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BONDED DEBT IN NORTH CAROLINA

OUR BONDED DEBT

The bonded and current debt of our state government, and bonded debt of our one hundred counties and the 219 cities and towns which have sold bonds, totalled around 350 million dollars on June 30, 1925. Elsewhere is presented a table which shows how this bonded debt, exclusive of the state debt, is distributed by counties on a per inhabitant basis. The counties are ranked according to the aggregate per inhabitant of all debt within the county borders for all purposes whatsoever—the debt of the county, its municipalities, school districts, drainage districts, and all other divisions capable of incurring debt. The parallel column shows the amount of the county debt for county government purposes only. This column includes not only the purely county debt, but local school district debt, drainage district debt, and others, as county officers keep the accounts for the minor rural districts. The state debt lays no burden on listed property, and is therefore not included in the table. The county debt is carried by all property listed for taxation within the county; the municipal debt by all property listed within the incorporated area. The municipal debt cannot be shown accurately on a per inhabitant basis per town, as it is impossible to arrive at the population with any degree of accuracy.

The County Debt

The bonded indebtedness of counties is made up of bonds issued for the construction of county roads and bridges, courthouses, jails, county homes, issues of minor rural divisions where the finances are handled by county officers, and bonds for the erection of schools that come under the jurisdiction of the county board of education.

The bonded debt of our 100 counties for all county purposes on June 30, 1925, was \$102,181,874. On June 30, 1923, it was \$63,370,516. The debt is distributed as follows: Roads and bridges \$66,086,700, schools \$19,174,645, courthouses, jails, county homes and other county purposes \$3,295,387, funding debt \$7,622,842, and railroads \$1,002,800.

On a per inhabitant basis Swain county has the largest county debt of any county in the state, the amount being \$100.00. Buncombe has the largest total county debt, the amount being \$6,286,000. Gates has the smallest per inhabitant county debt, the amount being only \$2.12, and also the smallest total debt, \$22,500.

The county debt is distributed as follows: For roads and bridges 64.7 percent; for schools 18.8 percent; for courthouses, jails, county homes and other county purposes 8.1 percent; for funding debt 7.46 percent; and for railroads 1.0 percent.

Municipal Debt

On June 30, 1925, there were 219 incorporated places in the state which had floated bonds. The total debt of these cities and towns amounted to \$121,489,645. On June 30, 1923, there were 174 municipalities with bonded debt totalling \$71,072,500. Thus during the last two years the municipal debt has increased approximately fifty million dollars, while the county debt increased less than forty million dollars.

Winston-Salem has the largest total city debt of any city in the state, the amount being \$11,716,577, which is nearly ten percent of the total municipal debt of the state. Next in order comes Greensboro with a total bonded debt of \$9,856,000, Asheville \$8,163,700, and Durham with \$6,059,000.

The municipal debt closely parallels the county debt in the purposes for which bonds have been issued. The bulk of the municipal debt has been incurred for the construction of streets and sidewalks, sewer systems, for fire departments, and for lights and water, all of which are long-time investments in permanent improvements.

The bonded debt of these 219 cities and towns is distributed as follows: For streets, sidewalks, lights, water, sewer, and fire departments 70.5 percent; schools 14.5 percent; public improvements 8.5 percent; funding debt 6.3 percent; and for railroads two-tenths percent.

County and Municipal Debt

The total bonded debt of the 100 counties of the state and of the 219 incorporated places which have incurred debt amounted to \$223,681,519 on June 30, 1925. This is the amount of the debt within the state which is borne by property listed for taxation. The state debt levies no tax on property. The aggregate of all bonded debt within the state which is carried by listed property is 8.4 percent of the assessed value of all property, and 5 percent of the true wealth of the state as estimated by the Bureau of the Census.

Buncombe county leads in total bonded debt per inhabitant. The debt of the county plus the seven municipalities within the county which have voted bonds averages \$215.40 per inhabitant. Gates, with no incorporated town and therefore no municipal debt, ranks last with an average debt of \$2.12 per inhabitant. There are ten counties in the state in which there is no municipal debt.

It should be pointed out that the fairest basis of comparing counties and municipalities in the matter of debt would be on the basis of the ratio of the debt to the true wealth of the area. Unfortunately, there are no such data, except for states. The ratio of the debt to wealth listed for taxation is of little meaning since the percent of wealth listed for taxation varies greatly among the one hundred counties and their incorporated areas. Bonded debt per inhabitant, while not affording a perfect basis for comparison, is the best one available. Which is merely another argument for the uniform listing of property throughout the state, a principle that everybody believes in but which few seem willing to fight for.

For a detailed account of bonded debt by counties and municipalities secure a copy of the report on Bonded Indebtedness of Counties, Cities and Towns as of June 30, 1925, from the State Auditor.—S. H. H., Jr.

TOWN ITS OWN DAIRYMAN

Tarboro, N. C., a town with 4,500 inhabitants, has been in the retail milk business since 1917. The city has bought the milk from the farmers, pasteurized it, bottled it, and distributed it. In fact, it is in the milk business much as most cities and towns are in the water business. This is how Tarboro became a milkman.

In 1917 the public health service made a health survey of Tarboro and Edgecombe county. The general in charge of the health campaign that grew out of this survey was Dr. K. E. Miller.

Dr. Miller decided the most necessary job was to get rid of yard privies. Presently the milk supply of Tarboro came in for attention. At the time it was produced by a number of dairymen, each supplying a list of customers to whom he delivered. The milk was dangerous and of poor quality. The people had little confidence in it, and the total daily consumption was 100 quarts. Dr. Miller considered the advisability of a laboratory and a milk inspector. The cost to the community was prohibitive. Furthermore, the production of a safe milk to be sold raw would have necessitated expenditures which were prohibitive to the dairymen and would have forced the price of milk to a prohibitive price for the consumer.

It was decided to buy a pasteurizing plant and install it in one corner of the waterworks. Also to buy a wagon to deliver. The milk is bought from the farmers at 12 cents a quart. It is sold to the people at 17 cents a quart. There are two deliveries a day. The total cost of the equipment, exclusive of the horse and wagon, was \$1,800, and here are the results of the seven years' operation:

"Not a single case of disease reasonably attributable to milk-borne infection had occurred, and the evidence of summer diarrhoea among infants has been reduced to insignificance."

The daily consumption of milk has risen from 100 quarts to 500 quarts. The health of the community must be indirectly bettered as a result of this more extensive use of milk.

A NEWSPAPER IDEAL

I propose an ideal, and if it is unattainable that is merely another way of saying that it is very high. It is this: eternal resistance to any sort of restriction of freedom of the press that is, or may be, imposed from without; and, from within, the most ruthless censorship that the press can devise for itself.—Gerald W. Johnson.

The prevailing price of milk in a nearby community is 20 cents a quart. The retail price of milk in Tarboro has never gone over 18 cents, and it is now 15 cents. The farmer gets 12 cents.

The records of the town show that the milk business has paid operating expenses and returned the original cost of installation. The milk plant is now occupying a part of a new steel building. The milk plant has paid its share of the cost of the building.

One or two competitors who tried to make the experiment a failure have gone out of business.

Further plans contemplate an ice-cream business as a means of taking care of the surplus in the periods of flush. It is hoped that the addition of this plan to the original scheme will convert Edgecombe county into a dairy district, supplying several of the nearby towns with safe pasteurized milk and providing ice cream for even a larger territory.—Dr. W. A. Evans, in Salt Lake Tribune.

THEY SHOW US HOW

About six miles from Morganton, N. C., is Valdese, an industrial colony of Waldensians, who emigrated from Northern Italy to North Carolina thirty years ago. Coming from a rugged mountain district of the Italian Alps, they knew how to utilize every foot of ground to the best possible advantage, and soon they had vineyards around their homes and well-kept farms around cultivation close at hand.

Realizing that cities are built upon industrial enterprise, they established the Waldensian Hosiery Mill, with only \$240 as an initial investment. From this meagre beginning the Waldensian Hosiery Mill has grown in 24 years into a large and profitable industry. In the meantime the Martinot Hosiery Mills, the Pauline Hosiery Mill, the Valdese Manufacturing Company, the Valdese Shoe Corporation, the Waldensian Swiss Embroidery Company, the Waldensian Bakery and other successfully operated industrial plants have been established.

The Waldensians are a thrifty, law-abiding people and have been a great asset to the county and the state. In 30 years there has never been one of their number indicted in Superior Court; they pay their taxes promptly and uncomplainingly, and never call on the county for poor relief.

The Waldensians are expert stone-cutters and have built for their community a beautiful stone church and a beautiful stone high school. Realizing that the available appropriation would not allow them to build the kind of school they desired, the residents of the community pooled their resources and by building the plant themselves, doing much of the actual construction without charge, they managed through true cooperation and united effort to erect one of the finest school buildings in the state at a minimum cost. Every man, woman and child in Valdese aided and assisted in some way in the building of the school. They built their church—they are Protestants—in the same cooperative way. About ten years ago they established a cooperative store, which carries a complete line of groceries, clothing, hardware, furniture and general merchandise. It, too, is housed in a stone building built by Waldensian masons.—P. W. Wager, Research Assistant in County Government, University of North Carolina.

OUR STATE DEBT

The bonded and current debt (short term notes that will ultimately be funded) of our state government at the present time is \$126,677,531. The following table, from the State Auditor's office, analyzes our state government debt, showing the amount of the current debt, which will in time be converted into bonded debt, and purposes of debt; the funded debt, and purposes for which bonds were sold; the authorized issues and purposes for which authorized. The table shows that the state debt, when all authorized issues are sold, will total \$157,402,531. Of this amount 15 million dollars has been or will be loaned to counties for erecting schools, and can be classed as county debt since the counties must repay the borrowed money, with interest.

Current Debt:		
Highway Notes (Anticipating Bond Sales)	\$15,036,000	
Special School Building Notes " "	5,000,000	
Permanent Improvement Notes " "	3,000,000	
Total Current Debt		\$ 23,036,000
Funded Debt:		
General Fund Bonds	\$29,203,000	
Highway Bonds	60,000,000	
Special School Building Bonds	5,000,000	
General Fund Notes	9,438,531	
Total Funded Debt		103,641,531
Total State Debt, Current and Funded		\$126,677,531
Authorized Issues: Acts of 1925:		
Highway Serial Bonds	\$20,000,000	
Institutional Building Bonds	5,125,000	
Special School Building Bonds	5,000,000	
Bridge Bonds, Chowan County	600,000	30,725,000
State Debt when all authorized issues are sold		\$157,402,531

BONDED DEBT BY COUNTIES
In North Carolina June 30, 1925

In the following table, based on the 1925 Report of the State Auditor, the counties are ranked according to the per inhabitant bonded debt for all purposes and for all divisions within the county borders—county debt, and debt of cities, towns, school districts, drainage districts, and all other divisions capable of incurring debt. The accompanying (first) column shows the per inhabitant debt of each county for county purposes only, as county roads and bridges, county schools, court houses, jails, county homes and the like. The first column covers county debt only, the second column includes all debt within the county borders.

The total bonded debt of counties, cities, towns and all other divisions, exclusive of the state government debt, on June 30, 1925, was \$223,671,519, or \$83.24 per inhabitant. On June 30, 1923, it was \$134,443,016, or \$50.00 per inhabitant. (See University News Letter, Vol. X, No. 24, for details for that year.) The county debt on June 30, 1925, totalled \$102,181,874, and the municipal debt totalled \$121,489,645.

The bonded debt of the state government to date (including current debt to be funded) amounts to \$126,677,531. The state debt, when all authorized issues are sold, will aggregate \$157,402,531.

The total current and bonded debt of the state and the bonded debt for all subdivisions of the state, for all purposes whatsoever, on June 30, 1925, was around 350 million dollars, or \$130.00 per inhabitant.

S. H. Hobbs, Jr.

Department of Rural Social-Economics, University of North Carolina

Rank	County	County debt per Inhab. for Co. Gov't and purposes	Total debt per Inhab. (Co. and Mun'pal)	Rank	County	County Debt per Inhab. for Co. Gov't and purposes	Total Debt per Inhab. (Co. and Mun'pal)
1	Buncombe	\$ 90.75	\$215.40	51	Jackson	\$47.05	\$58.92
2	Guilford	49.65	190.60	52	Granville	30.58	56.30
3	Durham	38.10	190.70	53	Cabarrus	13.36	54.95
4	Forsyth	15.72	149.75	54	Harnett	17.70	54.58
5	Henderson	81.65	143.80	55	Robeson	12.96	54.50
6	Mecklenburg	32.54	139.75	56	Person	30.00	53.04
7	Carteret	61.00	129.70	57	Johnston	42.70	53.00
8	Alamance	48.40	121.90	58	Moore	21.68	52.38
9	Cherokee	61.13	116.20	59	Martin	29.56	51.70
10	Swain	100.00	115.65	60	Randolph	40.15	51.28
11	Beaufort	71.00	110.12	61	Stokes	38.71	51.08
12	Davidson	21.94	107.45	62	Wilkes	34.30	50.85
13	Gaston	35.80	105.30	63	Davie	34.95	50.25
14	Wilson	42.26	104.57	64	Polk	32.90	50.08
15	Craven	69.82	104.00	65	Bladen	49.87	49.90
16	New Hanover	36.85	103.60	66	Hertford	34.25	48.55
17	Rowan	18.34	103.40	67	Columbus	37.80	47.55
18	Cumberland	62.67	103.25	68	Alexander	21.76	46.70
19	Lenoir	71.58	102.20	69	Halifax	17.98	46.10
20	Iredell	61.36	102.60	70	Madison	43.19	45.95
21	Rockingham	73.25	100.60	71	Union	28.97	44.77
22	Transylvania	72.30	94.75	72	Wayne	39.65	42.56
23	Montgomery	90.20	94.70	73	Avery	41.34	41.34
24	Wake	36.76	94.45	74	Orange	29.41	39.25
25	Washington	58.50	92.25	75	Watauga	35.21	38.04
26	Pitt	66.81	89.27	76	Onslow	32.80	37.32
27	Pasquotank	57.95	87.78	77	Yancey	27.95	36.75
28	Edgecombe	15.82	86.58	78	Brunswick	29.18	36.40
29	Lee	34.60	86.20	79	Duplin	34.95	36.27
30	Haywood	47.10	84.76	80	Sampson	23.14	33.75
31	Catawba	29.08	80.12	81	Hyde	32.03	32.62
32	Perquimans	57.02	80.10	82	Caswell	31.52	31.52
33	Lincoln	46.10	79.15	83	Tyrrell	31.42	31.42
34	Chowan	61.25	77.93	84	Hoke	9.20	29.85
35	Mitchell	68.82	77.25	85	Yadkin	26.42	28.17
36	McDowell	53.12	76.60	86	Anson	8.13	27.70
37	Caldwell	40.60	74.62	87	Franklin	5.84	27.61
38	Macon	44.00	74.44	88	Pender	24.50	25.45
39	Vance	42.35	74.17	89	Allegany	23.66	23.66
40	Rutherford	47.68	71.90	90	Nash	14.92	22.89
41	Greene	53.59	71.53	91	Bertie	12.45	20.52
42	Surry	42.29	69.09	92	Warren	13.70	19.05
43	Ashe	66.60	67.82	93	Chatham	12.50	18.64
44	Clay	67.80	67.80	94	Currituck	17.40	17.40
45	Burke	35.48	64.18	95	Camden	14.08	14.08
46	Richmond	22.09	63.10	96	Graham	13.00	13.00
47	Stanly	29.81	62.75	97	Dare	12.50	12.50
48	Cleveland	27.61	61.77	98	Jones	6.22	9.90
49	Pamlico	60.60	60.60	99	Northampton	3.32	3.87
50	Scotland	16.93	59.20	100	Gates	2.12	2.12