

NEWS LETTER

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Editorial Board: E. C. Branson, S. H. Hobbs, Jr., P. W. Wager, L. R. Wilson, E. W. Knight, D. D. Carroll, H. W. Odum.

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COUNTY AND SCHOOL DEBT

COUNTY INDEBTEDNESS

The North Carolina Educational Commission has just completed the most exhaustive study of indebtedness of North Carolina counties and subdivisions thereof...

The indebtedness shown in the table includes both bonded and current debt. Of course, much of that which was in the form of current debt a few months ago has now been funded...

The total county-wide bonded indebtedness as of 1926 was \$97,704,928. Of this total \$5,883,250 or 6 percent was incurred for schools and \$76,113,760 or 78 percent for roads and bridges...

The total bonded indebtedness of districts and townships amounts to \$49,027,729, of which \$39,576,729 is for school buildings and \$8,265,500 is for roads and bridges...

The average county in the state has a county-wide debt of \$1,386,022 and a township and district debt of \$501,215. Excluding the debt of towns and cities the average county then has a debt of \$1,887,297...

If we rank the counties on the basis of per capita indebtedness for 1927, we find the median county has a per capita debt of \$60.95. Carteret has the heaviest per capita debt, \$197.20...

The citizens of Northampton county are the least burdened by public debt, the per capita in that county being only

\$14.20. Incidentally, Northampton ranks near the top in school efficiency. Other counties might find it advantageous to inquire into Northampton's methods of county administration...

The annual interest charge on the bonded indebtedness of the average county and its special districts is \$78,635.05. If we assume an interest rate of 5 1/2 percent on the floating indebtedness, the total annual interest charge is \$101,730.15...

EQUALIZE TAXES

Sore spots in our present system of local taxation, as indicated by localities where property levies are unbearably high but where the taxpayer receives very little in return for his money...

According to the speaker, there are many reasons why certain counties have intolerably high tax burdens coupled with a low return in the shape of governmental services. Waste, extravagance, inefficiency and faulty organization, all play a very important role...

Unequal Burdens

As indicative of the fact that it costs more to perform certain governmental functions in some counties than it does in others, the speaker pointed out that the cost of financing the minimum six-months school term, on a per inhabitant basis, varies all the way from \$3.99 per inhabitant in Caswell to \$6.94 per inhabitant in Polk...

Not only does the cost of producing governmental services of like kind and quality differ as between various counties, said Mr. Heer, but far more serious is the fact that the amount of taxable wealth available to meet these costs varies widely from county to county. The poorest county in the state is Clay...

The speaker indicated two possible avenues of relief for the overtaxed county. In the first place the state may lighten the burden by taking over some of the functions which it now requires the counties to perform. In the second place the legislature, while allowing the counties to retain all of their present functions, may advance a larger share of the funds necessary to finance these activities...

In spite of the progress which has already been made, however, the inequalities in tax burdens as between

A FREE UNIVERSITY

We cannot have a great system of education in North Carolina unless we continue to head that system with a great University. We cannot meet the problems of the present or conduct the research necessary to solve problems of the rising generations unless we have a great free University...

different localities within the state are still enormous. The county tax rate for schools is only 44 cents per hundred dollars of assessed valuation in Mecklenburg. It is \$1.16 per \$100 in Clay. Although Clay's tax rate is almost three times as great as Mecklenburg's it receives much less for what it spends...

Shift Revenues

The speaker declared that the state should go still further in its program of equalization, but to do this will require increased state revenues. What revenue source can logically be utilized for this purpose? Two general sources were suggested. First, taxable values such as railroads and interlocal utilities, which at present are taxed locally, are not properly speaking local forms of wealth...

Another source of wealth at present taxable locally but which, according to Mr. Heer, could more profitably be taxed by the state is intangible personality, including stocks, bonds, mortgages, and other credit instruments. The county is too small a unit to successfully reach this exceedingly mobile and elusive form of wealth, said the speaker...

In conclusion the speaker said that the only counties which would have to increase their tax rates if the proposed rearrangement were put into effect would be the counties which now benefit from the existing illogical allocation of taxable resources and where the present tax burden is consequently low. The poorer, high-cost counties would benefit, since the new state revenues would be available for equalization purposes.

LONG-TERM INVESTMENTS

I want the state and the nation to levy such tax as necessary to provide for the needy and unfortunate in no penurious and niggardly way; I want a system of education that will teach people how to spend. I should like to see the affairs of the state and nation

put on a business basis (oh, wish divine!), and run not on an economical basis, but on a basis looking forward to bigger dividends in the future.

I should like to see the state make some long-term investments and develop some of its undeveloped resources. I should like to see higher standards of human values take the place of, or take a place at least alongside of, the dollar mark. I should like to see an investment made in public health on a much larger scale than we are now making it...

DAVIDSON'S PROGRAM

The following objects were adopted as definite goals for 1928 by the Davidson County Board of Agriculture: 1. One farm home improvement demonstration in each township in the county. 2. Build 25 standard poultry houses.

- 3. Start 35 new pure-bred flocks of poultry. 4. Replace 20 scrub bulls with 20 pure-breds. 5. Place 25 registered heifers and cows in county. 6. A legume on every plowed acre every four years. 7. Improvement of 15 home orchards in pruning, spraying, fertilization, and control of peach borer. 8. Terrace 200 acres to prevent soil erosion. 9. Build 10 hog houses. 10. Build 10 self-feeders. 11. Conduct 40 hog feeding demonstrations. 12. Twelve organized clubs with a membership of 200 boys. 13. Conduct more corn, cotton, tobacco, and small grain demonstrations. 14. Build 5 silos in county. 15. Hold tobacco seed cleaning and seed-treating demonstrations. 16. Blood test at least 6 flocks of poultry. 17. Hold "rooster exchange" day in January. 18. Put on pure-bred hog sale in county. 19. Cooperate with North Carolina Guernsey Association in putting on state Guernsey sale in Davidson county. 20. Cooperate with State College in the organization of state-wide farmers' organization. The slogan adopted was "Richer Soils, Slovenly Homes, and Educated People."—Lexington Dispatch.

COUNTY AND SCHOOL INDEBTEDNESS, 1926

Total and Per Capita Debt of Counties and Subdivisions

The following table is based on a recent report of the State Educational Commission entitled Financial Condition of Counties. It gives the total indebtedness of each county and its subdivisions, exclusive of cities and towns. In each instance the total includes both bonded and floating debt and does not deduct sinking funds. The total amount in sinking funds amounts to only \$4,469,712.

The total debt of the counties and their subdivisions, exclusive of cities and towns, is \$188,723,753, or \$68.15 per capita. Guilford has the greatest aggregate debt, \$7,453,043, and Currituck the least, \$164,665. Carteret has the largest per capita debt, \$197.20, and Northampton the smallest, \$14.20.

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Table with columns: Rank, County, Total indebtedness, Debt per capita, Rank, County, Total indebtedness, Debt per capita. Lists counties from Carteret to Northampton.

*Corrected to July 1, 1927