | \$1,139,096 | (\$463,682) |
| Lee | \$4,107,184 | \$3,149,634 | \$957,550 |
| Lenoir | \$5,678,765 | \$5,961,655 | (\$282,890) |
| Kinston City | \$0 | \$0 | |
| Lincoln | \$3,507,065 | \$3,939,529 | (\$432,464) |
| Nacon | \$1,954,529 | \$467,368 | \$1,487,161 |
| Madison | \$0 | \$1,776,816 | (\$1,776,816) |
| Martin | \$2,922,355 | \$2,145,185 | \$777,170 |
| McDowell | \$2,886,186 | \$3,232,742 | (\$346,556) |
| Mecklenburg | \$85,530,960 | \$33,650,917 | \$51,930,043 |
| Mitchell | \$1,016,000 | \$1,414,659 | (\$398,659) |
| Montgomery | \$1,649,737 | \$2,199,001 | (\$549,264) |
| Moore | \$6,454,000 | \$4,459,552 | \$1,994,448 |
| Nash | \$8,045,553 | \$7,397,379 | \$148,174 |
| Rocky Mount City | \$0 | \$0 | |
| New Hanover | \$13,123,752 | \$4,453,250 | \$8,680,502 |
| Northampton | \$1,444,325 | \$3,013,424 | (\$1,569,099) |
| Onslow | \$6,009,318 | \$7,366,045 | (\$1,356,727) |
| Orange | \$10,399,438 | \$6,274,752 | \$4,124,686 |
| Chapel Hill City | \$0 | \$0 | |
| Pamlico | \$1,025,499 | \$1,031,877 | (\$6,378) |
| Pasquotank | \$2,613,253 | \$2,536,599 | \$76,654 |
| Pender | \$2,667,160 | \$2,616,745 | \$50,415 |
| Perquimans | \$705,050 | \$1,113,068 | (\$408,038) |
| Person | \$2,333,357 | \$2,381,586 | (\$48,229) |
| Pitt | \$15,549,560 | \$7,792,170 | \$7,757,390 |
| Greenville City | \$0 | \$0 | |
| Polk | \$1,621,405 | \$2,224,361 | (\$602,956) |
| Tryon City | \$0 | \$0 | |
| Randolph | \$6,791,382 | \$6,195,056 | \$596,326 |
| Asheboro City | \$0 | \$0 | |
| Richmond | \$2,904,766 | \$3,552,472 | (\$647,706) |
| Robeson | \$6,294,414 | \$12,405,166 | (\$6,110,752) |
| Fairmont City | \$0 | \$0 | |
| Lumberton City | \$0 | \$0 | |
| Red Springs City | \$0 | \$0 | |
| St. Pauls City | \$0 | \$0 | |

| | | | |
|-----------------|---------------|---------------|---------------|
| Rockingham | \$7,744,212 | \$6,359,727 | (\$1,515,515) |
| Eden City | \$0 | \$0 | |
| West Rockingham | \$0 | \$0 | |
| Reidsville City | \$0 | \$0 | |
| Fowan | \$6,848,613 | \$7,821,155 | \$1,027,458 |
| Salisbury City | \$0 | \$0 | |
| Rutherford | \$5,769,738 | \$6,781,154 | (\$1,011,416) |
| Sampson | \$3,925,830 | \$5,428,214 | (\$1,502,384) |
| Clinton City | \$0 | \$0 | |
| Scotland | \$3,691,966 | \$4,052,943 | (\$360,977) |
| Stanly | \$4,139,729 | \$3,878,406 | \$261,323 |
| Albemarle City | \$0 | \$0 | |
| Stokes | \$3,927,415 | \$2,180,635 | \$1,746,780 |
| Surry | \$7,217,986 | \$6,323,001 | \$894,985 |
| Elkin City | \$0 | \$0 | |
| Mount Airy City | \$0 | \$0 | |
| Swain | \$525,708 | \$1,174,259 | (\$648,551) |
| Transylvania | \$2,200,873 | \$2,042,203 | \$158,670 |
| Tyrrell | \$469,258 | \$378,002 | \$91,256 |
| Union | \$9,134,722 | \$5,445,890 | \$3,688,832 |
| Monroe City | \$0 | \$0 | |
| Vance | \$3,325,000 | \$2,903,911 | \$421,089 |
| Wake | \$55,552,536 | \$31,600,167 | \$23,952,369 |
| Warren | \$1,258,833 | \$1,772,915 | (\$514,082) |
| Washington | \$1,453,376 | \$1,773,530 | (\$320,154) |
| Watauga | \$2,176,275 | \$1,545,638 | \$630,637 |
| Wayne | \$10,402,177 | \$8,301,770 | \$2,100,407 |
| Goldsboro City | \$0 | \$0 | |
| Milkes | \$4,098,272 | \$3,363,308 | \$734,964 |
| Wilson | \$9,823,025 | \$4,355,156 | \$5,467,869 |
| Yadkin | \$1,975,000 | \$2,220,622 | (\$245,622) |
| Yancey | \$1,000,000 | \$1,497,910 | (\$497,910) |
| | \$0 | | |
| Total | \$663,761,702 | \$503,030,771 | \$160,730,931 |

APPENDIX G

ESTIMATED COST OF SB49 FOR 1987-88

| COUNTY NAME | WITHOUT SALES TAX | SALES TAX- 60% | SALES TAX- 100% |
|----------------|-------------------------|----------------------|-----------------------|
| Alamance | \$1,355,136 | \$2,518,986 | \$3,294,890 |
| Alexander | (803,883) | (348,649) | (45,158) |
| Alleghany | (6,774) | 143,843 | 244,255 |
| Anson | (1,076,382) | (716,210) | (476,094) |
| Ashe | (410,537) | (31,223) | 221,654 |
| Avery | 26,270 | 251,937 | 402,382 |
| Beaufort | (195,816) | 376,809 | 758,561 |
| Bertie | 1,414,492 | 1,718,426 | 1,921,050 |
| Bladen | (442,733) | (184) | 294,850 |
| Brunswick | 993,624 | 1,671,603 | 2,123,591 |
| Buncombe | (444,836) | 1,694,604 | 3,120,904 |
| Burke | (2,691,192) | (1,675,823) | (998,907) |
| Cabarrus | (2,642,747) | (1,277,378) | (367,127) |
| Caldwell | (231,372) | 656,229 | 1,247,966 |
| Camden | (83,854) | 20,659 | 90,335 |
| Carteret | 196,674 | 760,683 | 1,136,691 |
| Caswell | (155,913) | 237,646 | 500,020 |
| Catawba | 1,088,275 | 2,495,933 | 3,434,376 |
| Chatham | 980,327 | 1,503,852 | 1,852,870 |
| Cherokee | (623,635) | (325,812) | (127,262) |
| Chowan | (603,457) | (425,819) | (307,393) |
| Clay | (78,890) | 41,879 | 122,392 |
| Cleveland | (2,679,384) | (1,589,201) | (862,409) |
| Columbus | (2,401,350) | (1,672,568) | (1,186,711) |
| Craven | (1,708,937) | (635,115) | 80,770 |
| Cumberland | 860,462 | 4,343,808 | 6,666,050 |
| Currituck | (620,686) | (381,898) | (222,705) |
| Dare | 425,079 | 641,831 | 786,333 |
| Davidson | (1,950,530) | (320,260) | 766,592 |
| Davie | 22,127 | 460,175 | 752,208 |
| Duplin | (943,508) | (378,580) | (1,959) |
| Durham | (726,882) | 958,791 | 2,082,579 |
| Edgecombe | (637,245) | 16,979 | 453,131 |
| Forsyth | 4,184,562 | 7,045,437 | 8,952,697 |
| Franklin | (1,005,930) | (490,792) | (147,365) |
| Gaston | 1,333,261 | 3,354,209 | 4,701,514 |
| Gates | (150,964) | 4,766 | 108,587 |
| Graham | (746,487) | (641,823) | (572,047) |
| Granville | 788,333 | 1,291,623 | 1,627,151 |
| Greene | (847,116) | (573,333) | (390,810) |
| Guilford | 5,917,156 | 9,305,939 | 11,565,139 |
| Halifax | (1,554,872) | (881,578) | (432,713) |
| Harnett | (2,479,440) | (1,619,595) | (1,046,362) |
| Haywood | (41,835) | 600,419 | 1,028,590 |

ESTIMATED COST OF SB49 FOR 1987-88

| COUNTY NAME | WITHOUT SALES TAX | SALES TAX- 60% | SALES TAX- 100% |
|----------------|-------------------------|----------------------|-----------------------|
| Henderson | \$859,220 | \$1,899,191 | \$2,592,508 |
| Hertford | (174,464) | 131,156 | 334,904 |
| Hoke | (1,804,314) | (1,459,932) | (1,230,343) |
| Hyde | 66,247 | 172,456 | 243,262 |
| Iredell | (2,450,464) | (1,305,417) | (542,049) |
| Jackson | (513,569) | (59,128) | 243,834 |
| Johnston | (49,662) | 1,069,556 | 1,815,705 |
| Jones | (\$24,739) | \$136,726 | \$244,370 |
| Lee | (493,462) | (3,943) | 322,405 |
| Lenoir | (1,262,646) | (470,486) | 57,623 |
| Lincoln | (307,922) | 393,147 | 860,529 |
| Macon | 876,220 | 1,236,111 | 1,476,040 |
| Madison | (1,335,180) | (1,084,686) | (917,689) |
| Martin | 115,554 | 504,568 | 763,912 |
| McDowell | (718,660) | (139,302) | 246,939 |
| Mecklenburg | 21,129,850 | 25,677,830 | 28,709,832 |
| Mitchell | (551,563) | (340,478) | (199,754) |
| Montgomery | (812,872) | (492,163) | (278,356) |
| Moore | 747,965 | 1,458,389 | 1,932,007 |
| Nash | (586,845) | 253,603 | 813,904 |
| New Hanover | 4,222,831 | 5,600,690 | 6,519,267 |
| Northampton | (1,895,130) | (1,590,903) | (1,388,084) |
| Onslow | (1,587,133) | 176,157 | 1,351,690 |
| Orange | 1,500,454 | 2,424,895 | 3,041,192 |
| Pamlico | (24,087) | 150,712 | 267,245 |
| Pasquotank | (448,707) | (86,988) | 154,159 |
| Pender | (326,847) | 49,675 | 300,691 |
| Perquimans | (500,397) | (362,883) | (271,207) |
| Person | (406,730) | 51,919 | 357,687 |
| Pitt | 5,066,392 | 6,157,909 | 6,885,591 |
| Polk | (948,840) | (738,207) | (597,784) |
| Randolph | (200,085) | 1,131,275 | 2,018,853 |
| Richmond | (954,430) | (380,134) | 2,732 |
| Robeson | (4,889,620) | (3,476,509) | (2,534,430) |
| Rockingham | (2,176,805) | (1,091,252) | (367,506) |
| Rowan | (666,238) | 682,129 | 1,581,045 |
| Rutherford | (2,330,580) | (1,485,401) | (921,946) |
| Sampson | (1,823,236) | (1,097,885) | (614,315) |
| Scotland | (1,245,306) | (711,562) | (355,398) |
| Stanly | (339,404) | 276,588 | 687,251 |
| Stokes | 440,349 | 1,055,272 | 1,465,223 |

ESTIMATED COST OF SB49 FOR 1987-88

| COUNTY NAME | WITHOUT SALES TAX | SALES TAX- 60% | SALES TAX- 100% |
|----------------|-------------------------|----------------------|-----------------------|
| Surry | \$233,363 | \$1,119,542 | \$1,710,331 |
| Swain | (684,532) | (516,589) | (404,626) |
| Transylvania | (162,502) | 236,587 | 502,648 |
| Tyrrell | 39,513 | 108,176 | 153,952 |
| Union | 2,965,922 | 4,127,514 | 4,901,913 |
| Vance | (111,102) | 367,171 | 686,021 |
| Wake | 5,660,478 | 9,187,784 | 11,539,333 |
| Warren | (561,340) | (307,590) | (138,422) |
| Washington | (504,836) | (323,063) | (201,880) |
| Watauga | 65,190 | 464,863 | 731,313 |
| Wayne | 1,128,998 | 2,331,990 | 3,133,989 |
| Wilkes | (41,081) | 932,576 | 1,581,684 |
| Wilson | 3,988,716 | 4,823,793 | 5,380,514 |
| Yadkin | (374,392) | 71,830 | 369,313 |
| Yancey | (603,387) | (353,089) | (186,223) |

ESTIMATED COST OF SB49 FOR 1992-93

| COUNTY NAME | WITHOUT SALES TAX | SALES TAX- 60% | SALES TAX- 100% |
|----------------|-------------------------|----------------------|-----------------------|
| Alamance | \$2,470,279 | \$3,634,129 | \$4,410,033 |
| Alexander | (756,244) | (301,010) | 2,481 |
| Alleghany | 67,222 | 217,839 | 318,251 |
| Anson | (926,428) | (566,256) | (326,140) |
| Ashe | (57,074) | 322,240 | 575,117 |
| Avery | 255,638 | 481,305 | 631,750 |
| Beaufort | 476,394 | 1,049,019 | 1,430,771 |
| Bertie | 1,476,589 | 1,780,523 | 1,983,147 |
| Bladen | (125,495) | 317,054 | 612,088 |
| Brunswick | 2,153,895 | 2,831,874 | 3,283,862 |
| Buncombe | 4,581,451 | 6,720,891 | 8,147,191 |
| Burke | (1,452,049) | (436,680) | 240,236 |
| Cabarrus | (1,161,857) | 203,512 | 1,113,763 |
| Caldwell | 970,087 | 1,857,688 | 2,449,425 |
| Camden | (18,716) | 85,797 | 155,473 |
| Carteret | 831,590 | 1,395,599 | 1,771,607 |
| Caswell | (178,021) | 215,538 | 477,912 |
| Catawba | 4,549,954 | 5,957,612 | 6,896,055 |
| Chatham | 1,754,450 | 2,277,975 | 2,626,993 |
| Cherokee | (742,944) | (445,121) | (246,571) |
| Chowan | (312,747) | (135,109) | (16,683) |
| Clay | (81,892) | 38,877 | 119,390 |
| Cleveland | (2,006,388) | (916,205) | (189,413) |
| Columbus | (2,245,209) | (1,516,427) | (1,030,570) |
| Craven | (1,354,732) | (280,910) | 434,975 |
| Cumberland | 6,789,991 | 10,273,337 | 12,595,579 |
| Currituck | 7,984 | 246,772 | 405,965 |
| Dare | 1,425,638 | 1,642,390 | 1,786,892 |
| Davidson | (872,395) | 757,875 | 1,844,727 |
| Davie | 494,529 | 932,577 | 1,224,610 |
| Duplin | (968,438) | (403,510) | (26,889) |
| Durham | 3,614,069 | 5,299,742 | 6,423,530 |
| Edgecombe | 202,431 | 856,655 | 1,292,807 |
| Forsyth | 20,380,747 | 23,241,622 | 25,148,882 |
| Franklin | (557,102) | (42,024) | 301,403 |
| Gaston | 5,257,993 | 7,278,941 | 8,626,246 |
| Gates | 110,954 | 266,684 | 370,505 |
| Graham | (779,752) | (675,088) | (605,312) |
| Granville | 1,006,756 | 1,510,046 | 1,845,574 |
| Greene | (534,258) | (260,475) | (77,952) |
| Guilford | 19,401,675 | 22,790,458 | 25,049,658 |
| Halifax | (1,980,088) | (1,306,794) | (857,929) |
| Harnett | (2,390,837) | (1,530,992) | (957,759) |
| Haywood | 1,166,151 | 1,808,405 | 2,236,576 |

ESTIMATED COST OF SB49 FOR 1992-93

| COUNTY NAME | WITHOUT SALES TAX | SALES TAX- 60% | SALES TAX- 100% |
|----------------|-------------------------|----------------------|-----------------------|
| Henderson | \$1,787,907 | \$2,827,878 | \$3,521,195 |
| Hertford | 214,985 | 520,605 | 724,353 |
| Hoke | (1,745,053) | (1,400,671) | (1,171,082) |
| Hyde | 198,796 | 305,005 | 375,811 |
| Iredell | (606,248) | 538,799 | 1,302,167 |
| Jackson | (188,028) | 266,413 | 569,375 |
| Johnston | 1,984,500 | 3,103,718 | 3,849,867 |
| Jones | (463,682) | (302,217) | (194,573) |
| Lee | 957,550 | 1,447,069 | 1,773,417 |
| Lenoir | (282,890) | 509,270 | 1,037,379 |
| Lincoln | (432,464) | 268,605 | 735,987 |
| Macon | 1,487,161 | 1,847,052 | 2,086,981 |
| Madison | (1,776,816) | (1,526,322) | (1,359,325) |
| Martin | 777,170 | 1,166,184 | 1,425,528 |
| McDowell | (346,556) | 232,802 | 619,043 |
| Mecklenburg | 51,930,043 | 56,478,023 | 59,510,025 |
| Mitchell | (398,659) | (187,574) | (46,850) |
| Montgomery | (549,264) | (228,555) | (14,748) |
| Moore | 1,994,448 | 2,704,872 | 3,178,490 |
| Nash | 148,174 | 988,622 | 1,548,923 |
| New Hanover | 8,680,502 | 10,058,361 | 10,976,938 |
| Northampton | (1,569,099) | (1,264,872) | (1,062,053) |
| Onslow | (1,356,727) | 406,563 | 1,582,096 |
| Orange | 4,124,686 | 5,049,127 | 5,665,424 |
| Pamlico | (6,378) | 168,421 | 284,954 |
| Pasquotank | 76,654 | 438,373 | 679,520 |
| Pender | 50,415 | 426,937 | 677,953 |
| Perquimans | (408,038) | (270,524) | (178,848) |
| Person | (48,229) | 410,420 | 716,188 |
| Pitt | 7,757,390 | 8,848,907 | 9,576,589 |
| Polk | (602,956) | (392,323) | (251,900) |
| Randolph | 596,326 | 1,927,686 | 2,815,264 |
| Richmond | (647,706) | (73,410) | 309,456 |
| Robeson | (6,110,752) | (4,697,641) | (3,755,562) |
| Rockingham | (515,515) | 570,098 | 1,293,844 |
| Rowan | 1,027,458 | 2,375,825 | 3,274,741 |
| Rutherford | (1,011,416) | (166,237) | 397,218 |
| Sampson | (1,502,384) | (777,033) | (293,463) |
| Scotland | (360,977) | 172,967 | 528,931 |
| Stanly | 261,323 | 877,315 | 1,287,978 |
| Stokes | 1,746,780 | 2,361,703 | 2,771,654 |

ESTIMATED COST OF SB49 FOR 1992-93

| COUNTY NAME | WITHOUT SALES TAX | SALES TAX- 60% | SALES TAX- 100% |
|----------------|-------------------------|----------------------|-----------------------|
| Surry | \$894,985 | \$1,781,164 | \$2,371,953 |
| Swain | (648,551) | (480,608) | (368,645) |
| Transylvania | 158,670 | 557,759 | 823,820 |
| Tyrrell | 91,256 | 159,919 | 205,695 |
| Union | 3,688,832 | 4,850,424 | 5,624,823 |
| Vance | 421,089 | 899,362 | 1,218,212 |
| Wake | 23,952,369 | 27,479,675 | 29,831,224 |
| Warren | (514,082) | (260,332) | (91,164) |
| Washington | (320,154) | (138,381) | (17,198) |
| Watauga | 630,637 | 1,030,310 | 1,296,760 |
| Wayne | 2,100,407 | 3,303,399 | 4,105,398 |
| Wilkes | 734,964 | 1,708,621 | 2,357,729 |
| Wilson | 5,467,869 | 6,302,946 | 6,859,667 |
| Yadkin | (245,622) | 200,600 | 498,083 |
| Yancey | (497,910) | (247,612) | (80,746) |

APPENDIX H

MEASURES OF LOCAL FISCAL CAPACITY

| COUNTY NAME | PER CAPITA PERSONAL INCOME | | PER CAPITA ADJ. PROPERTY TAX BASE | | PER CAPITA 1% LOCAL SALES TAX | | PER CAPITA INTANGIBLES TAX DIST. | |
|-------------|----------------------------|------|-----------------------------------|------|-------------------------------|-------|----------------------------------|------|
| | 1984 | RANK | 1984-85 | RANK | 1987-88 | RANK | 1984-85 | RANK |
| Alamance | \$11,300 | (15) | \$29,271 | (44) | \$69.60 | (14) | \$10.61 | (19) |
| Alexander | 10,400 | (30) | 22,991 | (86) | 28.40 | (82) | 3.26 | (71) |
| Alleghany | 8,755 | (67) | 37,177 | (20) | 40.27 | (62) | 4.99 | (50) |
| Anson | 8,784 | (65) | 23,787 | (80) | 28.72 | (81) | 3.58 | (65) |
| Ashe | 8,185 | (82) | 32,916 | (32) | 37.86 | (69) | 3.03 | (78) |
| Avery | 7,917 | (86) | 42,673 | (12) | 61.95 | (22) | 4.87 | (51) |
| Beaufort | 9,187 | (56) | 38,655 | (17) | 50.69 | (38) | 5.61 | (41) |
| Bertie | 8,405 | (78) | 24,804 | (71) | 20.10 | (94) | 3.04 | (77) |
| Bladen | 7,591 | (90) | 25,993 | (63) | 30.25 | (80) | 2.36 | (90) |
| Brunswick | 8,212 | (81) | 67,382 | (2) | 64.43 | (18) | 5.65 | (40) |
| Buncombe | 11,128 | (16) | 29,986 | (41) | 74.85 | (9) | 14.99 | (9) |
| Burke | 10,233 | (31) | 25,756 | (66) | 40.76 | (60) | 6.39 | (36) |
| Cabarrus | 11,573 | (12) | 31,388 | (38) | 54.68 | (30) | 7.89 | (26) |
| Caldwell | 9,617 | (45) | 24,220 | (76) | 41.74 | (57) | 13.21 | (12) |
| Camden | 8,673 | (70) | 38,024 | (18) | 17.36 | (97) | 2.65 | (87) |
| Carteret | 9,095 | (61) | 43,422 | (11) | 70.58 | (12) | 11.25 | (16) |
| Caswell | 7,510 | (91) | 22,144 | (88) | 11.45 | (100) | 2.25 | (91) |
| Catawba | 11,812 | (10) | 36,080 | (25) | 77.31 | (8) | 14.51 | (10) |
| Chatham | 11,605 | (11) | 37,309 | (19) | 38.33 | (68) | 6.93 | (34) |
| Cherokee | 7,241 | (97) | 21,261 | (92) | 55.78 | (28) | 2.85 | (85) |
| Chowan | 9,186 | (57) | 26,365 | (62) | 51.64 | (35) | 7.87 | (27) |
| Clay | 7,202 | (98) | 48,071 | (7) | 26.82 | (85) | 3.26 | (70) |
| Cleveland | 9,965 | (39) | 23,362 | (82) | 45.78 | (49) | 5.60 | (42) |
| Columbus | 7,941 | (85) | 25,640 | (67) | 41.63 | (58) | 3.29 | (69) |
| Craven | 10,055 | (38) | 22,122 | (89) | 52.85 | (33) | 5.33 | (45) |
| Cumberland | 9,523 | (47) | 17,805 | (99) | 53.86 | (31) | 3.23 | (74) |
| Currituck | 8,576 | (75) | 34,381 | (28) | 30.98 | (78) | 2.96 | (82) |
| Dare | 8,692 | (69) | 82,473 | (1) | 182.74 | (1) | 12.83 | (13) |
| Davidson | 10,723 | (24) | 24,677 | (73) | 41.95 | (55) | 7.06 | (33) |
| Davie | 10,882 | (22) | 43,600 | (10) | 30.34 | (79) | 9.58 | (20) |
| Duplin | 8,971 | (62) | 25,617 | (68) | 36.29 | (71) | 2.36 | (89) |
| Durham | 12,471 | (5) | 32,879 | (33) | 85.55 | (7) | 14.09 | (11) |
| Edgecombe | 9,863 | (42) | 24,277 | (75) | 42.31 | (54) | 5.49 | (43) |
| Forsyth | 13,794 | (3) | 36,884 | (21) | 86.18 | (6) | 18.88 | (7) |
| Franklin | 8,604 | (72) | 25,807 | (64) | 28.33 | (83) | 4.51 | (55) |
| Gaston | 10,925 | (20) | 26,801 | (59) | 50.90 | (37) | 7.66 | (28) |
| Gates | 9,192 | (54) | 27,659 | (53) | 16.78 | (98) | 1.54 | (99) |
| Graham | 7,355 | (95) | 29,708 | (42) | 39.22 | (64) | 3.07 | (76) |
| Granville | 8,592 | (73) | 24,058 | (77) | 36.37 | (70) | 4.36 | (56) |
| Greene | 9,165 | (58) | 25,772 | (65) | 18.99 | (95) | 2.38 | (88) |
| Guilford | 13,201 | (4) | 36,147 | (24) | 89.28 | (5) | 19.85 | (4) |
| Halifax | 7,865 | (87) | 23,173 | (84) | 51.71 | (34) | 4.76 | (52) |
| Harnett | 8,179 | (83) | 21,719 | (90) | 39.20 | (65) | 3.18 | (75) |
| Haywood | 10,141 | (34) | 34,787 | (27) | 54.95 | (29) | 5.02 | (49) |

MEASURES OF LOCAL FISCAL CAPACITY

| COUNTY NAME | PER CAPITA PERSONAL INCOME | | PER CAPITA ADJ. PROPERTY TAX BASE | | PER CAPITA 1% LOCAL SALES TAX | | PER CAPITA INTANGIBLES TAX DIST. | |
|-------------|----------------------------|-------|-----------------------------------|-------|-------------------------------|------|----------------------------------|------|
| | 1984 | RANK | 1984-85 | RANK | 1987-88 | RANK | 1984-85 | RANK |
| Henderson | \$12,738 | (6) | \$34,177 | (29) | \$62.42 | (21) | \$19.40 | (5) |
| Hertford | 8,742 | (80) | 22,725 | (87) | 53.74 | (32) | 4.10 | (63) |
| Hoke | 6,349 | (100) | 19,544 | (95) | 21.37 | (92) | 1.83 | (96) |
| Hyde | 7,451 | (93) | 51,366 | (6) | 35.38 | (74) | 2.80 | (86) |
| Iredell | 10,560 | (27) | 32,185 | (34) | 57.00 | (27) | 7.13 | (31) |
| Jackson | 8,470 | (76) | 34,028 | (30) | 45.87 | (48) | 5.75 | (39) |
| Johnston | 9,388 | (49) | 27,764 | (52) | 46.08 | (46) | 4.09 | (64) |
| Jones | 7,627 | (88) | 27,797 | (51) | 15.80 | (99) | 1.92 | (94) |
| Lee | 11,046 | (17) | 29,308 | (43) | 69.10 | (15) | 9.33 | (21) |
| Lenoir | \$9,539 | (46) | 24,016 | (78) | 57.32 | (25) | 8.58 | (24) |
| Lincoln | 10,687 | (25) | 28,223 | (49) | 38.73 | (67) | 3.44 | (67) |
| Macon | 9,195 | (53) | 62,357 | (3) | 67.50 | (17) | 7.64 | (29) |
| Madison | 9,112 | (60) | 20,586 | (94) | 23.38 | (91) | 1.70 | (97) |
| Martin | 7,604 | (87) | 31,976 | (35) | 45.63 | (51) | 4.22 | (60) |
| McDowell | 9,188 | (55) | 28,397 | (47) | 41.91 | (56) | 2.85 | (84) |
| Mecklenburg | 14,099 | (2) | 46,358 | (8) | 107.63 | (2) | 21.81 | (3) |
| Mitchell | 9,204 | (57) | 30,693 | (40) | 46.14 | (45) | 5.05 | (48) |
| Montgomery | 8,949 | (62) | 26,954 | (57) | 34.51 | (75) | 3.25 | (72) |
| Moore | 11,536 | (14) | 32,988 | (31) | 58.89 | (24) | 28.31 | (2) |
| Nash | 11,569 | (13) | 31,055 | (39) | 67.85 | (16) | 9.17 | (22) |
| New Hanover | 10,794 | (23) | 36,508 | (22) | 94.38 | (4) | 12.65 | (14) |
| Northampton | 6,892 | (99) | 21,209 | (93) | 18.36 | (96) | 3.02 | (81) |
| Onslow | 9,512 | (48) | 16,003 | (100) | 42.98 | (53) | 1.67 | (98) |
| Orange | 12,158 | (8) | 28,795 | (45) | 70.12 | (13) | 18.91 | (6) |
| Pamlico | 9,262 | (51) | 31,438 | (37) | 26.21 | (88) | 4.17 | (61) |
| Pasquotank | 10,094 | (35) | 24,527 | (74) | 74.62 | (10) | 8.98 | (23) |
| Pender | 8,159 | (84) | 35,663 | (26) | 27.56 | (84) | 4.23 | (59) |
| Perquimans | 8,736 | (68) | 55,417 | (5) | 20.48 | (93) | 2.10 | (93) |
| Person | 8,931 | (64) | 36,441 | (23) | 41.39 | (59) | 3.45 | (66) |
| Pitt | 9,888 | (41) | 28,678 | (46) | 64.25 | (19) | 7.08 | (32) |
| Polk | 12,234 | (7) | 40,441 | (16) | 26.22 | (87) | 47.66 | (1) |
| Randolph | 11,038 | (18) | 27,124 | (56) | 39.88 | (63) | 5.45 | (44) |
| Richmond | 8,585 | (74) | 19,381 | (96) | 48.25 | (39) | 4.32 | (57) |
| Robeson | 7,312 | (96) | 17,979 | (98) | 40.67 | (61) | 3.24 | (73) |
| Rockingham | 10,142 | (33) | 27,921 | (50) | 45.74 | (50) | 5.96 | (37) |
| Rowan | 10,901 | (21) | 28,106 | (48) | 47.13 | (44) | 10.90 | (17) |
| Rutherford | 9,630 | (44) | 26,815 | (58) | 45.15 | (52) | 4.15 | (62) |
| Sampson | 8,769 | (66) | 23,226 | (83) | 35.75 | (72) | 3.03 | (79) |
| Scotland | 8,662 | (71) | 24,003 | (79) | 47.36 | (43) | 5.08 | (47) |
| Stanly | 10,626 | (26) | 27,246 | (55) | 47.69 | (42) | 4.74 | (53) |
| Stokes | 9,831 | (43) | 44,877 | (9) | 23.97 | (90) | 1.89 | (95) |

| COUNTY NAME | PER CAPITA PERSONAL INCOME | | PER CAPITA ADJ. PROPERTY TAX BASE | | PER CAPITA 1% LOCAL SALES TAX | | PER CAPITA INTANGIBLES TAX DIST. | |
|----------------------|----------------------------------|------|---|------|-------------------------------------|------|--|-------|
| | 1984 | RANK | 1984-85 | RANK | 1987-88 | RANK | 1984-85 | RANK |
| Surry | \$10,206 | (32) | \$24,836 | (70) | \$61.51 | (23) | \$8.53 | (25) |
| Swain | 7,476 | (92) | 19,202 | (97) | 38.96 | (66) | 2.20 | (92) |
| Transylvania | 10,554 | (28) | 42,039 | (14) | 48.01 | (40) | 11.44 | (15) |
| Tyrrell | 10,089 | (36) | 58,975 | (4) | 26.53 | (86) | 0.73 | (100) |
| Union | 11,889 | (9) | 31,741 | (36) | 48.00 | (41) | 5.24 | (46) |
| Vance | 9,157 | (59) | 21,716 | (91) | 57.06 | (26) | 10.89 | (18) |
| Wake | 14,236 | (1) | 41,289 | (15) | 102.65 | (3) | 15.49 | (8) |
| Warren | 8,347 | (79) | 27,614 | (54) | 25.64 | (89) | 3.02 | (80) |
| Washington | 9,929 | (40) | 26,586 | (61) | 35.67 | (73) | 2.92 | (83) |
| Watauga | 8,467 | (77) | 42,399 | (13) | 73.80 | (11) | 5.89 | (38) |
| Wayne | 9,326 | (50) | 23,028 | (85) | 51.61 | (36) | 4.72 | (54) |
| Wilkes | 10,067 | (37) | 23,540 | (81) | 45.88 | (47) | 6.61 | (35) |
| Wilson | 11,025 | (19) | 26,713 | (60) | 63.75 | (20) | 7.44 | (30) |
| Yadkin | 10,505 | (29) | 24,709 | (72) | 33.73 | (77) | 3.43 | (68) |
| Yancey | 7,359 | (94) | 25,435 | (69) | 33.99 | (76) | 4.23 | (58) |
| Statewide Average | \$10,852 | | \$30,973 | | \$62.62 | | \$9.94 | |
| Middle County | \$9,294 | | \$27,859 | | \$45.69 | | \$4.93 | |

APPENDIX I

| PER CAPITA PERSONAL INCOME | RANK | PER CAPITA ADJ. PROPERTY TAX BASE | | RANK | COUNTY NAME | MINIMUM COST OF SB49 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|----------------------------------|------|---|-----------------|-------------|----------------|----------------------------|--|---|
| | | 1984-85 | 1987-88 | | | | | |
| \$11,300 | (15) | \$18,967 | (44) Alamance | \$1,355,136 | -4.7 | -8.7% | | |
| 10,400 | (30) | 49,754 | (86) Alexander | (803,883) | 22.0 | 25.0% | | |
| 8,784 | (65) | 48,000 | (80) Anson | (1,076,382) | 23.2 | 24.7% | | |
| 8,185 | (82) | 25,362 | (32) Ashe | (410,537) | 7.6 | 13.3% | | |
| 7,917 | (86) | 14,740 | (12) Avery | 26,270 | -0.6 | -1.1% | | |
| 9,187 | (56) | 46,184 | (17) Beaufort | (195,816) | 1.8 | 3.8% | | |
| 8,405 | (78) | 17,895 | (71) Bertie | 1,414,492 | -27.2 | -41.2% | | |
| 7,591 | (90) | 37,736 | (63) Bladen | (442,733) | 5.8 | 9.3% | | |
| 8,212 | (81) | 6,041 | (2) Brunswick | 993,624 | -4.5 | -7.5% | | |
| 11,128 | (16) | 25,090 | (41) Buncombe | (444,836) | 1.0 | 1.5% | | |
| 10,233 | (31) | 50,412 | (66) Burke | (2,691,192) | 17.9 | 28.5% | | |
| 11,573 | (12) | 24,126 | (38) Cabarrus | (2,642,747) | 9.3 | 18.0% | | |
| 9,617 | (45) | 19,165 | (76) Caldwell | (231,372) | 1.6 | 2.6% | | |
| 8,673 | (70) | 20,000 | (18) Camden | (83,854) | 6.5 | 10.8% | | |
| 9,095 | (61) | 11,102 | (11) Carteret | 196,674 | -1.2 | -2.9% | | |
| 7,510 | (91) | 19,244 | (88) Caswell | (155,913) | 4.0 | 6.9% | | |
| 11,812 | (10) | 14,804 | (25) Catawba | 1,088,275 | -2.9 | -7.8% | | |
| 11,605 | (11) | 19,868 | (19) Chatham | 980,327 | -12.0 | -16.7% | | |
| 7,241 | (97) | 34,589 | (92) Cherokee | (623,635) | 14.3 | 34.1% | | |
| 9,186 | (57) | 59,901 | (62) Chowan | (603,457) | 20.3 | 30.2% | | |
| 9,965 | (39) | 11,753 | (82) Cleveland | (2,679,384) | 16.0 | 23.3% | | |
| 10,055 | (38) | 44,290 | (89) Craven | (1,708,937) | 15.4 | 19.2% | | |
| 9,523 | (47) | 23,392 | (99) Cumberland | 860,462 | -2.3 | -2.7% | | |
| 8,576 | (75) | 38,019 | (28) Currituck | (620,686) | 15.8 | 18.9% | | |
| 8,692 | (69) | 2,936 | (1) Dare | 425,079 | -3.4 | -5.7% | | |
| 10,723 | (24) | 25,213 | (73) Davidson | (1,950,530) | 7.2 | 15.6% | | |
| 10,882 | (22) | 14,900 | (10) Davie | 22,127 | -0.3 | -0.5% | | |
| 8,971 | (62) | 43,091 | (68) Duplin | (943,508) | 13.0 | 17.3% | | |
| 12,471 | (5) | 37,575 | (33) Durham | (726,882) | 1.3 | 2.2% | | |
| 9,863 | (42) | 32,639 | (75) Edgecombe | (637,245) | 4.9 | 8.4% | | |
| 13,794 | (3) | 9,904 | (21) Forsyth | 4,184,562 | -4.4 | -7.4% | | |
| 10,925 | (20) | 11,562 | (59) Gaston | 1,333,261 | -3.4 | -4.6% | | |
| 9,192 | (54) | 78,689 | (53) Gates | (150,964) | 7.5 | 9.8% | | |
| 7,355 | (95) | 65,289 | (42) Graham | (746,487) | 45.2 | 87.8% | | |
| 8,592 | (73) | 56,808 | (77) Granville | 788,333 | -15.2 | -14.4% | | |
| 9,165 | (58) | 54,911 | (65) Greene | (847,116) | 28.0 | 34.2% | | |
| 13,201 | (4) | 9,246 | (24) Guilford | 5,917,156 | -5.6 | -8.8% | | |
| 7,865 | (87) | 36,327 | (84) Halifax | (1,554,872) | 13.7 | 21.1% | | |
| 8,179 | (83) | 83,368 | (90) Harnett | (2,479,440) | 32.2 | 36.2% | | |
| 10,141 | (34) | 22,013 | (27) Haywood | (41,835) | 0.4 | 0.6% | | |
| 8,342 | (80) | 51,709 | (87) Hertford | (174,464) | 4.8 | 5.7% | | |
| 7,451 | (93) | 6,536 | (6) Hyde | 66,247 | -3.4 | -4.2% | | |
| 10,560 | (27) | 23,884 | (34) Iredell | (2,450,464) | 9.1 | 22.1% | | |
| 8,470 | (76) | 13,278 | (30) Jackson | (513,569) | 5.6 | 13.4% | | |

ESTIMATED FISCAL IMPACT OF SB49 ON COUNTIES IN 1987-88 (UNADJUSTED)

| PER CAPITA PERSONAL INCOME 1984 | RANK | PER CAPITA ADJ. PROPERTY TAX BASE 1984-85 | COUNTY NAME | MINIMUM COST OF SB49 1987-88 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|---------------------------------|------|---|-------------------|------------------------------|-------------------------------------|--|
| \$9,388 | (49) | \$37,425 | (52) Johnston | (\$49,662) | 0.4 | 0.5% |
| 7,627 | (88) | 35,955 | (51) Jones | (24,739) | 0.9 | 1.8% |
| 11,046 | (17) | 23,580 | (43) Lee | (493,462) | 4.7 | 6.6% |
| \$9,539 | (46) | 31,661 | (78) Lenoir | (1,262,640) | 9.0 | 15.5% |
| 10,687 | (25) | 29,255 | (49) Lincoln | (307,922) | 2.8 | 4.3% |
| 9,195 | (53) | 5,591 | (3) Macon | 876,220 | -6.9 | -23.3% |
| 9,112 | (60) | 80,576 | (94) Madison | (1,335,180) | 65.8 | 73.0% |
| 7,604 | (85) | 18,103 | (35) Martin | 115,554 | -1.4 | -1.9% |
| 14,099 | (2) | 7,727 | (8) Mecklenburg | 21,129,850 | -10.7 | -16.8% |
| 9,204 | (52) | 41,667 | (40) Mitchell | (551,563) | 13.3 | 28.3% |
| 8,949 | (63) | 30,528 | (57) Montgomery | (812,872) | 15.3 | 23.6% |
| 11,536 | (14) | 14,020 | (31) Moore | 747,965 | -5.1 | -9.1% |
| 11,569 | (13) | 54,094 | (39) Nash | (586,845) | 2.6 | 5.9% |
| 10,794 | (23) | 2,814 | (22) New Hanover | 4,222,831 | -10.6 | -15.7% |
| 6,892 | (99) | 99,522 | (93) Northampton | (1,895,130) | 55.7 | 50.5% |
| 9,512 | (48) | 21,262 | (100) Onslow | (1,587,133) | 8.8 | 16.3% |
| 12,158 | (8) | 18,808 | (45) Orange | 1,500,454 | -6.8 | -11.7% |
| 9,262 | (51) | 32,258 | (37) Pamlico | (\$24,087) | 1.1 | 1.5% |
| 10,094 | (35) | 36,339 | (74) Pasquotank | (448,707) | 8.0 | 12.7% |
| 8,159 | (84) | 32,800 | (26) Pender | (326,847) | 6.6 | 7.0% |
| 8,736 | (68) | 15,909 | (5) Perquimans | (500,397) | 20.9 | 31.7% |
| 8,931 | (64) | 56,129 | (23) Person | (406,730) | 2.9 | 7.3% |
| 9,888 | (41) | 19,073 | (46) Pitt | 5,066,392 | -20.7 | -32.1% |
| 12,234 | (7) | 74,194 | (16) Polk | (948,840) | 18.8 | 52.1% |
| 11,038 | (18) | 27,074 | (56) Randolph | (200,085) | 0.8 | 2.0% |
| 8,585 | (74) | 33,036 | (96) Richmond | (954,430) | 11.8 | 16.6% |
| 7,312 | (96) | 77,554 | (98) Robeson | (4,889,620) | 34.9 | 38.4% |
| 10,142 | (33) | 46,433 | (50) Rockingham | (2,176,865) | 13.2 | 14.5% |
| 10,901 | (21) | 22,850 | (48) Rowan | (666,238) | 2.5 | 5.8% |
| 9,630 | (44) | 73,684 | (58) Rutherford | (2,330,580) | 21.3 | 31.4% |
| 8,769 | (66) | 44,484 | (83) Sampson | (1,823,236) | 21.7 | 26.1% |
| 8,662 | (71) | 51,445 | (79) Scotland | (1,245,306) | 18.0 | 19.5% |
| 10,626 | (26) | 29,331 | (55) Stanly | (339,404) | 2.6 | 4.6% |
| 9,831 | (43) | 15,402 | (9) Stokes | 440,349 | -3.5 | -6.1% |
| 10,206 | (32) | 36,004 | (70) Surry | 233,363 | -1.5 | -3.0% |
| 7,476 | (92) | 65,812 | (97) Swain | (684,532) | 48.9 | 108.7% |
| 10,554 | (28) | 21,411 | (14) Transylvania | (162,502) | 2.0 | 2.6% |
| 10,089 | (36) | 9,910 | (4) Tyrrell | \$39,513 | -2.9 | -3.4% |
| 9,157 | (59) | 33,007 | (91) Vance | (111,102) | 1.6 | 2.6% |
| 14,236 | (1) | 17,950 | (15) Wake | 5,660,478 | -4.2 | -7.2% |
| 8,347 | (79) | 49,686 | (54) Warren | (561,340) | 13.6 | 19.7% |

| PER CAPITA PERSONAL INCOME | PER CAPITA ADJ. PROPERTY TAX BASE | RANK | RANK | COUNTY NAME | MINIMUM COST OF SB49 1987-88 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|----------------------------|-----------------------------------|------|------|-------------|------------------------------|-------------------------------------|--|
| 1984 | 1984-85 | | | | | | |
| \$9,929 | \$56,863 | (40) | (61) | Washington | (\$504,836) | 14.4 | 21.8% |
| 8,467 | 10,050 | (77) | (13) | Watauga | 65,190 | -0.8 | -1.3% |
| 9,326 | 32,205 | (50) | (85) | Wayne | 1,128,998 | -6.8 | -10.1% |
| 10,067 | 25,431 | (37) | (81) | Wilkes | (41,081) | 0.2 | 0.5% |
| 11,025 | 15,541 | (19) | (60) | Wilson | 3,988,716 | -24.0 | -36.9% |
| 10,505 | 17,400 | (29) | (72) | Yadkin | (374,392) | 5.5 | 10.7% |
| 7,359 | 24,765 | (94) | (69) | Yancey | (603,387) | 14.3 | 33.9% |

APPENDIX J

| COUNTY NAME | STATE AVER. TAX RATE | UNADJ. 1987-88 |
|-------------|----------------------|----------------|
| Alexander | \$2,780 | |
| Anson | (1,014,421) | (\$803,883) |
| Ashe | 828,533 | (1,076,382) |
| Avery | 1,062,119 | (410,537) |
| Beaufort | 3,111,940 | 26,270 |
| Bertie | (618,956) | (195,816) |
| Bladen | (441,335) | 1,414,492 |
| Brunswick | 1,591,931 | (442,733) |
| Buncombe | (4,060,285) | 993,624 |
| Burke | 300,396 | (444,836) |
| Cabarrus | 356,187 | (2,691,192) |
| Caldwell | 201,209 | (2,642,747) |
| Camden | 399,318 | (231,372) |
| Carteret | 4,103,841 | (83,854) |
| Caswell | 201,523 | 196,674 |
| Catawba | 5,869,943 | (155,913) |
| Chatham | 840,545 | 1,088,275 |
| Cherokee | 479,368 | 980,327 |
| Chowan | (186,097) | (623,635) |
| Cleveland | (1,059,233) | (603,457) |
| Craven | (235,523) | (2,679,384) |
| Cumberland | (6,198,955) | (1,708,937) |
| Currituck | (894,548) | 860,462 |
| Dare | (221,605) | (620,686) |
| Davidson | 2,405,589 | 425,079 |
| Davie | 945,241 | (1,950,530) |
| Duplin | 247,580 | 22,127 |
| Durham | 4,608,988 | (943,508) |
| Edgecombe | (815,200) | (726,882) |
| Forsyth | (6,232,644) | (637,245) |
| Gaston | (4,846,645) | 4,184,562 |
| Graham | 292,800 | 1,333,261 |
| Granville | (923,615) | (746,487) |
| Greene | (246,384) | 788,333 |
| Guilford | (4,013,219) | (847,116) |
| Halifax | (451,320) | 5,917,156 |
| Harnett | 262,087 | (1,554,872) |
| Haywood | 1,855,878 | (2,479,440) |
| Hertford | (352,566) | (41,835) |
| Hyde | 56,450 | (174,464) |
| Iredell | 3,015,478 | 66,247 |
| Jackson | 1,064,968 | (2,450,464) |
| Johnston | (296,527) | (513,569) |
| Jones | 258,644 | (49,662) |
| | | (24,739) |

EFFECT OF ADJUSTING PROPERTY TAX EFFORT TO MEET COST OF SB49

| COUNTY NAME | ADDIT. REV. IF USE | STATE AVER. TAX RATE | UNADJ. 1987-88 |
|----------------|-----------------------|-------------------------|-------------------|
| | Lee | (1,181,916) | (493,462) |
| Lenoir | (478,410) | (1,262,646) | |
| Lincoln | (548,539) | (307,922) | |
| Macon | 3,075,139 | 876,220 | |
| Madison | (72,120) | (1,335,180) | |
| Mecklenburg | (18,198,769) | 21,129,850 | |
| Mitchell | 455,520 | (551,563) | |
| Montgomery | (138,127) | (812,872) | |
| Moore | 1,445,202 | 747,965 | |
| Nash | 2,671,880 | (586,845) | |
| New Hanover | (4,981,946) | 4,222,831 | |
| Northampton | (1,277,832) | (1,895,130) | |
| Onslow | 344,110 | (1,587,133) | |
| Orange | 72,504 | 1,500,454 | |
| Pamlico | 136,099 | (24,087) | |
| Pasquotank | 2,6074 | (448,707) | |
| Pender | (264,135) | (326,847) | |
| Perquimans | 197,049 | (500,397) | |
| Person | 1,796,074 | (406,730) | |
| Pitt | (1,251,052) | 5,066,392 | |
| Richmond | (860,621) | (954,430) | |
| Robeson | (2,328,392) | (4,889,620) | |
| Rockingham | (3,329,890) | (2,176,865) | |
| Rowan | 3,104,002 | (666,238) | |
| Rutherford | 409,249 | (2,330,580) | |
| Sampson | (739,484) | (1,823,236) | |
| Scotland | (1,962,475) | (1,245,306) | |
| Stokes | (283,748) | 440,349 | |
| Surry | 138,412 | 233,363 | |
| Swain | 341,847 | (684,532) | |
| Tennessee | (377,415) | (162,502) | |
| Tyrrell | 113,423 | 39,513 | |
| Vance | (25,285) | (111,102) | |
| Wake | (7,041,591) | 5,660,478 | |
| Warren | (423,920) | (561,340) | |
| Washington | (185,313) | (504,836) | |
| Watauga | 2,746,974 | 65,190 | |
| Wayne | 1,255,004 | 1,128,008 | |

APPENDIX K

| PER CAPITA PERSONAL INCOME | PER CAPITA ADJ. PROPERTY TAX BASE | RANK | COUNTY NAME | MINIMUM COST OF SB49 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|----------------------------------|---|------|-----------------|----------------------------|--|---|
| \$11,300 | \$18,967 | (15) | (44) Alamance | \$2,470,279 | -8.5 | -15.8% |
| 10,400 | 49,754 | (30) | (86) Alexander | (756,244) | 20.7 | 23.5% |
| 8,784 | 48,000 | (65) | (80) Anson | (926,428) | 20.0 | 21.3% |
| 8,185 | 25,362 | (82) | (32) Ashe | (57,074) | 1.1 | 1.9% |
| 7,917 | 14,740 | (86) | (12) Avery | 255,638 | -5.4 | -10.4% |
| 9,187 | 46,184 | (56) | (17) Beaufort | 476,394 | -4.3 | -9.1% |
| 8,405 | 17,895 | (78) | (71) Bertie | 1,476,589 | -28.4 | -43.0% |
| 7,591 | 37,736 | (90) | (63) Bladen | (125,495) | 1.6 | 2.6% |
| 8,212 | 6,041 | (81) | (2) Brunswick | 2,153,895 | -9.7 | -16.4% |
| 11,128 | 25,090 | (16) | (41) Buncombe | 4,581,451 | -10.0 | -15.0% |
| 10,233 | 50,412 | (31) | (66) Burke | (1,452,049) | 9.7 | 15.4% |
| 11,573 | 24,126 | (12) | (38) Cabarrus | (1,161,857) | 4.1 | 7.9% |
| 9,617 | 19,165 | (45) | (76) Caldwell | 970,087 | -6.6 | -11.0% |
| 8,673 | 20,000 | (70) | (18) Camden | (18,716) | 1.4 | 2.4% |
| 9,095 | 11,102 | (61) | (11) Carteret | 831,590 | -4.9 | -12.3% |
| 7,510 | 19,244 | (91) | (88) Caswell | (178,021) | 4.6 | 7.9% |
| 11,812 | 14,804 | (10) | (25) Catawba | 4,549,954 | -12.0 | -32.5% |
| 11,605 | 19,868 | (11) | (19) Chatham | 1,754,450 | -21.5 | -29.9% |
| 7,241 | 34,589 | (97) | (92) Cherokee | (742,944) | 17.0 | 40.6% |
| 9,186 | 59,901 | (57) | (62) Chowan | (312,747) | 10.5 | 15.6% |
| 9,965 | 11,753 | (39) | (82) Cleveland | (2,006,388) | 12.0 | 17.4% |
| 10,055 | 44,290 | (38) | (89) Craven | (1,354,732) | 12.2 | 15.2% |
| 9,523 | 23,392 | (47) | (99) Cumberland | 6,789,991 | -18.3 | -21.5% |
| 8,576 | 38,019 | (75) | (28) Currituck | 7,984 | -0.2 | -0.2% |
| 8,692 | 2,936 | (69) | (1) Dare | 1,425,638 | -11.3 | -19.1% |
| 10,723 | 25,213 | (24) | (73) Davidson | (872,395) | 3.2 | 7.0% |
| 10,882 | 14,900 | (22) | (10) Davie | 494,529 | -6.2 | -11.2% |
| 8,971 | 43,091 | (62) | (68) Duplin | (968,438) | 13.3 | 17.8% |
| 12,471 | 37,575 | (5) | (33) Durham | 3,614,069 | -6.4 | -10.8% |
| 9,863 | 32,639 | (42) | (75) Edgecombe | 202,431 | -1.6 | -2.7% |
| 13,794 | 9,904 | (3) | (21) Forsyth | 20,380,747 | -21.3 | -36.1% |
| 10,925 | 11,562 | (20) | (59) Gaston | 5,257,993 | -13.6 | -18.2% |
| 9,192 | 78,689 | (54) | (53) Gates | 110,954 | -5.5 | -7.2% |
| 7,355 | 65,289 | (95) | (42) Graham | (779,752) | 47.3 | 91.7% |
| 8,592 | 56,808 | (73) | (77) Granville | 1,006,756 | -19.4 | -18.3% |
| 9,165 | 54,911 | (58) | (65) Greene | (534,258) | 17.6 | 21.5% |
| 13,201 | 9,246 | (4) | (24) Guilford | 19,401,675 | -18.5 | -28.9% |
| 7,865 | 36,327 | (87) | (84) Halifax | (1,980,088) | 17.4 | 26.8% |
| 8,179 | 83,368 | (83) | (90) Harnett | (2,390,837) | 31.0 | 34.9% |
| 10,141 | 22,013 | (34) | (27) Haywood | 1,166,151 | -11.7 | -17.0% |
| 8,342 | 51,709 | (80) | (87) Hertford | 214,985 | -5.9 | -7.0% |
| 7,451 | 6,536 | (93) | (6) Hyde | 198,796 | -10.2 | -12.7% |
| 10,560 | 23,884 | (27) | (34) Iredell | (606,248) | 2.2 | 5.5% |
| 8,470 | 13,278 | (76) | (30) Jackson | (188,028) | 2.1 | 4.9% |

ESTIMATED FISCAL IMPACT OF SB49 ON COUNTIES IN 1992-93 (UNADJUSTED)

| PER CAPITA PERSONAL INCOME | RANK | PER CAPITA ADJ. PROPERTY TAX BASE | | RANK | COUNTY NAME | MINIMUM COST OF SB49 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|----------------------------------|------|---|-------------|-------|----------------|----------------------------|--|---|
| | | 1984-85 | 1992-93 | | | | | |
| \$9,388 | (49) | \$37,425 | \$1,984,500 | (52) | Johnston | \$1,984,500 | -16.3 | -18.3% |
| 7,627 | (88) | 35,955 | (463,682) | (51) | Jones | (463,682) | 17.1 | 33.6% |
| 11,046 | (17) | 23,580 | 957,550 | (43) | Lee | 957,550 | -9.0 | -12.7% |
| \$9,539 | (46) | 31,661 | (282,890) | (78) | Lenoir | (282,890) | 2.0 | 3.5% |
| 10,687 | (25) | 29,255 | (432,464) | (49) | Lincoln | (432,464) | 3.9 | 6.0% |
| 9,195 | (53) | 5,591 | 1,487,161 | (3) | Macon | 1,487,161 | -11.7 | -39.6% |
| 9,112 | (60) | 80,576 | (1,776,816) | (94) | Madison | (1,776,816) | 87.5 | 97.1% |
| 7,604 | (89) | 18,103 | 777,170 | (35) | Martin | 777,170 | -9.6 | -12.5% |
| 14,099 | (2) | 7,727 | 51,930,043 | (8) | Mecklenburg | 51,930,043 | -26.3 | -41.4% |
| 9,204 | (52) | 41,667 | (398,659) | (40) | Mitchell | (398,659) | 9.6 | 20.4% |
| 8,949 | (63) | 33,528 | (549,264) | (57) | Montgomery | (549,264) | 10.4 | 15.9% |
| 11,536 | (14) | 14,020 | 1,994,448 | (31) | Moore | 1,994,448 | -13.6 | -24.3% |
| 11,569 | (13) | 54,094 | 148,174 | (39) | Nash | 148,174 | -9.6 | -1.5% |
| 10,794 | (23) | 2,814 | 8,680,502 | (22) | New Hanover | 8,680,502 | -21.9 | -32.2% |
| 6,892 | (99) | 99,522 | (1,569,099) | (93) | Northampton | (1,569,099) | 46.1 | 41.8% |
| 9,512 | (48) | 21,262 | (1,356,727) | (100) | Onslow | (1,356,727) | 7.5 | 14.0% |
| 12,158 | (8) | 18,808 | 4,124,686 | (45) | Orange | 4,124,686 | -18.7 | -32.3% |
| 9,262 | (51) | 32,258 | (6,378) | (37) | Pamlico | (6,378) | 0.3 | 0.4% |
| 10,094 | (35) | 36,339 | 76,654 | (74) | Pasquotank | 76,654 | -1.4 | -2.2% |
| 8,159 | (84) | 32,800 | 50,415 | (26) | Pender | 50,415 | -1.0 | -1.1% |
| 8,736 | (68) | 15,909 | (408,038) | (5) | Perquimans | (408,038) | 17.1 | 25.8% |
| 8,931 | (64) | 56,129 | (48,229) | (23) | Person | (48,229) | 0.3 | 0.9% |
| 9,888 | (41) | 19,073 | 7,757,390 | (46) | Pitt | 7,757,390 | -31.6 | -49.2% |
| 12,234 | (7) | 74,194 | (602,956) | (16) | Polk | (602,956) | 11.9 | 33.1% |
| 11,038 | (18) | 27,074 | 596,326 | (56) | Randolph | 596,326 | -2.3 | -5.9% |
| 8,585 | (74) | 33,036 | (647,706) | (96) | Richmond | (647,706) | 8.0 | 11.3% |
| 7,312 | (96) | 77,554 | (6,110,752) | (98) | Robeson | (6,110,752) | 43.6 | 48.0% |
| 10,142 | (33) | 46,433 | (515,515) | (50) | Rockingham | (515,515) | 3.1 | 3.4% |
| 10,901 | (21) | 22,850 | 1,027,458 | (48) | Rowan | 1,027,458 | -3.9 | -8.9% |
| 9,630 | (44) | 73,684 | (1,011,416) | (58) | Rutherford | (1,011,416) | 9.2 | 13.6% |
| 8,769 | (66) | 44,484 | (1,502,384) | (83) | Sampson | (1,502,384) | 17.9 | 21.5% |
| 8,662 | (71) | 51,445 | (360,977) | (79) | Scotland | (360,977) | 5.2 | 5.7% |
| 10,626 | (26) | 29,331 | 261,323 | (55) | Stanly | 261,323 | -2.0 | -3.6% |
| 9,831 | (43) | 15,402 | 1,746,780 | (9) | Stokes | 1,746,780 | -13.7 | -24.0% |
| 10,206 | (32) | 36,004 | 894,985 | (70) | Surry | 894,985 | -5.9 | -11.5% |
| 7,476 | (92) | 65,812 | (648,551) | (97) | Swain | (648,551) | 46.3 | 102.9% |
| 10,554 | (28) | 21,411 | 158,670 | (14) | Transylvania | 158,670 | -2.0 | -2.5% |
| 10,089 | (36) | 9,910 | \$91,256 | (4) | Tyrrell | \$91,256 | -6.8 | -7.9% |
| 9,157 | (59) | 33,007 | 421,089 | (91) | Vance | 421,089 | -6.2 | -9.8% |
| 14,236 | (1) | 17,950 | 23,952,369 | (15) | Wake | 23,952,369 | -17.9 | -30.3% |
| 8,347 | (79) | 49,686 | (514,082) | (54) | Warren | (514,082) | 12.5 | 18.0% |

ESTIMATED FISCAL IMPACT OF SB49 ON COUNTIES IN 1992-93 (UNADJUSTED)

| PER CAPITA PERSONAL INCOME | PER CAPITA ADJ. PROPERTY TAX BASE | RANK | RANK | COUNTY NAME | MINIMUM COST OF SB49 1992-93 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|----------------------------|-----------------------------------|------|------|-------------|------------------------------|-------------------------------------|--|
| 1984 | 1984-85 | | | | | | |
| \$9,929 | \$56,863 | (40) | (61) | Washington | (\$320,154) | 9.1 | 13.8% |
| 8,467 | 10,050 | (77) | (13) | Watauga | 630,637 | -7.5 | -12.5% |
| 9,326 | 32,205 | (50) | (85) | Wayne | 2,100,407 | -12.7 | -18.8% |
| 10,067 | 25,431 | (37) | (81) | Wilkes | 734,964 | -3.9 | -9.1% |
| 11,025 | 15,541 | (19) | (60) | Wilson | 5,467,869 | -32.9 | -50.6% |
| 10,505 | 17,400 | (29) | (72) | Yadkin | (245,622) | 3.6 | 7.0% |
| 7,359 | 24,765 | (94) | (69) | Yancey | (497,910) | 11.8 | 28.0% |

APPENDIX L

ADDIT. REV.
IF USE

| COUNTY NAME | STATE AVER. TAX RATE | UNADJ. 1992-93 |
|-------------|----------------------|----------------|
| Alexander | \$2,780 | (\$756,244) |
| Anson | (1,014,421) | (926,428) |
| Ashe | 828,533 | (57,074) |
| Avery | 1,062,119 | 255,638 |
| Beaufort | 3,111,940 | 476,394 |
| Bertie | (618,956) | 1,476,589 |
| Bladen | (441,335) | (125,495) |
| Brunswick | 1,591,931 | 2,153,895 |
| Buncombe | (4,060,285) | 4,581,451 |
| Burke | 300,396 | (1,452,049) |
| Cabarrus | 356,187 | (1,161,857) |
| Caldwell | 201,209 | 970,087 |
| Camden | 399,318 | (18,716) |
| Carteret | 4,103,841 | 831,590 |
| Caswell | 201,523 | (178,021) |
| Catawba | 5,869,943 | 4,549,954 |
| Chatham | 840,545 | 1,754,450 |
| Cherokee | 479,368 | (742,944) |
| Chowan | (186,097) | (312,747) |
| Cleveland | (1,059,233) | (2,006,388) |
| Craven | (235,523) | (1,354,732) |
| Cumberland | (6,198,955) | 6,789,991 |
| Currituck | (894,548) | 7,984 |
| Dare | (221,605) | 1,425,638 |
| Davidson | 2,405,589 | (872,395) |
| Davie | 945,241 | 494,529 |
| Duplin | 247,580 | (968,438) |
| Durham | 4,608,988 | 3,614,069 |
| Edgecombe | (815,200) | 202,431 |
| Forsyth | (6,232,644) | 20,380,747 |
| Gaston | (4,846,645) | 5,257,993 |
| Graham | 292,800 | (779,752) |
| Granville | (923,615) | 1,006,756 |
| Greene | (246,384) | (534,258) |
| Guilford | (4,013,219) | 19,401,675 |
| Halifax | (451,320) | (1,980,088) |
| Harnett | 262,087 | (2,390,837) |
| Haywood | 1,855,878 | 1,166,151 |
| Hertford | (352,566) | 214,985 |
| Hyde | 56,450 | 198,796 |
| Iredell | 3,015,478 | (606,248) |
| Jackson | 1,064,968 | (188,028) |
| Johnston | (296,527) | 1,984,500 |
| Jones | 258,644 | (463,682) |

ESTIMATED FISCAL IMPACT OF SB49 ON COUNTIES IN 1987-88 (INCLUDING HB1542-60%)

| PER CAPITA PERSONAL INCOME | RANK | PER CAPITA ADJ. PROPERTY TAX BASE | | RANK | COUNTY NAME | MINIMUM COST OF SB49 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|----------------------------------|------|---|-------------|-------|----------------|----------------------------|--|---|
| | | 1984-85 | 1987-88 | | | | | |
| \$9,388 | (49) | \$37,425 | \$1,069,556 | (52) | Johnston | 136,726 | -8.8 | -9.8% |
| 7,627 | (88) | 35,955 | 136,726 | (51) | Jones | (3,943) | -5.0 | -9.9% |
| 11,046 | (17) | 23,580 | (470,486) | (43) | Lee | 393,147 | .0 | 0.1% |
| \$9,539 | (46) | 31,661 | (470,486) | (78) | Lenoir | 1,236,111 | 3.4 | 5.8% |
| 10,687 | (25) | 29,255 | (1,084,686) | (49) | Lincoln | 504,568 | -3.5 | -5.4% |
| 9,195 | (53) | 5,591 | 25,677,830 | (3) | Macon | (340,478) | -9.7 | -32.9% |
| 9,112 | (60) | 80,576 | (492,163) | (94) | Madison | 1,458,389 | 53.4 | 59.3% |
| 7,604 | (85) | 18,103 | (492,163) | (35) | Martin | 253,603 | -6.3 | -8.1% |
| 14,099 | (2) | 7,727 | (1,590,903) | (8) | Mecklenburg | 176,157 | -13.0 | -20.5% |
| 9,204 | (52) | 41,667 | (1,590,903) | (40) | Mitchell | 2,424,895 | 8.2 | 17.5% |
| 8,949 | (63) | 3,528 | 176,157 | (57) | Montgomery | 150,712 | 9.3 | 14.3% |
| 11,536 | (14) | 4,020 | 1,458,389 | (31) | Moore | (86,988) | -9.9 | -17.7% |
| 11,569 | (13) | 54,094 | 253,603 | (39) | Nash | 49,675 | -1.1 | -2.6% |
| 10,794 | (23) | 2,814 | 5,600,690 | (22) | New Hanover | (362,883) | -14.1 | -20.8% |
| 6,892 | (99) | 99,522 | (1,590,903) | (93) | Northampton | 51,919 | 46.8 | 42.4% |
| 9,512 | (48) | 21,262 | 176,157 | (100) | Onslow | 6,157,909 | -1.0 | -1.8% |
| 12,158 | (8) | 18,808 | 2,424,895 | (45) | Orange | (738,207) | -11.0 | -19.0% |
| 9,262 | (51) | 32,258 | 150,712 | (37) | Pamlico | 1,131,275 | -7.0 | -9.5% |
| 10,094 | (35) | 36,339 | (86,988) | (74) | Pasquotank | (380,134) | 1.6 | 2.5% |
| 8,159 | (84) | 32,800 | 49,675 | (26) | Pender | (3,476,509) | -1.0 | -1.1% |
| 8,736 | (68) | 15,909 | (362,883) | (5) | Perquimans | 682,129 | 15.2 | 23.0% |
| 8,931 | (64) | 56,129 | 51,919 | (23) | Person | 1,485,401 | -0.4 | -0.9% |
| 9,888 | (41) | 19,073 | 6,157,909 | (46) | Pitt | (1,097,885) | -25.1 | -39.0% |
| 12,234 | (7) | 74,194 | (738,207) | (16) | Polk | (711,362) | 14.6 | 40.6% |
| 11,038 | (18) | 27,074 | (380,134) | (56) | Randolph | 276,588 | -4.4 | -11.1% |
| 8,585 | (74) | 33,036 | (3,476,509) | (96) | Richmond | 1,055,272 | 4.7 | 6.6% |
| 7,312 | (96) | 77,554 | (1,091,252) | (98) | Robeson | 682,129 | 24.8 | 27.3% |
| 10,142 | (33) | 46,433 | (1,091,252) | (50) | Rockingham | 1,485,401 | 6.6 | 7.3% |
| 10,901 | (21) | 22,850 | 682,129 | (48) | Rowan | (1,485,401) | -2.6 | -5.9% |
| 9,630 | (44) | 73,684 | (1,485,401) | (58) | Rutherford | (1,097,885) | 13.6 | 20.0% |
| 8,769 | (66) | 44,484 | (1,485,401) | (83) | Sampson | (711,362) | 13.1 | 15.7% |
| 8,662 | (71) | 51,445 | (711,362) | (79) | Scotland | 276,588 | 10.3 | 11.1% |
| 10,626 | (26) | 29,331 | 276,588 | (55) | Stanly | 1,055,272 | -8.3 | -3.8% |
| 9,831 | (43) | 15,402 | 1,055,272 | (9) | Stokes | 1,119,542 | -8.3 | -14.5% |
| 10,206 | (32) | 36,004 | 1,119,542 | (70) | Surry | (516,589) | -7.4 | -14.4% |
| 7,476 | (92) | 65,812 | (516,589) | (97) | Swain | 236,587 | 36.9 | 82.0% |
| 10,554 | (28) | 21,411 | 236,587 | (14) | Transylvania | 108,176 | -2.9 | -3.7% |
| 10,089 | (36) | 9,910 | 108,176 | (4) | Tyrrell | 367,171 | -8.1 | -9.4% |
| 9,157 | (59) | 33,007 | 367,171 | (91) | Vance | 9,187,784 | -5.4 | -8.6% |
| 14,236 | (1) | 17,950 | 9,187,784 | (15) | Wake | (307,590) | -6.9 | -11.6% |
| 8,347 | (79) | 49,686 | (307,590) | (54) | Warren | 7.5 | 7.5 | 10.8% |

| PER CAPITA PERSONAL INCOME | PER CAPITA ADJ. PROPERTY TAX BASE | RANK | RANK | COUNTY NAME | MINIMUM COST OF SB49 1987-88 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|----------------------------|-----------------------------------|------|------|-------------|------------------------------|-------------------------------------|--|
| 1984 \$9,929 | 1984-85 \$56,863 | (40) | (61) | Washington | (\$323,063) | 9.2 | 13.9% |
| 8,467 | 10,050 | (77) | (13) | Watauga | 464,863 | -5.5 | -9.2% |
| 9,326 | 32,205 | (50) | (85) | Wayne | 2,331,990 | -14.1 | -20.9% |
| 10,067 | 25,431 | (37) | (81) | Wilkes | 932,576 | -5.0 | -11.6% |
| 11,025 | 15,541 | (19) | (60) | Wilson | 4,823,793 | -29.0 | -44.7% |
| 10,505 | 17,400 | (29) | (72) | Yadkin | 71,830 | -1.0 | -2.1% |
| 7,359 | 24,765 | (94) | (69) | Yancey | (353,089) | 8.3 | 19.8% |

ESTIMATED FISCAL IMPACT OF SB49 ON COUNTIES IN 1987-88 (INCLUDING HB1542-100%)

| PER CAPITA PERSONAL INCOME | RANK | PER CAPITA ADJ. PROPERTY TAX BASE | | RANK | COUNTY NAME | MINIMUM COST OF SB49 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|----------------------------------|------|---|----------------|-------------|----------------|----------------------------|--|---|
| | | 1984-85 | 1987-88 | | | | | |
| \$11,300 | (15) | \$18,967 | (44)Alamance | \$3,294,890 | -11.4 | -21.0% | | |
| 10,400 | (30) | 49,754 | (86)Alexander | (45,158) | 1.2 | 1.4% | | |
| 8,784 | (65) | 48,000 | (80)Anson | (476,094) | 10.3 | 10.9% | | |
| 8,185 | (82) | 25,362 | (32)Ashe | 221,654 | -4.1 | -7.2% | | |
| 7,917 | (86) | 14,740 | (12)Avery | 402,387 | -8.5 | -16.4% | | |
| 9,187 | (56) | 46,184 | (17)Beaufort | 758,561 | -6.8 | -14.5% | | |
| 8,405 | (78) | 17,895 | (71)Bertie | 1,921,050 | -36.9 | -56.0% | | |
| 7,591 | (50) | 37,736 | (63)Bladen | 294,850 | -3.9 | -6.2% | | |
| 8,212 | (81) | 6,041 | (2)Brunswick | 2,123,591 | -9.6 | -16.1% | | |
| 11,128 | (16) | 25,090 | (41)Buncombe | 3,120,904 | -6.8 | -10.2% | | |
| 10,233 | (31) | 50,412 | (66)Burke | (998,907) | 6.7 | 10.6% | | |
| 11,573 | (12) | 24,126 | (38)Cabarrus | (367,127) | 1.3 | 2.5% | | |
| 9,617 | (45) | 19,165 | (76)Caldwell | 1,247,966 | -8.5 | -14.2% | | |
| 8,673 | (70) | 20,000 | (18)Camden | 90,335 | -6.9 | -11.6% | | |
| 9,095 | (61) | 11,102 | (11)Carteret | 1,136,691 | -6.7 | -16.8% | | |
| 7,510 | (91) | 19,244 | (88)Caswell | 500,020 | -12.8 | -22.1% | | |
| 11,812 | (10) | 14,804 | (25)Catawba | 3,434,376 | -9.1 | -24.5% | | |
| 11,605 | (11) | 19,868 | (19)Chatham | 1,852,870 | -22.7 | -31.6% | | |
| 7,241 | (97) | 34,589 | (92)Cherokee | (127,262) | 2.9 | 7.0% | | |
| 9,186 | (57) | 59,901 | (62)Chowan | (307,393) | 10.3 | 15.4% | | |
| 9,965 | (39) | 11,753 | (82)Cleveland | (862,409) | 5.2 | 7.5% | | |
| 10,055 | (38) | 44,290 | (89)Craven | 80,770 | -0.7 | -0.9% | | |
| 9,523 | (47) | 23,392 | (99)Cumberland | 6,666,050 | -18.0 | -21.1% | | |
| 8,576 | (75) | 38,019 | (28)Currituck | (222,705) | 5.7 | 6.8% | | |
| 8,692 | (69) | 2,936 | (1)Dare | 786,333 | -6.2 | -10.5% | | |
| 10,723 | (24) | 25,213 | (73)Davidson | 766,592 | -2.8 | -6.1% | | |
| 10,882 | (22) | 14,900 | (10)Davie | 752,208 | -9.4 | -17.1% | | |
| 8,971 | (62) | 43,091 | (68)Duplin | (1,959) | .0 | .0% | | |
| 12,471 | (5) | 37,575 | (33)Durham | 2,082,579 | -3.7 | -6.3% | | |
| 9,863 | (42) | 32,639 | (75)Edgecombe | 453,131 | -3.5 | -6.0% | | |
| 13,794 | (3) | 9,904 | (21)Forsyth | 8,952,697 | -9.3 | -15.8% | | |
| 10,925 | (20) | 11,562 | (59)Gaston | 4,701,514 | -12.1 | -16.2% | | |
| 9,192 | (54) | 78,689 | (53)Gates | 108,587 | -5.4 | -7.1% | | |
| 7,355 | (95) | 65,289 | (42)Graham | (572,047) | 34.7 | 67.3% | | |
| 8,592 | (73) | 56,808 | (77)Granville | 1,627,151 | -31.4 | -29.6% | | |
| 9,165 | (58) | 54,911 | (65)Greene | (390,810) | 12.9 | 15.8% | | |
| 13,201 | (4) | 9,246 | (24)Guilford | 11,565,139 | -11.0 | -17.2% | | |
| 7,865 | (87) | 36,327 | (84)Halifax | (432,713) | 3.8 | 5.9% | | |
| 8,179 | (83) | 83,368 | (90)Harnett | (1,046,362) | 13.6 | 15.3% | | |
| 10,141 | (34) | 22,013 | (27)Haywood | 1,028,590 | -10.3 | -15.0% | | |
| 8,342 | (80) | 51,709 | (87)Hertford | 334,904 | -9.2 | -10.9% | | |
| 7,451 | (93) | 6,536 | (6)Hyde | 243,262 | -12.5 | -15.6% | | |
| 10,560 | (27) | 32,884 | (24)Iredell | 1,028,590 | -9.2 | -10.9% | | |

ESTIMATED FISCAL IMPACT OF SB49 ON COUNTIES IN 1987-88 (INCLUDING HB1542-100%)

| PER CAPITA PERSONAL INCOME | RANK | PER CAPITA ADJ. PROPERTY TAX BASE | RANK | COUNTY NAME | MINIMUM COST OF SB49 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|----------------------------|------|-----------------------------------|-------|--------------|----------------------|-------------------------------------|--|
| \$9,388 | (49) | \$37,425 | (52) | Johnston | \$1,815,705 | -14.9 | -16.7% |
| 7,627 | (88) | 35,955 | (51) | Jones | 244,370 | -9.0 | -17.7% |
| 11,046 | (17) | 23,580 | (43) | Lee | 322,405 | -3.0 | -4.3% |
| \$9,539 | (46) | 31,661 | (78) | Lenoir | 57,623 | -0.4 | -0.7% |
| 10,687 | (25) | 29,255 | (49) | Lincoln | 860,529 | -7.7 | -11.9% |
| 9,195 | (53) | 5,591 | (3) | Macon | 1,476,040 | -11.6 | -39.3% |
| 9,112 | (60) | 80,576 | (94) | Madison | (917,689) | 45.2 | 50.1% |
| 7,604 | (89) | 18,103 | (35) | Martin | 763,912 | -9.5 | -12.3% |
| 14,099 | (2) | 7,727 | (8) | Mecklenburg | 28,709,832 | -14.5 | -22.9% |
| 9,204 | (52) | 41,667 | (40) | Mitchell | (199,754) | 4.8 | 10.2% |
| 8,949 | (63) | 33,528 | (57) | Montgomery | (278,356) | 5.3 | 8.1% |
| 11,536 | (14) | 14,020 | (31) | Moore | 1,932,007 | -13.2 | -23.5% |
| 11,569 | (13) | 54,094 | (39) | Nash | 813,904 | -3.5 | -8.2% |
| 10,794 | (23) | 2,814 | (22) | New Hanover | 6,519,267 | -16.4 | -24.2% |
| 6,892 | (99) | 99,522 | (93) | Northampton | (1,388,084) | 40.8 | 37.0% |
| 9,512 | (48) | 21,262 | (100) | Onslow | 1,351,690 | -7.5 | -13.9% |
| 12,158 | (8) | 18,808 | (45) | Orange | 3,041,192 | -13.8 | -23.8% |
| 9,262 | (51) | 32,258 | (37) | Pamlico | 267,245 | -12.5 | -16.9% |
| 10,094 | (35) | 36,339 | (74) | Pasquotank | 154,159 | -2.8 | -4.4% |
| 8,159 | (84) | 32,800 | (26) | Pender | 300,691 | -6.1 | -6.5% |
| 8,736 | (68) | 15,909 | (5) | Perquimans | (271,207) | 11.3 | 17.2% |
| 8,931 | (64) | 56,129 | (23) | Person | 357,687 | -2.5 | -6.4% |
| 9,888 | (41) | 19,073 | (46) | Pitt | 6,885,591 | -28.1 | -43.7% |
| 12,234 | (7) | 74,194 | (16) | Polk | (597,784) | 11.8 | 32.8% |
| 11,038 | (18) | 27,074 | (56) | Randolph | 2,018,853 | -7.8 | -19.8% |
| 8,585 | (74) | 33,036 | (96) | Richmond | 2,732 | .0 | .0% |
| 7,312 | (96) | 77,554 | (98) | Robeson | (2,534,430) | 18.1 | 19.9% |
| 10,142 | (33) | 46,433 | (50) | Rockingham | (367,506) | 2.2 | 2.4% |
| 10,901 | (21) | 22,850 | (48) | Rowan | 1,581,045 | -5.9 | -13.7% |
| 9,630 | (44) | 73,684 | (58) | Rutherford | (921,946) | 8.4 | 12.4% |
| 8,769 | (66) | 44,484 | (83) | Sampson | (614,315) | 7.3 | 8.8% |
| 8,662 | (71) | 51,445 | (79) | Scotland | (355,398) | 5.1 | 5.6% |
| 10,626 | (26) | 29,331 | (55) | Stanly | 687,251 | -5.2 | -9.4% |
| 9,831 | (43) | 15,402 | (9) | Stokes | 1,465,223 | -11.5 | -20.2% |
| 10,206 | (32) | 36,004 | (70) | Surry | 1,710,331 | -11.3 | -22.1% |
| 7,476 | (92) | 65,812 | (97) | Swain | (404,626) | 28.9 | 64.2% |
| 10,554 | (28) | 21,411 | (14) | Transylvania | 502,648 | -6.3 | -7.9% |
| 10,089 | (36) | 9,910 | (4) | Tyrrell | 153,952 | -11.5 | -13.4% |
| 9,157 | (59) | 33,007 | (91) | Vance | 686,021 | -10.1 | -16.0% |
| 14,236 | (1) | 17,950 | (15) | Wake | 11,539,333 | -8.6 | -14.6% |
| 8,347 | (79) | 49,686 | (54) | Warren | (138,422) | 3.4 | 4.9% |

ESTIMATED FISCAL IMPACT OF SB49 ON COUNTIES IN 1987-88 (INCLUDING HB1542-100%)

| PER CAPITA PERSONAL INCOME 1984 | RANK | PER CAPITA ADJ. PROPERTY TAX BASE 1984-85 | RANK | COUNTY NAME | MINIMUM COST OF SB49 1987-88 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|--|------|--|------|----------------|---------------------------------------|--|---|
| \$9,929 | (40) | \$56,863 | (61) | Washington | (\$201,880) | 5.8 | 8.7% |
| 8,467 | (77) | 10,050 | (13) | Watauga | 731,313 | -8.7 | -14.5% |
| 9,326 | (50) | 32,205 | (85) | Wayne | 3,133,989 | -19.0 | -28.1% |
| 10,067 | (37) | 25,431 | (81) | Wilkes | 1,581,684 | -8.4 | -19.6% |
| 11,025 | (19) | 15,541 | (60) | Wilson | 5,380,514 | -32.4 | -49.8% |
| 10,505 | (29) | 17,400 | (72) | Yadkin | 369,313 | -5.4 | -10.6% |
| 7,359 | (94) | 24,765 | (69) | Yancey | (186,223) | 4.4 | 10.5% |

APPENDIX N

EFFECT OF ADJUSTING PROPERTY TAX EFFORT TO MEET COST OF SB49

| COUNTY NAME | ADDIT. REV. IF USE STATE AVER. TAX RATE | | RUN1 UNADJ. 1987-88 | | RUN2 SALES- 60% 1987-88 | | RUN3 SALES- 100% 1987-88 | |
|----------------|--|-------------|---------------------------|--|----------------------------------|--|-----------------------------------|--|
| | | | | | | | | |
| Alexander | \$2,780 | (803,883) | | | | | | |
| Anson | (1,014,421) | (1,076,382) | | | (\$38,649) | | (\$45,158) | |
| Ashe | 828,533 | (410,537) | | | (716,210) | | (476,094) | |
| Avery | 1,062,119 | 26,270 | | | (31,223) | | 221,654 | |
| Beaufort | 3,111,940 | (195,816) | | | 251,937 | | 402,382 | |
| Bertie | (618,956) | 1,414,492 | | | 376,809 | | 758,561 | |
| Bladen | (441,335) | (442,733) | | | 1,718,426 | | 1,921,050 | |
| Brunswick | 1,591,931 | 993,624 | | | (184) | | 294,850 | |
| Buncombe | (4,060,285) | (444,836) | | | 1,671,603 | | 2,123,591 | |
| Burke | 300,396 | (2,691,192) | | | 1,694,604 | | 3,120,904 | |
| Cabarrus | 356,187 | (2,642,747) | | | (1,675,823) | | (998,907) | |
| Caldwell | 201,209 | (231,372) | | | (1,277,378) | | (367,127) | |
| Camden | 399,318 | (83,854) | | | 656,229 | | 1,247,966 | |
| Carteret | 4,103,841 | 196,674 | | | 20,659 | | 90,335 | |
| Caswell | 201,523 | (155,913) | | | 760,683 | | 1,136,691 | |
| Catawba | 5,869,943 | 1,088,275 | | | 237,646 | | 500,020 | |
| Chatham | 840,545 | 980,327 | | | 2,495,933 | | 3,434,376 | |
| Cherokee | 479,368 | (623,635) | | | 1,503,852 | | 1,852,870 | |
| Chowan | (186,097) | (603,457) | | | (325,812) | | (127,262) | |
| Cleveland | (1,059,233) | (2,679,384) | | | (425,819) | | (307,393) | |
| Craven | (235,523) | (1,708,937) | | | (1,589,201) | | (862,409) | |
| Cumberland | (6,198,955) | 860,462 | | | (635,115) | | 80,770 | |
| Currituck | (894,548) | (620,686) | | | 4,343,808 | | 6,666,050 | |
| Dare | (221,605) | 425,079 | | | (381,898) | | (222,705) | |
| Davidson | 2,405,589 | (1,950,530) | | | 641,831 | | 786,333 | |
| Davie | 945,241 | 22,127 | | | (320,260) | | 766,592 | |
| Duplin | 247,580 | (943,508) | | | 460,175 | | 752,208 | |
| Durham | 4,608,988 | (726,882) | | | (378,580) | | (1,959) | |
| Edgecombe | (815,200) | (637,245) | | | 958,791 | | 2,082,579 | |
| Forsyth | (6,232,644) | 4,184,562 | | | 16,979 | | 453,131 | |
| Gaston | (4,846,645) | 1,333,261 | | | 7,045,437 | | 8,952,697 | |
| Graham | 292,800 | (746,487) | | | 3,354,209 | | 4,701,514 | |
| Granville | (923,615) | 788,333 | | | (641,823) | | (572,047) | |
| Greene | (246,384) | (847,116) | | | 1,291,623 | | 1,627,151 | |
| Guilford | (4,013,219) | 5,917,156 | | | (573,333) | | (390,810) | |
| Halifax | (451,320) | (1,554,872) | | | 9,305,939 | | 11,565,139 | |
| Harnett | 262,087 | (2,479,440) | | | (881,578) | | (432,713) | |
| Haywood | 1,855,878 | (41,835) | | | (1,619,595) | | (1,046,362) | |
| Hertford | (352,566) | (174,464) | | | 600,419 | | 1,028,590 | |
| Hyde | 56,450 | 66,247 | | | 131,156 | | 334,904 | |
| Iredell | 3,015,478 | (2,450,464) | | | 172,456 | | 243,262 | |
| Jackson | 1,064,968 | (513,569) | | | (1,305,417) | | (542,049) | |
| Johnston | (296,527) | (49,662) | | | (59,128) | | 243,834 | |
| Jones | 258,644 | (24,739) | | | 1,069,556 | | 1,815,705 | |
| | | | | | 136,726 | | 244,370 | |

EFFECT OF ADJUSTING PROPERTY TAX EFFORT TO MEET COST OF SB49

| COUNTY NAME | ADDIT. REV. IF USE STATE AVER. TAX RATE | RUN1 | | RUN2 | | RUN3 | |
|----------------|--|-------------------|-------------------|--------------------------|---------------------------|---------------------------|---------------------------|
| | | UNADJ. 1987-88 | UNADJ. 1987-88 | SALES- 60% 1987-88 | SALES- 100% 1987-88 | SALES- 100% 1987-88 | SALES- 100% 1987-88 |
| Lee | (1,181,916) | (493,462) | (3,943) | (470,486) | 322,405 | | |
| Lenoir | (78,410) | (1,262,646) | (470,486) | 57,623 | | | |
| Linceln | (548,539) | (307,922) | 393,147 | 860,529 | | | |
| Macon | 3,075,139 | 876,220 | 1,236,111 | 1,476,040 | | | |
| Madison | (72,120) | (1,335,180) | (1,084,686) | (917,689) | | | |
| Mecklenburg | (18,198,769) | 21,129,850 | 25,677,830 | 28,709,832 | | | |
| Mitchell | 455,520 | (551,563) | (340,478) | (199,754) | | | |
| Montgomery | (138,127) | (812,872) | (492,163) | (278,356) | | | |
| Moore | 1,445,202 | 747,965 | 1,458,389 | 1,932,007 | | | |
| Nash | 2,671,890 | (596,845) | 253,603 | 813,904 | | | |
| New Hanover | (4,981,961) | 4,222,511 | 5,600,690 | 6,519,267 | | | |
| Northampton | (1,277,832) | (1,895,330) | (1,590,903) | (1,388,084) | | | |
| Onslow | 344,110 | (1,587,133) | 176,157 | 1,351,690 | | | |
| Orange | 77,504 | 1,500,454 | 2,424,895 | 3,041,192 | | | |
| Ramlico | 136,099 | (24,087) | 150,712 | 267,245 | | | |
| Pasquotank | 276,074 | (448,707) | (86,988) | 154,159 | | | |
| Pender | (264,135) | (326,847) | 49,675 | 300,691 | | | |
| Ferquimans | 197,049 | (500,397) | (362,883) | (271,207) | | | |
| Person | 1,796,074 | (406,730) | 51,919 | 357,687 | | | |
| Pitt | (1,251,052) | 5,066,392 | 6,157,909 | 6,885,591 | | | |
| Richmond | (860,621) | (954,430) | (380,134) | 2,732 | | | |
| Robeson | (2,328,392) | (4,889,620) | (3,476,509) | (2,534,430) | | | |
| Rockingham | (3,329,890) | (2,176,865) | (1,091,252) | (367,506) | | | |
| Rowan | 3,104,002 | (666,238) | 682,129 | 1,581,045 | | | |
| Rutherford | 409,249 | (2,330,580) | (1,485,401) | (921,946) | | | |
| Sampson | (739,484) | (1,823,236) | (1,097,885) | (614,315) | | | |
| Scotland | (1,962,475) | (1,245,306) | (711,362) | (355,398) | | | |
| Stokes | (283,748) | 440,349 | 1,055,272 | 1,465,223 | | | |
| Surry | 138,412 | 233,363 | 1,119,542 | 1,710,331 | | | |
| Swain | 341,847 | (684,532) | (516,589) | (404,626) | | | |
| Transylvania | (377,415) | (162,502) | 236,587 | 502,648 | | | |
| Tyrrell | 113,423 | 39,513 | 108,176 | 153,952 | | | |
| Vance | (25,285) | (111,102) | 367,171 | 686,021 | | | |
| Wake | (7,041,591) | 5,660,478 | 9,187,784 | 11,539,333 | | | |
| Warren | (423,920) | (561,340) | (307,590) | (138,422) | | | |
| Washington | (185,313) | (504,836) | (323,063) | (201,880) | | | |
| Watauga | 2,746,974 | 65,190 | 464,863 | 731,313 | | | |
| Wayne | 1,755,004 | 1,128,008 | 2,311,990 | 3,133,989 | | | |
| Wilson | (1,832,853) | 3,988,716 | 4,823,793 | 5,380,514 | | | |
| Yadkin | 375,402 | (374,392) | 71,830 | 369,313 | | | |
| Yancey | 394,220 | (603,387) | (353,089) | (186,223) | | | |

APPENDIX O

| PER CAPITA PERSONAL INCOME | RANK | PER CAPITA ADJ. PROPERTY TAX BASE | RANK | COUNTY NAME | MINIMUM COST OF SB49 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|----------------------------|------|-----------------------------------|------|-------------|----------------------|-------------------------------------|--|
| 1984 | | 1984-85 | | | 1992-93 | | |
| \$11,300 | (15) | \$18,967 | (44) | Alamance | \$3,634,129 | -12.5 | -23.2% |
| 10,400 | (30) | 49,754 | (86) | Alexander | (301,010) | 8.2 | 9.3% |
| 8,784 | (65) | 48,000 | (80) | Anson | (566,256) | 12.2 | 13.0% |
| 8,185 | (82) | 25,362 | (32) | Ashe | 322,240 | -6.0 | -10.5% |
| 7,917 | (86) | 14,740 | (12) | Avery | 481,305 | -10.2 | -19.6% |
| 9,187 | (56) | 46,184 | (17) | Beaufort | 1,049,019 | -9.5 | -20.1% |
| 8,405 | (78) | 17,895 | (71) | Bertie | 1,780,523 | -34.2 | -51.9% |
| 7,591 | (90) | 37,736 | (63) | Bladen | 317,054 | -4.1 | -6.7% |
| 8,212 | (81) | 6,041 | (2) | Brunswick | 2,831,874 | -12.8 | -21.5% |
| 11,128 | (16) | 25,090 | (41) | Buncombe | 6,720,891 | -14.7 | -22.0% |
| 10,233 | (31) | 50,412 | (66) | Burke | (436,680) | 2.9 | 4.6% |
| 11,573 | (12) | 24,126 | (38) | Cabarrus | 203,512 | -0.7 | -1.4% |
| 9,617 | (45) | 19,165 | (76) | Caldwell | 1,857,688 | -12.7 | -21.1% |
| 8,673 | (70) | 20,000 | (18) | Camden | 85,797 | -6.6 | -11.0% |
| 9,095 | (61) | 11,102 | (11) | Carteret | 1,395,599 | -8.2 | -20.6% |
| 7,510 | (91) | 19,244 | (88) | Caswell | 215,538 | -5.5 | -9.5% |
| 11,812 | (10) | 14,804 | (25) | Catawba | 5,957,612 | -15.7 | -42.6% |
| 11,605 | (11) | 19,868 | (19) | Chatham | 2,277,975 | -28.0 | -38.8% |
| 7,241 | (97) | 34,589 | (92) | Cherokee | (445,121) | 10.2 | 24.3% |
| 9,186 | (57) | 59,901 | (62) | Chowan | (135,109) | 4.5 | 6.8% |
| 9,965 | (39) | 11,753 | (82) | Cleveland | (916,205) | 5.5 | 8.0% |
| 10,055 | (38) | 44,290 | (89) | Craven | (280,910) | 2.5 | 3.2% |
| 9,523 | (47) | 23,392 | (99) | Cumberland | 10,273,337 | -27.7 | -32.6% |
| 8,576 | (75) | 38,019 | (28) | Currituck | 246,772 | -6.3 | -7.5% |
| 8,692 | (69) | 2,936 | (1) | Dare | 1,642,390 | -13.0 | -22.0% |
| 10,723 | (24) | 25,213 | (73) | Davidson | 757,875 | -2.8 | -6.1% |
| 10,882 | (22) | 14,900 | (10) | Davie | 932,577 | -11.7 | -21.2% |
| 8,971 | (62) | 43,091 | (68) | Duplin | (403,510) | 5.6 | 7.4% |
| 12,471 | (5) | 37,575 | (33) | Durham | 5,299,742 | -9.4 | -15.9% |
| 9,863 | (42) | 32,639 | (75) | Edgecombe | 856,655 | -6.7 | -11.3% |
| 13,794 | (3) | 9,904 | (21) | Forsyth | 23,241,622 | -24.3 | -41.1% |
| 10,925 | (20) | 11,562 | (59) | Gaston | 7,278,941 | -18.8 | -25.2% |
| 9,192 | (54) | 78,689 | (53) | Gates | 266,684 | -13.3 | -17.3% |
| 7,355 | (95) | 65,289 | (42) | Graham | (675,088) | 40.9 | 79.4% |
| 8,592 | (73) | 56,808 | (77) | Granville | 1,510,046 | -29.2 | -27.5% |
| 9,165 | (58) | 54,911 | (65) | Greene | (260,475) | 8.6 | 10.5% |
| 13,201 | (4) | 9,246 | (24) | Guilford | 22,790,458 | -21.7 | -33.9% |
| 7,865 | (87) | 36,327 | (84) | Halifax | (1,306,794) | 11.5 | 17.7% |
| 8,179 | (83) | 83,368 | (90) | Harnett | (1,530,992) | 19.9 | 22.4% |
| 10,141 | (34) | 22,013 | (27) | Haywood | 1,808,405 | -18.2 | -26.4% |
| 8,342 | (80) | 51,709 | (87) | Hertford | 520,605 | -14.3 | -17.0% |
| 7,451 | (93) | 6,536 | (6) | Hyde | 305,005 | -15.6 | -19.6% |
| 10,560 | (27) | 23,884 | (34) | Iredell | 538,799 | -2.0 | -4.9% |
| 8,470 | (76) | 13,278 | (30) | Jackson | 266,413 | -2.9 | -7.0% |

ESTIMATED FISCAL IMPACT OF SB49 ON COUNTIES IN 1992-93 (INCLUDING HB1542-60%)

| PER CAPITA PERSONAL INCOME 1984 | RANK | PER CAPITA ADJ. PROPERTY TAX BASE 1984-85 | | RANK | COUNTY NAME | MINIMUM COST OF SB49 1992-93 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|--|------|--|---|-------|----------------|---------------------------------------|--|---|
| | | \$ | % | | | | | |
| \$9,388 | (49) | \$37,425 | | (52) | Johnston | \$3,103,718 | -25.4 | -28.6% |
| 7,627 | (88) | 35,955 | | (51) | Jones | (302,217) | 11.2 | 21.9% |
| 11,046 | (17) | 23,580 | | (43) | Lee | 1,447,059 | -13.6 | -19.2% |
| \$9,539 | (46) | 31,661 | | (78) | Lenoir | 509,270 | -3.6 | -6.3% |
| 10,687 | (25) | 29,255 | | (49) | Lincoln | 268,605 | -2.4 | -3.7% |
| 9,195 | (53) | 5,591 | | (3) | Macon | 1,847,052 | -14.5 | -49.1% |
| 9,112 | (50) | 80,576 | | (94) | Madison | (1,526,322) | 75.2 | 83.4% |
| 7,604 | (89) | 18,103 | | (35) | Martin | 1,166,184 | -14.5 | -18.8% |
| 14,099 | (2) | 7,727 | | (8) | Mecklenburg | 56,478,023 | -28.6 | -45.0% |
| 9,204 | (52) | 41,667 | | (40) | Mitchell | (187,574) | 4.5 | 9.6% |
| 8,949 | (65) | 33,528 | | (57) | Montgomery | (228,555) | 4.3 | 6.6% |
| 11,536 | (14) | 14,020 | | (31) | Moore | 2,704,872 | -18.4 | -32.9% |
| 11,569 | (13) | 54,094 | | (39) | Nash | 988,622 | -4.3 | -10.0% |
| 10,794 | (23) | 2,814 | | (22) | New Hanover | 10,058,361 | -25.4 | -37.3% |
| 6,892 | (99) | 99,522 | | (93) | Northampton | (1,264,872) | 37.2 | 33.7% |
| 9,512 | (48) | 21,262 | | (100) | Onslow | 406,563 | -2.3 | -4.2% |
| 12,158 | (8) | 18,808 | | (45) | Orange | 5,049,127 | -22.9 | -39.5% |
| 9,262 | (51) | 32,258 | | (37) | Pamlico | 168,421 | -7.9 | -10.7% |
| 10,094 | (35) | 36,339 | | (74) | Pasquotank | 438,373 | -7.8 | -12.5% |
| 8,159 | (84) | 32,800 | | (26) | Pender | 426,937 | -8.6 | -9.2% |
| 8,736 | (68) | 15,909 | | (5) | Perquimans | (270,524) | 11.3 | 17.1% |
| 8,931 | (64) | 56,129 | | (23) | Person | 410,420 | -2.9 | -7.4% |
| 9,888 | (41) | 19,073 | | (46) | Pitt | 8,848,907 | -36.1 | -56.1% |
| 12,234 | (7) | 74,194 | | (16) | Polk | (392,323) | 7.8 | 21.6% |
| 11,038 | (18) | 27,074 | | (56) | Randolph | 1,927,686 | -7.5 | -18.9% |
| 8,585 | (74) | 33,036 | | (96) | Richmond | (73,410) | 0.9 | 1.3% |
| 7,312 | (96) | 77,554 | | (98) | Robeson | (4,697,641) | 33.6 | 36.9% |
| 10,142 | (33) | 46,433 | | (50) | Rockingham | 570,098 | -3.5 | -3.8% |
| 10,901 | (21) | 22,850 | | (48) | Rowan | 2,375,825 | -8.9 | -20.5% |
| 9,630 | (44) | 73,684 | | (58) | Rutherford | (166,237) | 1.5 | 2.2% |
| 8,769 | (66) | 44,484 | | (83) | Sampson | (777,033) | 9.2 | 11.1% |
| 8,662 | (71) | 51,445 | | (79) | Scotland | 172,967 | -2.5 | -2.7% |
| 10,626 | (26) | 29,331 | | (55) | Stanly | 877,315 | -6.6 | -12.0% |
| 9,831 | (43) | 15,402 | | (9) | Stokes | 2,361,703 | -18.5 | -32.5% |
| 10,206 | (32) | 36,004 | | (70) | Surry | 1,781,164 | -11.7 | -23.0% |
| 7,476 | (92) | 65,812 | | (97) | Swain | (480,608) | 34.3 | 76.3% |
| 10,554 | (28) | 21,411 | | (14) | Transylvania | 557,759 | -6.9 | -8.8% |
| 10,089 | (36) | 9,910 | | (4) | Tyrrell | 159,919 | -11.9 | -13.9% |
| 9,157 | (59) | 33,007 | | (91) | Vance | 899,362 | -13.2 | -21.0% |
| 14,236 | (1) | 17,950 | | (15) | Wake | 27,479,675 | -20.5 | -34.7% |
| 8,347 | (79) | 49,686 | | (54) | Warren | (260,332) | 6.3 | 9.1% |

ESTIMATED FISCAL IMPACT OF SB49 ON COUNTIES IN 1992-93 (INCLUDING HB1542-60%)

| PER CAPITA PERSONAL INCOME 1984 | RANK | PER CAPITA ADJ. PROPERTY TAX BASE 1984-85 | RANK | COUNTY NAME | MINIMUM COST OF SB49 1992-93 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|---------------------------------|------|---|------|-------------|------------------------------|-------------------------------------|--|
| \$9,929 | (40) | \$56,863 | (61) | Washington | (\$138,381) | 3.9 | 6.0% |
| 8,467 | (77) | 10,050 | (13) | Watauga | 1,030,310 | -12.3 | -20.4% |
| 9,326 | (50) | 32,205 | (85) | Wayne | 3,303,399 | -20.0 | -29.6% |
| 10,067 | (37) | 25,431 | (81) | Wilkes | 1,708,621 | -9.1 | -21.2% |
| 11,025 | (19) | 15,541 | (60) | Wilson | 6,302,946 | -37.9 | -58.4% |
| 10,505 | (29) | 17,400 | (72) | Yadkin | 200,600 | -2.9 | -5.7% |
| 7,359 | (94) | 24,765 | (69) | Yancey | (247,612) | 5.9 | 13.9% |

| PER CAPITA PERSONAL INCOME | PER CAPITA ADJ. PROPERTY TAX BASE | RANK | COUNTY NAME | MINIMUM COST OF SB49 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|----------------------------------|---|------|----------------|----------------------------|--|---|
| 1984 | 1984-85 | | | 1992-93 | | |
| \$11,300 | \$18,967 | (15) | (44)Alamance | \$4,410,033 | -15.4 | -28.5% |
| 10,400 | 49,754 | (30) | (86)Alexander | 2,481 | -11.2 | -12.7% |
| 8,784 | 48,000 | (65) | (80)Anson | (326,140) | 2.5 | 2.7% |
| 8,185 | 25,362 | (82) | (32)Ashe | 575,117 | -11.1 | -19.5% |
| 7,917 | 14,740 | (86) | (12)Avery | 631,750 | -13.3 | -25.5% |
| 9,187 | 46,184 | (56) | (17)Beaufort | 1,430,771 | -12.0 | -25.5% |
| 8,405 | 17,895 | (78) | (71)Bertie | 1,983,147 | -42.8 | -64.9% |
| 7,591 | 37,736 | (90) | (63)Bladen | 612,088 | -9.6 | -15.6% |
| 8,212 | 6,041 | (81) | (2)Brunswick | 3,283,862 | -12.7 | -21.3% |
| 11,128 | 25,090 | (16) | (41)Buncombe | 8,147,191 | -11.5 | -17.2% |
| 10,233 | 50,412 | (31) | (66)Burke | 240,236 | -0.1 | -0.2% |
| 11,573 | 24,126 | (12) | (38)Cabarrus | 1,113,763 | -3.5 | -6.8% |
| 9,617 | 19,165 | (45) | (76)Caldwell | 2,449,425 | -14.6 | -24.3% |
| 8,673 | 20,000 | (70) | (18)Camden | 155,473 | -15.0 | -25.0% |
| 9,095 | 11,102 | (61) | (11)Carteret | 1,771,607 | -10.0 | -25.1% |
| 7,510 | 19,244 | (91) | (88)Caswell | 477,912 | -22.9 | -39.5% |
| 11,812 | 14,804 | (10) | (25)Catawba | 6,896,055 | -12.8 | -34.6% |
| 11,605 | 19,868 | (11) | (19)Chatham | 2,626,993 | -29.2 | -40.5% |
| 7,241 | 34,589 | (97) | (92)Cherokee | (246,571) | -3.9 | -9.3% |
| 9,186 | 59,901 | (57) | (62)Chowan | (16,683) | 4.4 | 6.5% |
| 9,965 | 11,753 | (39) | (82)Cleveland | (189,413) | -1.4 | -2.0% |
| 10,055 | 44,290 | (38) | (89)Craven | 434,975 | -10.4 | -13.0% |
| 9,523 | 23,392 | (47) | (99)Cumberland | 12,595,579 | -27.4 | -32.2% |
| 8,576 | 38,019 | (75) | (28)Currituck | 405,965 | -0.4 | -0.5% |
| 8,692 | 2,936 | (69) | (1)Dare | 1,786,892 | -7.9 | -13.4% |
| 10,723 | 25,213 | (24) | (73)Davidson | 1,844,727 | -8.8 | -19.2% |
| 10,882 | 14,900 | (22) | (10)Davie | 1,224,610 | -14.9 | -27.1% |
| 8,971 | 43,091 | (62) | (68)Duplin | (26,889) | -7.8 | -10.3% |
| 12,471 | 37,575 | (5) | (33)Durham | 6,423,530 | -6.7 | -11.3% |
| 9,863 | 32,639 | (42) | (75)Edgecombe | 1,292,807 | -8.6 | -14.6% |
| 13,794 | 9,904 | (3) | (21)Forsyth | 25,148,882 | -12.3 | -20.9% |
| 10,925 | 11,562 | (20) | (59)Gaston | 8,626,246 | -17.3 | -23.2% |
| 9,192 | 78,689 | (54) | (53)Gates | 370,505 | -13.2 | -17.2% |
| 7,355 | 65,289 | (95) | (42)Graham | (605,312) | 28.3 | 55.0% |
| 8,592 | 56,808 | (73) | (77)Granville | 1,845,574 | -41.1 | -38.8% |
| 9,165 | 54,911 | (58) | (65)Greene | (77,952) | 3.9 | 4.7% |
| 13,201 | 9,246 | (4) | (24)Guilford | 25,049,658 | -14.2 | -22.3% |
| 7,865 | 36,327 | (87) | (84)Halifax | (857,929) | -2.1 | -3.3% |
| 8,179 | 83,368 | (83) | (90)Harnett | (957,759) | 2.4 | 2.7% |
| 10,141 | 22,013 | (34) | (27)Haywood | 2,236,576 | -16.8 | -24.4% |
| 8,342 | 51,709 | (80) | (87)Hertford | 724,353 | -17.5 | -20.9% |
| 7,451 | 6,536 | (93) | (6)Hyde | 375,811 | -17.9 | -22.4% |
| 10,560 | 23,884 | (27) | (34)Iredell | 1,302,167 | -2.2 | -5.4% |
| 8,470 | 13,278 | (76) | (30)Jackson | 569,375 | -7.7 | -18.3% |

ESTIMATED FISCAL IMPACT OF SB49 ON COUNTIES IN 1992-93(INCLUDING HB1542-100%)

| PER CAPITA PERSONAL INCOME 1984 | RANK | PER CAPITA ADJ. PROPERTY TAX BASE 1984-85 | COUNTY NAME | MINIMUM COST OF SB49 1992-93 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|---------------------------------|------|---|------------------|------------------------------|-------------------------------------|--|
| \$9,388 | (49) | \$37,425 | (52)Johnston | \$3,849,867 | -24.1 | -27.0% |
| 7,627 | (88) | 35,955 | (51)Jones | (194,573) | -15.0 | -29.4% |
| 11,046 | (17) | 23,580 | (43)Lee | 1,773,417 | -7.7 | -10.8% |
| \$9,539 | (46) | 31,661 | (78)Lenoir | 1,037,379 | -6.1 | -10.5% |
| 10,687 | (25) | 29,255 | (49)Lincoln | 735,987 | -14.0 | -21.6% |
| 9,195 | (53) | 5,591 | (3)Macon | 2,086,981 | -14.4 | -48.8% |
| 9,112 | (60) | 80,576 | (94)Madison | (1,359,325) | 32.9 | 36.5% |
| 7,604 | (89) | 18,103 | (35)Martin | 1,425,528 | -14.3 | -18.6% |
| 14,099 | (2) | 7,727 | (8)Mecklenburg | 59,510,025 | -16.8 | -26.5% |
| 9,204 | (52) | 41,667 | (40)Mitchell | (46,850) | -0.3 | -0.6% |
| 8,949 | (63) | 33,528 | (57)Montgomery | (14,748) | -0.8 | -1.2% |
| 11,536 | (14) | 14,020 | (31)Moore | 3,178,490 | -18.0 | -32.1% |
| 11,569 | (13) | 54,094 | (39)Nash | 1,548,923 | -7.2 | -16.7% |
| 10,794 | (23) | 2,814 | (22)New Hanover | 10,976,938 | -19.9 | -29.3% |
| 6,892 | (99) | 99,522 | (93)Northampton | (1,062,053) | 31.9 | 28.9% |
| 9,512 | (48) | 21,262 | (100)Onslow | 1,582,096 | -17.3 | -32.0% |
| 12,158 | (8) | 18,808 | (45)Orange | 5,665,424 | -18.0 | -31.1% |
| 9,262 | (51) | 32,258 | (37)Pamlico | 284,954 | -20.7 | -28.0% |
| 10,094 | (35) | 36,339 | (74)Pasquotank | 679,520 | -9.2 | -14.7% |
| 8,159 | (84) | 32,800 | (26)Pender | 677,953 | -13.7 | -14.6% |
| 8,736 | (68) | 15,909 | (5)Perquimans | (178,848) | 5.6 | 8.5% |
| 8,931 | (64) | 56,129 | (23)Person | 716,188 | -5.8 | -14.7% |
| 9,888 | (41) | 19,073 | (46)Pitt | 9,576,589 | -32.5 | -50.6% |
| 12,234 | (7) | 74,194 | (16)Polk | (251,900) | 7.7 | 21.3% |
| 11,038 | (18) | 27,074 | (56)Randolph | 2,815,264 | -13.0 | -32.9% |
| 8,585 | (74) | 33,036 | (96)Richmond | 309,456 | -7.1 | -10.0% |
| 7,312 | (96) | 77,554 | (98)Robeson | (3,755,562) | 8.0 | 8.8% |
| 10,142 | (33) | 46,433 | (50)Rockingham | 1,293,844 | -4.4 | -4.8% |
| 10,901 | (21) | 22,850 | (48)Rowan | 3,274,741 | -11.0 | -25.3% |
| 9,630 | (44) | 73,684 | (58)Rutherford | 397,218 | 0.7 | 1.0% |
| 8,769 | (66) | 44,484 | (83)Sampson | (293,463) | -1.3 | -1.6% |
| 8,662 | (71) | 51,445 | (79)Scotland | 528,931 | -2.6 | -2.8% |
| 10,626 | (26) | 29,331 | (55)Stanly | 1,287,978 | -9.8 | -17.8% |
| 9,831 | (43) | 15,402 | (9)Stokes | 2,771,654 | -16.3 | -28.6% |
| 10,206 | (32) | 36,004 | (70)Surry | 2,371,953 | -17.1 | -33.5% |
| 7,476 | (92) | 65,812 | (97)Swain | (368,645) | 16.9 | 37.6% |
| 10,554 | (28) | 21,411 | (14)Transylvania | 823,820 | -11.2 | -14.2% |
| 10,089 | (36) | 9,910 | (4)Tyrrell | 205,695 | -16.6 | -19.4% |
| 9,157 | (59) | 33,007 | (91)Vance | 1,218,212 | -17.1 | -27.2% |
| 14,236 | (1) | 17,950 | (15)Wake | 29,831,224 | -11.2 | -19.0% |
| 8,347 | (79) | 49,686 | (54)Warren | (91,164) | -2.8 | -4.0% |

ESTIMATED FISCAL IMPACT OF SB49 ON COUNTIES IN 1992-93 (INCLUDING HB1542-100%)

| PER CAPITA PERSONAL INCOME 1984 | RANK | PER CAPITA ADJ. PROPERTY TAX BASE 1984-85 | RANK | COUNTY NAME | MINIMUM COST OF SB49 1992-93 (\$17,190) | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|--|------|--|------|----------------|---|--|---|
| \$9,929 | (40) | \$56,863 | (61) | Washington | 1,296,760 | 0.6 | -22.4% |
| 8,467 | (77) | 10,050 | (13) | Watauga | 4,105,398 | -13.4 | -38.8% |
| 9,326 | (50) | 32,205 | (85) | Wayne | 2,357,729 | -26.3 | -31.7% |
| 10,067 | (37) | 25,431 | (81) | Wilkes | 6,859,667 | -13.6 | -57.6% |
| 11,025 | (13) | 15,541 | (60) | Wilson | 498,083 | -37.4 | -23.4% |
| 10,505 | (29) | 17,400 | (72) | Yadkin | (80,746) | -11.9 | -3.6% |
| 7,359 | (94) | 24,765 | (69) | Yancey | | -1.5 | |

APPENDIX P

EFFECT OF ADJUSTING PROPERTY TAX EFFORT TO MEET COST OF SB49

| COUNTY NAME | ADDIT. REV. IF USE STATE AVER. TAX RATE | | RUN1A UNADJ. 1992-93 | | RUN2A SALES- 60% 1992-93 | | RUN3A SALES- 100% 1992-93 | |
|----------------|--|---------|----------------------------|-------------|-----------------------------------|-------------|------------------------------------|---------|
| | Alexander | \$2,780 | | (\$756,244) | | (\$301,010) | | \$2,481 |
| Anson | (1,014,421) | | (926,423) | | (566,256) | | (326,140) | |
| Ashe | 828,533 | | (57,074) | | 322,240 | | 575,117 | |
| Avery | 1,062,119 | | 255,638 | | 481,305 | | 631,750 | |
| Beaufort | 3,111,940 | | 476,394 | | 1,049,019 | | 1,430,771 | |
| Bertie | (618,956) | | 1,476,589 | | 1,780,523 | | 1,983,147 | |
| Bladen | (441,335) | | (125,495) | | 317,054 | | 612,088 | |
| Brunswick | 1,591,931 | | 2,153,895 | | 2,831,874 | | 3,283,862 | |
| Buncombe | (4,060,285) | | 4,581,451 | | 6,720,891 | | 8,147,191 | |
| Burke | 300,396 | | (1,452,049) | | (436,680) | | 240,236 | |
| Cabarrus | 356,187 | | (1,161,857) | | 203,512 | | 1,113,763 | |
| Caldwell | 201,209 | | 970,087 | | 1,857,688 | | 2,449,425 | |
| Camden | 399,318 | | (18,716) | | 85,797 | | 155,473 | |
| Carteret | 4,103,841 | | 831,590 | | 1,395,599 | | 1,771,607 | |
| Caswell | 201,523 | | (178,021) | | 215,538 | | 477,912 | |
| Catawba | 5,869,943 | | 4,549,954 | | 5,957,612 | | 6,896,055 | |
| Chatham | 840,545 | | 1,754,450 | | 2,277,975 | | 2,626,993 | |
| Cherokee | 479,368 | | (742,944) | | (445,121) | | (246,571) | |
| Chowan | (186,097) | | (312,747) | | (135,109) | | (16,683) | |
| Cleveland | (1,059,233) | | (2,006,388) | | (916,205) | | (189,413) | |
| Craven | (235,523) | | (1,354,732) | | (280,910) | | 434,975 | |
| Cumberland | (6,198,955) | | 6,789,991 | | 10,273,337 | | 12,595,579 | |
| Currituck | (894,548) | | 7,984 | | 246,772 | | 405,965 | |
| Dare | (221,605) | | 1,425,638 | | 1,642,390 | | 1,786,892 | |
| Davidson | 2,405,589 | | (872,395) | | 757,875 | | 1,844,727 | |
| Davie | 945,241 | | 494,529 | | 932,577 | | 1,224,610 | |
| Duplin | 247,580 | | (968,438) | | (403,510) | | (26,889) | |
| Durham | 4,608,988 | | 3,614,069 | | 5,299,742 | | 6,423,530 | |
| Edgecombe | (815,200) | | 202,431 | | 856,655 | | 1,292,807 | |
| Forsyth | (6,232,644) | | 20,380,747 | | 23,241,622 | | 25,148,882 | |
| Gaston | (4,846,645) | | 5,257,993 | | 7,278,941 | | 8,626,246 | |
| Graham | 292,800 | | (779,752) | | (575,088) | | (605,312) | |
| Granville | (923,615) | | 1,006,756 | | 1,510,046 | | 1,845,574 | |
| Greene | (246,384) | | (534,258) | | (260,475) | | (77,952) | |
| Guilford | (4,013,219) | | 19,401,675 | | 22,790,458 | | 25,049,658 | |
| Halifax | (451,320) | | (1,980,088) | | (1,306,794) | | (857,929) | |
| Harnett | 262,087 | | (2,390,837) | | (1,530,992) | | (957,759) | |
| Haywood | 1,855,878 | | 1,166,151 | | 1,808,405 | | 2,236,576 | |
| Hertford | (352,566) | | 214,985 | | 520,605 | | 724,353 | |
| Hyde | 56,450 | | 198,796 | | 305,005 | | 375,811 | |
| Iredell | 3,015,478 | | (606,248) | | 538,799 | | 1,302,167 | |
| Jackson | 1,064,968 | | (188,028) | | 266,413 | | 569,375 | |
| Johnston | (296,527) | | 1,984,500 | | 3,103,718 | | 3,849,867 | |
| Jones | 258,644 | | (463,682) | | (302,217) | | (194,573) | |

EFFECT OF ADJUSTING PROPERTY TAX EFFORT TO MEET COST OF SB49

| COUNTY NAME | ADDIT. REV. IF USE STATE AVER. TAX RATE | RUN1A | | RUN2A | | RUN3A | |
|----------------|--|-------------------|-------------|----------------|------|-------|--|
| | | UNADJ. 1992-93 | 60¢ | 1992-93 60¢ | 100% | | |
| Lee | (1,181,916) | 957,550 | 1,447,069 | 1,773,417 | | | |
| Lenoir | (478,410) | (282,890) | 509,270 | 1,037,379 | | | |
| Lincoln | (548,539) | (432,664) | 268,605 | 735,987 | | | |
| Macon | 3,075,139 | 1,487,161 | 1,847,052 | 2,086,981 | | | |
| Madison | (72,120) | (1,776,816) | (1,526,322) | (1,359,325) | | | |
| Mecklenburg | (18,198,769) | 51,930,043 | 56,478,023 | 59,510,025 | | | |
| Mitchell | 455,520 | (398,659) | (187,574) | (46,850) | | | |
| Montgomery | (138,127) | (549,264) | (228,555) | (14,748) | | | |
| Moore | 1,445,202 | 1,994,448 | 2,704,872 | 3,178,490 | | | |
| Nash | 2,671,880 | 148,174 | 988,622 | 1,548,923 | | | |
| New Hanover | (4,981,946) | 8,680,502 | 10,058,361 | 10,976,938 | | | |
| Northampton | (1,277,832) | (1,569,099) | (1,264,872) | (1,062,053) | | | |
| Onslow | 344,110 | (1,356,727) | 406,563 | 1,582,096 | | | |
| Orange | 72,504 | 4,124,686 | 5,049,127 | 5,665,424 | | | |
| Pamlico | 136,099 | (6,378) | 168,421 | 284,954 | | | |
| Pasquotank | 276,074 | 76,654 | 438,373 | 679,520 | | | |
| Pender | (264,135) | 50,415 | 426,937 | 677,953 | | | |
| Perquimans | 197,049 | (408,038) | (270,524) | (178,848) | | | |
| Person | 1,796,074 | (48,229) | 410,420 | 716,188 | | | |
| Pitt | (1,251,052) | 7,757,390 | 8,848,907 | 9,576,589 | | | |
| Richmond | (860,621) | (647,706) | (73,410) | 309,456 | | | |
| Robeson | (2,328,392) | (6,110,752) | (4,697,641) | (3,755,562) | | | |
| Rockingham | (3,329,890) | (515,515) | 570,098 | 1,293,844 | | | |
| Rowan | 3,104,002 | 1,027,458 | 2,375,825 | 3,274,741 | | | |
| Rutherford | 409,249 | (1,011,416) | (166,237) | 397,218 | | | |
| Sampson | (739,484) | (1,502,384) | (777,033) | (293,463) | | | |
| Scotland | (1,962,475) | (360,977) | 172,967 | 528,931 | | | |
| Stokes | (283,748) | 1,746,780 | 2,361,703 | 2,771,654 | | | |
| Surry | 138,412 | 894,985 | 1,781,164 | 2,371,953 | | | |
| Swain | 341,847 | (648,551) | (480,608) | (368,645) | | | |
| Transylvania | (377,415) | 158,670 | 557,759 | 823,820 | | | |
| Tyrrell | 113,423 | 91,256 | 159,919 | 205,695 | | | |
| Vance | (25,285) | 421,089 | 899,362 | 1,218,212 | | | |
| Wake | (7,041,591) | 23,952,369 | 27,479,675 | 29,831,224 | | | |
| Warren | (423,920) | (514,082) | (260,332) | (91,164) | | | |
| Washington | (185,313) | (320,154) | (138,381) | (17,198) | | | |
| Watauga | 2,746,974 | 630,637 | 1,030,310 | 1,296,760 | | | |
| Wayne | 1,755,004 | 2,100,407 | 3,303,399 | 4,105,398 | | | |
| Wilson | (1,832,853) | 5,467,869 | 6,302,946 | 6,859,667 | | | |
| Yadkin | 375,402 | (245,622) | 200,600 | 498,083 | | | |
| Yancey | 394,220 | (497,910) | (247,612) | (80,746) | | | |

APPENDIX Q

IMPACT OF FUNDING RESPONSIBILITY SHIFT (1987-88)

| COUNTY NAME | FUNDING RESP. SHIFT ONLY | PLUS SALES TAX- 60% | PLUS SALES TAX- 100% |
|----------------|-----------------------------------|------------------------------|-------------------------------|
| Alamance | \$1,759,062 | \$2,922,912 | \$3,698,816 |
| Alexander | (690,218) | (234,984) | 68,507 |
| Alleghany | 18,719 | 169,336 | 269,748 |
| Anson | (955,168) | (594,996) | (354,880) |
| Ashe | (337,081) | 42,233 | 295,110 |
| Avery | 84,124 | 309,791 | 460,236 |
| Beaufort | 18,612 | 591,237 | 972,989 |
| Bertie | 1,531,910 | 1,835,844 | 2,038,468 |
| Bladen | (298,992) | 143,557 | 438,591 |
| Brunswick | 1,168,765 | 1,846,744 | 2,298,732 |
| Buncombe | 94,752 | 2,234,192 | 3,660,492 |
| Burke | (2,391,681) | (1,376,312) | (699,396) |
| Cabarrus | (2,221,736) | (856,367) | 53,884 |
| Caldwell | 54,381 | 941,982 | 1,533,719 |
| Camden | (58,053) | 46,460 | 116,136 |
| Carteret | 383,684 | 947,693 | 1,323,701 |
| Caswell | (68,386) | 325,173 | 587,547 |
| Catawba | 1,577,044 | 2,984,702 | 3,923,145 |
| Chatham | 1,099,884 | 1,623,409 | 1,972,427 |
| Cherokee | (568,178) | (270,355) | (71,805) |
| Chowan | (542,133) | (364,495) | (246,069) |
| Clay | (56,653) | 64,116 | 144,629 |
| Cleveland | (2,309,485) | (1,219,302) | (492,510) |
| Columbus | (2,171,039) | (1,442,257) | (956,400) |
| Craven | (1,375,524) | (301,702) | 414,183 |
| Cumberland | 2,131,253 | 5,614,599 | 7,936,841 |
| Currituck | (571,127) | (332,339) | (173,146) |
| Dare | 482,669 | 699,421 | 843,923 |
| Davidson | (1,359,340) | 270,930 | 1,357,782 |
| Davie | 118,139 | 556,187 | 848,220 |
| Duplin | (718,154) | (153,226) | 223,395 |
| Durham | (176,446) | 1,509,227 | 2,633,015 |
| Edgecombe | (421,168) | 233,056 | 669,208 |
| Forsyth | 5,130,693 | 7,991,568 | 9,898,828 |
| Franklin | (863,326) | (348,188) | (4,761) |
| Gaston | 2,198,094 | 4,219,042 | 5,566,347 |
| Gates | (106,778) | 48,952 | 152,773 |
| Graham | (724,404) | (619,740) | (549,964) |
| Granville | 966,817 | 1,470,107 | 1,805,635 |
| Greene | (766,597) | (492,814) | (310,291) |
| Guilford | 6,902,178 | 10,290,961 | 12,550,161 |
| Halifax | (1,281,188) | (607,894) | (159,029) |
| Harnett | (2,162,600) | (1,302,755) | (729,522) |
| Haywood | 81,662 | 723,916 | 1,152,087 |

IMPACT OF FUNDING RESPONSIBILITY SHIFT (1987-88)

| COUNTY NAME | FUNDING RESP. SHIFT ONLY | PLUS SALES TAX- 60% | PLUS SALES TAX- 100% |
|----------------|-----------------------------------|------------------------------|-------------------------------|
| Henderson | \$1,078,379 | \$2,118,350 | \$2,811,667 |
| Hertford | (66,686) | 238,934 | 442,682 |
| Hoke | (1,658,514) | (1,314,132) | (1,084,543) |
| Hyde | 92,528 | 198,737 | 269,543 |
| Iredell | (2,081,952) | (936,905) | (173,537) |
| Jackson | (442,007) | 12,434 | 315,396 |
| Johnston | 391,127 | 1,510,345 | 2,256,494 |
| Jones | (917,051) | (755,586) | (647,942) |
| Lee | (294,830) | 194,689 | 521,037 |
| Lenoir | (961,494) | (169,334) | 358,775 |
| Lincoln | (94,938) | 606,131 | 1,073,513 |
| Macon | 938,733 | 1,298,624 | 1,538,553 |
| Madison | (1,288,225) | (1,037,731) | (870,734) |
| Martin | 233,141 | 622,155 | 881,499 |
| McDowell | (553,837) | 25,521 | 411,762 |
| Mecklenburg | 22,453,904 | 27,001,884 | 30,033,886 |
| Mitchell | (513,497) | (302,412) | (161,688) |
| Montgomery | (699,375) | (378,666) | (164,859) |
| Moore | 927,585 | 1,638,009 | 2,111,627 |
| Nash | (142,630) | 697,818 | 1,258,119 |
| New Hanover | 4,670,190 | 6,048,049 | 6,966,626 |
| Northampton | (1,776,325) | (1,472,098) | (1,269,279) |
| Onslow | (1,253,973) | 509,317 | 1,684,850 |
| Orange | 1,737,887 | 2,662,328 | 3,278,625 |
| Pamlico | 35,076 | 209,875 | 326,408 |
| Pasquotank | (318,932) | 42,787 | 283,934 |
| Pender | (231,873) | 144,649 | 395,665 |
| Perquimans | (456,046) | (318,532) | (226,856) |
| Person | (297,251) | 171,398 | 477,166 |
| Pitt | 5,439,503 | 6,531,020 | 7,258,702 |
| Polk | (905,202) | (694,569) | (554,146) |
| Randolph | 248,012 | 1,579,372 | 2,466,950 |
| Richmond | (706,258) | (31,962) | 250,904 |
| Robeson | (4,212,347) | (2,799,236) | (1,857,157) |
| Rockingham | (1,850,256) | (764,643) | (40,897) |
| Rowan | (269,206) | 1,079,161 | 1,978,077 |
| Rutherford | (2,075,905) | (1,230,726) | (667,271) |
| Sampson | (1,589,967) | (864,616) | (381,046) |
| Scotland | (1,054,797) | (520,853) | (164,889) |
| Stanly | (128,444) | 487,548 | 898,211 |
| Stokes | 591,123 | 1,206,046 | 1,615,997 |

IMPACT OF FUNDING RESPONSIBILITY SHIFT (1987-88)

| COUNTY NAME | FUNDING RESP. SHIFT ONLY | PLUS SALES TAX- 60% | PLUS SALES TAX- 100% |
|----------------|-----------------------------------|------------------------------|-------------------------------|
| Surry | \$468,821 | \$1,355,000 | \$1,945,789 |
| Swain | (655,414) | (487,471) | (375,508) |
| Transylvania | (83,174) | 315,915 | 581,976 |
| Tyrrell | 56,200 | 124,863 | 170,639 |
| Union | 3,365,898 | 4,527,490 | 5,301,889 |
| Vance | 101,685 | 579,958 | 898,808 |
| Wake | 7,003,179 | 10,530,485 | 12,882,034 |
| Warren | (493,231) | (239,481) | (70,313) |
| Washington | (424,714) | (242,941) | (121,758) |
| Watauga | 151,764 | 551,437 | 817,887 |
| Wayne | 1,604,049 | 2,807,041 | 3,609,040 |
| Wilkes | 230,376 | 1,204,033 | 1,853,141 |
| Wilson | 4,333,018 | 5,168,095 | 5,724,816 |
| Yadkin | (270,168) | 176,054 | 473,537 |
| Yancey | (560,345) | (310,047) | (143,181) |

IMPACT OF FUNDING RESPONSIBILITY SHIFT (1992-93)

| COUNTY NAME | FUNDING RESP. SHIFT ONLY | PLUS SALES TAX- 60% | PLUS SALES TAX- 100% |
|----------------|-----------------------------------|------------------------------|-------------------------------|
| Alamance | \$4,028,953 | \$5,192,803 | \$5,968,707 |
| Alexander | (296,967) | 158,267 | 461,758 |
| Alleghany | 230,194 | 380,811 | 481,223 |
| Anson | (469,609) | (109,437) | 130,679 |
| Ashe | 311,056 | 690,370 | 943,247 |
| Avery | 534,824 | 760,491 | 910,936 |
| Beaufort | 1,246,582 | 1,819,207 | 2,200,959 |
| Bertie | 1,895,069 | 2,199,003 | 2,401,627 |
| Bladen | 442,737 | 885,286 | 1,180,320 |
| Brunswick | 2,888,107 | 3,566,086 | 4,018,074 |
| Buncombe | 6,853,788 | 8,993,228 | 10,419,528 |
| Burke | (311,069) | 704,300 | 1,381,216 |
| Cabarrus | 381,134 | 1,746,503 | 2,656,754 |
| Caldwell | 2,116,782 | 3,004,383 | 3,596,120 |
| Camden | 92,671 | 197,184 | 266,860 |
| Carteret | 1,539,252 | 2,103,261 | 2,479,269 |
| Caswell | 183,744 | 577,303 | 839,677 |
| Catawba | 6,426,322 | 7,833,980 | 8,772,423 |
| Chatham | 2,244,632 | 2,768,157 | 3,117,175 |
| Cherokee | (410,761) | (112,938) | 85,612 |
| Chowan | (78,425) | 99,213 | 217,639 |
| Clay | 43,887 | 164,656 | 245,169 |
| Cleveland | (509,322) | 580,861 | 1,307,653 |
| Columbus | (1,287,181) | (558,399) | (72,542) |
| Craven | (194,657) | 879,165 | 1,595,050 |
| Cumberland | 10,748,441 | 14,231,787 | 16,554,029 |
| Currituck | 220,054 | 458,842 | 618,035 |
| Dare | 1,660,316 | 1,877,068 | 2,021,570 |
| Davidson | 1,185,390 | 2,815,660 | 3,902,512 |
| Davie | 927,901 | 1,365,949 | 1,657,982 |
| Duplin | (212,410) | 352,518 | 729,139 |
| Durham | 5,682,271 | 7,367,944 | 8,491,732 |
| Edgecombe | 996,361 | 1,650,585 | 2,086,737 |
| Forsyth | 23,779,093 | 26,339,968 | 28,547,228 |
| Franklin | (6,653) | 508,485 | 851,912 |
| Gaston | 8,216,485 | 10,237,433 | 11,584,738 |
| Gates | 282,493 | 438,223 | 542,044 |
| Graham | (638,831) | (534,167) | (464,391) |
| Granville | 1,633,196 | 2,136,486 | 2,472,014 |
| Greene | (256,567) | 17,216 | 199,739 |
| Guilford | 23,701,946 | 27,090,729 | 29,349,929 |
| Halifax | (964,775) | (291,481) | 157,384 |
| Harnett | (1,329,934) | (470,089) | 103,144 |
| Haywood | 1,846,203 | 2,488,457 | 2,916,628 |

IMPACT OF FUNDING RESPONSIBILITY SHIFT (1992-93)

| COUNTY NAME | FUNDING RESP. SHIFT ONLY | PLUS SALES TAX- 60% | PLUS SALES TAX- 100% |
|----------------|-----------------------------------|------------------------------|-------------------------------|
| Henderson | \$2,709,323 | \$3,749,294 | \$4,442,611 |
| Hertford | 613,550 | 919,170 | 1,122,918 |
| Hoke | (1,265,907) | (921,525) | (691,936) |
| Hyde | 306,924 | 413,133 | 483,939 |
| Iredell | 858,967 | 2,004,014 | 2,767,382 |
| Jackson | 171,355 | 625,796 | 928,758 |
| Johnston | 3,398,668 | 4,517,886 | 5,264,035 |
| Jones | (758,365) | (596,900) | (489,256) |
| Lee | 1,651,552 | 2,141,071 | 2,467,419 |
| Lenoir | 747,632 | 1,539,792 | 2,067,901 |
| Lincoln | 385,979 | 1,087,048 | 1,554,430 |
| Macon | 1,821,395 | 2,181,286 | 2,421,215 |
| Madison | (1,508,684) | (1,258,190) | (1,091,193) |
| Martin | 1,251,826 | 1,640,840 | 1,900,184 |
| McDowell | 301,331 | 880,689 | 1,266,930 |
| Mecklenburg | 57,507,826 | 62,055,806 | 65,087,808 |
| Mitchell | (169,236) | 41,849 | 182,573 |
| Montgomery | (150,218) | 170,491 | 384,298 |
| Moore | 2,707,254 | 3,417,678 | 3,891,296 |
| Nash | 1,676,282 | 2,516,730 | 3,077,031 |
| New Hanover | 10,346,820 | 11,724,679 | 12,643,256 |
| Northampton | (1,152,386) | (848,159) | (645,340) |
| Onslow | (19,237) | 1,744,053 | 2,919,586 |
| Orange | 5,034,951 | 5,959,392 | 6,575,689 |
| Pamlico | 206,118 | 380,917 | 497,450 |
| Pasquotank | 549,027 | 910,746 | 1,151,893 |
| Pender | 459,844 | 836,366 | 1,087,382 |
| Perquimans | (225,917) | (88,403) | 3,273 |
| Person | 430,006 | 888,655 | 1,194,423 |
| Pitt | 9,180,088 | 10,271,605 | 10,999,287 |
| Polk | (383,722) | (173,089) | (32,666) |
| Randolph | 2,169,806 | 3,501,166 | 4,388,744 |
| Richmond | 203,098 | 777,394 | 1,160,260 |
| Robeson | (3,810,514) | (2,397,403) | (1,455,324) |
| Rockingham | 910,664 | 1,996,277 | 2,720,023 |
| Rowan | 2,477,050 | 3,825,417 | 4,724,333 |
| Rutherford | (47,957) | 797,222 | 1,360,677 |
| Sampson | (656,372) | 68,979 | 552,549 |
| Scotland | 312,163 | 846,107 | 1,202,071 |
| Stanly | 1,070,935 | 1,686,927 | 2,097,590 |
| Stokes | 2,352,837 | 2,967,760 | 3,377,711 |

IMPACT OF FUNDING RESPONSIBILITY SHIFT (1992-93)

| COUNTY NAME | FUNDING RESP. SHIFT ONLY | PLUS SALES TAX- 60% | PLUS SALES TAX- 100% |
|----------------|-----------------------------------|------------------------------|-------------------------------|
| Surry | \$1,928,113 | \$2,814,292 | \$3,405,081 |
| Swain | (483,931) | (315,988) | (204,025) |
| Transylvania | 534,360 | 933,449 | 1,199,510 |
| Tyrrell | 168,324 | 236,987 | 282,763 |
| Union | 5,090,714 | 6,252,306 | 7,026,705 |
| Vance | 1,148,861 | 1,627,134 | 1,945,984 |
| Wake | 28,743,359 | 32,270,665 | 34,622,214 |
| Warren | (235,616) | 18,134 | 187,302 |
| Washington | (31,408) | 150,365 | 271,548 |
| Watauga | 1,061,462 | 1,461,135 | 1,727,585 |
| Wayne | 3,722,090 | 4,925,082 | 5,727,081 |
| Wilkes | 1,767,936 | 2,741,593 | 3,390,701 |
| Wilson | 6,617,490 | 7,452,567 | 8,009,288 |
| Yadkin | 201,251 | 647,473 | 944,956 |
| Yancey | (244,599) | 5,699 | 172,565 |

APPENDIX R

ESTIMATED FISCAL IMPACT OF SB49 ON COUNTIES IN 1987-88 (INCL. FUND. SHIFT, HB1542-60%)

| PER CAPITA PERSONAL INCOME | RANK | PER CAPITA ADJ. PROPERTY TAX BASE | PER CAPITA ADJ. PROPERTY TAX BASE 1984-85 | RANK | COUNTY NAME | MINIMUM COST OF SB49 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|----------------------------|------|-----------------------------------|---|------|-------------|----------------------|-------------------------------------|--|
| \$11,300 | (15) | \$18,967 | | (44) | Alamance | \$2,922,912 | -10.1 | -18.7% |
| 10,400 | (30) | 49,754 | | (86) | Alexander | (234,984) | 6.4 | 7.3% |
| 8,784 | (65) | 48,000 | | (80) | Anson | (594,996) | 12.9 | 13.7% |
| 8,185 | (82) | 25,362 | | (32) | Ashe | 42,233 | -0.8 | -1.4% |
| 7,917 | (86) | 14,740 | | (12) | Avery | 309,791 | -6.6 | -12.6% |
| 9,187 | (56) | 46,184 | | (17) | Beaufort | 591,237 | -5.3 | -11.3% |
| 8,405 | (78) | 17,895 | | (71) | Bertie | 1,835,844 | -35.3 | -53.5% |
| 7,591 | (90) | 37,736 | | (63) | Bladen | 143,557 | -1.9 | -3.0% |
| 8,212 | (81) | 6,041 | | (2) | Brunswick | 1,846,744 | -8.3 | -14.0% |
| 11,128 | (16) | 25,090 | | (41) | Buncombe | 2,234,192 | -4.9 | -7.3% |
| 10,233 | (31) | 50,412 | | (66) | Burke | (1,376,312) | 9.2 | 14.6% |
| 11,573 | (12) | 24,126 | | (38) | Cabarrus | (856,367) | 3.0 | 5.8% |
| 9,617 | (45) | 19,165 | | (76) | Caldwell | 941,982 | -6.4 | -10.7% |
| 8,673 | (70) | 20,000 | | (18) | Camden | 46,460 | -3.6 | -6.0% |
| 9,095 | (61) | 11,102 | | (11) | Carteret | 947,693 | -5.6 | -14.0% |
| 7,510 | (91) | 19,244 | | (88) | Caswell | 325,173 | -8.3 | -14.4% |
| 11,812 | (10) | 14,804 | | (25) | Catawba | 2,984,702 | -7.9 | -21.3% |
| 11,605 | (11) | 19,868 | | (19) | Chatham | 1,623,409 | -19.9 | -27.7% |
| 7,241 | (97) | 34,589 | | (92) | Cherokee | (270,355) | 6.2 | 14.8% |
| 9,186 | (57) | 59,901 | | (62) | Chowan | (364,495) | 12.2 | 18.2% |
| 9,965 | (39) | 11,753 | | (82) | Cleveland | (1,219,302) | 7.3 | 10.6% |
| 10,055 | (38) | 44,290 | | (89) | Craven | (301,702) | 2.7 | 3.4% |
| 9,523 | (47) | 23,392 | | (99) | Cumberland | 5,614,599 | -15.1 | -17.8% |
| 8,576 | (75) | 38,019 | | (28) | Currituck | (332,339) | 8.4 | 10.1% |
| 8,692 | (69) | 2,936 | | (1) | Dare | 699,421 | -5.5 | -9.4% |
| 10,723 | (24) | 25,213 | | (73) | Davidson | 270,930 | -1.0 | -2.2% |
| 10,882 | (22) | 14,900 | | (10) | Davie | 556,187 | -7.0 | -12.6% |
| 8,971 | (62) | 43,091 | | (68) | Duplin | (153,226) | 2.1 | 2.8% |
| 12,471 | (5) | 37,575 | | (33) | Durham | 1,509,227 | -2.7 | -4.5% |
| 9,863 | (42) | 32,639 | | (75) | Edgecombe | 233,056 | -1.8 | -3.1% |
| 13,794 | (3) | 9,904 | | (21) | Forsyth | 7,991,568 | -8.3 | -14.1% |
| 10,925 | (20) | 11,562 | | (59) | Gaston | 4,219,042 | -10.9 | -14.6% |
| 9,192 | (54) | 78,689 | | (53) | Gates | 48,952 | -2.4 | -3.2% |
| 7,355 | (95) | 65,289 | | (42) | Graham | (619,740) | 37.6 | 72.9% |
| 8,592 | (73) | 56,808 | | (77) | Granville | 1,470,107 | -28.4 | -26.8% |
| 9,165 | (58) | 54,911 | | (65) | Greene | (492,814) | 16.3 | 19.9% |
| 13,201 | (4) | 9,246 | | (24) | Guilford | 10,290,961 | -9.8 | -15.3% |
| 7,865 | (87) | 36,327 | | (84) | Halifax | (607,894) | 5.4 | 8.2% |
| 8,179 | (83) | 83,368 | | (90) | Harnett | (1,302,755) | 16.9 | 19.0% |
| 10,141 | (34) | 22,013 | | (27) | Haywood | 723,916 | -7.3 | -10.6% |
| 8,342 | (80) | 51,709 | | (87) | Hertford | 238,934 | -6.5 | -7.8% |
| 7,451 | (93) | 6,536 | | (6) | Hyde | 198,737 | -10.2 | -12.7% |
| 10,560 | (27) | 23,884 | | (34) | Iredell | | | |

ESTIMATED FISCAL IMPACT OF SB49 ON COUNTIES IN 1987-88(INCL. FUND. SHIFT, HB1542-60%)

| PER CAPITA PERSONAL INCOME | RANK | PER CAPITA ADJ. PROPERTY TAX BASE | RANK | COUNTY NAME | RANK | MINIMUM COST OF SB49 1987-88 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|----------------------------|------|-----------------------------------|-------|--------------|-------|------------------------------|-------------------------------------|--|
| \$9,388 | (49) | \$37,425 | (52) | Johnston | (52) | \$1,510,345 | -12.4 | -13.9% |
| 7,627 | (88) | 35,955 | (51) | Jones | (51) | (755,586) | 27.9 | 54.8% |
| 11,046 | (17) | 23,580 | (43) | Lee | (43) | 194,689 | -1.8 | -2.6% |
| \$9,539 | (46) | 31,661 | (78) | Lenoir | (78) | (169,334) | 1.2 | 2.1% |
| 10,687 | (25) | 29,255 | (49) | Lincoln | (49) | 606,131 | -5.4 | -8.4% |
| 9,195 | (53) | 5,591 | (3) | Macon | (3) | 1,298,624 | -10.2 | -34.5% |
| 9,112 | (60) | 80,576 | (94) | Madison | (94) | (1,037,731) | 51.1 | 56.7% |
| 7,604 | (89) | 18,103 | (35) | Martin | (35) | 622,155 | -7.7 | -10.0% |
| 14,099 | (2) | 7,727 | (8) | Mecklenburg | (8) | 27,001,884 | -13.7 | -21.5% |
| 9,204 | (52) | 41,667 | (40) | Mitchell | (40) | (302,412) | 7.3 | 15.5% |
| 8,949 | (63) | 35,528 | (57) | Montgomery | (57) | (378,666) | 7.1 | 11.0% |
| 11,536 | (14) | 15,020 | (31) | Moore | (31) | 1,638,009 | -11.2 | -19.9% |
| 11,569 | (13) | 54,094 | (39) | Nash | (39) | 697,818 | -3.0 | -7.1% |
| 10,794 | (23) | 2,814 | (22) | New Hanover | (22) | 6,048,049 | -15.2 | -22.4% |
| 6,892 | (99) | 99,522 | (93) | Northampton | (93) | (1,472,098) | 43.3 | 39.3% |
| 9,512 | (48) | 21,262 | (100) | Onslow | (100) | 509,317 | -2.8 | -5.2% |
| 12,158 | (8) | 18,808 | (45) | Orange | (45) | 2,662,328 | -12.1 | -20.8% |
| 9,262 | (51) | 32,258 | (37) | Pamlico | (37) | 209,875 | -9.8 | -13.3% |
| 10,094 | (35) | 36,339 | (74) | Pasquotank | (74) | 42,787 | -0.8 | -1.2% |
| 8,159 | (84) | 32,800 | (26) | Pender | (26) | 144,649 | -2.9 | -3.1% |
| 8,736 | (68) | 15,909 | (5) | Perquimans | (5) | (318,532) | 13.3 | 20.2% |
| 8,931 | (64) | 56,129 | (23) | Person | (23) | 171,398 | -1.2 | -3.1% |
| 9,888 | (41) | 19,073 | (46) | Pitt | (46) | 6,531,020 | -26.6 | -41.4% |
| 12,234 | (7) | 74,194 | (16) | Polk | (16) | (694,569) | 13.7 | 38.2% |
| 11,038 | (18) | 27,074 | (56) | Randolph | (56) | 1,579,372 | -6.1 | -15.5% |
| 8,585 | (74) | 33,036 | (96) | Richmond | (96) | (131,962) | 1.6 | 2.3% |
| 7,312 | (96) | 77,554 | (98) | Robeson | (98) | (2,799,236) | 20.0 | 22.0% |
| 10,142 | (33) | 46,433 | (50) | Rockingham | (50) | (764,643) | 4.6 | 5.1% |
| 10,901 | (21) | 22,850 | (48) | Rowan | (48) | 1,079,161 | -4.1 | -9.3% |
| 9,630 | (44) | 73,684 | (58) | Rutherford | (58) | (1,230,726) | 11.2 | 16.6% |
| 8,769 | (66) | 44,484 | (83) | Sampson | (83) | (864,616) | 10.3 | 12.4% |
| 8,662 | (71) | 51,445 | (79) | Scotland | (79) | (520,853) | 7.5 | 8.2% |
| 10,626 | (26) | 29,331 | (55) | Stanly | (55) | 487,548 | -3.7 | -6.7% |
| 9,831 | (43) | 15,402 | (9) | Stokes | (9) | 1,206,046 | -9.5 | -16.6% |
| 10,206 | (32) | 36,004 | (70) | Surry | (70) | 1,355,000 | -8.9 | -17.5% |
| 7,476 | (92) | 65,812 | (97) | Swain | (97) | (487,471) | 34.8 | 77.4% |
| 10,554 | (28) | 21,411 | (14) | Transylvania | (14) | 315,915 | -3.9 | -5.0% |
| 10,089 | (36) | 9,910 | (4) | Tyrrell | (4) | 124,863 | -9.3 | -10.9% |
| 9,157 | (59) | 33,007 | (91) | Vance | (91) | 579,958 | -8.5 | -13.6% |
| 14,236 | (1) | 17,950 | (15) | Wake | (15) | 10,530,485 | -7.9 | -13.3% |
| 8,347 | (79) | 49,686 | (54) | Warren | (54) | (239,481) | 5.8 | 8.4% |

ESTIMATED FISCAL IMPACT OF SB49 ON COUNTIES IN 1987-88 (INCL. FUND. SHIFT, HB1542-60%)

| PER CAPITA PERSONAL INCOME 1984 | RANK | PER CAPITA ADJ. PROPERTY TAX BASE 1984-85 | RANK | COUNTY NAME | MINIMUM COST OF SB49 1987-88 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|--|------|--|------|----------------|---------------------------------------|--|---|
| \$9,929 | (40) | \$56,863 | (61) | Washington | (\$242,941) | 6.9 | 10.5% |
| 8,467 | (77) | 10,050 | (13) | Watauga | 551,437 | -6.6 | -10.9% |
| 9,326 | (50) | 32,205 | (85) | Wayne | 2,807,041 | -17.0 | -25.1% |
| 10,067 | (37) | 25,431 | (81) | Wilkes | 1,204,033 | -6.4 | -14.9% |
| 11,025 | (19) | 15,541 | (60) | Wilson | 5,168,095 | -31.1 | -47.9% |
| 10,505 | (29) | 17,400 | (72) | Yadkin | 176,054 | -2.6 | -5.0% |
| 7,359 | (94) | 24,765 | (69) | Yancey | (310,047) | 7.3 | 17.4% |

| PER CAPITA PERSONAL INCOME | PER CAPITA ADJ. PROPERTY TAX BASE | RANK | COUNTY NAME | MINIMUM COST OF SB49 1987-88 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|----------------------------|-----------------------------------|------|-----------------|------------------------------|-------------------------------------|--|
| \$11,300 | \$18,967 | (15) | (44) Alamance | \$3,698,816 | -12.8 | -23.6% |
| 10,400 | 49,754 | (30) | (86) Alexander | 68,507 | -1.9 | -2.1% |
| 8,784 | 48,000 | (65) | (80) Anson | (354,880) | 7.7 | 8.2% |
| 8,185 | 25,362 | (82) | (32) Ashe | 295,110 | -5.5 | -9.6% |
| 7,917 | 14,740 | (86) | (12) Avery | 460,236 | -9.8 | -18.7% |
| 9,187 | 46,184 | (56) | (17) Beaufort | 972,989 | -8.8 | -18.6% |
| 8,405 | 17,895 | (78) | (71) Bertie | 2,038,468 | -39.2 | -59.4% |
| 7,591 | 37,736 | (90) | (63) Bladen | 438,591 | -5.7 | -9.3% |
| 8,212 | 6,041 | (81) | (2) Brunswick | 2,298,732 | -10.4 | -17.5% |
| 11,128 | 25,090 | (16) | (41) Buncombe | 3,660,492 | -8.0 | -12.0% |
| 10,233 | 50,412 | (31) | (66) Burke | (699,396) | 4.7 | 7.4% |
| 11,573 | 24,126 | (12) | (38) Cabarrus | 53,884 | -0.2 | -0.4% |
| 9,617 | 19,165 | (45) | (76) Caldwell | 1,533,719 | -10.5 | -17.4% |
| 8,673 | 20,000 | (70) | (18) Camden | 116,136 | -8.9 | -14.9% |
| 9,095 | 11,102 | (61) | (11) Carteret | 1,323,701 | -7.8 | -19.5% |
| 7,510 | 19,244 | (91) | (88) Caswell | 587,547 | -15.1 | -26.0% |
| 11,812 | 14,804 | (10) | (25) Catawba | 3,923,145 | -10.4 | -28.0% |
| 11,605 | 19,868 | (11) | (19) Chatham | 1,972,427 | -24.2 | -33.6% |
| 7,241 | 34,589 | (97) | (92) Cherokee | (71,805) | 1.6 | 3.9% |
| 9,186 | 59,901 | (57) | (62) Chowan | (246,069) | 8.3 | 12.3% |
| 9,965 | 11,753 | (39) | (82) Cleveland | (492,510) | 2.9 | 4.3% |
| 10,055 | 44,290 | (38) | (89) Craven | 414,183 | -3.7 | -4.6% |
| 9,523 | 23,392 | (47) | (99) Cumberland | 7,936,841 | -21.4 | -25.2% |
| 8,576 | 38,019 | (75) | (28) Currituck | (173,146) | 4.4 | 5.3% |
| 8,692 | 2,936 | (69) | (1) Dare | 843,923 | -6.7 | -11.3% |
| 10,723 | 25,213 | (24) | (73) Davidson | 1,357,782 | -5.0 | -10.9% |
| 10,882 | 14,900 | (22) | (10) Davie | 848,220 | -10.6 | -19.3% |
| 8,971 | 43,091 | (62) | (68) Duplin | 223,395 | -3.1 | -4.1% |
| 12,471 | 37,575 | (5) | (33) Durham | 2,633,015 | -4.7 | -7.9% |
| 9,863 | 32,639 | (42) | (75) Edgecombe | 669,208 | -5.2 | -8.8% |
| 13,794 | 9,904 | (3) | (21) Forsyth | 9,898,828 | -10.3 | -17.5% |
| 10,925 | 11,562 | (20) | (59) Gaston | 5,566,347 | -14.3 | -19.2% |
| 9,192 | 78,689 | (54) | (53) Gates | 152,773 | -7.6 | -9.9% |
| 7,355 | 65,289 | (95) | (42) Graham | (549,964) | 33.3 | 64.7% |
| 8,592 | 56,808 | (73) | (77) Granville | 1,805,635 | -34.9 | -32.9% |
| 9,165 | 54,911 | (58) | (65) Greene | (310,291) | 10.2 | 12.5% |
| 13,201 | 9,246 | (4) | (24) Guilford | 12,550,161 | -12.0 | -18.7% |
| 7,865 | 36,327 | (87) | (84) Halifax | (159,029) | 1.4 | 2.2% |
| 8,179 | 83,368 | (83) | (90) Harnett | (729,522) | 9.5 | 10.6% |
| 10,141 | 22,013 | (34) | (27) Haywood | 1,152,087 | -11.6 | -16.8% |
| 8,342 | 51,709 | (90) | (87) Hertford | 442,682 | -12.1 | -14.5% |
| 7,451 | 6,536 | (93) | (6) Hyde | (173,537) | -13.8 | -17.3% |
| 10,560 | 23,884 | (27) | (34) Iredell | (173,537) | 0.6 | 1.6% |
| 8,470 | 13,278 | (76) | (30) Jackson | 315,396 | -3.5 | -4.6% |

ESTIMATED FISCAL IMPACT OF SB49 ON COUNTIES IN 1987-88 (INCL. FUND. SHIFT, HB1542-100%)

| PER CAPITA PERSONAL INCOME 1984 | RANK | PER CAPITA ADJ. PROPERTY TAX BASE | | RANK | COUNTY NAME | MINIMUM COST OF SB49 1987-88 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|--|------|---|------------------|-------------|----------------|---------------------------------------|--|---|
| | | 1984-85 | 1984-85 | | | | | |
| \$9,388 | (49) | \$37,425 | (52)Johnston | \$2,256,494 | -18.5 | -20.8% | | |
| 7,627 | (88) | 35,955 | (51)Jones | (647,942) | 23.9 | 47.0% | | |
| 11,046 | (17) | 23,580 | (43)Lee | 521,037 | -4.9 | -6.9% | | |
| \$9,539 | (46) | 31,661 | (78)Lenoir | 358,775 | -2.6 | -4.4% | | |
| 10,687 | (25) | 29,255 | (49)Lincoln | 1,073,513 | -9.6 | -14.8% | | |
| 9,195 | (53) | 5,591 | (3)Macon | 1,538,553 | -12.1 | -40.9% | | |
| 9,112 | (60) | 80,576 | (94)Madison | (870,734) | 42.9 | 47.6% | | |
| 7,604 | (89) | 18,103 | (35)Martin | 881,499 | -10.9 | -14.2% | | |
| 14,099 | (2) | 7,727 | (8)Mecklenburg | 30,033,886 | -15.2 | -23.9% | | |
| 9,204 | (52) | 41,667 | (40)Mitchell | (161,688) | 3.9 | 8.3% | | |
| 8,949 | (63) | 33,528 | (57)Montgomery | (164,859) | 3.1 | 4.8% | | |
| 11,536 | (14) | 14,020 | (31)Moore | 2,111,627 | -14.4 | -25.7% | | |
| 11,569 | (13) | 54,094 | (39)Nash | 1,258,119 | -5.5 | -12.7% | | |
| 10,794 | (23) | 2,814 | (22)New Hanover | 6,966,626 | -17.6 | -25.8% | | |
| 6,892 | (99) | 99,522 | (93)Northampton | (1,269,279) | 37.3 | 33.8% | | |
| 9,512 | (48) | 21,262 | (100)Onslow | 1,684,850 | -9.4 | -17.3% | | |
| 12,158 | (8) | 18,808 | (45)Orange | 3,278,625 | -14.9 | -25.7% | | |
| 9,262 | (51) | 32,258 | (37)Pamlico | 326,408 | -15.3 | -20.7% | | |
| 10,094 | (35) | 36,339 | (74)Pasquotank | 283,934 | -5.1 | -8.1% | | |
| 8,159 | (84) | 32,800 | (26)Pender | 395,665 | -8.0 | -8.5% | | |
| 8,736 | (68) | 15,909 | (5)Perquimans | (226,856) | 9.5 | 14.4% | | |
| 8,931 | (64) | 56,129 | (23)Person | 477,166 | -3.4 | -8.6% | | |
| 9,888 | (41) | 19,073 | (46)Pitt | 7,258,702 | -29.6 | -46.0% | | |
| 12,234 | (7) | 74,194 | (16)Polk | (554,146) | 11.0 | 30.4% | | |
| 11,038 | (18) | 27,074 | (56)Randolph | 2,466,950 | -9.6 | -24.2% | | |
| 8,585 | (74) | 33,036 | (96)Richmond | 250,904 | -3.1 | -4.4% | | |
| 7,312 | (96) | 77,554 | (98)Robeson | (1,857,157) | 13.3 | 14.6% | | |
| 10,142 | (33) | 46,433 | (50)Rockingham | (40,897) | 0.2 | 0.3% | | |
| 10,901 | (21) | 22,850 | (48)Rowan | 1,978,077 | -7.4 | -17.1% | | |
| 9,630 | (44) | 73,684 | (58)Rutherford | (667,271) | 6.1 | 9.0% | | |
| 8,759 | (66) | 44,484 | (83)Sampson | (381,046) | 4.5 | 5.5% | | |
| 8,662 | (71) | 51,445 | (79)Scotland | (164,889) | 2.4 | 2.6% | | |
| 10,626 | (26) | 29,331 | (55)Stanly | 898,211 | -6.8 | -12.3% | | |
| 9,831 | (43) | 15,402 | (9)Stokes | 1,615,997 | -12.7 | -22.2% | | |
| 10,206 | (32) | 36,004 | (70)Surry | 1,945,789 | -12.8 | -25.1% | | |
| 7,476 | (92) | 65,812 | (97)Swain | (375,508) | 26.8 | 59.6% | | |
| 10,554 | (28) | 21,411 | (14)Transylvania | 581,976 | -7.2 | -9.2% | | |
| 10,089 | (36) | 9,910 | (4)Tyrrell | 170,639 | -12.7 | -14.8% | | |
| 9,157 | (59) | 33,007 | (91)Vance | 898,808 | -13.2 | -21.0% | | |
| 14,236 | (1) | 17,950 | (15)Wake | 12,882,034 | -9.6 | -16.3% | | |
| 8,347 | (79) | 49,686 | (54)Warren | (70,313) | 1.7 | 2.5% | | |

ESTIMATED FISCAL IMPACT OF SB49 ON COUNTIES IN 1987-88 (INCL. FUND. SHIFT, HB1542-100%)

| PER CAPITA PERSONAL INCOME 1984 | RANK | PER CAPITA ADJ. PROPERTY TAX BASE 1984-85 | RANK | COUNTY NAME | MINIMUM COST OF SB49 1987-88 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|---------------------------------|------|---|------|-------------|------------------------------|-------------------------------------|--|
| \$9,929 | (40) | \$56,863 | (61) | Washington | (\$121,758) | 3.5 | 5.2% |
| 8,467 | (77) | 10,050 | (13) | Watauga | 817,887 | -9.7 | -16.2% |
| 9,326 | (50) | 32,205 | (85) | Wayne | 3,609,040 | -21.9 | -32.3% |
| 10,067 | (37) | 25,431 | (81) | Wilkes | 1,853,141 | -9.9 | -23.0% |
| 11,025 | (19) | 15,541 | (60) | Wilson | 5,724,816 | -34.4 | -53.0% |
| 10,505 | (29) | 17,400 | (72) | Yadkin | 473,537 | -6.9 | -13.6% |
| 7,359 | (94) | 24,765 | (69) | Yancey | (143,181) | 3.4 | 8.0% |

APPENDIX S

| COUNTY NAME | ADDIT. REV. IF USE STATE AVER. TAX RATE | RUN3 | | RUN4- | | RUN5 | |
|----------------|--|---------------|----------------|--------------------------|---------------------------|--------------------------|---------------------------|
| | | SALES- 60% | SALES- 100% | FUND SHIFT, SALES-60% | FUND SHIFT, SALES-100% | FUND SHIFT, SALES-60% | FUND SHIFT, SALES-100% |
| Alexander | \$2,780 | 1987-88 | 1987-88 | 1987-88 | 1987-88 | 1987-88 | 1987-88 |
| Anson | (1,014,421) | (\$348,649) | (\$45,158) | (\$234,984) | \$68,507 | (354,880) | (354,880) |
| Ashe | 828,533 | (716,210) | (476,094) | (1,311,206) | 295,110 | 460,236 | 972,989 |
| Avery | 1,062,119 | (31,223) | 221,654 | 11,010 | 561,728 | 2,038,468 | 438,591 |
| Beaufort | 3,111,940 | 251,937 | 402,382 | 561,728 | 968,046 | 2,298,732 | 3,660,492 |
| Bertie | (618,956) | 376,809 | 758,561 | 3,554,270 | 2,038,468 | (699,396) | 53,884 |
| Bladen | (441,335) | 1,718,426 | 1,921,050 | 3,554,270 | 1,533,719 | 116,136 | 1,323,701 |
| Brunswick | 1,591,931 | (184) | 294,850 | 143,373 | 67,119 | 587,547 | 414,183 |
| Buncombe | (4,060,285) | 1,671,603 | 2,123,591 | 3,518,347 | 1,708,376 | (246,069) | (492,510) |
| Burke | 300,396 | 1,694,604 | 3,120,904 | 3,928,796 | 562,819 | 71,805 | 843,923 |
| Cabarrus | 356,187 | (1,675,923) | (998,907) | (3,052,135) | 5,480,635 | 3,923,145 | 848,220 |
| Caldwell | 201,209 | (1,277,378) | (367,127) | (2,133,745) | 3,127,261 | 1,972,427 | 223,395 |
| Camden | 399,318 | 656,229 | 1,247,966 | 1,598,211 | (596,167) | 414,183 | 2,633,015 |
| Carteret | 4,103,841 | 20,659 | 90,335 | 67,119 | 9,958,407 | 7,936,841 | 669,208 |
| Caswell | 201,523 | 760,683 | 1,136,691 | 1,708,376 | (714,237) | (173,146) | 843,923 |
| Catawba | 5,869,943 | 237,646 | 500,020 | 562,819 | 1,341,252 | 843,923 | 843,923 |
| Chatham | 840,545 | 2,495,933 | 3,434,376 | 5,480,635 | (49,330) | 1,357,782 | 848,220 |
| Cherokee | 479,368 | 1,503,852 | 1,852,870 | 3,127,261 | 1,016,362 | 848,220 | 848,220 |
| Chowan | (186,097) | (325,812) | (127,262) | (596,167) | (531,806) | 223,395 | 2,633,015 |
| Cleveland | (1,059,233) | (425,819) | (307,393) | (790,314) | 2,468,018 | 223,395 | 2,633,015 |
| Craven | (235,523) | (1,589,201) | (862,409) | (2,808,503) | (31,806) | 223,395 | 2,633,015 |
| Cumberland | (6,198,955) | (635,115) | 80,770 | (936,817) | 2,468,018 | 223,395 | 2,633,015 |
| Currituck | (894,548) | 4,343,808 | 6,666,050 | 9,958,407 | 2,468,018 | 223,395 | 2,633,015 |
| Dare | (221,605) | (381,898) | (222,705) | (714,237) | 2,468,018 | 223,395 | 2,633,015 |
| Davidson | 2,405,589 | 641,831 | 786,333 | 1,341,252 | 2,468,018 | 223,395 | 2,633,015 |
| Davie | 945,241 | (320,260) | 766,592 | (49,330) | 2,468,018 | 223,395 | 2,633,015 |
| Duplin | 247,580 | 460,175 | 752,208 | 1,016,362 | 2,468,018 | 223,395 | 2,633,015 |
| Durham | 4,608,988 | (378,580) | (1,959) | (531,806) | 2,468,018 | 223,395 | 2,633,015 |
| Edgecombe | (815,200) | 958,791 | 2,082,579 | 2,468,018 | 2,468,018 | 223,395 | 2,633,015 |
| Forsyth | (6,232,644) | 16,979 | 453,131 | 250,035 | 2,468,018 | 223,395 | 2,633,015 |
| Gaston | (4,846,645) | 7,045,437 | 8,952,697 | 15,037,005 | 2,468,018 | 223,395 | 2,633,015 |
| Graham | 292,800 | 3,354,209 | 4,701,514 | 7,573,251 | 2,468,018 | 223,395 | 2,633,015 |
| Granville | (923,615) | (641,823) | (572,047) | (1,261,563) | 2,468,018 | 223,395 | 2,633,015 |
| Greene | (246,384) | 1,291,623 | 1,627,151 | 2,761,730 | 2,468,018 | 223,395 | 2,633,015 |
| Guilford | (4,013,219) | (573,333) | (390,810) | (1,066,147) | 2,468,018 | 223,395 | 2,633,015 |
| Halifax | (451,320) | 9,305,939 | 11,565,139 | 19,596,900 | 2,468,018 | 223,395 | 2,633,015 |
| Harnett | 262,087 | (881,578) | (432,713) | (1,489,472) | 2,468,018 | 223,395 | 2,633,015 |
| Haywood | 1,855,878 | (1,619,595) | (1,046,362) | (2,922,350) | 2,468,018 | 223,395 | 2,633,015 |
| Hertford | (352,566) | 600,419 | 1,028,590 | 1,324,335 | 2,468,018 | 223,395 | 2,633,015 |
| Hyde | 56,450 | 131,156 | 334,904 | 370,090 | 2,468,018 | 223,395 | 2,633,015 |
| Iredell | 3,015,478 | 172,456 | 243,262 | 371,193 | 2,468,018 | 223,395 | 2,633,015 |
| Jackson | 1,064,968 | (1,305,417) | (542,049) | (2,242,322) | 2,468,018 | 223,395 | 2,633,015 |
| Johnston | (296,527) | (59,128) | 243,834 | (46,694) | 2,468,018 | 223,395 | 2,633,015 |
| Jones | 259,611 | 1,069,556 | 1,815,705 | 2,579,901 | 2,468,018 | 223,395 | 2,633,015 |
| | | 136,726 | 244,370 | (618,860) | 2,468,018 | 223,395 | 2,633,015 |

EFFECT OF ADJUSTING PROPERTY TAX EFFORT TO MEET COST OF SB49

| COUNTY NAME | ADDIT. REV. (| | RUN3 SALES- 100% 1987-88 | RUN4- FUND SHIFT, SALES-60% 1987-88 | RUN5 FUND SHIFT, SALES-100% 1987-88 |
|----------------|-----------------------------------|----------------------------------|-----------------------------------|--|--|
| | IF USE STATE AVER. TAX RATE | RUN2 SALES- 60% 1987-88 | | | |
| Lee | (1,181,916) | (3,943) | 322,405 | 190,746 | 521,037 |
| Lenoir | (478,410) | (470,486) | 57,623 | (639,820) | 358,775 |
| Lincoln | (548,539) | 393,147 | 860,529 | 999,278 | 1,073,513 |
| Macon | 3,075,139 | 1,236,111 | 1,476,040 | 2,534,735 | 1,538,553 |
| Madison | (72,120) | (1,084,686) | (917,689) | (2,122,417) | (870,734) |
| Mecklenburg | (18,198,769) | 25,677,830 | 28,709,832 | 52,679,714 | 30,033,886 |
| Mitchell | 455,520 | (340,478) | (199,754) | (642,890) | (161,688) |
| Montgomery | (138,127) | (492,163) | (278,356) | (870,829) | (164,859) |
| Moore | 1,445,202 | 1,458,389 | 1,932,007 | 3,096,398 | 2,111,627 |
| Nash | 2,671,880 | 253,603 | 313,904 | 951,421 | 1,258,119 |
| New Hanover | (4,981,946) | 5,600,690 | 6,519,267 | 11,648,739 | 6,966,626 |
| Northampton | (1,277,832) | (1,590,903) | (1,388,084) | (3,063,001) | (1,269,279) |
| Onslow | 344,110 | 176,157 | 1,351,690 | 685,474 | 1,684,850 |
| Orange | 72,504 | 2,424,895 | 3,041,192 | 5,087,223 | 3,278,625 |
| Pamlico | 136,099 | 150,712 | 267,245 | 360,587 | 326,408 |
| Pasquotank | 276,074 | (86,988) | 154,159 | (44,201) | 283,934 |
| Pender | 264,135) | 49,675 | 300,691 | 194,324 | 395,665 |
| Perquimans | 197,049 | (362,883) | (271,207) | (681,415) | (226,856) |
| Person | 1,736,074 | 51,919 | 357,687 | 223,317 | 477,166 |
| Pitt | (1,2,1,052) | 6,157,909 | 6,885,591 | 12,688,929 | 7,258,702 |
| Richmond | (860,621) | (380,134) | 2,732 | (512,096) | 250,904 |
| Robeson | (2,328,392) | (3,476,509) | (2,534,430) | (6,275,745) | (1,857,157) |
| Rockingham | (3,329,890) | (1,091,252) | (367,506) | (1,855,895) | (40,897) |
| Rowan | 3,104,002 | 682,129 | 1,581,045 | 1,761,290 | 1,978,077 |
| Rutherford | 409,249 | (1,485,401) | (921,946) | (2,716,127) | (667,271) |
| Sampson | (739,484) | (1,097,885) | (614,315) | (1,962,501) | (381,046) |
| Scotland | (1,962,475) | (711,362) | (355,398) | (1,232,215) | (164,889) |
| Stokes | (283,748) | 1,055,272 | 1,465,223 | 2,261,318 | 1,615,997 |
| Surry | 138,412 | 1,119,542 | 1,710,331 | 2,474,542 | 1,945,789 |
| Swain | 341,847 | (516,589) | (404,626) | (1,004,060) | (375,508) |
| Transylvania | (377,415) | 236,587 | 502,648 | 552,502 | 581,976 |
| Tyrrell | 113,423 | 108,176 | 153,952 | 233,039 | 170,639 |
| Vance | (25,285) | 367,171 | 686,021 | 947,129 | 898,808 |
| Wake | (7,041,591) | 9,187,784 | 11,539,333 | 19,718,269 | 12,882,034 |
| Warren | (423,920) | (307,590) | (138,422) | (547,071) | (70,313) |
| Washington | (185,313) | (323,063) | (201,880) | (566,004) | (121,758) |
| Watauga | 2,746,974 | 464,863 | 731,313 | 1,016,300 | 817,887 |
| Wayne | 1,255,004 | 2,331,990 | 3,133,989 | 5,139,031 | 3,609,040 |
| Wilson | (1,832,853) | 4,823,793 | 5,380,514 | 9,991,888 | 5,724,816 |
| Yadkin | 375,402 | 71,830 | 369,313 | 247,884 | 473,537 |
| Yancey | 394,220 | (353,089) | (186,223) | (663,136) | (143,181) |

APPENDIX T

| PER CAPITA PERSONAL INCOME | RANK | PER CAPITA ADJ. PROPERTY TAX BASE | RANK | COUNTY NAME | MINIMUM COST OF SB49 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|----------------------------|------|-----------------------------------|------|-------------|----------------------|-------------------------------------|--|
| \$11,300 | (15) | \$18,967 | (44) | Alamance | \$5,192,803 | -17.9 | -33.2% |
| 10,400 | (30) | 49,754 | (86) | Alexander | 158,267 | -4.3 | -4.9% |
| 8,784 | (65) | 48,000 | (80) | Anson | (109,437) | 2.4 | 2.5% |
| 8,185 | (82) | 25,362 | (32) | Ashe | 690,370 | -12.8 | -22.4% |
| 7,917 | (86) | 14,740 | (12) | Avery | 760,491 | -16.1 | -30.9% |
| 9,187 | (56) | 46,184 | (17) | Beaufort | 1,819,207 | -16.4 | -34.9% |
| 8,405 | (78) | 17,895 | (71) | Bertie | 2,199,003 | -12.3 | -64.1% |
| 7,591 | (90) | 37,736 | (63) | Bladen | 885,286 | -11.6 | -18.7% |
| 8,212 | (81) | 6,041 | (2) | Brunswick | 3,566,086 | -16.1 | -27.1% |
| 11,128 | (16) | 25,090 | (41) | Buncombe | 8,993,228 | -19.7 | -29.4% |
| 10,233 | (31) | 50,412 | (66) | Burke | 704,300 | -4.7 | -7.5% |
| 11,573 | (12) | 24,126 | (38) | Cabarrus | 1,746,503 | -6.2 | -11.9% |
| 9,617 | (45) | 19,165 | (76) | Caldwell | 3,004,383 | -20.5 | -34.1% |
| 8,673 | (70) | 20,000 | (18) | Camden | 197,184 | -15.2 | -25.3% |
| 9,095 | (61) | 11,102 | (11) | Carteret | 2,103,261 | -12.4 | -31.0% |
| 7,510 | (91) | 19,244 | (88) | Caswell | 577,303 | -14.8 | -25.5% |
| 11,812 | (10) | 14,804 | (25) | Catawba | 7,833,980 | -20.7 | -56.0% |
| 11,605 | (11) | 19,868 | (19) | Chatham | 2,768,157 | -34.0 | -47.2% |
| 7,241 | (97) | 34,589 | (92) | Cherokee | (112,938) | 2.6 | 6.2% |
| 9,186 | (57) | 59,901 | (62) | Chowan | 99,213 | -3.3 | -5.0% |
| 9,965 | (39) | 11,753 | (82) | Cleveland | 580,861 | -3.5 | -5.0% |
| 10,055 | (38) | 44,290 | (89) | Craven | 879,165 | -7.9 | -9.9% |
| 9,523 | (47) | 23,392 | (99) | Cumberland | 14,231,787 | -38.4 | -45.1% |
| 8,576 | (75) | 38,019 | (28) | Currituck | 458,842 | -11.6 | -13.9% |
| 8,692 | (69) | 2,936 | (1) | Dare | 1,877,068 | -14.8 | -25.1% |
| 10,723 | (24) | 25,213 | (73) | Davidson | 2,815,660 | -10.4 | -22.5% |
| 10,882 | (22) | 14,900 | (10) | Davie | 1,365,949 | -17.1 | -31.0% |
| 8,971 | (62) | 43,091 | (68) | Duplin | 352,518 | -4.9 | -6.5% |
| 12,471 | (5) | 37,575 | (33) | Durham | 7,367,944 | -13.0 | -22.1% |
| 9,863 | (42) | 32,639 | (75) | Edgecombe | 1,650,585 | -12.8 | -21.7% |
| 13,794 | (3) | 9,904 | (21) | Forsyth | 26,639,968 | -27.8 | -47.1% |
| 10,925 | (20) | 11,562 | (59) | Gaston | 10,237,433 | -26.4 | -35.4% |
| 9,192 | (54) | 78,689 | (53) | Gates | 438,223 | -21.9 | -28.5% |
| 7,355 | (95) | 65,289 | (42) | Graham | (534,167) | 32.4 | 62.8% |
| 8,592 | (73) | 56,808 | (77) | Granville | 2,136,486 | -41.2 | -38.9% |
| 9,165 | (58) | 54,911 | (65) | Greene | 17,216 | -0.6 | -0.7% |
| 13,201 | (4) | 9,246 | (24) | Guilford | 27,090,729 | -25.8 | -40.3% |
| 7,865 | (87) | 36,327 | (84) | Halifax | (291,481) | 2.6 | 3.9% |
| 8,179 | (83) | 83,368 | (90) | Harnett | (470,089) | 6.1 | 6.9% |
| 10,141 | (34) | 22,013 | (27) | Haywood | 2,488,457 | -25.0 | -36.3% |
| 8,342 | (80) | 51,709 | (87) | Hertford | 919,170 | -25.2 | -30.0% |
| 7,451 | (93) | 6,536 | (6) | Hyde | 413,133 | -21.2 | -26.5% |
| 10,560 | (27) | 23,884 | (34) | Iredell | 2,004,014 | -7.4 | -18.1% |
| 8,470 | (76) | 13,278 | (30) | Jackson | 625,796 | -6.9 | -16.4% |

ESTIMATED FISCAL IMPACT OF SB49 ON COUNTIES IN 1992-93(INCL. FUND SHIFT, HB1542-60%)

| PER CAPITA PERSONAL INCOME 1984 | RANK | PER CAPITA ADJ. PROPERTY TAX BASE 1984-85 | RANK | COUNTY NAME | MINIMUM COST OF SB49 1992-93 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|---------------------------------|------|---|-------|--------------|------------------------------|-------------------------------------|--|
| \$9,388 | (49) | \$37,425 | (52) | Johnston | \$4,517,886 | -37.0 | -41.6% |
| 7,627 | (88) | 35,955 | (51) | Jones | (596,900) | 22.0 | 43.3% |
| 11,046 | (17) | 23,580 | (43) | Lee | 2,141,071 | -20.2 | -28.4% |
| \$9,539 | (46) | 31,661 | (78) | Lenoir | 1,539,792 | -11.0 | -19.0% |
| 10,687 | (25) | 29,255 | (49) | Lincoln | 1,087,048 | -9.7 | -15.0% |
| 9,195 | (53) | 5,591 | (3) | Macon | 2,181,286 | -17.1 | -58.0% |
| 9,112 | (60) | 80,576 | (94) | Madison | (1,258,190) | 62.0 | 68.8% |
| 7,604 | (89) | 18,103 | (35) | Martin | 1,640,840 | -20.4 | -26.4% |
| 14,099 | (2) | 7,727 | (8) | Mecklenburg | 62,055,806 | -31.4 | -49.5% |
| 9,204 | (52) | 41,667 | (40) | Mitchell | 41,849 | -1.0 | -2.1% |
| 8,949 | (63) | 33,528 | (57) | Montgomery | 170,491 | -3.2 | -4.9% |
| 11,536 | (14) | 14,020 | (31) | Moore | 3,417,678 | -23.3 | -41.6% |
| 11,569 | (13) | 54,094 | (39) | Nash | 2,516,730 | -10.9 | -25.5% |
| 10,794 | (23) | 2,814 | (22) | New Hanover | 11,724,679 | -29.6 | -43.5% |
| 6,892 | (99) | 99,522 | (93) | Northampton | (848,159) | 24.9 | 22.6% |
| 9,512 | (48) | 21,262 | (100) | Onslow | 1,744,053 | -9.7 | -17.9% |
| 12,158 | (8) | 18,808 | (45) | Orange | 5,959,392 | -27.1 | -46.7% |
| 9,262 | (51) | 32,258 | (37) | Pamlico | 380,917 | -17.8 | -24.1% |
| 10,094 | (35) | 36,339 | (74) | Pasquotank | 910,746 | -16.3 | -25.9% |
| 8,159 | (84) | 32,800 | (26) | Pender | 836,366 | -16.9 | -18.0% |
| 8,736 | (68) | 15,909 | (5) | Perquimans | (88,403) | 3.7 | 5.6% |
| 8,931 | (64) | 56,129 | (23) | Person | 888,655 | -6.3 | -16.0% |
| 9,888 | (41) | 19,073 | (46) | Pitt | 10,271,605 | -41.9 | -65.1% |
| 12,234 | (7) | 74,194 | (16) | Polk | (173,089) | 3.4 | 9.5% |
| 11,038 | (18) | 27,074 | (56) | Randolph | 3,501,166 | -13.6 | -34.4% |
| 8,585 | (74) | 33,036 | (96) | Richmond | 777,394 | -9.6 | -13.5% |
| 7,312 | (96) | 77,554 | (98) | Robeson | (2,397,403) | 17.1 | 18.8% |
| 10,142 | (33) | 46,433 | (50) | Rockingham | 1,996,277 | -12.1 | -13.3% |
| 10,901 | (21) | 22,850 | (48) | Rowan | 3,825,417 | -14.4 | -33.1% |
| 9,630 | (44) | 73,684 | (58) | Rutherford | 797,222 | -7.3 | -10.7% |
| 8,769 | (66) | 44,484 | (83) | Sampson | 68,979 | -0.8 | -1.0% |
| 8,662 | (71) | 51,445 | (79) | Scotland | 846,107 | -12.2 | -13.3% |
| 10,626 | (26) | 29,331 | (55) | Stanly | 1,686,927 | -12.7 | -23.1% |
| 9,831 | (43) | 15,402 | (9) | Stokes | 2,967,760 | -23.3 | -40.8% |
| 10,206 | (32) | 36,004 | (70) | Surry | 2,814,292 | -18.5 | -36.3% |
| 7,476 | (92) | 65,812 | (97) | Swain | (315,988) | 22.6 | 50.2% |
| 10,554 | (28) | 21,411 | (14) | Transylvania | 933,449 | -11.6 | -14.7% |
| 10,089 | (36) | 9,910 | (4) | Tyrrell | 236,987 | -17.7 | -20.6% |
| 9,157 | (59) | 33,007 | (91) | Vance | 1,627,134 | -23.9 | -38.0% |
| 10,236 | (11) | 17,950 | (15) | Wake | 32,270,665 | -24.1 | -40.8% |

| PER CAPITA PERSONAL INCOME 1984 | RANK | PER CAPITA ADJ. PROPERTY TAX BASE 1984-85 | RANK | COUNTY NAME | MINIMUM COST OF SB49 1992-93 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|--|------|--|------|----------------|---------------------------------------|--|---|
| \$9,929 | (40) | \$56,863 | (61) | Washington | \$150,365 | -4.3 | -6.5% |
| 8,467 | (77) | 10,050 | (13) | Watauga | 1,461,135 | -17.4 | -28.9% |
| 9,326 | (50) | 32,205 | (85) | Wayne | 4,925,082 | -29.8 | -44.1% |
| 10,067 | (37) | 25,431 | (81) | Wilkes | 2,741,593 | -14.6 | -34.0% |
| 11,025 | (19) | 15,541 | (60) | Wilson | 7,452,567 | -44.8 | -69.0% |
| 10,505 | (29) | 17,400 | (72) | Yadkin | 647,473 | -9.5 | -18.6% |
| 7,359 | (94) | 24,765 | (69) | Yancey | 5,699 | -0.1 | -0.3% |

ESTIMATED FISCAL IMPACT OF SB49 ON COUNTIES IN 1992-93(INCL. FUND SHIFT, HB1542-100%)

| PER CAPITA PERSONAL INCOME | RANK | PER CAPITA ADJ. PROPERTY TAX BASE | RANK | COUNTY NAME | MINIMUM COST OF SB49 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|----------------------------|------|-----------------------------------|------|-------------|----------------------|-------------------------------------|--|
| \$11,300 | (15) | \$18,967 | (44) | Alamance | \$5,968,707 | -20.6 | -38.1% |
| 10,400 | (30) | 49,754 | (86) | Alexander | 461,752 | -12.6 | -14.3% |
| 8,784 | (65) | 48,000 | (80) | Anson | 130,679 | -2.8 | -3.0% |
| 8,185 | (82) | 25,362 | (32) | Ashe | 943,247 | -17.4 | -30.6% |
| 7,917 | (86) | 14,740 | (12) | Avery | 910,936 | -19.3 | -37.0% |
| 9,187 | (56) | 46,184 | (17) | Beaufort | 2,200,959 | -19.8 | -42.2% |
| 8,405 | (78) | 17,895 | (71) | Bertie | 2,401,627 | -46.2 | -70.0% |
| 7,591 | (90) | 37,736 | (63) | Bladen | 1,180,320 | -15.4 | -24.9% |
| 8,212 | (81) | 6,041 | (2) | Brunswick | 4,018,074 | -18.2 | -30.5% |
| 11,128 | (16) | 25,090 | (41) | Buncombe | 10,419,528 | -22.8 | -34.1% |
| 10,233 | (31) | 50,412 | (66) | Burke | 1,381,216 | -9.2 | -14.6% |
| 11,573 | (12) | 24,126 | (38) | Cabarrus | 2,656,754 | -9.4 | -18.0% |
| 9,617 | (45) | 19,165 | (76) | Caldwell | 3,596,120 | -24.5 | -40.9% |
| 8,673 | (70) | 20,000 | (18) | Camden | 266,860 | -20.5 | -34.2% |
| 9,095 | (61) | 11,102 | (11) | Carteret | 2,479,269 | -14.6 | -36.6% |
| 7,510 | (91) | 19,244 | (88) | Caswell | 839,677 | -21.5 | -37.2% |
| 11,812 | (10) | 14,804 | (25) | Catawba | 8,772,423 | -23.2 | -62.7% |
| 11,605 | (11) | 19,868 | (19) | Chatham | 3,117,175 | -38.2 | -53.1% |
| 7,241 | (97) | 34,589 | (92) | Cherokee | 85,612 | -2.0 | -4.7% |
| 9,186 | (57) | 59,901 | (62) | Chowan | 217,639 | -7.3 | -10.9% |
| 9,965 | (39) | 11,753 | (82) | Cleveland | 1,307,653 | -7.8 | -11.4% |
| 10,055 | (38) | 44,290 | (89) | Craven | 1,595,050 | -14.3 | -17.9% |
| 9,523 | (47) | 23,392 | (99) | Cumberland | 16,554,029 | -44.6 | -52.5% |
| 8,576 | (75) | 38,019 | (28) | Currituck | 618,035 | -15.7 | -18.8% |
| 8,692 | (69) | 2,936 | (1) | Dare | 2,021,570 | -16.0 | -27.1% |
| 10,723 | (24) | 25,213 | (73) | Davidson | 3,902,512 | -14.3 | -31.2% |
| 10,882 | (22) | 14,900 | (10) | Davie | 1,657,982 | -20.7 | -37.7% |
| 8,971 | (62) | 43,091 | (68) | Duplin | 729,139 | -10.0 | -13.4% |
| 12,471 | (5) | 37,575 | (33) | Durham | 8,491,732 | -15.0 | -25.5% |
| 9,863 | (42) | 32,639 | (75) | Edgecombe | 2,086,737 | -16.2 | -27.5% |
| 13,794 | (3) | 9,904 | (21) | Forsyth | 28,547,228 | -29.8 | -50.5% |
| 10,925 | (20) | 11,562 | (59) | Gaston | 11,584,738 | -29.9 | -40.0% |
| 9,192 | (54) | 78,689 | (53) | Gates | 542,044 | -27.1 | -35.2% |
| 7,355 | (95) | 65,289 | (42) | Graham | (464,391) | 28.1 | 54.6% |
| 8,592 | (73) | 56,808 | (77) | Granville | 2,472,014 | -47.7 | -45.0% |
| 9,165 | (58) | 54,911 | (65) | Greene | 199,739 | -6.6 | -8.1% |
| 13,201 | (4) | 9,246 | (24) | Guilford | 29,349,929 | -28.0 | -43.7% |
| 7,865 | (87) | 36,327 | (84) | Halifax | 157,384 | -1.4 | -2.1% |
| 8,179 | (83) | 83,368 | (90) | Harnett | 103,144 | -1.3 | -1.5% |
| 10,141 | (24) | 33,012 | (27) | Haywood | 7,916,628 | -29.3 | -42.5% |

ESTIMATED FISCAL IMPACT OF SB49 ON COUNTIES IN 1992-93 (INCL. FUND SHIFT, HB1542-100%)

| PER CAPITA PERSONAL INCOME 1984 | RANK | ADJ. PROPERTY TAX BASE 1984-85 | PER CAPITA | RANK | COUNTY NAME | MINIMUM COST OF SB49 1992-93 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|---------------------------------|------|--------------------------------|------------|-------|--------------|------------------------------|-------------------------------------|--|
| \$9,388 | (49) | \$37,425 | | (52) | Johnston | \$5,264,035 | -43.1 | -48.5% |
| 7,627 | (88) | 35,955 | | (51) | Jones | (489,256) | 18.1 | 35.5% |
| 11,046 | (17) | 23,580 | | (43) | Lee | 2,467,419 | -23.3 | -32.0% |
| \$9,539 | (46) | 31,661 | | (78) | Lenoir | 2,067,901 | -14.8 | -25.5% |
| 10,687 | (25) | 29,255 | | (49) | Lincoln | 1,554,430 | -13.9 | -21.5% |
| 9,195 | (53) | 5,591 | | (3) | Macon | 2,421,215 | -19.0 | -64.4% |
| 9,112 | (60) | 80,576 | | (94) | Madison | (1,091,193) | 53.8 | 59.6% |
| 7,604 | (89) | 18,103 | | (35) | Martin | 1,900,184 | -23.6 | -30.6% |
| 14,099 | (2) | 7,727 | | (8) | Mecklenburg | 65,087,808 | -33.0 | -51.9% |
| 9,204 | (52) | 41,667 | | (40) | Mitchell | 182,573 | -4.4 | -9.4% |
| 8,949 | (63) | 33,528 | | (57) | Montgomery | 384,298 | -7.3 | -11.1% |
| 11,536 | (14) | 14,020 | | (31) | Moore | 3,891,296 | -26.5 | -47.3% |
| 11,569 | (13) | 54,094 | | (39) | Nash | 3,077,031 | -13.4 | -31.1% |
| 10,794 | (23) | 2,814 | | (22) | New Hanover | 12,643,256 | -31.9 | -46.9% |
| 6,892 | (99) | 99,522 | | (93) | Northampton | (645,340) | 19.0 | 17.2% |
| 9,512 | (48) | 21,262 | | (100) | Onslow | 2,919,586 | -16.2 | -30.0% |
| 12,158 | (6) | 18,808 | | (45) | Orange | 6,575,689 | -29.9 | -51.5% |
| 9,262 | (51) | 32,258 | | (37) | Pamlico | 497,450 | -23.2 | -31.5% |
| 10,094 | (35) | 36,339 | | (74) | Pasquotank | 1,151,893 | -20.6 | -32.7% |
| 8,159 | (84) | 32,800 | | (26) | Pender | 1,087,382 | -22.0 | -23.4% |
| 8,736 | (68) | 15,909 | | (5) | Perquimans | 3,273 | -0.1 | -0.2% |
| 8,931 | (64) | 56,129 | | (23) | Person | 1,194,423 | -8.5 | -21.5% |
| 9,888 | (41) | 19,073 | | (46) | Pitt | 10,999,287 | -44.9 | -69.7% |
| 12,234 | (7) | 74,194 | | (16) | Polk | (32,666) | 0.6 | 1.8% |
| 11,038 | (18) | 27,074 | | (56) | Randolph | 4,388,744 | -17.0 | -43.1% |
| 8,585 | (74) | 33,036 | | (96) | Richmond | 1,160,260 | -14.3 | -20.2% |
| 7,312 | (96) | 77,554 | | (98) | Robeson | (1,455,324) | 10.4 | 11.4% |
| 10,142 | (33) | 46,433 | | (50) | Rockingham | 2,720,023 | -16.5 | -18.1% |
| 10,901 | (21) | 22,850 | | (48) | Rowan | 4,724,333 | -17.8 | -40.8% |
| 9,630 | (44) | 73,684 | | (58) | Rutherford | 1,360,577 | -12.4 | -18.3% |
| 8,769 | (66) | 44,484 | | (83) | Sampson | 552,549 | -6.6 | -7.9% |
| 8,662 | (71) | 51,445 | | (79) | Scotland | 1,202,071 | -17.3 | -18.8% |
| 10,626 | (26) | 29,331 | | (55) | Stanly | 2,097,590 | -15.8 | -28.7% |
| 9,831 | (43) | 15,402 | | (9) | Stokes | 3,377,711 | -26.5 | -46.5% |
| 10,206 | (32) | 36,004 | | (70) | Surry | 3,405,081 | -22.4 | -43.9% |
| 7,476 | (92) | 65,812 | | (97) | Swain | (204,025) | 14.6 | 32.4% |
| 10,554 | (28) | 21,411 | | (14) | Transylvania | 1,199,510 | -14.9 | -18.9% |
| 10,089 | (36) | 9,910 | | (4) | Tyrrell | 282,763 | -21.1 | -24.6% |
| 9,157 | (59) | 33,007 | | (91) | Vance | 1,945,984 | -28.6 | -45.5% |
| 14,236 | (1) | 17,950 | | (15) | Wake | 34,622,214 | -25.8 | -43.8% |
| 8,347 | (79) | 49,686 | | (54) | Warren | 187,302 | -4.5 | -6.6% |

ESTIMATED FISCAL IMPACT OF SB49 ON COUNTIES IN 1992-93 (INCL. FUND SHIFT, HB1542-100%)

| PER CAPITA PERSONAL INCOME | PER CAPITA ADJ. PROPERTY TAX BASE | PER CAPITA 1984-85 | RANK | 1984 | RANK | MINIMUM COST OF SB49 1992-93 | REQUIRED INCR. IN PROPERTY TAX RATE | PERCENTAGE INCREASE IN REQ. PROP. TAX RATE |
|----------------------------------|---|-----------------------|------|------|------|---------------------------------------|--|---|
| \$9,929 | \$56,863 | \$56,863 | (40) | (40) | (61) | \$271,548 | -7.7 | -11.7% |
| 8,467 | 10,050 | 10,050 | (77) | (77) | (13) | 1,727,585 | -20.5 | -34.2% |
| 9,326 | 32,205 | 32,205 | (50) | (50) | (85) | 5,727,081 | -34.7 | -51.3% |
| 10,067 | 25,431 | 25,431 | (37) | (37) | (81) | 3,390,701 | -18.1 | -42.1% |
| 11,025 | 15,541 | 15,541 | (19) | (19) | (60) | 8,009,288 | -48.2 | -74.2% |
| 10,505 | 17,400 | 17,400 | (29) | (29) | (72) | 944,956 | -13.8 | -27.1% |
| 7,359 | 24,765 | 24,765 | (94) | (94) | (69) | 172,565 | -4.1 | -9.7% |

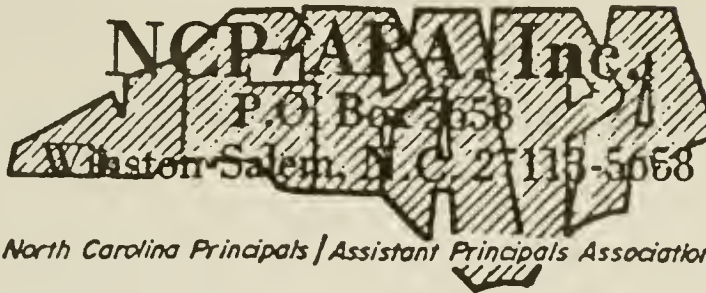
APPENDIX U

| COUNTY NAME | ADDIT. REV. IF USE STATE AVER. TAX RATE | RUN2A SALES-60% 1992-93 | RUN3A SALES-100% 1992-93 | RUN4A FUND SHIFT, SALES-60% 1992-93 | RUN5A FUND SHIFT, SALES-100% 1992-93 |
|-------------|---|-------------------------|--------------------------|-------------------------------------|--------------------------------------|
| Alexander | \$2,780 | | | | |
| Anson | (1,014,421) | (\$301,010) | \$2,481 | \$158,267 | \$461,758 |
| Ashe | 828,533 | (566,256) | (326,140) | (109,437) | 130,679 |
| Avery | 1,062,119 | 322,240 | 575,117 | 690,370 | 943,247 |
| Beaufort | 3,111,940 | 481,305 | 631,750 | 760,491 | 910,936 |
| Bertie | (618,956) | 1,049,019 | 1,430,771 | 1,819,207 | 2,200,959 |
| Bladen | (441,335) | 1,780,523 | 1,983,147 | 2,199,003 | 2,401,627 |
| Brunswick | 1,591,931 | 317,054 | 612,088 | 885,286 | 1,180,320 |
| Buncombe | (4,060,285) | 2,831,874 | 3,283,862 | 3,566,086 | 4,018,074 |
| Burke | 300,396 | 6,720,891 | 8,147,191 | 3,993,228 | 10,419,528 |
| Cabarrus | 356,187 | (436,680) | 240,236 | 704,300 | 1,381,216 |
| Caldwell | 201,209 | 203,512 | 1,113,763 | 1,746,503 | 2,656,754 |
| Camden | 399,318 | 1,857,688 | 2,449,425 | 3,004,383 | 3,596,120 |
| Carteret | 4,103,841 | 85,797 | 155,473 | 197,184 | 266,860 |
| Caswell | 201,523 | 1,395,599 | 1,771,607 | 2,103,261 | 2,479,269 |
| Catawba | 5,869,943 | 215,538 | 477,912 | 577,303 | 839,677 |
| Chatham | 840,545 | 5,957,612 | 6,896,055 | 7,833,980 | 8,772,423 |
| Cherokee | 479,368 | 2,277,975 | 2,626,993 | 2,768,157 | 3,117,175 |
| Chowan | (186,097) | (445,121) | (246,571) | (112,938) | 85,612 |
| Cleveland | (1,059,233) | (135,109) | (16,683) | 99,213 | 217,639 |
| Craven | (235,523) | (916,205) | (189,413) | 580,861 | 1,307,653 |
| Cumberland | (6,198,955) | (280,910) | 434,975 | 879,165 | 1,595,050 |
| Currituck | (894,548) | 10,273,337 | 12,595,579 | 14,231,787 | 16,554,029 |
| Dare | (221,605) | 246,772 | 405,965 | 458,842 | 618,035 |
| Davidson | 2,405,589 | 1,642,390 | 1,786,892 | 1,877,068 | 2,021,570 |
| Davie | 945,241 | 757,875 | 1,844,727 | 2,815,660 | 3,902,512 |
| Duplin | 247,580 | 932,577 | 1,224,610 | 1,365,949 | 1,657,982 |
| Durham | 4,608,988 | (403,510) | (26,889) | 352,518 | 729,139 |
| Edgecombe | (815,200) | 5,299,742 | 6,423,530 | 7,367,944 | 8,491,732 |
| Forsyth | (6,232,644) | 856,655 | 1,292,807 | 1,650,585 | 2,086,737 |
| Gaston | (4,846,645) | 23,241,622 | 25,148,882 | 26,639,968 | 28,547,228 |
| Graham | 292,800 | 7,278,941 | 8,626,246 | 10,237,433 | 11,584,738 |
| Granville | (923,615) | (675,088) | (605,312) | (534,167) | (464,391) |
| Greene | (246,384) | 1,510,046 | 1,845,574 | 2,136,486 | 2,472,014 |
| Guilford | (4,013,219) | (260,475) | (77,952) | 17,216 | 199,739 |
| Halifax | (451,320) | 22,790,458 | 25,049,658 | 27,090,729 | 29,349,929 |
| Harnett | 262,087 | (1,306,794) | (857,929) | (291,481) | 157,384 |
| Haywood | 1,855,878 | (1,530,992) | (957,759) | (470,089) | 103,144 |
| Hertford | (352,566) | 1,808,405 | 2,236,576 | 2,488,457 | 2,916,628 |
| Hyde | 56,450 | 520,605 | 724,353 | 919,170 | 1,122,918 |
| Iredell | 3,015,478 | 305,005 | 375,811 | 413,133 | 483,939 |
| Jackson | 1,064,968 | 538,799 | 1,302,167 | 2,004,014 | 2,767,382 |
| Johnston | (296,527) | 266,413 | 569,375 | 625,796 | 928,758 |
| Jones | 258,644 | 3,103,718 | 3,849,867 | 4,517,886 | 5,264,035 |
| | | (302,217) | (194,573) | (596,900) | (489,256) |

EFFECT OF ADJUSTING PROPERTY TAX EFFORT TO MEET COST OF SB49

| COUNTY NAME | ADDIT. REV. IF USE STATE AVER. TAX RATE | RUN2A | | RUN3A | | RUN4A | | RUN5A | |
|----------------|--|---------------|-------------|----------------|-------------|--------------------------|---------|---------------------------|---------|
| | | SALES- 60% | 1992-93 | SALES- 100% | 1992-93 | FUND SHIFT, SALES-60% | 1992-93 | FUND SHIFT, SALES-100% | 1992-93 |
| Lee | (1,181,916) | 1,447,069 | 1,773,417 | 1,773,417 | 2,141,071 | 2,467,419 | | | |
| Lenoir | (478,410) | 509,270 | 1,037,379 | 1,037,379 | 1,539,792 | 2,067,901 | | | |
| Lincoln | (548,539) | 268,605 | 735,987 | 735,987 | 1,087,048 | 1,554,430 | | | |
| Macon | 3,075,139 | 1,847,052 | 2,086,981 | 2,086,981 | 2,181,286 | 2,421,215 | | | |
| Madison | (72,120) | (1,526,322) | (1,359,325) | (1,359,325) | (1,258,190) | (1,091,193) | | | |
| Mecklenburg | (18,198,769) | 56,478,023 | 59,510,025 | 59,510,025 | 62,055,806 | 65,087,808 | | | |
| Mitchell | 455,520 | (187,574) | (46,850) | (46,850) | 41,849 | 182,573 | | | |
| Montgomery | (138,127) | (228,555) | (14,748) | (14,748) | 170,491 | 384,298 | | | |
| Moore | 1,445,202 | 2,704,872 | 3,178,490 | 3,178,490 | 3,417,678 | 3,891,296 | | | |
| Nash | 2,671,880 | 988,622 | 1,548,923 | 1,548,923 | 2,516,730 | 3,077,031 | | | |
| New Hanover | (4,981,946) | 10,058,361 | 10,976,938 | 10,976,938 | 11,724,679 | 12,643,256 | | | |
| Northampton | (1,277,832) | (1,264,872) | (1,062,053) | (1,062,053) | (848,159) | (645,340) | | | |
| Onslow | 344,110 | 406,563 | 1,582,096 | 1,582,096 | 1,744,053 | 2,919,586 | | | |
| Orange | 72,501 | 5,049,127 | 5,665,424 | 5,665,424 | 5,959,392 | 6,575,689 | | | |
| Pamlico | 136,099 | 168,421 | 284,954 | 284,954 | 380,917 | 497,450 | | | |
| Pasquotank | 276,074 | 438,373 | 679,520 | 679,520 | 910,746 | 1,151,893 | | | |
| Pender | (264,135) | 426,937 | 677,953 | 677,953 | 836,366 | 1,007,382 | | | |
| Perquimans | 197,049 | (270,524) | (178,848) | (178,848) | (88,403) | 3,273 | | | |
| Person | 796,074 | 410,420 | 716,188 | 716,188 | 888,655 | 1,194,423 | | | |
| Pitt | (1,251,052) | 8,848,907 | 9,576,589 | 9,576,589 | 10,271,605 | 10,999,287 | | | |
| Richmond | (860,621) | (73,410) | 309,456 | 309,456 | 777,394 | 1,160,260 | | | |
| Robeson | (2,328,392) | (4,697,641) | (3,755,562) | (3,755,562) | (2,397,403) | (1,455,324) | | | |
| Rockingham | (3,329,890) | 570,098 | 1,293,844 | 1,293,844 | 1,996,277 | 2,720,023 | | | |
| Rowan | 3,104,002 | 2,375,825 | 3,274,741 | 3,274,741 | 3,825,417 | 4,724,333 | | | |
| Rutherford | 409,249 | (166,237) | 397,218 | 397,218 | 797,222 | 1,360,677 | | | |
| Sampson | (739,484) | (777,033) | (293,463) | (293,463) | 68,979 | 552,549 | | | |
| Scotland | (1,962,475) | 172,967 | 528,931 | 528,931 | 846,107 | 1,202,071 | | | |
| Stokes | (283,748) | 2,361,703 | 2,771,654 | 2,771,654 | 2,967,760 | 3,377,711 | | | |
| Surry | 138,412 | 1,781,164 | 2,371,953 | 2,371,953 | 2,814,292 | 3,405,081 | | | |
| Swain | 341,847 | (480,608) | (368,645) | (368,645) | (315,988) | (204,025) | | | |
| Transylvania | (377,415) | 557,759 | 823,820 | 823,820 | 933,449 | 1,199,510 | | | |
| Tyrrell | 113,423 | 159,919 | 205,695 | 205,695 | 236,987 | 282,763 | | | |
| Vance | (25,285) | 899,362 | 1,218,212 | 1,218,212 | 1,627,134 | 1,945,984 | | | |
| Wake | (7,041,591) | 27,479,675 | 29,831,224 | 29,831,224 | 32,270,665 | 34,622,214 | | | |
| Warren | (423,920) | (260,332) | (91,164) | (91,164) | 18,134 | 187,302 | | | |
| Washington | (185,313) | (138,381) | (17,198) | (17,198) | 150,365 | 271,548 | | | |
| Watauga | 2,746,974 | 1,030,310 | 1,296,760 | 1,296,760 | 1,461,135 | 1,727,585 | | | |
| Wayne | 1,255,004 | 3,303,399 | 4,105,398 | 4,105,398 | 4,925,082 | 5,727,081 | | | |
| Wilson | (1,832,853) | 6,302,946 | 6,859,667 | 6,859,667 | 7,452,567 | 8,009,288 | | | |
| Yadkin | 375,402 | 200,600 | 498,083 | 498,083 | 647,473 | 944,956 | | | |
| Yancey | 394,220 | (247,612) | (80,746) | (80,746) | 5,699 | 172,565 | | | |

APPENDIX V



North Carolina Principals / Assistant Principals Association

EXECUTIVE DIRECTOR

Ralph A. Kimel
Frye Bridge Rd.
Winston-Salem, N.C. 27012

October 9, 1986

1987 Proposed Legislative Program

1. It is impossible for principals to carry out the additional duties which are coming from the legislature and State Board of Education.
 - a) The Information Management System (SIMS) Program will release teachers from paper work, but it adds work to the office.
 - b) The new Initial Certification Program.
 - c) The Career Salary Schedule with the additional evaluations.
 - d) Summer school programs, etc.

| State Funded Non-Teaching Assistant Principal Positions: | | Elementary | Secondary |
|--|-----------|------------|-----------|
| (ADM) | 200-399 | 0 | 1 |
| | 400-799 | 1 | 2* |
| | 800-1199 | 2* | 3 |
| | 1200-1599 | 3 | 4 |
| | 1600-1999 | 4 | 5 |
| | 2000-2399 | 5 | 6 |
| | 2400-2799 | 6 | 7 |

*When a school receives a second assistant principal position, one position will be funded on a twelve-month basis. All other positions will be funded on 11 months.

2. State Funded School Secretary Positions: All Grade Levels

| | | |
|-------|-----------|-----|
| (ADM) | 100-375 | 1* |
| | 376-750 | 2 |
| | 751-1125 | 3 |
| | 1126-1500 | 4** |
| | 1501-1875 | 5 |
| | 1876-2250 | 6 |
| | 2251-2625 | 7** |

*First secretary position funded on a 12-month basis and classified as an Administrative Assistant.

**Fourth and seventh positions funded on an 11-month basis. All other positions funded on a 10-month basis

3. The first secretarial position in each school shall be paid at Salary Classification IV; the second position on III, the third on II.

APPENDIX W

Public
Short title - School Construction Fund.

A BILL TO BE ENTITLED
AN ACT TO ESTABLISH A SPECIAL FUND TO MEET CRITICAL SCHOOL
FACILITY NEEDS.

Section 1. Chapter 115C of the General Statutes is amended by adding a new Article to read:

"Article 34A.

"Special Fund to Meet Critical School Facility Needs.

" 115C-489.1. Creation of fund; administration. - There is created the Special Fund to Meet Critical School Facility Needs. The Fund shall be used to assist counties whose school facility needs are greatest in relation to the resources they have available to meet their school facility needs.

The Fund shall be administered by the State Board of Education. The Fund shall be deposited with the State Treasurer and invested as provided in G.S. 147-69.2 and 147-69.3.

Monies in the Fund shall be used only for the purposes specified in this Article.

" 115C-489.2. Grants from the fund. - (a) The board of county commissioners of a county requesting a grant from the Fund shall submit to the State Board of Education a plan for using the funds for a particular critical project. The application shall contain information on how the critical need for which funds are requested would be met, how much State money is required, and how much the county will contribute to the project. The application shall also include an analysis of the school facility

needs of the county and a long-range plan for meeting those needs.

At the request of the county commissioners or a local board of education, the State Board of Education shall provide technical assistance in facility planning to a county preparing an application for a grant from the Fund.

(b) The State Board of Education shall consider the following criteria in making grants from the Fund:

- (1) The total amount of school facility in the county relative to the per pupil needs.
- (2) Specific information on school facility needs that shows the critical nature of all or part of those needs.
- (3) Whether the county's plans to improve school facilities would bring the facilities into compliance with statewide standards for school facility standards as established by the State Board of Education.
- (4) The per capita income of the county.
- (5) The per capita taxable property level of the county, as compared to other counties that are required to revalue their property the same year as the applicant county.
- (6) The property tax effort of the county, relative to other counties that revalue their property the same year as the applicant county.
- (7) The effort the county has made to meet its school facility needs.
- (8) Any pressing non-school needs that may force the county to divert its resources from school facilities."

Sec. 2. There is appropriated from the General Fund to the Department of Public Education the sum of ten million dollars (\$10,000,000) for the 1987-88 fiscal year for the Special Fund to Meet Critical School Facility Needs.

Sec. 3. This act shall become effective July 1, 1987.

APPENDIX X

Public
Short title - School Facility Standards.

A BILL TO BE ENTITLED

AN ACT TO DIRECT THE STATE BOARD OF EDUCATION TO DEVELOP AND REPORT TO THE GENERAL ASSEMBLY ON STATEWIDE STANDARDS FOR SCHOOL FACILITIES ADEQUATE TO MEET THE REQUIREMENTS OF THE BASIC EDUCATION PROGRAM.

Section 1. Prior to January 1, 1988, the State Board of Education shall develop and report to the General Assembly on statewide standards for public school facilities that are adequate to meet the requirements of the Basic Education Program. These standards shall include a phase-in of the new requirements and a procedure for waiving certain requirements for the projected life expectancy of existing facilities.

Sec. 2. This act shall become effective July 1, 1987.

APPENDIX Y

Array of Counties by Median Level of Assessment

| <u>County</u> | <u>Median</u> | <u>Coefficient of Dispersion</u> | <u>County</u> | <u>Median</u> | <u>Coefficient of Dispersion</u> |
|---------------|---------------|----------------------------------|---------------|---------------|----------------------------------|
| Gates | .2832 | 109.9653 | Graham | .6785 | 38.2816 |
| Clay | .3000 | 90.3082 | Burke | .6814 | 31.5951 |
| Granville | .3651 | 35.7180 | Franklin | .6956 | 29.3724 |
| Warren | .4065 | 38.9249 | Swain | .7045 | 53.4809 |
| Edgecombe | .4128 | 25.9927 | Gaston | .7065 | 31.8920 |
| Alexander | .4375 | 30.8293 | Moore | .7116 | 20.9046 |
| Harnett | .4394 | 41.0972 | Cleveland | .7265 | 82.1140 |
| Johnston | .4444 | 35.4727 | Vance | .7346 | 19.8489 |
| Wilkes | .4479 | 60.0110 | Carteret | .7359 | 54.5297 |
| Columbus | .4600 | 71.9931 | Henderson | .7500 | 47.0343 |
| Nash | .4652 | 29.6526 | Montgomery | .7500 | 34.5108 |
| Watauga | .4690 | 99.8758 | Richmond | .7603 | 76.5505 |
| Haywood | .4758 | 41.2864 | Caswell | .7660 | 31.4111 |
| Chatham | .4801 | 41.9874 | Caldwell | .7667 | 51.5650 |
| Polk | .4878 | 46.6589 | Lee | .7695 | 23.9240 |
| Randolph | .4960 | 39.5335 | Alleghany | .7754 | 34.6061 |
| Martin | .4966 | 37.4156 | Halifax | .7779 | 51.9266 |
| Tyrrell | .4982 | 54.8471 | Guilford | .7847 | 15.9856 |
| Beaufort | .5000 | 51.2426 | Chowan | .7863 | 30.0046 |
| Madison | .5000 | 55.9335 | Perquimans | .7877 | 41.9812 |
| Mitchell | .5112 | 44.3556 | Jones | .7883 | 35.8791 |
| Pender | .5114 | 32.7663 | Lincoln | .7919 | 24.9202 |
| Camden | .5136 | 98.2409 | Washington | .7986 | 65.6088 |
| Durham | .5151 | 33.0178 | Currituck | .8129 | 41.4141 |
| Alamance | .5264 | 37.9340 | Pitt | .8187 | 29.9312 |
| Transylvania | .5265 | 50.3794 | Buncombe | .8375 | 40.0840 |
| Duplin | .5275 | 68.3479 | Stokes | .8418 | 17.1314 |
| Craven | .5300 | 31.1829 | Orange | .8441 | 15.8169 |
| Stanly | .5389 | 69.3799 | Union | .8573 | 18.8402 |
| Robeson | .5590 | 55.0650 | Person | .8750 | 52.6782 |
| Wayne | .5596 | 23.6759 | Yadkin | .8768 | 91.0142 |
| Hyde | .5615 | 43.4535 | Bladen | .8814 | 19.8140 |
| Pamlico | .5639 | 46.2356 | Dare | .8863 | 18.8611 |
| Brunswick | .5845 | 55.8564 | New Hanover | .8900 | 16.0136 |
| Rockingham | .5858 | 56.4304 | Rowan | .8931 | 24.3990 |
| Hertford | .5913 | 40.3614 | Onslow | .8993 | 32.0606 |
| Davie | .5926 | 41.7166 | Davidson | .9062 | 21.5838 |
| McDowell | .5936 | 42.2931 | Mecklenburg | .9115 | 10.0457 |
| Rutherford | .5942 | 51.5012 | Lenoir | .9128 | 36.9523 |
| Anson | .5966 | 41.5594 | Wake | .9314 | 12.5461 |
| Northampton | .5972 | 37.2771 | Bertie | .9339 | 27.6825 |
| Sampson | .6010 | 53.1547 | Wilson | .9348 | 24.5450 |
| Avery | .6187 | 39.4796 | Cabarrus | .9424 | 16.2923 |
| Greene | .6300 | 38.5807 | Jackson | .9471 | 23.1776 |
| Ashe | .6536 | 42.6702 | Macon | .9521 | 23.3741 |
| Cherokee | .6596 | 61.9280 | Yancey | .9524 | 40.9039 |
| Hoke | .6667 | 35.6751 | Forsyth | .9663 | 9.6625 |
| Cumberland | .6669 | 18.5165 | Catawba | .9663 | 22.2609 |
| Pasquotank | .6709 | 48.0597 | Iredell | .9780 | 18.4844 |
| Scotland | .6752 | 29.7672 | Surry | .9853 | 12.9199 |

Statewide Median ----- .6769
 Statewide Mean Coefficient of Dispersion - 40.5396

APPENDIX Z

Public
Short title - Sales-assessment studies.

A BILL TO BE ENTITLED

AN ACT DIRECTING THE DEPARTMENT OF REVENUE TO CONDUCT CONTINUING
SALES-ASSESSMENT RATIO STUDIES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-289(h) is rewritten to read as
follows:

"(h) To make continuing studies of the ratio of the
appraised value of real property to its true value and to
establish for each county the median ratio as determined by the
studies for each calendar year. The studies shall be conducted in
accordance with generally accepted principles and procedures for
sales assessment ratio studies."

Sec. 2. This act is effective upon ratification and
shall apply to all calendar years beginning with the 1987 calendar
year.

APPENDIX AA

Public

A JOINT RESOLUTION

AUTHORIZING THE LEGISLATIVE RESEARCH COMMISSION TO STUDY SCHOOL FINANCE.

Whereas, school finance is an extremely complex issue that is of critical importance to the people of the State; and

Whereas, in recent years the State of North Carolina has begun to reaffirm its long-standing commitment to providing for a general and uniform system of free public schools and for equal educational opportunity for every child; and

Whereas, as part of this effort, the General Assembly has made and continues to make a major commitment to providing funds for the public schools; and

Whereas, the Legislative Research Commission Study on the School Finance Act made significant recommendations for legislation to the 1987 General Assembly; and

Whereas, if these recommendations are not enacted into law they will require more study; and

Whereas, if these recommendations are enacted into law they will require monitoring and may require fine-tuning by the General Assembly; now therefore,

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. The Legislative Research Commission is authorized to study the issue of school finance. The Commission

may make an interim report to the 1988 Session of the 1987 General Assembly, a final report the the 1989 General Assembly, or both.

Sec. 2. This resolution is effective upon ratification.