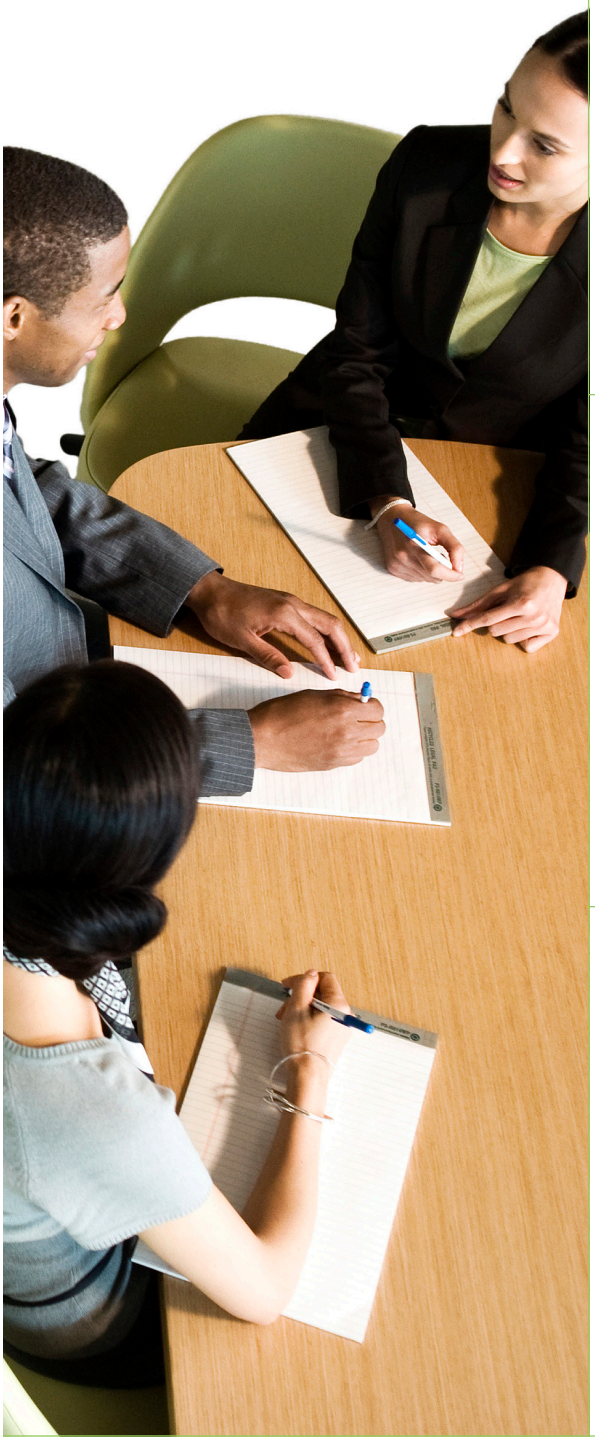
RETURN ON INVESTMENT TO TAXPAYERS

Demonstrating the Value of Brunswick Community College

FEBRUARY 2014



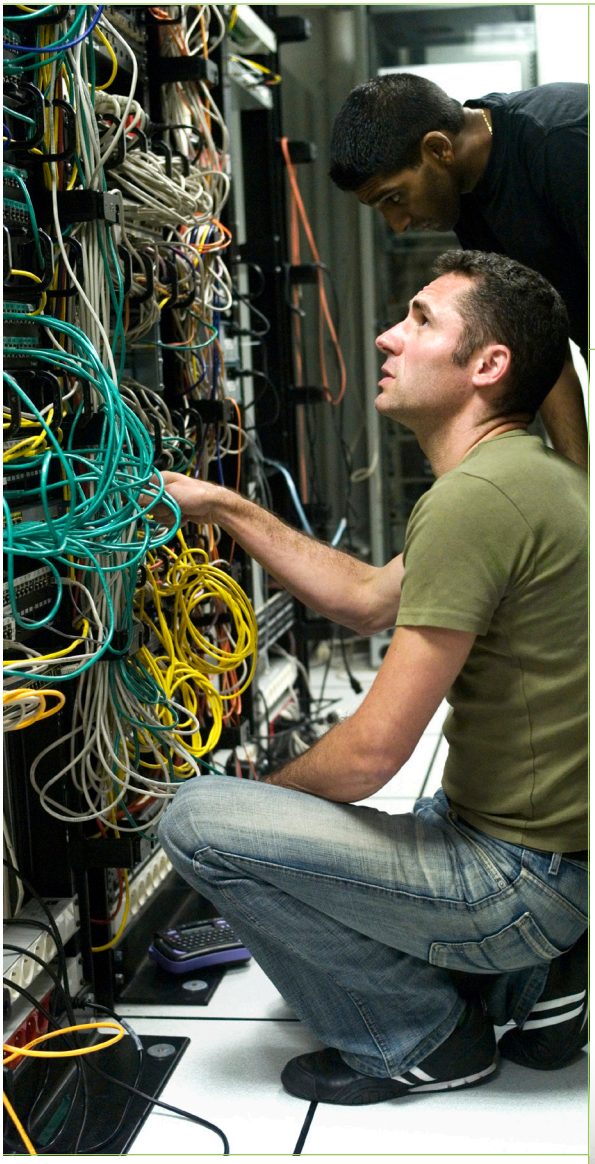
Students and society as a whole enjoy a range of benefits due to their educational investment in BCC. A portion of these benefits accrues to state and local taxpayers in the form of higher tax receipts and a reduced demand for government-supported social services.

BCC INCREASES TAX REVENUE

- Approximately **85%** of BCC's students remain in North Carolina upon completing their educational goals. As students earn more, they pay higher taxes. Employers also pay higher taxes through their increased output and spending.
- Over the students' working lives, state and local government in North Carolina will collect a present value of **$35.3 MILLION** in the form of higher tax receipts.

BCC REDUCES GOVERNMENT COSTS

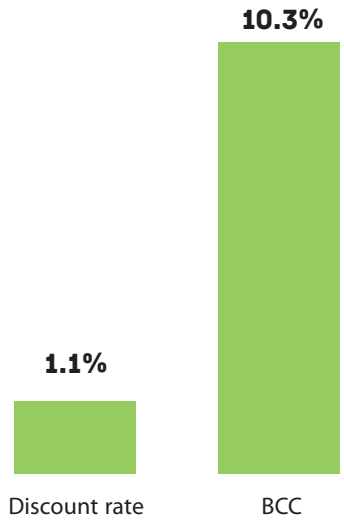
- BCC students who achieve higher levels of education are statistically less likely to have poor health habits, commit crimes, or claim welfare or unemployment benefits.
- The improved lifestyles of students result in a reduced demand for government-supported services. Better health leads to reduced health care costs. Reduced crime leads to a reduced burden on the criminal justice system. Further,



increased employability leads to fewer claims for welfare and unemployment benefits.

- As a result, taxpayers in the state of North Carolina will see a present value of **$2.6 MILLION** in savings to government over the students' working careers.

BCC IS A SOLID INVESTMENT FOR STATE AND LOCAL TAXPAYERS

- In FY 2012-13, state and local taxpayers in North Carolina paid **$14.4 MILLION** to support the operations of BCC.
- For every $1 of public money spent in BCC, taxpayers receive a cumulative return of **$2.60** over the course of students' working lives in the form of higher tax receipts and public sector savings.
- Taxpayers see an annual return of **10.3%** on their investment in BCC. This return compares favorably with the 1.1% discount rate used by the federal government to appraise long-term investments.

COMPARING TAXPAYER RATE OF RETURN TO DISCOUNT RATE