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IMPROVED COUNTY GOVERNMENT

REPORT OF COMMISSION ON COUNTY GOVERNMENT

At the annual meeting of the State Association of County Commissioners, held at Blowing Rock, August 1925, the Governor was requested to appoint a commission to study county government and make recommendations for its improvement. The Governor, acting on this request, appointed a Commission composed of the following: Mr. Edwin B. Bridges, Charlotte; Dr. E. C. Brooks, Raleigh; Mr. F. H. Coffey, Lenoir; Mr. G. V. Cowper, Kinston; Mr. E. M. Lyda, Asheville; Professor A. C. McIntosh, Chapel Hill; Mrs. E. L. McKee, Sylva; Mr. D. W. Newsom, Durham; Mrs. Thomas O'Berry, Wilmington; Mr. J. A. Orrell, Wilmington; Mr. F. P. Spruill, Rocky Mount; Mr. J. G. Stancill, Margarettsville; Mr. R. L. Stone, Belmont; Mr. S. T. White, Greenville.

The Commission met soon afterward in the Governor's office and organized, electing E. C. Brooks, President of State College, as Chairman, and A. C. McIntosh, Professor of Law at the University of North Carolina, as Secretary.

The full Commission held four meetings, two in Raleigh, one in Chapel Hill, and one in Morehead City. At these meetings reports of sub-committees were received and fully discussed. The Institute for Research in Social Science, of the University, made a very careful and accurate analysis of the government of about thirty counties the results of which were used freely by the Commission. The report of the Commission which was adopted by the State Association of County Commissioners deals in the main with defects in fiscal management and suggestions for its improvement.

"It is very apparent," says the report "that the amount of service that may be rendered the citizens of any county is dependent primarily upon the resources of the county and the business methods and practices employed, and the more efficient are the business practices, the greater the service that the resources will support. A county possessing large resources may have poor government and comparatively small returns from the expenditure of public funds if the resources are wasted through inefficient business management."

After a careful study of a large number of counties, therefore, the members of the Commission were unanimous in their conclusion that the following functions well performed will insure good business management, but when poorly performed result in poor business management and a loss of public service.

(1) Maintaining unity in the official family of a county in fiscal management; (2) Preserving the taxables of a county; (3) Collecting the revenue fairly and justly; (4) Safeguarding the revenue through proper accounting; (5) Safeguarding the expenditures through budget control and a central purchasing agent; (6) Protecting the physical property of the county, and (7) Providing properly for the administration of justice.

The Commission, therefore, in its report presented these functions, giving the defects that invariably appear where they are not properly safeguarded, and offering suggestions for safeguarding them—suggestions taken from a number of counties where they have been tried and found very effective. These seven functions will be presented and discussed separately in succeeding issues of the News Letter.

Necessary Machinery

"The machinery necessary to safeguard these major functions" says the report "is rather simple and does not involve any marked changes in our system of county government. In fact many counties have already adopted it in part. However, the machinery should be elastic, and at first it should be optional with the counties as to which of these suggestions shall be adopted. Counties in which the annual expenditure amounts to more than a million dollars might need a separate official to perform each of the first six major functions. But counties in which the annual expenditure is between five hundred thousand and a million dollars might combine with advantage auditor and manager, or auditor and purchasing

agent, or the custodian of physical property with the duties of one of the Commissioners; and counties in which the expenditure is less than five hundred thousand dollars might make further combinations, such as sheriff and tax collector, treasurer and auditor, manager and Chairman of Board of County Commissioners, etc. Other combinations suitable to particular counties might also be made. The important thing to remember is that each function should be properly safeguarded and some official should be held personally responsible for its performance."

The following organization for better fiscal management, therefore, is suggested, subject to such combinations of functions as the business of a county might demand:

1. A Board of County Commissioners, to be elected by the people for a term longer than two years, but not all the members to retire within any given year. This will give continuity of business management. It should have supervision of the entire business of the county. The Board should have at least the same degree of supervision over fiscal management that the Board of Education, for example, has over school administration, or the Road Board over the construction of highways. It should have the authority to employ specially trained men to perform special functions.

2. A Business Manager, selected and salary fixed by the Board of County Commissioners. He may be Chairman of the Board of County Commissioners, or the Auditor or some other competent citizen. The duties of the Business Manager should be to study the entire business of the county, make reports to the Commissioners, and aid the Board in unifying the business and in securing the best results from the expenditure of the funds.

3. A Supervisor of Taxables, selected and salary fixed by the Board of County Commissioners. In some counties he may also be the Auditor. His duties should be: (1) To keep an up-to-date record of all the sources of revenue; (2) To inspect property in every section of the county for improvements and depreciations and report the same to the Board of County Commissioners, and the Commissioners should have authority to readjust values, at least once each year; (3) To inspect offices receiving fees, fines, forfeitures, and penalties, and report the same to the Commissioners; through the Business Manager; (4) To supervise the listing of all taxes and to appoint the list takers; (5) To prepare the tax books for the collector; and (6) To check the collector's accounts by the tax books.

4. A Tax Collector, selected and his salary fixed by the Board of County Commissioners. The Commissioners also shall have authority to select his assistants. He may be the Sheriff, if the Commissioners desire to elect him. His duties should be to be on the job constantly, collecting the revenue from all sources. He should deposit collections daily, report periodically to the Commissioners through the Business Manager. He should give ample bond to protect the county's funds and he should be required at the end of the fiscal year to make a complete settlement. His collections should be checked with the individual amounts due.

5. An Auditor, selected and his salary fixed by the Board of Commissioners, whose duties should be to check all expenditures by the budget and authorize all payments, to hold each department to a strict accountability for living within the budget and to keep a daily audit of all accounts.

6. A Purchasing Agent, selected and his salary fixed by the Board of County Commissioners. His duties should be to purchase all supplies after the purchase has been approved and the proper requisition filed. In some counties he might be the Auditor or a clerk in the office of the auditor.

7. A Treasurer may be elected by the people or selected by the Board of County Commissioners. He should be the Custodian of all revenue, make disbursements promptly, keep within the budget of each department, collect interest on bank balances, and keep his books in harmony with those of the

KNOW NORTH CAROLINA

Taxable Wealth

Taxable wealth.....	\$2,711,784,000
Listed by whites.....	\$2,293,253,000
Listed by negroes.....	\$107,145,000
Public utilities, etc.	\$311,386,000
Per inhab. taxables,	
all wealth.....	\$1,010
Per inhab. negro tax-	
able wealth*.....	\$133
Per inhab. white tax-	
able wealth*.....	\$1,085
Percent of taxable	
wealth white-owned	96
Percent of taxable	
wealth negro-owned	4

* Includes real and personal property and domestic corporations only.

Auditor. He should be prohibited from paying vouchers that exceed the budget allotment.

8. A Custodian of Physical Property, selected and salary fixed by the Board of County Commissioners. He may be a member of the Board of County Commissioners or some other member of the official family. His duties should be to report to the Board the condition of the county's property and the Board should hold the several departments responsible for the care of the property.

9. The following county officers should be elected by the people and their duties should remain substantially as they are now, except where they conflict with duties assigned to officials specified above: Register of Deeds, Sheriff, Clerk of Court, and Coroner.

10. The several Boards, such as Board of Education, Board of Health, Board of Agriculture, Board of Public Welfare, Highway Board, etc., should be required to report annually to the Board of County Commissioners on how the money appropriated to each has been spent, and what service has been performed as a result.

11. The machinery for preserving law and order is referred to the President of the Bar Association to be transmitted to the appropriate committee of that Association. No change is recommended, except perhaps in the nature of the reports that should be made.

12. Relation of the State to the County Government.

(a) The General Assembly should by a general act make it possible for any county to adopt and maintain an improved form of local government, suitable to the needs of the county.

(b) It is imperative that the General Assembly adopt a policy prohibiting an individual member of the Assembly from interfering with the government of his county, as set up by the people in accordance with the law, unless it shall appear to the whole General Assembly that the change is demanded by the people of the county, and is in the interests of better local government. The present parliamentary procedure, which permits a representative through "common consent" to alter, modify, or abolish offices and functions, or to be exempt from the operations of State-wide legislation, sometimes as a result of a factional fight in his county, makes it difficult to maintain a good government.

(c) The General Assembly should set up a State Department of Finance and Accounting to aid counties in readjusting themselves to any improved plan, and in safeguarding functions essential to good county government, but it should be made very clear that this department shall have no control whatever over the government of the county.

(d) The General Assembly should provide for the preparation of a code of county government law, and a manual on county government, embodying the law, and suggestions for organizing government in counties of different sizes and wealth, and containing such detailed directions as may be helpful to officials in safeguarding the revenue and expenditures.

NEGRO TAXABLE WEALTH

The average negro in North Carolina is worth approximately one hundred and thirty-three dollars on the tax books. The total value of all real and

personal property listed by negroes including the taxed value of negro corporations, amounts to \$107,145,388. It is not likely that the negro owns much interest in foreign corporations or public utilities. The bulk of his wealth consists of real and personal property, along with the value of a few negro corporations found here and there.

The total value of all real and personal property listed by the whites, including the taxed value of white-owned corporations, in 1924 was \$2,293,253,687, and the average was \$1,085 per white inhabitant. The whites own a great deal of additional wealth such as stock in foreign corporations, bank stock, public utilities, etc., which is not included in the total listed above.

Assuming that the data are comparable, the real and personal property holdings of Negroes, as they appear on the tax books, are approximately one hundred and thirty-three dollars per negro inhabitant, while the average for the whites is about ten hundred and eighty-five dollars. Judging by the tax books the average white person owns eight times as much real and personal property as the average negro. Other forms of wealth such as stock in foreign corporations, public utilities, the banks, etc., are owned almost entirely by whites, so as a matter of fact the average white person is more than eight times as wealthy as the average negro,—probably between ten and twelve times as wealthy.

Negroes are about thirty percent of our population, but only four-and-a-half percent of all real and personal property, including corporations, is listed by negroes. Wealth listed for taxation other than real and personal property amounts to \$311,386,000. Assuming that this latter is white-owned, the whites of the state pay more than

ninety-six per cent of all taxes levied on property.

How the Counties Rank

Durham county ranks first in negro taxable wealth, with \$335 per inhabitant. The average negro in Yancey county is worth only sixty-three dollars on the tax books. Five mountain counties do not report any wealth listed by negroes. Probably the small amount was included with the white property. It is interesting to note that three city counties, and three mountain counties with small negro ratios, comprise the first six counties in the accompanying table. The counties that come next are mainly tidewater and mid-state counties in which the negro ratios are not excessive. But after a few city and tidewater counties have been disposed of there seem to be very few further groups or trends that can be pointed out. Negro wealth appears to be listed in conformity with our general system of high values in one county and low values in another.

We would say that generally negroes appear to have accumulated more wealth in those counties in which they are a moderate ratio of the total population, and especially in such counties with large cities. Generally where negroes are an excessive ratio, as in the cotton and tobacco belt, and also where they are a very small ratio, they do not get ahead so rapidly. But there are several exceptions to any conclusions that may be drawn, probably due to the lack of uniformity in listing property for taxation. Some mountain counties rank high, some very low. And so with every other geographic, economic, or race-ratio group.

The accompanying table does not include the three hundred dollar personal property exemption allowed every tax lister. It covers all wealth listed for taxation by negroes as reported in the 1925 report of the State Commissioner of Revenue.

NEGRO TAXABLE WEALTH

Per Negro Inhabitant, 1924

In the following table, based on the 1925 report of the State Commissioner of Revenue, the counties are ranked according to wealth listed by negroes for taxation in May 1924 per negro inhabitant. The accompanying column shows the total negro taxable wealth for each county. The table covers all real and personal property, and domestic negro corporations. The \$300 personal property exemption allowed every tax lister is not included.

Durham county ranks first in taxable wealth per negro inhabitant, with \$335. Durham has some large negro corporations. Three mountain counties follow Durham. Yancey ranks last with \$63 of wealth listed for taxation per negro inhabitant. Wake ranks first in total negro taxable wealth, the amount being \$5,125,890. Durham is second and Forsyth is third. Five mountain counties do not report any property listed by negroes.

State total of negro taxable wealth \$107,145,388, or \$133.00 per negro inhabitant.

S. H. Hobbs, Jr.,

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Rank	County	Negro taxable wealth	Per negro inhab.	Rank	County	Negro taxable wealth	Per negro inhab.
1	Durham	\$4,402,693	\$335	50	Richmond	\$1,294,589	\$123
2	Jackson	320,931	292	52	Clay	15,593	121
3	Buncombe	2,700,640	281	53	Davie	244,424	120
4	Alleghany	89,994	270	53	Pitt	2,769,484	120
5	Guilford	4,200,404	242	53	Robeson*	3,512,288	120
6	New Hanover	3,142,091	191	56	Northampton	1,630,523	118
7	Warren	2,642,831	190	57	Jones	620,845	117
8	Carteret	429,511	180	57	Pender	859,706	117
9	Chowan	950,507	179	57	Sampson	1,426,398	117
10	Rowan	1,647,698	178	60	Yadkin	127,282	116
11	Brunswick	928,887	176	61	Chatham	885,181	113
11	Orange	990,106	176	62	Harnett	872,864	112
11	Wake	5,125,890	176	62	McDowell	221,771	112
14	Craven	2,620,324	172	62	Onslow	495,611	112
15	Hertford	1,656,748	166	65	Dare	44,164	111
16	Person	1,321,400	165	65	Mitchell	6,223	111
17	Bladen	1,294,500	160	65	Nash	1,936,350	111
17	Swain	18,396	160	68	Cleveland	667,353	110
19	Forsyth	4,145,634	159	68	Currutuck	289,764	110
19	Martin	1,551,671	159	68	Lenoir	1,441,935	110
21	Surry	864,574	153	71	Avery	24,935	103
22	Duplin	1,683,583	152	71	Gaston	963,940	103
23	Henderson	273,024	150	71	Mecklenburg	2,753,765	103
23	Perquimans	833,405	150	71	Randolph	366,582	103
26	Columbus	1,421,219	148	75	Caswell	796,811	102
26	Tyrrell	215,313	146	75	Washington	556,775	102
27	Johnston	1,665,951	145	75	Wilkes	236,197	102
28	Alamance	1,078,103	144	78	Caldwell	196,767	100
29	Cumberland	2,040,048	143	79	Anson	1,392,157	99
29	Wilson	2,334,938	143	79	Edgecombe	2,210,794	99
31	Wayne	2,674,711	141	81	Watauga	19,916	98
32	Gates	709,537	140	82	Alexander	84,594	97
32	Rutherford	624,976	140	82	Lincoln	217,109	97
34	Bertie	1,894,938	139	84	Haywood	67,480	95
35	Pasquotank	1,083,329	138	84	Union	827,890	95
36	Halifax	3,556,096	137	86	Catawba	325,206	91
37	Pamlico	437,851	136	86	Transylvania	57,860	91
37	Vance	1,384,613	136	88	Franklin	1,041,656	88
39	Moore	853,718	131	89	Montgomery	270,802	82
39	Stokes	298,771	131	89	Stanly	291,126	82
41	Beaufort	1,668,875	130	91	Scotland	735,852	80
41	Davidson	467,069	130	92	Cherokee	24,849	77
41	Iredell	960,263	130	93	Burke	195,021	73
44	Granville	1,637,110	129	94	Hyde	212,375	65
46	Cabarrus	813,036	128	95	Yancey	17,227	63
46	Greene	1,063,390	128		Ashe	None reported	
47	Rockingham	1,357,174	127		Graham	"	"
48	Hoke	810,725	125		Macon	"	"
49	Lee	480,876	124		Madison	"	"
50	Camden	261,401	123		Polk	"	"

*Includes Indians