

**SAMPSON COUNTY BOARD OF COMMISSIONERS  
AND  
SAMPSON COUNTY BOARD OF EDUCATION  
AND  
CLINTON CITY BOARD OF EDUCATION  
  
ANNUAL CURRENT EXPENSE FUNDING AGREEMENT**

To encourage excellence in education, fiscal sustainability and create more consistent long range budget planning, the Sampson County Board of Commissioners (BOC), the Sampson County Board of Education (SCS) and the Clinton City Board of Education (CCS) hereby enter into this Annual Current Expense Funding Agreement (“Agreement”), which is effective on the specific date fully executed by the Chairman of each Board below.

**Funding Formula:**

The BOC agrees to fund SCS and CCS a pro-rata share of the total amount defined below based on the most recent student population count of each school district as determined by the greater of the first two months of enrollment in the school year (“Best One of Two”). Such an amount given in equal monthly installments that begin on July 15<sup>th</sup> of each year.

**25% of the sum of all property tax revenues and all sales tax revenues not otherwise designated by state statute for education received by Sampson County Government for the immediately preceding calendar year.**

On or before the first regular BOC meeting in January of each year, the BOC or their designated staff will provide to both SCS and CCS the total exact sum of the referenced sales tax revenue and property tax revenue received by Sampson County Government during each month of the calendar year immediately preceding the fiscal year under budget development. Exactly twenty-five (25) percent of that twelve-month sum will be the pro-rata funding determined by student population for SCS and CCS for the upcoming fiscal year.

Nothing within this Agreement limits the BOC from making such additional appropriations to SCS or CCS as the BOC, in its sole discretion, determines is necessary and appropriate.

**Student Population Calculation**

On or before the first regular BOC meeting in January of each year, SCS and CCS Superintendents will provide to the Sampson County Manager the actual student population for the then-current school year as measured by the most recent “Best One of Two” calculation as provided to the North Carolina Department of Public Instruction for the school year then in progress. The BOC shall rely upon these supplied student population numbers for the distribution of funds in a proportionate manner between the two school districts.

**Intended Term and Timing of Agreement**

All three parties fully agree that this Agreement documents the good faith intent of all Boards to establish a stable, long lasting funding formula and to set the budget for the upcoming fiscal year by the end of January immediately preceding that fiscal year, providing several months for the BOC, SSC, and CCS to plan prior to approving their respective budgets.

All parties intend for the initial term of this Agreement to extend through June 2030, determining the FY30-31 budget funding, but also that this Agreement will automatically renew for a one-year term effective on July 1, 2030 and each year thereafter, unless one of the parties delivers written notice of termination at least five (5) months prior to the July 1<sup>st</sup> renewal date to the Chairman of the Board of the other two governing bodies.

Notwithstanding these terms, however, all parties understand funding the public schools is a legislative function and future Boards cannot be bound by a current Board, and they therefore agree that each year, at a regular meeting in December or January, the Sampson County Board of Commissioners, the Sampson County Board of Education, and the Clinton City Board of Education will affirm this Agreement or submit a written notice to the other party by February 1<sup>st</sup> that the Agreement will be terminated, effective for the fiscal year beginning the first day of July following such written notice.

**SIGNED FOR SAMPSON COUNTY GOVERNMENT:**

Mr. Allen McLamb  
Chairman

ATTEST: Jeffrey L. Hudson  
Interim County Manager

**FOR SAMPSON COUNTY BOARD OF EDUCATION:**

Mr. Daryll Warren  
Chairman

ATTEST: Dr. Jamie King  
Superintendent & Board Secretary

**FOR CLINTON CITY BOARD OF EDUCATION:**

Dr. Linda Brunson  
Chairwoman

ATTEST: Dr. Wesley Johnson  
Superintendent & Board Secretary

**METHODOLOGY FOR  
A LONG-TERM EDUCATION FUNDING FORMULA  
BETWEEN  
THE SAMPSON COUNTY BOARD OF COMMISSIONERS  
AND  
THE SAMPSON COUNTY BOARD OF EDUCATION  
AND  
THE CLINTON CITY BOARD OF EDUCATION**

**April 1, 2025**

### **Benchmarking.**

- One method to determine whether the County should increase funding for schools' "Current Expense" or "Annual Operating" budget is undertaking a comparison analysis of sister counties and funding efforts. This data may be found at Attachment 1: **Table 30 - County Appropriations and Supplemental Taxes for Education Year 2024.**
- *NOTE: "PSU" means Public School Unit, also known as "LEA" or Local Education Agency.*
- There are 100 county school districts and 15 city school districts in North Carolina. Table 30 ranks all 115 school systems from the MOST LOCAL FUNDING to the LEAST LOCAL FUNDING.
- It should be noted that the data in Table 30 is from fiscal year 2024 (2023-2024).
- According to Table 30, Clinton City Schools is 64 out of 115. Sampson County Schools is 104 out of 115.

### **How many students are there in Sampson County?**

- The County will use the "Principals Monthly Report Best One of Two" (Best 1 of 2) calculation for the current school year, without counting Pre-K.
- Funding each fiscal year (starting in July) will be based on actual student population counts from the Fall of the prior school year.
  - Fall 2024 (FY25) Clinton City Schools reports a total student population of 2,887
  - Fall 2024 (FY25) Sampson County Schools reports a total student population of 7,826
  - Combined two school district total: 10,713 students.
  - **For purposes of this proposal, I will use 10,713 students as the first year student count.**

### **What is the current total combined funding level for K-12 school current expense?**

- In FY25 (the current year) Sampson County budgeted \$10,633,227 in current expense funding for SCS.
- \$3,851,991 was budgeted in current expense funding for Clinton City Schools.
- **This totals \$14,485,218.**

### **What is Sampson's Per Pupil Appropriation?**

- Table 30 lists the Sampson PPA at \$1,319. It is using FY24 data.
- The FY25 Sampson County Budget Message lists the PPA at \$1,353.
- Using Fall 2024 "Best 1 of 2" combined district population counts (10,713) and FY25 current expense appropriations, (\$14,485,218) the PPA equals \$1,352.
- **For purposes of this proposal, I will use \$1,352 as the most current PPA.**

### **Estimated Tax Revenues for FY25-26**

- **1-cent on the tax rate in FY26 is estimated to be approximately \$690,000.**

### **Climbing into the top 100.**

Using Table 30 as a benchmarking tool, the county would need to increase funding from \$1,352 to at least \$1,414 to bring SCS into the top 100 school systems. The difference is \$62 per student. However, it should be noted that other counties in North Carolina have likely increased year-over-year funding for education. Therefore, the goal to reach the top 100 will require additional funding beyond this for FY26.

- 10,713 students x \$1,352 Sampson FY25 PPA = \$14,483,976
- 10,713 students x \$1,414 threshold to FY24 Top 100 = \$15,148,182
- \$15,148,182 - \$14,483,976 = \$ 664,206 more needed to reach the top 100 using FY24 benchmark.

## Reaching Average of a Comparison Group.

Comparison Group:

2024 Taxable Property Valuation Per Capita	2024 PPA
Name of County	PPA
Rockingham	\$ 1,443.00
Pitt	\$ 2,079.00
Nash	\$ 1,656.00
Hertford	\$ 1,870.00
Halifax	\$ 1,904.00
Bertie	\$ 1,822.00
Columbus	\$ 1,275.00
Richmond	\$ 1,356.00
Hoke	\$ 765.00
Granville	\$ 2,217.00
AVERAGE	\$ 1,638.70
Sampson	\$ 1,326.00
Difference Per Pupil	\$ 312.70

To reach the average of ten comparison counties (using Taxable Property Valuation Per Capita), Sampson would need to increase K-12 current expense funding from \$1,352 to at least \$1,638. That is \$286 more per student.

- $10,713 \times \$1,352 = \$14,483,976$
- $10,713 \times \$1,638 = \$17,547,894$
- $\$17,888,598 - \$14,481,246 = \$3,063,918$  more needed

### Target?

- Table 30 will change year-over-year with counties budgeting more in FY26 than in FY24.
- The “2024 Taxable Property Valuation Per Capita” comparison group average is beyond the county’s FY26 resources.
- Conclusion: increase funding above FY24 Top 100 level, ideally to the mid 90s to allow for increased education expenditures in comparison counties.

### Percentage of Property & Sales Tax Combined Revenues

- FY 24-25
  - \$14,485,218 in current expense funding in FY25.
  - Total revenues of \$62,800,335 in calendar year 2024. (See Attachment 2.)
  - 23.1% is the current percentage of total property/sales tax revenues funding current expense.
- FY26 Recommendation
  - \$15,865,218
  - \$15,865,218 divided by 10,713 (total students)= \$1,480.93 PPA (Round up to \$1,481)
  - \$1,481 PPA would have placed Sampson at position 94/115 in FY24 according to Table 30.
  - **25% is the estimated percentage of total property/sales tax revenues at this revenue level.**

**Conclusion: Sign a funding formula agreement setting the funding formula at 25% of total revenues for current expense, granting each district a pro-rata share based on student population. Based on this:**

District	FY25 Actual Current Expense	FY26 Projected Current Expense	Projected Increase
Sampson County Schools	\$10,633,227	\$11,590,306	\$957,079
Clinton City Schools	\$3,851,991	\$4,275,647	\$423,656

ATTACHMENT 1.

**Table 30 - County Appropriations and Supplemental Taxes for Education  
Year 2024**

Year	LEA No	LEA Name	Amount	PPA	Rank
2024	681	Chapel-Hill/Carrboro City Schools	90,451,172	8,029	1
2024	111	Asheville City Schools	27,329,382	7,082	2
2024	680	Orange County Schools	43,177,595	6,195	3
2024	280	Dare County Schools	26,895,243	5,467	4
2024	190	Chatham County Schools	44,974,085	5,088	5
2024	600	Charlotte-Mecklenburg County Schools	595,699,116	4,242	6
2024	100	Brunswick County Schools	54,431,040	4,168	7
2024	491	Mooreville City Schools	23,525,978	4,105	8
2024	880	Transylvania County Schools	12,998,791	4,098	9
2024	920	Wake County Schools	644,262,316	4,035	10
2024	410	Guilford County Schools	260,226,073	3,950	11
2024	110	Buncombe County Schools	84,815,193	3,876	12
2024	650	New Hanover County Schools	95,742,357	3,873	13
2024	480	Hyde County Schools	1,712,000	3,813	14
2024	930	Warren County Schools	5,564,331	3,515	15
2024	160	Carteret County Schools	27,030,000	3,459	16
2024	690	Pamlico County Schools	3,914,254	3,401	17
2024	950	Watauga County Schools	15,280,022	3,334	18
2024	422	Weldon City Schools	2,251,403	3,326	19
2024	350	Franklin County Schools	25,328,192	3,236	20
2024	340	Forsyth County Schools	164,305,508	3,232	21
2024	660	Northampton County Schools	3,780,000	3,145	22
2024	750	Polk County Schools	6,157,765	3,061	23
2024	270	Currituck County Schools	13,035,602	2,904	24
2024	70	Beaufort County Schools	16,182,093	2,903	25
2024	60	Avery County Schools	5,012,500	2,846	26
2024	500	Jackson County Schools	9,270,008	2,761	27
2024	850	Stokes County Schools	14,963,048	2,750	28
2024	670	Onslow County Schools	73,996,962	2,740	29
2024	900	Union County Schools	110,022,454	2,659	30
2024	450	Henderson County Schools	32,878,000	2,623	31
2024	630	Moore County Schools	32,915,675	2,573	32
2024	490	Iredell-Statesville Schools	52,389,292	2,564	33
2024	210	Edenton-Chowan County Schools	4,396,509	2,558	34
2024	700	Pasquotank County Schools	11,364,000	2,489	35
2024	761	Asheboro City Schools	10,741,862	2,468	36
2024	291	Lexington City Schools	7,014,104	2,460	37
2024	580	Martin County Schools	6,120,000	2,459	38
2024	440	Haywood County Schools	15,777,159	2,456	39
2024	980	Wilson County Schools	24,544,758	2,437	40
2024	50	Ashe County Schools	6,296,556	2,412	41
2024	510	Johnston County Schools	88,497,179	2,408	42
2024	130	Cabarrus County Schools	83,052,130	2,378	43
2024	810	Rutherford County Schools	16,655,820	2,359	44
2024	550	Lincoln County Schools	26,816,196	2,353	45
2024	370	Gates County Schools	3,227,535	2,339	46
2024	132	Kannapolis City Schools	12,409,102	2,335	47
2024	710	Pender County Schools	25,058,603	2,325	48
2024	292	Thomasville City Schools	4,857,355	2,308	49
2024	200	Cherokee County Schools	6,813,416	2,306	50
2024	300	Davie County Schools	13,541,762	2,266	51
2024	530	Lee County Schools	20,134,024	2,246	52
2024	560	Macon County Schools	9,678,520	2,221	53
2024	390	Granville County Schools	14,172,395	2,217	54
2024	10	Alamance-Burlington Schools	48,827,151	2,211	55
2024	800	Rowan-Salisbury County Schools	38,702,757	2,197	56
2024	30	Alleghany County Schools	2,858,928	2,177	57
2024	730	Person County Schools	9,356,125	2,176	58
2024	182	Newton-Conover City Schools	5,534,592	2,157	59
2024	90	Bladen County Schools	8,014,619	2,112	60
2024	740	Pitt County Schools	49,129,491	2,079	61
2024	181	Hickory City Schools	7,574,280	2,075	62
2024	720	Perquimans County Schools	3,359,546	2,058	63
2024	821	Clinton City Schools	5,813,387	2,041	64
2024	180	Catawba County Schools	31,165,876	1,998	65
2024	230	Cleveland County Schools	26,835,145	1,940	66
2024	420	Halifax County Schools	3,900,631	1,904	67
2024	830	Scotland County Schools	10,000,000	1,894	68
2024	862	Mount Airy City Schools	3,182,754	1,879	69
2024	460	Hertford County Schools	4,252,063	1,870	70
2024	861	Elkin City Schools	2,259,488	1,849	71
2024	970	Wilkes County Schools	15,108,718	1,848	72
2024	590	McDowell County Schools	9,947,000	1,836	73
2024	570	Madison County Schools	3,838,240	1,829	74
2024	260	Cumberland County Schools	8,526,532	1,828	75
2024	80	Bertie County Schools	3,027,671	1,822	76
2024	620	Montgomery County Schools	6,275,444	1,808	77
2024	250	Craven County Schools	22,004,991	1,807	78
2024	120	Burke County Schools	20,000,000	1,788	79
2024	360	Gaston County Schools	53,001,704	1,784	80
2024	150	Camden County Schools	3,380,000	1,777	81
2024	760	Randolph County Schools	26,531,637	1,776	82
2024	520	Jones County Schools	1,731,453	1,767	83
2024	995	Yancey County Schools	3,515,005	1,750	84
2024	20	Alexander County Schools	7,403,342	1,746	85
2024	940	Washington County Schools	1,735,000	1,733	86
2024	421	Roanoke Rapids City Schools	4,380,969	1,682	87
2024	40	Anson County Schools	4,833,496	1,677	88
2024	330	Edgecombe County Schools	8,553,485	1,676	89
2024	640	Nash-Rocky Mount Schools	23,565,180	1,656	90
2024	990	Yadkin County Schools	8,148,222	1,647	91
2024	610	Mitchell County Schools	2,613,540	1,540	92
2024	220	Clay County Schools	1,873,040	1,519	93
2024	290	Davidson County Schools	25,697,007	1,459	94
2024	430	Harnett County Schools	28,452,346	1,459	95
2024	890	Tyrrell County Schools	633,725	1,450	96
2024	790	Rockingham County Schools	15,834,840	1,443	97
2024	140	Caldwell County Schools	14,859,040	1,442	98
2024	380	Graham County Schools	1,493,898	1,419	99
2024	840	Stanly County Schools	12,192,418	1,413	100
2024	770	Richmond County Schools	8,694,379	1,356	101
2024	170	Caswell County Schools	2,779,228	1,356	102
2024	860	Surry County Schools	9,399,760	1,322	103
2024	820	Sampson County Schools	10,320,580	1,319	104
2024	960	Wayne County Schools	22,256,476	1,313	105
2024	241	Whiteville City Schools	2,600,000	1,313	106
2024	910	Vance County Schools	6,561,105	1,294	107
2024	240	Columbus County Schools	6,509,486	1,275	108
2024	540	Lenoir County Schools	9,900,000	1,224	109
2024	400	Greene County Schools	2,885,000	1,082	110
2024	310	Duplin County Schools	10,000,155	1,053	111
2024	470	Hoke County Schools	6,451,498	765	112
2024	870	Swain County Schools	1,188,734	666	113
2024	780	Robeson County Schools	13,360,800	656	114
2024	320	Durham County Schools	2,065,805	67	115

ATTACHMENT 2.

<b>General Fund Property Taxes Collected</b>						
<b>Calendar Year 2024</b>						
	Current	Prior				
<u>Month</u>	<u>Year</u>	<u>Year</u>	<u>Total</u>			
January	7,258,572.55	117,707.86	7,376,280.41			
February	1,417,490.19	93,770.25	1,511,260.44			
March	1,116,633.90	71,388.38	1,188,022.28			
April	946,095.44	91,305.48	1,037,400.92			
May	880,479.78	61,357.33	941,837.11			
June	672,805.44	32,733.20	705,538.64			
July	738,679.63	165,166.73	903,846.36			
August	18,698,702.17	97,791.31	18,796,493.48			
September	3,789,689.14	89,405.74	3,879,094.88			
October	1,667,270.33	74,632.36	1,741,902.69			
November	2,236,309.22	102,352.15	2,338,661.37			
December	<u>5,776,085.81</u>	<u>89,581.46</u>	<u>5,865,667.27</u>			
Total	45,198,813.60	1,087,192.25	46,286,005.85			
<b>General Fund Sales Taxes Collected</b>						
<b>Calendar Year 2024</b>						
<u>Month</u>	<u>Article 39</u>	<u>Article 40 *</u>	<u>Article 42 *</u>	<u>Article 44</u>	<u>Article 46</u>	<u>Total</u>
January	488,674.29	302,548.68	114,258.44	221,585.17	149,218.52	1,276,285.10
February	529,824.85	315,313.32	122,815.73	221,700.70	160,418.39	1,350,072.99
March	622,322.41	352,610.91	143,019.14	221,700.70	186,492.16	1,526,145.32
April	484,654.30	277,811.06	111,490.89	221,700.70	147,356.08	1,243,013.03
May	514,358.37	269,128.70	116,164.19	221,700.70	153,774.28	1,275,126.24
June	599,790.60	328,959.14	136,770.11	221,700.70	179,587.71	1,466,808.26
July	571,760.37	298,414.57	129,498.09	221,700.70	172,713.43	1,394,087.16
August	571,168.64	327,508.69	131,590.96	221,700.70	173,822.38	1,425,791.37
September	577,612.29	349,802.22	134,354.91	228,776.70	174,464.29	1,465,010.41
October	533,724.22	323,649.43	124,288.32	228,776.70	162,827.42	1,373,266.09
November	494,536.07	323,259.11	116,885.43	228,332.84	152,586.01	1,315,599.46
December	<u>577,473.35</u>	<u>295,608.38</u>	<u>130,069.24</u>	<u>228,332.84</u>	<u>171,640.14</u>	<u>1,403,123.95</u>
Total	6,565,899.76	3,764,614.21	1,511,205.45	2,687,709.15	1,984,900.81	16,514,329.38
	Total property tax and sales tax collected in 2024					62,800,335.23