



## **RANDOLPH COUNTY ADMINISTRATION DEPARTMENT**

Randolph County Office Building ■ 725 McDowell Road ■ P.O. Box 4728,  
Asheboro, North Carolina 27204-4728 ■ County Manager: (336) 318-6300

November 3, 2004

To The Board of Commissioners and Citizens of Randolph County, North Carolina

State law requires that all local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report (CAFR) of Randolph County (County) for the fiscal year ended June 30, 2004.

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by Maxton C. McDowell, C.P.A., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2004, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in

the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County's financial statements for the fiscal year ended June 30, 2004, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County was part of a broader, federal and state mandated, "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. These compliance letters, along with the schedule of expenditures of federal and state awards, findings and recommendations, if any, are published in a separate report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

## **Profile of the Government**

Gently rolling hills, river valleys, and forest land characterize Randolph County's 790 square miles. Founded by Quaker settlers in the 1780's, the area offered rich farmland and rivers that provided abundant waterpower. Randolph County is home to the Uwharrie Mountains, one of the world's oldest mountain ranges.

Randolph County is strategically located in the geographic center of North Carolina. It is the 11th largest county in North Carolina and has the 17th highest population in the state. Nine municipalities are incorporated within the county with Asheboro as the county seat. Asheboro is approximately 70 miles from Raleigh, the State Capital, and from Charlotte, the state's largest city.

Randolph County is a part of the Piedmont Triad region, a six-county area whose central location puts it within 90 miles of the Blue Ridge Mountains to the west and within 200

miles of the Atlantic Ocean to the east. The county sits in the middle of the Eastern Seaboard, within 500 miles of half of the nation's population and largest markets.

Long known as a manufacturing center, traditional industries included textiles, apparel, and furniture along with agriculture. The area's economic base has transitioned to a technology based and value added manufacturing.

Although Randolph County is a part of the largest metropolitan area located entirely within North Carolina, it is still small-town living at its best - close enough to larger cities to have access to the amenities, but small enough to escape such urban problems as traffic congestion, higher unemployment, and an increasing crime rate.

Randolph County is home to the North Carolina State Zoological Park, the nation's largest natural-habitat zoo with 500 acres of exhibits and over 1,000 animals. Also located in the County are the Richard Petty Museum (celebrating NASCAR's all-time career victory leader), the Uwharrie National Forest, and the Seagrove area potteries, which enjoy an international reputation for exceptional hand thrown pottery.

Randolph County is also proud to be the home of the Victory Junction Gang Camp, founded by NASCAR's famed Petty family. This facility will provide camping experiences for chronically ill children on a 65-acre site near Randleman. The camp is the latest of the "Hole in the Wall Gang Camps" founded by actor Paul Newman.

The County has a commissioner/manager form of government. The five members of the Board of Commissioners are elected from districts, at-large, on a partisan basis and serve staggered four-year terms. Commissioners hold policy-making authority and are responsible for adopting the budget and hiring the manager. The county manager is responsible for implementing policies of the governing board, for overseeing the day-to-day operations of the government, and for appointing the heads of various departments. The county manager also functions as budget officer, ensuring fiscal compliance with the annual budget adopted by the Board.

Randolph County provides a wide range of services, including public safety, environmental protection, human services (Social Services, Public Health and Mental Health), planning and zoning, cultural, general administration and others. This report includes all the County's activities in maintaining these services. The County also extends financial support to certain boards, agencies, and commissions to assist their efforts in serving citizens. Among these are Randolph County Board of Education, Asheboro City Board of Education, Randolph Community College, Randolph County Senior Adults Association, and Randolph County Economic Development Corporation.

Randolph County is also financially accountable for a legally separate public authority, the Randolph County Tourism Development Authority, which is reported separately within Randolph County's financial statements. Additional information on this authority can be found in Note I.A. in the notes to the financial statements.

## **Factors Affecting Financial Condition**

The following paragraphs describe the specific environment within which Randolph County operates, providing context for understanding the information presented in the financial statements.

### Local economy

The County's economy is highly diversified with a variety of industry and growing trade and tourism sectors. Randolph County is located in the center of the state, has an excellent transportation system, and a strong and willing work force; these have been enticements to a variety of companies in recent years. The addition of new and diversified industries, along with strong commitment from Randolph Community College, has broadened the skills of the local work force.

Additionally, retail sales have grown in recent years, due to new shopping centers opening throughout the County, especially in Archdale, Asheboro, Ramseur and Randleman. Health care has become one of the fastest growing sectors, and Randolph Hospital today is the fourth largest employer in the County. New home construction and real estate sales have remained strong with growth occurring countywide.

The national decline in economic conditions has also affected Randolph County. For many years, the County unemployment rate continued to be one of the lowest in North Carolina. The rate currently stands at 4.1%, below the statewide rate of 5.0%. While many areas have companies that are reducing capacity by closing plants and reducing their work force, Randolph County has benefited by having some of this capacity transferred to our area's existing industry. Other companies are using this time to diversify their current operations by developing new product lines. Local companies are finding ways to compete in a global environment and choosing Randolph County for expansion. For example, Energizer Battery selected the County for a \$92 million capacity expansion. Plastics company Technimark is adding 31,000 square feet of manufacturing space at an investment of \$36.5 million. Unilever Bestfoods, Thomas Built Buses, and Metals USA have all completed recent expansion of local operations. Rheem Air Conditioning Replacement Parts has announced the relocation and expansion

of its North American distribution center to the county to be open in the first quarter of 2005.

The fundamental strengths of our local economy remain healthy. Furniture currently stands at 15.34% of the job base when combined with lumber and other wood products. Textiles continue to decline as a percentage of the overall job and tax base, now at 7.56% of the jobs in the County. Metalworking, chemical and plastics, and electronic and other electrical products along with instruments constitute 14.51% of the manufacturing jobs in the County. Broad based job creation across the manufacturing and ancillary industrial sector is occurring as companies refill inventories and respond to increased product demand. In 2003, the vacancy rates for industrial and commercial space remain tight, with most buildings selling or leasing within 90-120 days. Within the last 18 months, more than 750,000 square feet of industrial space has been sold or leased by end users. An additional 700,000 square feet of new industrial space has been announced within the same 18-month period.

The Randolph County Economic Development Corporation (RCEDC), formed in 1985 and funded significantly by the County, has been responsible for a large portion of the County's industrial growth and diversity since its inception. The Corporation's overall goal is to promote Randolph County as an attractive area for industrial and commercial growth. In the last five years, new industrial investment has totaled nearly \$423 million by both new and existing industries. This increased investment generated more than 3011 new jobs. Continuous attention is placed on meeting the needs of existing industry. In the past years, the RCEDC has received numerous national and regional awards of excellence for marketing, promotion and industrial recruitment.

Tourism has played an important role in the County's economy in recent years. The County is proud to be the home of the North Carolina State Zoological Park, which is one of the nation's finest all-natural-habitat zoos. The nearly 1,500-acre park provides opportunities for over seven hundred thousand visitors per year to discover the animals of the North American and African continents, through large indoor and outdoor habitats that simulate the animals' wild environments. Other tourism attractions consist of four special interest museums: the famous Richard Petty Museum, the American Classic Motorcycle Museum, the Aircraft Conservation Museum and the North Carolina Pottery Center. With the efforts of the Randolph Tourism Development Authority to promote tourism, the number of tourists visiting the County should continue to rise.

### Long-term Financial Planning

Several issues have been discussed in recent months, which may require a financial commitment by the County. The first involves the joint venture in the Piedmont Triad Regional Water Authority, which is developing Randleman Lake as a safe and

dependable water supply for North Carolina's Piedmont Triad region that will satisfy the projected water demand for a period of 50 years. The project includes the establishment of a 3,000+/- acres reservoir and the preservation of a 3,000 +/- acres buffer zone consisting of a strip approximately 200 feet wide around the reservoir.

The County has a 12.5% interest in the raw water in Randleman Lake. The County has options to purchase rights to an additional 4 million gallons of raw water from the other governments, which currently expire in December 2004. The estimated cost to exercise all options would be approximately \$1.7 million for each million gallons. The Commissioners have decided to exercise these options. Randolph County will use installment purchase financing to acquire these water rights and to fund some small construction projects, including a new library facility for the Seagrove area.

The County has also completed a strategic technology plan, managed by a consultant from the Institute of Government, a school of the University of North Carolina. The goals were a) to develop a means of anticipating and planning solutions for our technology need, b) to prioritize projects utilizing our resources and outside options, and c) to develop a means of measuring the effectiveness of all technology projects. This plan will serve as the basis for updating our current technology, which will cost several hundred thousand dollars.

Finally, for years the County has been actively building and renovating public school facilities in order to accommodate student growth and maintain a safe environment for students. There are still some needs in both school districts and the community college, however, which will be addressed in a May 2005 bond referendum seeking approval of approximately \$45 million to finance critical school construction.

#### Cash management policies and practices

The County pools moneys from several funds to facilitate disbursement and investment and to maximize investment income. The County invests idle funds with the objectives, in priority order, of safety, liquidity, and yield. All investments must comply with state law, which specifies the types of securities allowable. Randolph County invests primarily in certificates of deposit and the North Carolina Capital Management Trust Cash Portfolio, an SEC-registered (2a-7) money market mutual fund. This strategy ensures that adequate funds are available to meet its obligations while taking advantage of interest rates corresponding to acceptable risk.

#### Risk management

The County has adopted limited self-insurance plans funded by the General Fund covering short-term disability, workers' compensation, comprehensive and collision deductibles, and incurred but not reported insurance claims. The County is a member of the North Carolina Liability and Property Insurance Pool Fund, which is made up of 69 counties and 61 other entities throughout the state. Through these pools, the County obtains property insurance coverage of \$150 million per occurrence, general liability coverage of \$2 million per occurrence, and workers' compensation coverage up to statutory limits.

### Awards and acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Randolph County for its comprehensive annual financial report for the fiscal year ended June 30, 2003. This was the 15th consecutive year that the County has received this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

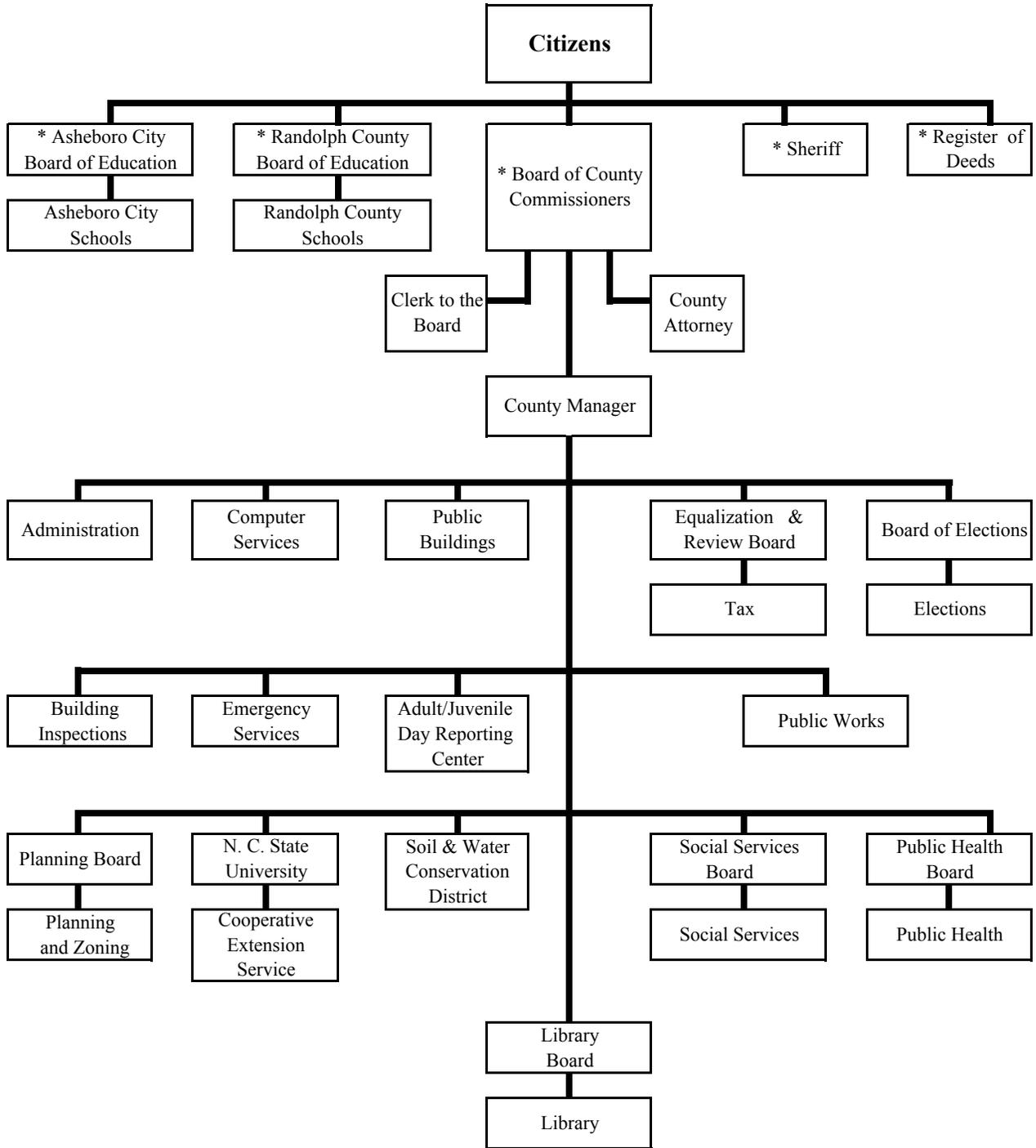
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the dedicated efforts of the entire staff of the Finance Department. I would like to express my appreciation to all members of the County administrative staff for their contributions. I would also like to thank the members of the Board of Commissioners for their dedication to the citizens of Randolph County and for their continued interest and support throughout the past year.

Respectfully submitted,

William F. Willis  
County Manager/Finance Officer

**RANDOLPH COUNTY, NORTH CAROLINA**  
ORGANIZATIONAL CHART



\* Elected Officials

# Randolph County, North Carolina

## List of Principal Officials

June 30, 2003



### Elected Officials

County Commissioner .....	Phil Kemp, <i>Chairman</i>
County Commissioner .....	Darrell L. Frye, <i>Vice Chairman</i>
County Commissioner .....	Robert B. Davis
County Commissioner .....	J. Harold Holmes
County Commissioner .....	Robert O. Mason
Sheriff .....	Litchard Hurley
Register of Deeds .....	Ann Shaw

### County Officials

County Manager/Finance Officer .....	William F. Willis
County Attorney .....	Aimee Scotton
Tax Administrator .....	Ben Chavis
Director of Building Inspections .....	Paxton Arthurs
Director of Building Maintenance .....	Bill McDaniel
Director of Cooperative Extension .....	Lynne Qualls
Director of Data Processing .....	Annette Crotts
Director of Elections .....	Mark Coakley
Director of Emergency Services .....	Neil Allen
Director of Mental Health .....	Mazie Fleetwood
Director of Planning /Zoning .....	Hal Johnson
Director of Public Health .....	Mimi Cooper
Director of Public Library .....	Richard Wells
Director of Public Works .....	David Townsend, III
Director of Social Services .....	Martha Sheriff

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Randolph County,  
North Carolina

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2003

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Nancy L. Zielle*

President

*Jeffrey R. Emer*

Executive Director



## MAXTON McDOWELL

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### INDEPENDENT AUDITOR'S REPORT

The Board of Commissioners  
of Randolph County  
Asheboro, North Carolina

I have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Randolph County, North Carolina, as of and for the year ended June 30, 2004, which collectively comprise Randolph County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Randolph County's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Randolph County, North Carolina, as of June 30, 2004, and the respective changes in financial position, where applicable, thereof and the respective budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis and the Law Enforcement Officers' Special Separation Allowance Schedules of Funding Progress and Employer Contributions are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit this information and express no opinion thereon.

In accordance with Government Auditing Standards, I have also issued a report dated October 29, 2004, on my consideration of Randolph County's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of my audit.

My audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements of Randolph County, North Carolina. The introductory information, combining and individual nonmajor fund financial statements and schedules and the statistical information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole. The introductory information and the statistical information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I express no opinion on them.

October 29, 2004

  
Certified Public Accountant

## Randolph County, North Carolina

### Management's Discussion and Analysis

As management of Randolph County, we offer readers of Randolph County's financial statements this narrative overview and analysis of the financial activities of Randolph County for the fiscal year ended June 30, 2004. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

#### **Financial Highlights**

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- The liabilities of the County exceeded its assets at the close of the fiscal year by \$(2,523,412) (*net assets*). Under North Carolina law, counties are responsible for providing public school facilities. At June 30, 2004, Randolph County had outstanding debt of \$75,606,374 associated with assets owned by the Randolph County Board of Education, the Asheboro City Board of Education, and Randolph Community College. Although this debt is reported in the financial statements as liabilities of Randolph County, the school facilities are not considered capital assets of the County and are not included in the financial statements. This results in deficit net assets for the County.
- The government's total net assets increased by \$ 5,867,887, primarily due to increased net assets in the General Fund.
- As of the close of the current fiscal year, Randolph County's governmental funds reported combined ending fund balances of \$40,072,671, an increase of \$915,697 in comparison with the prior year. Approximately seventy percent of this total amount, or \$28,165,867, is available for spending at the government's discretion (*unreserved fund balance*).
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$23,567,780, or 66.9 percent of total general fund expenditures for the fiscal year.
- Randolph County's total debt decreased by \$4,398,369 (4.7%) during the current fiscal year. The key factors in this decrease are the required principal payments of \$8,284,074 less the \$3,885,705 net effect from the advance refunding of certificates of participation.
- Randolph County maintained for the 6<sup>th</sup> consecutive year, its Aa3 bond rating from Moody's Investor Service and for the 4<sup>th</sup> consecutive year, its AA- rating from Standard and Poor's Corporation.
- The Randolph County Mental Health Program merged with Sandhills Center on July 1, 2003, resulting in a contribution of net assets of \$2,725,823. This is reported as a special item separate from normal financial operations.

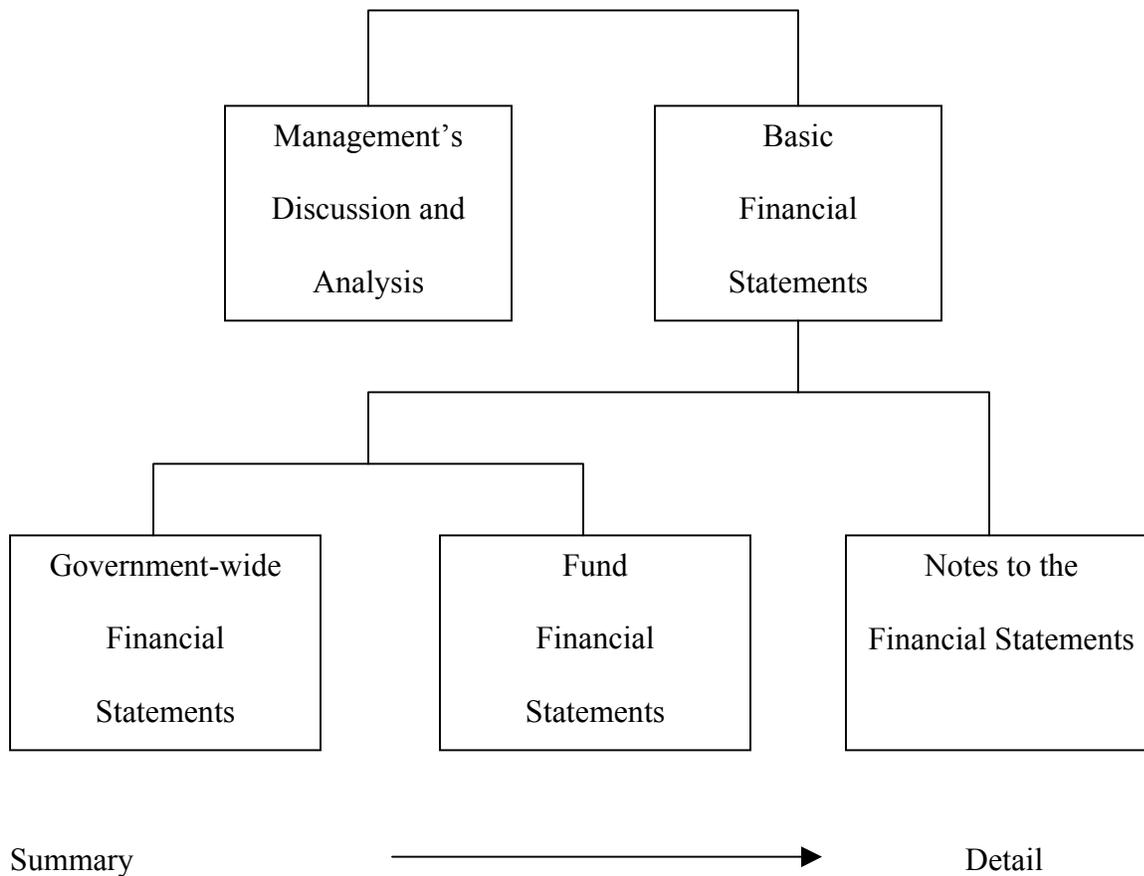
## Overview of the Financial Statements

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This discussion and analysis are intended to serve as an introduction to Randolph County's basic financial statements. The County's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the County through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of Randolph County.

### Required Components of Annual Financial Report

Figure 1



## **Basic Financial Statements**

The first two statements (Exhibits 1 and 2) in the basic financial statements are the **Government-wide Financial Statements**. They provide both short- and long-term information about the County's financial status.

The next statements (Exhibits 3 through 7) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the County's government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements, 2) the budgetary comparison statements, and 3) the fiduciary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. Following the notes is the required supplemental information. This section contains funding information about the County's pension plans.

After the notes and required supplemental information, additional **supplemental information** is provided to show details about the County's non-major governmental funds, all of which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statements.

## **Government-wide Financial Statements**

The government-wide financial statements are designed to provide the reader with a broad overview of the County's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short- and long-term information about the County's financial status as a whole.

The two government-wide statements report the County's net assets and how they have changed. Net assets are the difference between the County's total assets and total liabilities. Measuring net assets is one way to gage the County's financial condition.

The government-wide statements are divided into two categories: 1) governmental activities of the primary government (the County) and 2) component units. The governmental activities include most of the County's basic services such as public safety, human services, and general administration. Property taxes and state and federal grant funds finance most of these activities. The other category is the component unit. Randolph County Tourism Development Authority (TDA) is a public authority created by the County to promote tourism and is funded primarily by an occupancy tax assessed by the County. The County Commissioners appoint the board of directors for the TDA.

The government-wide financial statements are on Exhibits 1 and 2 of this report.

## **Fund Financial Statements**

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The fund financial statements provide a more detailed look at the County's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Randolph County, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the County's budget ordinance. All of the funds of Randolph County can be classified within the governmental funds category.

**Governmental Funds** – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the County's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*. This method also has a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the County's programs. The relationship between government activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Randolph County adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the County, the management of the County, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the County to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the County complied with the budget ordinance and whether or not the County succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the board, 2) the final budget as amended by the board, 3) the actual resources, charges to appropriations, and ending balances in the General Fund, and 4) the difference or variance between the final budget and the actual resources and charges. To account for the difference between the budgetary basis of accounting and the modified accrual basis, a reconciliation showing the differences in the reported activities is shown at the end of the budgetary statement.

**Fiduciary Funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Randolph County has nineteen fiduciary funds, three of which are pension trust funds and sixteen of which are agency funds.

**Notes to the Financial Statements** – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on pages 25 of this report.

**Other Information** – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Randolph County's

progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 63 of this report.

### **Government-Wide Financial Analysis**

As noted earlier, net assets may serve over time as one useful indicator of a government's financial condition. The liabilities of Randolph County exceeded assets by \$ 8,391,299 as of June 30, 2004. The County's net assets increased by \$5,867,887 for the fiscal year ended June 30, 2004. One of the largest portions reflects the County's investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt still outstanding that was issued to acquire those items. Randolph County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Randolph County's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of Randolph County's net assets (< 1%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$(27,797,538) is unrestricted.

### **Randolph County's Net Assets**

**Figure 2**

	<b>Governmental Activities</b>	
	<b>2004</b>	<b>2003</b>
Current and other assets	\$ 59,996,718	\$ 55,382,334
Capital assets	<u>34,827,648</u>	<u>37,877,316</u>
Total assets	<u>94,824,366</u>	<u>93,259,650</u>
Long-term liabilities outstanding	93,193,176	97,751,998
Other liabilities	<u>4,154,602</u>	<u>3,898,951</u>
Total liabilities	<u>97,347,778</u>	<u>101,650,949</u>
Net assets:		
Invested in capital assets, net of related debt	21,581,815	25,240,615
Restricted	3,692,311	4,003,647
Unrestricted	<u>(27,797,538)</u>	<u>(37,635,561)</u>
Total net assets	<u>\$ (2,523,412)</u>	<u>\$ (8,391,299)</u>

As with many counties in North Carolina, the County's deficit in unrestricted net assets is due primarily to the portion of the County's outstanding debt incurred for the two Boards of Education within Randolph County and the Community College. Under North Carolina law, the County is responsible for providing capital funding for these school systems. The County meets its legal obligation to provide school system capital funding through both current appropriations and issuance of general obligation and installment purchase debt. Although certain asset purchases and construction projects are funded by the County, all such facilities are owned and utilized by the school systems.

Since the County, as the issuing government, acquires no capital assets, the County has incurred liability without a corresponding increase in assets. As of June 30, 2004, \$75,606,374 of the outstanding debt on the County's financial statements was related to assets included in the school systems' financial statements.

Several particular aspects of the County's financial operations positively influenced the total unrestricted governmental net assets:

- Continued diligence in the collection of property taxes by maintaining a collection percentage of 97.93%, higher than the statewide average of 96.33%.
- The additional one-half cent sales tax, which began in December 2002, was collected for a full year.
- Continued revenue growth in charges for services in the Emergency Medical Services and Register of Deeds office.
- Restructuring of an escrow fund resulted in immediate savings of \$756,432.
- A prior period adjustment of \$1,398,277 was made to net assets to recognize fiscal year 2003 revenues that were not reported last year.
- Continued low cost of debt due to the County's high bond rating.
- Despite a tight budget, departments maintained services through effective management of resources and without exceeding fiscal limits.

## Randolph County Changes in Net Assets

**Figure 3**

	Governmental Activities 2004	Governmental Activities 2003
Revenues:		
Program revenues:		
Charges for services	\$ 10,033,376	\$ 14,872,562
Operating grants and contributions	13,165,817	18,861,205
Capital grants and contributions	50,909	11,220
General revenues:		
Property taxes	46,775,147	44,534,982
Sales taxes	20,348,995	17,391,010
Other taxes	1,433,767	1,587,084
Other	1,779,222	1,060,231
Total revenues	93,587,233	98,318,294
Expenses:		
General government	10,026,294	7,820,572
Public safety	20,518,846	19,722,191
Economic and physical development	1,619,775	1,296,627
Environmental protection	3,192,249	3,298,341
Human services	24,071,313	35,602,604
Culture and recreation	1,482,224	1,416,169
Education	20,582,034	23,130,436
Interest on long-term debt	4,899,065	4,971,764
Total expenses	86,391,800	97,258,704
Increase in net assets before special item	7,195,433	1,059,590
Contribution of Assets to Sandhills Center	(2,725,823)	-
Increase in net assets	4,469,610	1,059,590
Net assets, July 1	(8,391,299)	(9,450,889)
Prior Period Adjustment	1,398,277	-
Net assets, June 30	\$ (2,523,412)	\$ (8,391,299)

**Governmental activities.** Governmental activities increased the County's net assets \$5,867,887 for the year. Key elements in several areas affected the County's net assets:

- Increase in fee revenue for Emergency Medical Services and Register of Deeds.
- Growth in property tax base beyond budgeted levels.

- Maintenance of the County's high tax collection rate of 97.93%.
- The additional one-half cent sales tax was collected for the entire fiscal year, totaling \$3,686,348.
- Restructuring of an escrow fund resulted in immediate savings of \$756,432.
- Medicaid costs rose only three percent after several years of double-digit growth.

## **Financial Analysis of the County's Funds**

As noted earlier, Randolph County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** The focus of Randolph County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Randolph County's financing requirements. Specifically, unreserved fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of Randolph County. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$23,567,780, while total fund balance reached \$35,224,283. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 26.9 percent of total General Fund expenditures, while total fund balance represents 40.3 percent of that same amount.

At June 30, 2004, the governmental funds of Randolph County reported a combined fund balance of \$40,072,671, a 2.3 percent increase over last year. The primary reason for this increase is the \$3,027,797 premium received on refunding certificates of deposit and the \$756,432 gain on restructuring an escrow account.

**General Fund Budgetary Highlights:** During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available, 2) amendments made to recognize new funding amounts from external sources, such as federal and state grants, and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund increased revenues by \$2,741,077, or 3.31 percent. These changes were primarily to record increased federal and state financial assistance.

Actual revenues exceeded budgeted amounts by \$1.4 million, which was the result of strong property tax revenues and sales tax collections. Expenditures were \$7,162,326 under budget, with unspent monies primarily due to delayed public building projects, economic development incentives not yet disbursed, and lower than projected human service costs.

## **Capital Asset and Debt Administration**

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**Capital assets.** Randolph County's capital assets for its governmental-type activities as of June 30, 2004, totals \$ 34,827,648 (net of accumulated depreciation). These assets include buildings, land, land improvements, machinery and equipment, and vehicles.

Major capital asset transactions during the year include:

- Purchased two new ambulances for Emergency Services and new vehicles and patrol car computers for Sheriff
- Purchased communication equipment for 911 Center
- Final construction on County courthouse, resulting in transfer of costs from construction in progress
- Transfer of \$1,464,498 of capital assets from Randolph County Mental Health Program to Sandhills Center

### **Randolph County's Capital Assets (net of depreciation)**

**Figure 4**

	Governmental Activities 2004	Governmental Activities 2003
Land	\$ 2,931,628	\$ 3,081,237
Land improvements	314,233	246,344
Buildings	28,414,015	29,899,447
Machinery and equipment	1,647,420	1,644,245
Vehicles	1,511,217	1,006,315
Construction in progress	<u>9,135</u>	<u>1,999,728</u>
Total	<u>\$ 34,827,648</u>	<u>\$ 37,877,316</u>

Additional information on the County's capital assets can be found in note II.A.5 of the Basic Financial Statements.

**Long-term Debt.** As of June 30, 2004, Randolph County had total bonded debt outstanding of \$12,805,000, all of which is debt backed by the full faith and credit of the County. In addition, the County was obligated under several installment purchase agreements, a capital lease for the

telephone system, and a Clean Drinking Water note payable. Many of the installment purchase agreements were advance defeased during the year by issuing newer debt having a lower interest cost throughout the remaining term of the certificates. This action will result in the saving of over \$2.3 million in interest costs over the next nineteen years.

### Randolph County's Outstanding Debt

**Figure 5**

	Governmental Activities	
	2004	2003
General obligation bonds	\$ 12,805,000	\$ 15,135,000
Installment purchase obligations	78,877,655	77,043,611
Less deferred items, net	(3,744,295)	
Capital lease	372,591	487,687
Note payable - State of N.C.	731,374	774,396
	<u>\$ 89,042,325</u>	<u>\$ 93,440,694</u>

Randolph County's total debt decreased by \$ 4,398,369 during the past fiscal year, due to the \$8,284,074 in principal payments offset by the \$3,885,705 effect from issuance of refunding certificates of participation.

By advance refunding the 1995 and 2000 Certificates of Participation, Randolph County took advantage of low interest rates by issuing new debt and placing the proceeds in escrow accounts to pay off the more costly debt as it comes due. As a result, the County will save over \$2.3 million in interest costs over the next nineteen years.

In addition, the County was able to replace the securities in one of these escrow accounts with higher yielding securities; the excess funds in the escrow were used for debt service and provided immediate savings of \$756,432 during the year.

As mentioned in the financial highlights section of this document, Randolph County maintained for the 6<sup>th</sup> consecutive year, its Aa3 bond rating from Moody's Investor Service and for the 4<sup>th</sup> consecutive year, its AA- rating from Standard and Poor's Corporation. These bond ratings are a clear indication of the sound financial condition of Randolph County. This achievement is a primary factor in keeping interest costs low on the County's outstanding debt.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Randolph County is \$581,223,297. The County has no bonds authorized but unissued at June 30, 2004.

For the portion of the outstanding debt that is general obligation debt, the full faith, credit and taxing power of the County is responsible for ensuring repayment. Accordingly, the County is

authorized and required by state law to levy ad valorem taxes, without limit as to rate or amount, as may be necessary to pay the debt service on its general obligation bonds. Much of the debt, however, is installment purchase obligations, which uses the asset itself as collateral for the outstanding debt balances. Regardless of the type of financing, the County is responsible for all repayment of issued debt.

Additional information regarding Randolph County's long-term debt can be found in note II.B.7, beginning on page 54 of this audited financial report.

### **Economic Factors and Next Year's Budgets and Rates**

The following key economic indicators reflect the growth and prosperity of the County.

- The County's current unemployment rate of 4.1% is lower than the state average of 5.0%.
- The County's 2004 tax rate was \$ .50 per \$100 in valuation, the 3<sup>rd</sup> lowest among urban (>100,000 population) counties and 12<sup>th</sup> lowest among all 100 counties in North Carolina.
- Hotel occupancy has increased three percent over the past year, as reflected in growth in occupancy tax collections. Two new hotels opened in April 2004.
- New manufacturing investment of over \$115 million was announced in the last year; 500 new jobs were announced by 17 companies.
- Improvements to a wastewater facility in the southern part of the County should promote economic development in that area.

### **Budget Highlights for the Fiscal Year Ending June 30, 2005**

**Governmental Activities:** The 2004-05 budget assessed a 50 cents per \$100 tax rate on a total estimated property valuation of \$8.45 billion. The statewide average tax rate for counties was 66.96 cents. The total county sales tax is currently 2.5%. Three percent growth is expected for sales tax revenues.

Certain critical needs were identified during the budget process, resulting in a 4.8 percent increase in the total annual budget. At the public hearing for the budget, our citizens' primary concern was to increase the level of public school funding, even if it meant a tax increase. The Board clearly wished to respond to the funding requests of the public schools and community college, as well as the Sheriff's need for additional deputies throughout the county. The 2004-05 budget included an additional \$1,845,463 in Education appropriations and \$142,565 for four Sheriff's patrol officers.

As part of the budget deliberations, the Commissioners also discussed future capital needs for the County, the two public school systems, and the community college.

## **Requests for Information**

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This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Officer, Randolph County, 725 McDowell Road, Asheboro, NC 27205.

**Randolph County, North Carolina**  
**Statement of Net Assets**  
**June 30, 2004**

	<u>Primary Government</u>	<u>Component Unit</u>
	<u>Governmental</u>	<u>Randolph County</u>
	<u>Activities</u>	<u>Tourism</u>
		<u>Development</u>
		<u>Authority</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 35,705,087	\$ 252,831
Receivables (net)	10,977,255	25,377
Medical self-insurance account	213,592	
Prepaid items and deferred charges	1,095,086	
Notes receivable	899,499	
Intangible asset:		
Water rights	11,106,199	
Capital assets:		
Land, improvements, and construction in progress	2,940,763	
Other capital assets, net of depreciation	31,886,885	-
Total capital assets	34,827,648	-
Total assets	94,824,366	278,208
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	3,129,113	1,478
Due to fiduciary funds	196,190	
Unearned revenue	443,649	
Accrued interest payable	385,650	
Long-term liabilities:		
Due within one year	7,757,157	
Due in more than one year	85,436,019	-
Total liabilities	97,347,778	1,478
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	21,581,815	
Restricted for:		
Public safety	2,196,398	
Other purposes	1,495,913	
Unrestricted (deficit)	(27,797,538)	276,730
Total net assets	\$ (2,523,412)	\$ 276,730

The notes to the financial statements are an integral part of this statement.

Randolph County, North Carolina  
Statement of Activities  
For the Year Ended June 30, 2004

Exhibit 2

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Component Unit
<b>Primary government:</b>						
Governmental Activities:						
General government	\$ 10,026,294	\$ 1,331,851	\$ 2,000		\$ (8,692,443)	
Public safety	20,518,846	4,456,272	1,082,587	10,400	(14,969,587)	
Economic and physical development	1,619,775	37,870	86,499		(1,495,406)	
Environmental protection	3,192,249	2,852,420	199,964		(139,865)	
Human services	24,071,313	1,230,230	11,342,505		(11,498,578)	
Cultural and recreation	1,482,224	124,733	249,190	40,509	(1,067,792)	
Education	20,582,034		203,072		(20,378,962)	
Interest on long-term debt	4,899,065	-	-	-	(4,899,065)	
Total primary government	<u>\$ 86,391,800</u>	<u>\$ 10,033,376</u>	<u>\$ 13,165,817</u>	<u>\$ 50,909</u>	<u>(63,141,698)</u>	
<b>Component unit:</b>						
Randolph County Tourism Development Authority	\$ 305,773	\$ -	\$ -	\$ -		\$ (305,773)
General revenues:						
Taxes:						
Property taxes, levied for general purpose					46,775,147	
Local option sales tax					20,348,995	
Other taxes and licenses					1,433,767	289,589
Grants and contributions not restricted to specific programs						
Investment earnings, unrestricted					585,071	3,516
Miscellaneous, unrestricted					437,719	-
Gain from escrow restructuring					756,432	
Special item:						
Contribution of assets from Randolph Mental Health to Sandhills Center					(2,725,823)	-
Total general revenues, special items, and transfers					<u>67,611,308</u>	<u>293,105</u>
Change in net assets					4,469,610	(12,668)
Net assets-beginning					(8,391,299)	289,398
Prior period adjustment					<u>1,398,277</u>	<u>-</u>
Net assets-ending					<u>\$ (2,523,412)</u>	<u>\$ 276,730</u>

The notes to the financial statements are an integral part of this statement.

**Randolph County, North Carolina  
Balance Sheet  
Governmental Funds  
June 30, 2004**

	<u>Major Funds</u>		<u>Non-Major Funds</u>		<u>Total Governmental Funds</u>
	<u>General</u>	<u>Randleman Dam Capital Project</u>	<u>Other Governmental Funds</u>		
<b>ASSETS</b>					
Cash and cash equivalents	\$ 30,049,251	\$ 954,355	\$ 4,701,481	\$ 35,705,087	
Accounts receivables, net	1,598,376	4,671	79,420	1,682,467	
Taxes receivable, net	1,420,004		163,561	1,583,565	
Due from other governments	7,581,306		17,054	7,598,360	
Due from other funds			70,648	70,648	
Medical self-insurance account	213,592			213,592	
Prepaid items	13,441			13,441	
Notes receivable	899,499	-	-	899,499	
<b>Total assets</b>	<u>\$ 41,775,469</u>	<u>\$ 959,026</u>	<u>\$ 5,032,164</u>	<u>\$ 47,766,659</u>	
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable and accrued liabilities	\$ 2,175,218	\$ 937,500	\$ 16,395	\$ 3,129,113	
Due to other funds	266,838			266,838	
Unearned revenue	418,303		25,346	443,649	
Deferred revenue	3,690,827	-	163,561	3,854,388	
<b>Total liabilities</b>	<u>6,551,186</u>	<u>937,500</u>	<u>205,302</u>	<u>7,693,988</u>	
Fund balances:					
Reserved for:					
State statute	8,035,392	4,671	166,688	8,206,751	
Encumbrances	3,621,111		78,942	3,700,053	
Unreserved:					
Designated for subsequent years	3,003,526			3,003,526	
Undesignated	20,564,254			20,564,254	
Unreserved, reported in:					
Special revenue funds	-		4,101,484	4,101,484	
Capital projects funds	-	16,855	479,748	496,603	
<b>Total fund balances</b>	<u>35,224,283</u>	<u>21,526</u>	<u>4,826,862</u>	<u>40,072,671</u>	
<b>Total liabilities and fund balances</b>	<u>\$ 41,775,469</u>	<u>\$ 959,026</u>	<u>\$ 5,032,164</u>		

Amounts reported for governmental activities in the statement of net assets (Exhibit 1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	34,827,648
The disbursements reported in the Randleman Dam Capital Project are presented in the Statement of Net Assets as an increase in intangible asset	11,106,199
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	1,194,508
Liabilities for earned but deferred revenues in fund statements.	3,854,388
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds (Note 4).	<u>(93,578,826)</u>
Net assets of governmental activities	<u>\$ (2,523,412)</u>

The notes to the financial statements are an integral part of this statement.

**Randolph County, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2004**

	<u>Major Funds</u>		<u>Non-Major Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
	<u>General Fund</u>	<u>Randleman Dam</u> <u>Capital Project</u>	<u>Other</u>	
			<u>Governmental</u> <u>Funds</u>	
<b>REVENUES</b>				
Ad valorem taxes	\$ 41,863,677		\$ 4,768,840	\$ 46,632,517
Local option sales taxes	20,348,995			20,348,995
Other taxes and licenses	959,455		748,137	1,707,592
Unrestricted intergovernmental	87,224			87,224
Restricted intergovernmental	13,035,789			13,035,789
Permits and fees	2,047,976			2,047,976
Sales and services	7,473,195			7,473,195
Investment earnings	491,783	21,340	87,310	600,433
Miscellaneous	494,873	-	-	494,873
Total revenues	<u>86,802,967</u>	<u>21,340</u>	<u>5,604,287</u>	<u>92,428,594</u>
<b>EXPENDITURES</b>				
Current:				
General government	7,126,811			7,126,811
Public safety	15,518,206		5,563,614	21,081,820
Economic and physical development	1,610,055			1,610,055
Environmental protection	3,262,991		77,978	3,340,969
Human services	24,081,856			24,081,856
Culture and recreation	1,475,461		1,500	1,476,961
Intergovernmental:				
Education	20,283,133			20,283,133
Capital outlay		2,512,051	768,844	3,280,895
Debt service:				
Principal	8,284,074			8,284,074
Interest and other charges	5,758,624	-	-	5,758,624
Total expenditures	<u>87,401,211</u>	<u>2,512,051</u>	<u>6,411,936</u>	<u>96,325,198</u>
Excess (deficiency) of revenues over expenditures	<u>(598,244)</u>	<u>(2,490,711)</u>	<u>(807,649)</u>	<u>(3,896,604)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Refunding Certificates of Participation Issued	67,430,000			67,430,000
Payments to Escrow Agent	(66,666,360)			(66,666,360)
Premium on Refunding Certificates	3,027,797			3,027,797
Gain from Escrow Restructuring	756,432			756,432
Transfers from other funds	2,493,170	500,000	1,473,349	4,466,519
Transfers to other funds	(1,973,349)	-	(2,493,170)	(4,466,519)
Total other financing sources and uses	<u>5,067,690</u>	<u>500,000</u>	<u>(1,019,821)</u>	<u>4,547,869</u>
Revenues and other financing sources over (under) expenditures and other financing uses	4,469,446	(1,990,711)	(1,827,470)	651,265
Special item:				
Contribution of assets from Randolph Mental Health to Sandhills Center	(1,133,845)	-	-	(1,133,845)
Net change in fund balances	<u>3,335,601</u>	<u>(1,990,711)</u>	<u>(1,827,470)</u>	<u>(482,580)</u>
Fund balances - beginning	30,490,405	2,012,237	6,654,332	39,156,974
Prior Period Adjustment	1,398,277	-	-	1,398,277
Fund balances - ending	<u>\$ 35,224,283</u>	<u>\$ 21,526</u>	<u>\$ 4,826,862</u>	<u>\$ 40,072,671</u>

The notes to the financial statements are an integral part of this statement.

**Randolph County, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2004**

Amounts reported for governmental activities in the statement of activities are different because:

Net changes in fund balances - total governmental funds	\$ (482,580)
Additional contribution of net assets to Sandhill Center	(1,591,978)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period	481,387
The disbursements to the Piedmont Triad Regional Water Authority, which were reported in the Randleman Dam Capital Project, are not included in the Statement of Activities. Instead, these payments are presented in the Statement of Net Assets as an increase in water rights	2,512,051
Cost of capital assets disposed of during the year, not recognized on modified accrual basis	(2,076,957)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	479,436
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	5,480,014
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>(331,763)</u>
Total changes in net assets of governmental activities	<u>\$ 4,469,610</u>

The notes to the financial statements are an integral part of this statement.

**Randolph County, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget and Actual - General Fund**  
**For the Fiscal Year Ended June 30, 2004**

	General Fund			Variance With Final Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Ad valorem taxes	\$ 41,247,100	\$ 41,247,100	\$ 41,863,677	\$ 616,577
Local option sales tax	19,419,012	19,419,012	20,348,995	929,983
Other taxes and licenses	251,000	541,000	959,455	418,455
Unrestricted intergovernmental	54,900	54,900	87,224	32,324
Restricted intergovernmental	11,895,281	14,024,903	13,035,789	(989,114)
Permits and fees	2,161,250	2,161,250	2,047,976	(113,274)
Sales and services	6,725,328	6,939,631	7,473,195	533,564
Investment earnings	517,786	517,786	491,783	(26,003)
Miscellaneous	350,336	457,488	494,873	37,385
Total revenues	<u>82,621,993</u>	<u>85,363,070</u>	<u>86,802,967</u>	<u>1,439,897</u>
Expenditures				
Current:				
General government	7,835,275	8,452,280	7,126,811	1,325,469
Public safety	15,138,421	16,677,544	15,518,206	1,159,338
Economic and physical development	1,176,313	3,132,828	1,610,055	1,522,773
Environmental protection	3,422,290	3,463,061	3,262,991	200,070
Human services	24,633,706	26,261,760	24,081,856	2,179,904
Culture and recreation	1,429,442	1,504,207	1,475,461	28,746
Intergovernmental:				
Education	20,350,666	20,350,666	20,283,133	67,533
Debt service:				
Principal retirement	5,488,278	8,284,074	8,284,074	-
Interest and other charges	4,797,222	5,937,117	5,758,624	178,493
Contingency	-	500,000	-	500,000
Total expenditures	<u>84,271,613</u>	<u>94,563,537</u>	<u>87,401,211</u>	<u>7,162,326</u>
Revenues over (under) expenditures	<u>(1,649,620)</u>	<u>(9,200,467)</u>	<u>(598,244)</u>	<u>8,602,223</u>
Other financing sources (uses):				
Refunding Certificates of Participation Issued		67,430,000	67,430,000	-
Payments to Escrow Agent		(66,666,360)	(66,666,360)	-
Premium on Refunding Certificates		3,027,798	3,027,797	(1)
Gain from Escrow Restructuring		756,432	756,432	-
Transfers from other funds	2,493,170	2,493,170	2,493,170	-
Transfers to other funds	(1,841,550)	(1,973,349)	(1,973,349)	-
Total other financing sources (uses)	<u>651,620</u>	<u>5,067,691</u>	<u>5,067,690</u>	<u>(1)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (998,000)</u>	<u>\$ (4,132,776)</u>	4,469,446	<u>\$ 8,602,222</u>
Special item:				
Contribution of assets from Randolph Mental Health to Sandhills Center			(1,133,845)	
Net change in fund balances			<u>3,335,601</u>	
Fund balances:				
Beginning of year, July 1			30,490,405	
Prior Period Adjustment			1,398,277	
End of year, June 30			<u>\$ 35,224,283</u>	

The notes to the financial statements are an integral part of this statement.

**Randolph County, North Carolina  
Statement of Fiduciary Net Assets  
Fiduciary Funds  
June 30, 2004**

	<u>Pension Trust Funds</u>	<u>Agency Funds</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 242,453	\$ 111,113
Receivables, net	1,195	8,774
Taxes receivable, net		794,456
Due from General Fund	<u>-</u>	<u>196,190</u>
 Total assets	 <u>243,648</u>	 <u>1,110,533</u>
 <b>Liabilities and Net Assets</b>		
Liabilities:		
Accounts payable and accrued liabilities	17	-
Miscellaneous liabilities		119,887
Intergovernmental payables	<u>-</u>	<u>990,646</u>
 Total liabilities	 <u>17</u>	 <u>1,110,533</u>
Net assets:		
Assets held in trust for pension benefits	<u>\$ 243,631</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

**Randolph County, North Carolina**  
**Statement of Changes in Fiduciary Net Assets**  
**Fiduciary Funds**  
**For The Fiscal Year Ended June 30, 2004**

	June 30, 2004
Additions:	
Contributions:	
Employer contributions	\$ 5,383
Employee contributions and rollovers	-
	5,383
Investment income:	
Net appreciation (depreciation) in fair value of investments	-
Interest	3,535
	3,535
Less investment expense	-
Net investment income	3,535
Total additions	8,918
Deductions:	
Benefits	12,218
Administrative expense	383
Distribution of assets to substitute trustee	3,152,932
Total deductions	3,165,533
Change in net assets	(3,156,615)
Net assets - beginning of year	3,400,246
Net assets - end of year	\$ 243,631

The notes to the financial statements are an integral part of this statement.



**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**I. Summary of Significant Accounting Policies**

The accounting policies of Randolph County and its component units conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

**A. Reporting Entity**

The County, which is governed by a five-member board of commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. As required by generally accepted accounting principles, these financial statements present the County and its component units, legally separate entities for which the County is financially accountable. Randolph County Industrial Facility and Pollution Control Financing Authority (the *Financing Authority*) exists to issue and service revenue bond debt of private businesses for economic development purposes. The Financing Authority has no financial transactions or account balances; therefore, it is not presented in the basic financial statements. The Randolph County Tourism Development Authority, which has a June 30 year-end, is presented as if it is a separate governmental fund of the County (discrete presentation).

Component Unit	Reporting Method	Criteria for Inclusion	Separate Financial Statements
Randolph County Industrial Facility and Pollution Control Financing Authority	Discrete	The Authority is governed by a seven-member board of commissioners that is appointed by the county commissioners. The County can remove any commissioner of the Authority with or without cause.	None issued.
Randolph County Tourism Development Authority	Discrete	The Randolph County Tourism Development Authority was created to promote travel and tourism within the County. Its primary revenue is a room occupancy tax. The County is financially accountable for the Authority. The Authority is governed by a nine-member board, all of which are appointed by the Randolph County Board of Commissioners. Randolph County collects the occupancy tax for the Authority, and performs administrative functions. However, the County does not provide any direct financial support to the Authority.	Randolph County Tourism Development Authority 919 Cox Street Suite E Asheboro, N.C. 27203

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**I. Summary of Significant Accounting Policies (continued)**

**B. Basis of Presentation, Basis of Accounting**

**Basis of Presentation, Measurement Focus – Basis of Accounting**

*Government-wide Statements:* The statement of net assets and the statement of activities display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. However, Randolph County currently does not operate any business-type activities.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

*Fund Financial Statements:* The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category – *governmental and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

*General Fund.* This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

*Randleman Dam Capital Project Fund* – This fund accounts for Randolph County's share of the construction of a water reservoir by the Piedmont Triad Regional Water Authority, a joint venture with five other local governments.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**I. Summary of Significant Accounting Policies (continued)**

**B. Basis of Presentation, Basis of Accounting (continued)**

The County reports the following fund types:

*Pension Trust Fund.* The County had two Pension Trust Funds, a) the Special Separation Allowance Fund, that accounts for the Law Enforcement Officers' Special Separation Allowance, and b) the Mental Health Supplemental Retirement Plan, both of which are single-employer, public employee retirement systems. On July 1, 2003, the Mental Health Supplemental Retirement Plan was transferred to Sandhills Center as part of the merger with the Randolph County Mental Health Program.

*Agency Funds.* Agency funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for assets the County holds on behalf of others. The County maintains the following agency funds: the Social Services Custodial Fund, which accounts for moneys deposited with the Department of Social Services for the benefit of certain individuals; the Fines and Forfeitures Fund, which accounts for various legal fines and forfeitures that the County is required to remit to Randolph County and Asheboro City Boards of Education; the Detention Center Commissary Fund, which accounts for monies held by the County as agent for inmates of the Detention Center; and the Municipal Tax Districts Fund and the School Tax Districts Fund, which account for ad valorem property taxes that are billed and collected by the County for the respective municipalities and special school districts within the County.

**Measurement Focus, Basis of Accounting**

In accordance with North Carolina General Statutes, all funds of the County are maintained during the year using the modified accrual basis of accounting.

*Government-wide and Fiduciary Fund Financial Statements.* The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus, except for the agency funds, which have no measurement focus. The government-wide and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**I. Summary of Significant Accounting Policies (continued)**

**B. Basis of Presentation, Basis of Accounting (continued)**

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

*Governmental Fund Financial Statements.* Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of January 1, 1993, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, Randolph County is responsible for billing and collecting the property taxes on all registered motor vehicles on behalf of all municipalities and special tax districts in the County. For those motor vehicles registered under the staggered system and for vehicles newly registered under the annual system, property taxes are due the first day of the fourth month after the vehicles are registered. The billed taxes are applicable to the fiscal year in which they become due. Therefore, taxes for vehicles registered from March 2003 through February 2004 apply to the fiscal year ended June 30, 2004. Uncollected taxes that were billed during this period are shown as a receivable on these financial statements. For motor vehicles that are renewed and billed under the annual system, taxes are due on May 1 of each year and the uncollected taxes are reported as a receivable on the financial statements offset by deferred revenues because the due date and the date upon which the interest begins to accrue passed prior to June 30. The taxes for renewal vehicles registered annually that have already been collected as of year-end are also reflected as deferred revenues at June 30, 2004 because they are intended to finance the County's operations during the 2005 fiscal year.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**I. Summary of Significant Accounting Policies (continued)**

**B. Basis of Presentation, Basis of Accounting (concluded)**

Sales taxes collected and held by the State at year-end on behalf of the County are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

All governmental funds of the County follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

**C. Budgetary Data**

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, the Emergency Telephone System, Fire Districts, and Landfill Closure Special Revenue Funds. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the Capital Reserve Special Revenue Fund, the Randleman Dam Capital Project Fund, the Randolph County Courthouse Capital Project Fund, and the Asheboro High School Expansion Capital Project Fund. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the departmental level for all annually budgeted funds and at the object level for the multi-year funds. The County Manager is authorized to transfer appropriations within a department; however, all revisions that alter the total expenditures of any department must be approved by the governing board. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**I. Summary of Significant Accounting Policies (continued)**

**C. Budgetary Data (concluded)**

During the year, several amendments to the original budget were necessary.

Encumbrance carryovers from prior year	\$ 2,842,760
Economic development incentives	457,420
Debt refundings	70,457,798
Sheriff's use of forfeiture funds	326,300
Register of deeds technology upgrades	229,500
Social Services grants	1,057,760
Other grants	1,071,862
Other amendments	646,683
	<u>\$ 77,090,083</u>

**D. Assets, Liabilities, and Fund Equity**

**1. Deposits and Investments**

All deposits of the County and Randolph County Tourism Development Authority are made in board-designated official depositories and are secured as required by G.S. 159-31. The County and the Tourism Development Authority may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the County and the Tourism Development Authority may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

State law [G.S. 159-30(c)] authorizes the County and the Tourism Development Authority to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances and the North Carolina Capital Management Trust (NCCMT).

The County and the Tourism Development Authority's investments with a maturity of more than one year at acquisition and non-money market investments are carried at fair value as determined by quoted market prices. The securities of the NCCMT Cash Portfolio, an SEC-registered (2a-7) money market mutual fund, are valued at fair value, which is the NCCMT's share price. Money market investments that have a remaining maturity at the time of purchase of one year or less are reported at amortized cost.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**I. Summary of Significant Accounting Policies (continued)**

**2. Cash and Cash Equivalents**

The County pools moneys from several funds, except the Pension Trust Funds, to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents. The Randolph County Tourism Development Authority considers demand deposits and investments purchased with an original maturity of three months or less, which are not limited as to use, to be cash and cash equivalents.

**3. Ad Valorem Taxes Receivable**

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the County levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2003. As allowed by State law, the County has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the County's General Fund, ad valorem tax revenues are reported net of such discounts.

**4. Allowances for Doubtful Accounts**

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.

**5. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These costs are recorded as expenditures when consumed.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**I. Summary of Significant Accounting Policies (continued)**

**D. Assets, Liabilities, and Fund Equity (continued)**

**6. Capital Assets**

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. Minimum capitalization costs are \$5,000 for the following types of assets: land, buildings, land improvements, equipment, and vehicles. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

The County holds title to certain Randolph County Board of Education and Randolph Community College properties that have not been included in capital assets. The properties have been deeded to the County to permit installment purchase financing of acquisition and construction costs and to permit the County to receive refunds of sales tax paid for construction costs. Agreements between the County and the Board of Education and the College give these organizations full use of the facilities, full responsibility for maintenance of the facilities, and provide that the County will convey title to the property back to them, once all restrictions of the financing agreements and all sales tax reimbursement requirements have been met. The properties are reflected as capital assets in the financial statements of the Randolph County Board of Education and the Randolph Community College, respectively.

Capital assets of the County are depreciated on a straight-line basis over the following estimated useful lives:

- buildings - 40 years
- improvements - 15 years
- furniture and equipment – 10 years
- computer equipment – 3 years
- vehicles – 5 years

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**I. Summary of Significant Accounting Policies (continued)**

**D. Assets, Liabilities, and Fund Equity (continued)**

**7. Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type statement of net assets.

In the fund financial statements for governmental fund types, the face amount of debt issued is reported as an other financing source.

**8. Compensated Absences**

The vacation policies of the County and the Tourism Development Authority provide for the accumulation of up to thirty days earned vacation leave with such leave being fully vested when earned. For the County's government-wide funds and the Tourism Development Authority, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned.

The sick leave policies of the County and the Tourism Development Authority provide for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since none of the entities have any obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made by the County or its component unit.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**I. Summary of Significant Accounting Policies (continued)**

**E. Assets, Liabilities, and Fund Equity (continued)**

**9. Net Assets/Fund Balances**

**Net Assets**

Net assets in government-wide fund financial statements are classified as invested in capital assets, net of related debt; restricted; and unrestricted. Restricted net assets represent constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute.

**Fund Balances**

In the governmental fund financial statements, reservations or restrictions of fund balance represent amounts that are not appropriable or are legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

State law [G.S. 159-13(b)(16)] restricts the appropriation of fund balance to an amount not to exceed the sum of cash and investments minus the sum of liabilities, encumbrances and deferred revenues arising from cash receipts as those amounts stand at the close of the fiscal year preceding the budget year.

The governmental fund types classify fund balances as follows:

Reserved:

Reserved for encumbrances - portion of fund balance available to pay for any commitments related to purchase orders and contracts that remain unperformed at year-end.

Reserved by State statute - portion of fund balance, in addition to reserves for encumbrances and reserves for inventories, which is not available for appropriation under State law [G.S. 159-8(a)]. This amount is usually comprised of accounts receivable and interfund receivables that are not offset by deferred revenues.

Unreserved:

Designated for subsequent year's expenditures - portion of total fund balance available for appropriation that has been designated for the adopted 2004-2005 budget ordinance.

Undesignated - portion of total fund balance available for appropriation that is uncommitted at year-end.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**I. Summary of Significant Accounting Policies (continued)**

**E. Reconciliation of Government-wide and Fund Financial Statements**

**1. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets.**

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. The net adjustment of \$(42,596,083) consists of several elements as follows:

Description	Amount
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds (total capital assets on government-wide statement in governmental activities column)	\$ 47,757,451
Less Accumulated Depreciation	<u>(12,929,803)</u>
Net Capital Assets	34,827,648
Deferred charges related to advance refunding bond issued - included on government-wide statement of net assets but are not current financial resources	1,081,645
Water rights is an intangible asset reported in governmental activities, but is not a financial resource and is therefore not reported in the fund statements	11,106,199
Accrued interest receivable less the amount claimed as unearned revenue in the government-wide statements as these funds are not available and therefore deferred in the fund statements	112,863
Liabilities for revenue deferred but earned and therefore recorded in the fund statements but not the government-wide statements	3,854,388
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not recorded in the fund statements:	
Bonds, capital leases, and installment financing	(89,042,325)
Accrued interest payable	(385,650)
Compensated absences	(1,391,162)
Net pension obligation	(274,857)
Medical claims incurred but not reported	(498,024)
Accrued landfill post-closure costs	<u>(1,986,808)</u>
Total Adjustment	<u>\$ (42,596,083)</u>

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**I. Summary of Significant Accounting Policies (continued)**

**E. Reconciliation of Government-wide and Fund Financial Statements (continued)**

**2. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of \$4,952,190 as follows:

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**I. Summary of Significant Accounting Policies (continued)**

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the government-wide statement of net assets	\$ 3,769,601
Depreciation expense, the allocation of those assets over their useful lives, that is recorded on the statement of activities but not in the fund statements.	(776,163)
New debt issued during the year is recorded as a source of funds on the fund statements; it has no effect on the statement of activities - it affects only the government-wide statement of net assets	(67,430,000)
Payments to escrow agents for refunding debt during the year is recorded as a use of funds on the fund statements; it has no effect on the statement of activities - it affects only the government-wide statement of net assets	66,666,360
Principal payments on debt owed are recorded as a use of funds on the fund statements but again affect only the statement of net assets in the government-wide statements	8,284,074
Governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the	(1,907,192)
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements:	
Difference in interest expense between fund statements (modified accrual) and government-wide statements (full accrual)	(127,818)
Amortization of refunding costs not recorded on fund statements	(133,228)
Compensated absences are accrued in the government-wide statements but not in the fund statements because they do not use current resources	(177,043)
Increase in net pension obligation	(90,717)
Decrease in accrued medical costs for year ended 6/30/04	17,125
Landfill post-closure costs are accrued in the government-wide statements but not in the fund statements because they do not use current resources	46,690
Cost of capital assets disposed of during the year	(2,076,957)
Additional contribution of net assets to Sandhills Center	(1,591,978)
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements:	
Fair value of assets donated that is not recorded in the fund statements but is recorded in the government-wide statements	10,400
Reversal of deferred tax revenue recorded at 7/1/03	(1,440,935)
Recording of tax receipts deferred in the fund statements as of 6/30/04	1,583,565
Increase in accrued interest on taxes receivable	12,576
Reversal of deferred service revenues recorded at 7/1/03	(1,956,993)
Recording of service fees deferred in the fund statements as of 6/30/04	2,270,823
Total adjustment	<u>\$ 4,952,190</u>

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**II. Detail Notes on All Funds**

**A. Assets**

**1. Deposits**

All of the County's and the Tourism Development Authority 's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the County's and the Tourism Development Authority 's agents in these units' names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County and the Tourism Development Authority, these deposits are considered to be held by their agents in the entities' names. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County or the Tourism Development Authority or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County or the Tourism Development Authority under the Pooling Method, the potential exists for undercollateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

At June 30, 2004, the County's deposits had a carrying amount of \$ 31,017,099 and a bank balance of \$ 31,759,544. Of the bank balance, \$ 217,046 was covered by federal depository insurance, and \$ 31,542,498 in interest bearing deposits were covered by collateral held under the Pooling Method.

At June 30, 2004, Randolph County had \$5,521 cash on hand.

At June 30, 2004, the carrying amount of deposits for Randolph County Tourism Development Authority was \$ 252,831 and the bank balance was \$ 252,831. All of the bank balance was covered by collateral held under the Pooling Method.

**2. Investments**

At June 30, 2004, the County's investment balances consisted of \$ 5,029,233 in the North Carolina Capital Management Trust – Cash Portfolio which carried a credit rating of AAAM by Standard and Poor's.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**II. Detail Notes on All Funds (continued)**

**A. Assets (continued)**

**3. Receivables**

Receivables at the government-wide level at June 30, 2004 were as follows:

	Accounts	Taxes and Related Accrued Interest	Due from Other Governments	Total
Governmental Activities:				
General	\$ 3,896,060	\$ 2,074,867	\$ 7,581,306	\$ 13,552,233
Other Governmental	<u>84,091</u>	<u>201,161</u>	<u>17,054</u>	<u>302,306</u>
Total receivables	3,980,151	2,276,028	7,598,360	13,854,539
Allowance for doubtful accounts	<u>(2,297,684)</u>	<u>(579,600)</u>	<u>-</u>	<u>(2,877,284)</u>
 Total-governmental activities	 <u>\$ 1,682,467</u>	 <u>\$ 1,696,428</u>	 <u>\$ 7,598,360</u>	 <u>\$ 10,977,255</u>

The County's accounts receivable are presented net of the allowance for uncollectible accounts of:

Ambulance Billings	\$ 2,210,575
Landfill tipping fees	10,000
Health service fees	<u>77,109</u>
Total allowance for uncollectible accounts	<u>\$ 2,297,684</u>

The due from other governments that is owed to the County consists of the following:

Local option sales tax	\$ 5,584,322
Social service grant reimbursements	940,250
Refund of sales and use tax	175,116
Cable franchise fee	213,194
Public School Building Capital grant	202,599
Other	<u>482,879</u>
Total due from other governments	<u>\$ 7,598,360</u>

**II. Detail Notes on All Funds (continued)**

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**A. Assets (continued)**

**4. Notes Receivable**

As permitted by G.S. 160A-20(1), the County has advanced funds to local governments to assist in the construction of water and sewer lines. Seagrove-Ulah Metropolitan Water District borrowed \$50,000 in 1995, payable on demand. The Town of Ramseur was advanced a total of \$315,000, payable \$19,687 semi-annually over eight years. Neither note has any stated interest.

The note from Davidson Water, Inc. was a loan to construct water lines in the Glenola area of Randolph County. The funds were provided by a State Clean Drinking Water Revolving Loan to the County. The terms for Davidson Water are the same as the repayment terms for the state's loan to the County.

A summary of changes in notes receivable follows:

	<u>Balance July 1, 2003</u>	<u>Advances</u>	<u>Collections</u>	<u>Balance June 30, 2004</u>
Due from:				
Seagrove-Ulah				
Metropolitan Water District	\$ 50,000	\$ -	\$ -	\$ 50,000
Town of Ramseur	125,000		31,250	93,750
Town of Ramseur	32,500		8,125	24,375
Davidson Water, Inc.	<u>774,396</u>	<u>-</u>	<u>43,022</u>	<u>731,374</u>
	<u>\$ 981,896</u>	<u>\$ -</u>	<u>\$ 82,397</u>	<u>\$ 899,499</u>

**II. Detail Notes on All Funds (continued)**

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**A. Assets (continued)**

**5. Capital Assets**

Capital asset activity for the year ended June 30, 2004, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 3,081,237	\$ -	\$ 149,609	\$ 2,931,628
Construction in progress	1,999,728	450,709	2,441,302	9,135
Total capital assets not being depreciated	5,080,965	450,709	2,590,911	2,940,763
Capital assets being depreciated:				
Buildings	37,516,526	69,931	1,917,336	35,669,121
Other improvements	361,535	96,352	7,192	450,695
Equipment	4,521,457	379,719	702,909	4,198,267
Vehicles and motor equipment	4,586,113	712,814	800,322	4,498,605
Total capital assets being depreciated	46,985,631	1,258,816	3,427,759	44,816,688
Less accumulated depreciation for:				
Buildings	7,617,079	463,988	825,961	7,255,106
Other improvements	115,191	27,504	6,233	136,462
Equipment	2,877,212	142,120	468,485	2,550,847
Vehicles and motor equipment	3,579,798	142,551	734,961	2,987,388
Total accumulated depreciation	14,189,280	\$ 776,163	\$ 2,035,640	12,929,803
Total capital assets being depreciated, net	32,796,351			31,886,885
Governmental activity capital assets, net	\$ 37,877,316			\$ 34,827,648

Depreciation expense was charged to functions/programs of the primary government as follows:

General government	\$ 494,785
Public safety	203,970
Economic and physical development	23,938
Environmental protection	29,475
Human services	13,425
Cultural and recreational	10,570
Total depreciation expense	\$ 776,163

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**II. Detail Notes on All Funds (continued)**

**A. Assets (concluded)**

**B. Liabilities**

**1. Payables**

Payables at the government-wide level at June 30, 2004, were as follows:

	Vendors	Salaries and Benefits	Accrued Interest	Total
Governmental Activities:				
General	\$ 1,960,682	\$ 214,536	\$ 385,650	\$ 2,560,868
Other Governmental	<u>953,895</u>	<u>-</u>	<u>-</u>	<u>953,895</u>
Total - governmental activities	<u>\$ 2,914,577</u>	<u>\$ 214,536</u>	<u>\$ 385,650</u>	<u>\$ 3,514,763</u>

**2. Pension Plan Obligations**

**a. Local Governmental Employees' Retirement System**

*Plan Description.* Randolph County and the Randolph County Tourism Development Authority contribute to the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS provides retirement and disability benefits to plan members and beneficiaries. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Local Governmental Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**II. Detail Notes on All Funds (continued)**

**B. Liabilities (continued)**

**2. Pension Plan Obligations (continued)**

**a. Local Governmental Employees' Retirement System (concluded)**

*Funding Policy.* Plan members are required to contribute six percent of their annual covered salary. The County and the Randolph County Tourism Development Authority are required to contribute at an actuarially determined rate. For the County, the current rate for employees not engaged in law enforcement and for law enforcement officers is 4.80% and 4.64%, respectively, of annual covered payroll. For the Authority, the current rate for employees not engaged in law enforcement is 4.80% of annual covered payroll. The contribution requirements of members and of Randolph County and the Randolph County Tourism Development Authority are established and may be amended by the North Carolina General Assembly. The County's contributions to LGERS for the years ended June 30, 2004, 2003, and 2002 were \$954,375, \$894,885, and \$855,731, respectively. The Authority's contributions to LGERS for the years ended June 30, 2004, 2003, and 2002 were \$3,749, \$3,379, and \$1,090, respectively. The contributions made by the County and the Tourism Development Authority equaled the required contributions for each year.

**b. Law Enforcement Officers' Special Separation Allowance**

***(1) Plan Description.***

Randolph County administers a public employee retirement system (the *Separation Allowance*), a single-employer defined benefit pension plan that provides retirement benefits to the County's qualified sworn law enforcement officers. The Separation Allowance is equal to .85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Separation Allowance is reported in the County's report as a pension trust fund.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**II. Detail Notes on All Funds (continued)**

**B. Liabilities (continued)**

**2. Pension Plan Obligations (continued)**

**b. Law Enforcement Officers' Special Separation Allowance (continued)**

All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2003, the Separation Allowance's membership consisted of:

Retirees receiving benefits	2
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	141
Total	143

**(2) *Summary of Significant Accounting Policies.***

*Basis of Accounting.* Financial statements for the Separation Allowance are prepared using the accrual basis of accounting. Employer contributions to the plan are recognized when due and when the County has made a formal commitment to provide the contributions. Benefits are recognized when due and payable in accordance with the terms of the plan.

*Method Used to Value Investments.* Investments are reported at fair value. Short-term money market debt instruments, deposits, and repurchase agreements, are reported at cost or amortized cost, which approximates fair value. Certain longer term United States Government and United States Agency securities are valued at the last reported sales price.

**(3) *Contributions.***

The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned by making a fixed contribution, rather than one based on actuarial valuations. For the current year, the County contributed \$5,000, or .12% of annual covered payroll. There were no contributions made by employees. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings.

The annual required contribution for the current year was determined as part of the December 31, 2002 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 7.25% investment rate of return (net of administrative expenses) and (b) projected salary increases ranging from 5.9% to 9.8% per year.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**II. Detail Notes on All Funds (continued)**

**B. Liabilities (continued)**

**2. Pension Plan Obligations (continued)**

**b. Law Enforcement Officers' Special Separation Allowance (continued)**

Both (a) and (b) included an inflation component of 3.75%. The assumptions did not include postretirement benefit increases. The actuarial value of assets was determined using the market value of investments. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2002 was 28 years.

For Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2002	\$ 71,840	6.96%	\$ 105,091
2003	\$ 84,049	5.95%	\$ 184,140
2004	\$ 95,717	5.22%	\$ 274,857

**(4) *Annual Pension Cost and Net Pension Obligation.***

The separation allowance annual pension cost (APC) consists of the annual required contribution (ARC), plus interest on the beginning of the year net pension obligation (NPO), minus an adjustment equal to the amortization of the beginning of the year NPO. The APC for the fiscal year ended June 30, 2004 was as follows:

Annual Required Contribution (ARC)	\$ 92,469
Interest on NPO	13,350
Adjustment to NPO	<u>(10,102)</u>
Annual Pension Cost (APC)	<u>\$ 95,717</u>

The Net Pension Obligation as of June 30, 2004 was as follows:

NPO, beginning of year	\$ 184,140
Annual Pension Cost (APC)	95,717
Actual Contribution	<u>5,000</u>
NPO, End of Year	<u>\$ 274,857</u>
Percentage of APC Contributed	<u>5.22%</u>

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**II. Detail Notes on All Funds (continued)**

**B. Liabilities (continued)**

**2. Pension Plan Obligations (continued)**

**c. Supplemental Retirement Income Plan for Law Enforcement Officers**

*Plan Description.* The County contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the County. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

*Funding Policy.* Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended June 30, 2004 were \$277,069, which consisted of \$234,411 from the County and \$42,658 from the law enforcement officers.

**d. Registers of Deeds' Supplemental Pension Fund**

*Plan Description.* Randolph County also contributes to the Registers of Deeds' Supplemental Pension Fund (Fund), a noncontributory, defined contribution plan administered by the North Carolina Department of State Treasurer. The Fund provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 161 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

*Funding Policy.* On a monthly basis, the County remits to the Department of State Treasurer an amount equal to four and one-half percent (4.5%) of the monthly receipts collected pursuant to Article 1 of G.S. 161. Immediately following January 1 of each year, the Department of State Treasurer divides ninety-three percent (93%) of the amount in the Fund at the end of the preceding calendar year into equal shares to be disbursed as monthly benefits. The remaining seven percent (7%) of the Fund's assets may be used by the State Treasurer in administering the Fund. For the fiscal year ended June 30, 2004, the County's required and actual contributions were \$39,538.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**II. Detail Notes on All Funds (continued)**

**B. Liabilities (continued)**

**2. Pension Plan Obligations (continued)**

**e. Other Post employment Benefits - Randolph County**

According to a County resolution, the County provides health care benefits to retirees of the County who participate in the North Carolina Local Governmental Employees' Retirement System (System) and have at least ten years of creditable service with the County. The County pays a sliding percentage of the cost for these benefits, depending on length of service. Retirees are responsible for the remaining cost of premiums. Currently 10 retirees are eligible for postretirement health benefits. For the fiscal year ended June 30, 2004, the County made payments for postretirement health benefit premiums of \$29,837. The County is self-insured for health care costs.

The County has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months salary in a row during the 24 months prior to the employee's death, but the benefit may not exceed \$20,000. All death benefit payments are made from the Death Benefit Plan. The County has no liability beyond the payment of monthly contributions. Contributions are determined as a percentage of monthly payroll, based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. Because the benefit payments are made by the Death Benefit Plan and not by the County, the County does not determine the number of eligible participants. For the fiscal year ended June 30, 2004, the County and the Tourism Development Authority made contributions to the State for death benefits of \$20,290 and \$70, respectively. The County's required contributions for employees not engaged in law enforcement and for law enforcement officers represented .09% and .14% of covered payroll, respectively. The contributions to the Death Benefit Plan cannot be separated between the post employment benefit amount and the other benefit amount.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**II. Detail Notes on All Funds (continued)**

**B. Liabilities (continued)**

**2. Pension Plan Obligations (continued)**

**f. Randolph County Mental Health Program Supplemental Retirement Savings Plan**

(1) Plan Description

Randolph County Mental Health Program administered a Supplemental Retirement Savings Plan, a single-employer defined contribution retirement plan established under Internal Revenue Section 403(b). The plan was transferred on July 1, 2003, due to the merger of Randolph County Mental Health with Sandhills Center, a regional mental health authority. Plan assets at that time were \$ 3,152,932.

**3. Closure and Postclosure Care Costs - Landfill Facility**

State and federal laws and regulations require the County to place a final cover on its Landfill Facility when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The County closed its only landfill on December 31, 1997. Subsequent to that date, solid waste collections are transferred to a privately operated facility. In 2000, the County completed the closure requirements for the finished landfill.

The County has met the requirements of a local government financial test that is one option under State and federal laws and regulations that helps determine if a unit is financially able to meet closure and postclosure care requirements. However, the County has also elected to establish a reserve fund to accumulate resources for the payment of closure and postclosure care costs. Landfill Closure fund balance available at June 30, 2004 exceeded the accrued postclosure cost liability of \$1,986,808. The County expects that future inflation costs will be paid from the interest earnings on these designated funds. However, if interest earnings are inadequate or additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or by future tax revenues.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**II. Detail Notes on All Funds (continued)**

**B. Liabilities (continued)**

**4. Deferred / Unearned Revenues**

The balance in deferred revenue on the fund statements and unearned revenues on the government-wide statements at year-end is composed of the following elements:

	Deferred Revenue	Unearned Revenue
Prepaid taxes not yet earned (General)	\$ -	\$ 212,528
Prepaid taxes not yet earned (Special Revenue)		25,346
Deferred annuity on Drinking Water Loan (General)		122,247
Other collections (General)		83,528
Taxes receivable, net (General)	1,420,004	
Taxes receivable, net (Special Revenue)	163,561	
Ambulance service receivables, net (General)	1,152,027	
Health service receivables, net (General)	51,405	
Landfill tipping fees receivable, net (General)	215,457	
Dog license receivables (General)	2,435	
Notes receivable (General)	849,499	-
Total	<u>\$ 3,854,388</u>	<u>\$ 443,649</u>

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**II. Detail Notes on All Funds (continued)**

**B. Liabilities (continued)**

**5. Risk Management**

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County participates in three self-funded risk-financing pools administered by the North Carolina Association of County Commissioners. Through these pools, the County obtains property coverage equal to replacement cost values of owned property subject to a limit of \$150 million for any one occurrence, general, auto, professional, and employment practices liability coverage of \$2 million per occurrence, auto physical damage coverage for owned autos at actual cash value, crime coverage of \$250,000 per occurrence, workers' compensation coverage up to the statutory limits, and health insurance for county employees. The pools are audited annually by certified public accountants, and the audited financial statements are available to the County upon request. Two of the pools are reinsured through a multi-state public entity captive for single occurrence losses in excess of \$500,000 up to a \$2 million limit for liability coverage, \$750,000 of aggregate annual losses in excess of \$250,000 per occurrence for property, auto physical damage, and crime coverage, and single occurrence losses of \$350,000 for workers' compensation. For health insurance, the county is reinsured through the Pool for individual losses in excess of \$50,000 and aggregate annual losses in excess of 120% of expected claims. The pool is reinsured through commercial carrier for individual losses in excess of \$500,000.

The County carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in any of the past three fiscal years.

At June 30, 2004, the County had a balance of \$213,592 in a medical self-insurance account with its independent medical claims administrator; there is also a potential liability of \$498,024 for estimated self-insurance claims incurred but not reported.

Changes in aggregate liabilities for medical insurance during the past two years is as follows:

	Fiscal Year Ending <u>June 30, 2004</u>	Fiscal Year Ending <u>June 30, 2003</u>
Beginning of year claims liability	\$ 515,149	\$ 439,682
Claims incurred	2,613,750	2,426,306
Payments	<u>(2,630,875)</u>	<u>(2,350,839)</u>
End of year claims liability	<u>\$ 498,024</u>	<u>\$ 515,149</u>

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**II. Detail Notes on All Funds (continued)**

**B. Liabilities (continued)**

**5. Risk Management (concluded)**

The Randolph County Tourism Development Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Authority is included under Randolph County's insurance for property, general liability, auto liability, workers' compensation, and employee health coverage.

**6. Contingent Liabilities**

At June 30, 2004, the County was a defendant to various lawsuits. In the opinion of the County's management and the County attorney, the ultimate effect of these legal matters will not have a material adverse effect on the County's financial position.

**7. Long-Term Obligations**

**a. Capital Leases**

The County has entered into an agreement to lease certain equipment. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of its inception. The agreement was executed on March 25, 2002 for the lease of telephone equipment and required an initial payment of \$24,192 at closing, \$20,360 in the first month, and 57 monthly payments of \$12,096 in the remaining years.

At June 30, 2004, the County leased equipment valued at:

<u>Classes of Property</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Telephone equipment	\$ 620,660	\$ 124,132	\$ 496,528

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**II. Detail Notes on All Funds (continued)**

**B. Liabilities (continued)**

**7. Long-Term Obligations (continued)**

**a. Capital Leases (concluded)**

For Randolph County, the future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2004 were as follows:

Year Ending June 30	
2005	145,152
2006	145,152
2007	120,960
Total minimum lease payments	411,264
Less: amount representing interest	38,673
Present value of the minimum lease payments	\$ 372,591

**b. Note Payable – Revolving Loan**

The County received an \$860,440 State Clean Drinking Water Revolving Loan granted for the development of water lines to an area of the County. The funds were provided to Davidson Water, Inc., who will repay the County under the same repayment terms as those under the state loan. The agreement was executed on May 1, 2002 and requires twenty annual payments of \$43,022, plus interest at 2.550%. The debt service requirements of the loan as of June 30, 2004 are as follows:

Year Ending June 30,	Principal	Interest
2005	\$ 43,022	\$ 18,650
2006	43,022	17,553
2007	43,022	16,456
2008	43,022	15,359
2009	43,022	14,262
2010-2014	215,110	54,853
2015-2019	215,110	27,428
2020-2024	86,044	3,290
Totals	\$ 731,374	\$ 167,851

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**II. Detail Notes on All Funds (continued)**

**B. Liabilities (continued)**

**7. Long-Term Obligations (continued)**

**c. Installment Purchases**

The County executed an installment purchase agreement in December 1993 to finance the general government office building and the construction of the Detention Center. Biannual payments of \$371,933 are required, including interest of 5.39%.

In another agreement, as authorized by State law (G.S. 160A-20 and 153A-158.1), the County financed various property acquisitions for use by Randolph County Board of Education during the fiscal year ended June 30, 1996, by installment purchase. The installment purchase was issued pursuant to a deed of trust, which requires that legal title remain with the County as long as the debt is outstanding. The County has entered into a lease with Randolph County Board of Education, which transfers the rights and responsibilities for maintenance and insurance of the property to the Board of Education. The lease calls for nominal annual lease payments and also contains a bargain purchase option.

The lease term is the same as that of the installment purchase obligation. Due to the economic substance of the transaction, the fixed assets associated with the installment purchase obligation are recorded by the Board of Education.

The installment purchase was executed on November 15, 1995, for various property improvements for use by Randolph County Board of Education and the Randolph County Mental Health Program. The transaction required principal payments by the County ranging from \$1,370,000 in 2003 to \$2,365,000 in 2015 and semi-annual interest payments at rates from 4.50% to 5.3%. This debt was included as part of the advance refunding conducted in December 2003. As of June 30, 2004, only \$1,430,000 remained as outstanding obligation under this agreement, to be retired during the next year.

A third installment purchase was issued in April 2000 and is also authorized by G.S. 160A-20 and 153A-158.1. The County financed the acquisition, construction and renovation of facilities for the Asheboro City and Randolph County Boards of Education, the Randolph Community College, and the Randolph County Courthouse. The installment purchase was issued pursuant to a deed of trust which requires that legal title for certain Randolph County Board of Education and Randolph Community College property remain with the County as long as the debt is outstanding. The County has entered into leases with the Randolph County Board of Education and Randolph Community College, which transfer the rights and responsibilities for maintenance and insurance of the properties to them. The leases call for

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**II. Detail Notes on All Funds (continued)**

**B. Liabilities (continued)**

**7. Long-Term Obligations (continued)**

**c. Installment Purchases (continued)**

nominal annual lease payments and also contain a bargain purchase option. The lease term is the same as that of the installment purchase obligation. Due to the economic substance of the transaction, the fixed assets associated with the Boards of Education and the RCC projects are recorded by those organizations.

The installment purchase required principal payments, which increased from \$925,000 in 2003 to \$3,235,000 through 2022. Semi-annual interest payments have rates ranging from 5.0% to 5.75%. This debt was included as part of the advance refunding conducted in March and May 2004. As of June 30, 2004, only \$8,820,000 remained as outstanding obligations under this agreement, to be retired over the next five years.

A fourth installment purchase was issued in February 2003 to purchase a former motel property adjacent to Asheboro High School. The property was renovated to provide additional classroom space and parking. The installment purchase was issued pursuant to a deed of trust, which requires that legal title remain with the County as long as the debt is outstanding. The County entered into a lease with the City of Asheboro Board of Education, which transferred the rights and responsibilities for maintenance and insurance of the property to the Board of Education. The lease calls for nominal annual lease payments and also contains a bargain purchase option.

The lease term is the same as that of the installment purchase obligation. Due to the economic substance of the transaction, the fixed assets associated with the installment purchase obligation are recorded by the Board of Education.

The installment purchase required principal payments of \$177,550 through 2018. Semi-annual interest payments were at 3.97%. This debt was included as part of the advance refunding conducted in December 2003.

**Advance Refundings**

During the year, the County issued \$67,430,000 of certificates of participation to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust for the purpose of general resources for all future debt service payments of \$62,374,475 of outstanding certificates of participation. As a result, the refunded certificates are considered

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**II. Detail Notes on All Funds (continued)**

**B. Liabilities (continued)**

**7. Long-Term Obligations (continued)**

**c. Installment Purchases (concluded)**

to be defeased and the liability has been removed from the governmental activities column of the statement of net assets. The reacquisition price exceeded the net carrying amount of the old debt by \$6,866,360. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is the same as the life of the new debt issued. This advance refunding was undertaken to reduce total debt service payments over the next 19 years by \$2,304,648 and resulted in an economic gain of \$1,868,427. In addition, during the year Randolph County restructured the securities held in escrow for debt retirement, resulting in a gain of \$ 756,432.

The 2003 installment purchase requires principal payments, which increase from \$195,000 in 2004 to \$2,510,000 through 2018. Semi-annual interest payments have rates ranging from 2.0% to 5.0%. The 2004 installment purchase requires principal payments, which increase from \$245,000 in 2005 to \$3,350,000 through 2015. Semi-annual interest payments have rates ranging from 2.0% to 5.0%. The 2004A installment purchase requires principal payments, which increase from \$135,000 in 2005 to \$3,410,000 through 2022. Semi-annual interest payments have rates ranging from 2.0% to 5.0%.

The debt service requirements for installment purchases as of June 30, 2004, are:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2005	\$ 3,902,814	\$ 3,235,600
2006	4,214,841	3,060,584
2007	3,985,000	2,922,408
2008	4,510,000	2,751,558
2009	4,855,000	2,552,658
2010-1014	27,550,000	10,054,208
2015-2019	20,020,000	4,737,735
2020-2022	9,840,000	817,500
Totals	<u>\$ 78,877,655</u>	<u>\$ 30,132,251</u>

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**II. Detail Notes on All Funds (continued)**

**B. Liabilities (continued)**

**7. Long-Term Obligations (continued)**

**d. General Obligation Indebtedness**

All general obligation bonds serviced by the County's general fund are collateralized by the full faith, credit, and taxing power of the County. Principal and interest payments are appropriated when due.

The County's general obligation bonds payable at June 30, 2004 are comprised of the following individual issue serviced by the County's General Fund:

\$23,465,000 1998 School Facility Refunding Bonds due on May 1 in installments from \$605,000 to \$2,370,000 through May 1, 2010, plus interest ranging from 4.20 to 5.00 percent. \$ 12,805,000

Annual debt service requirements to maturity for the County's general obligation bonds are as follows:

Year Ending	Governmental Activities	
	June 30	Principal
2005	2,290,000	586,510
2006	2,255,000	488,040
2007	2,210,000	391,075
2008	2,175,000	291,625
2009	2,140,000	193,750
2010	1,735,000	86,750
Total	\$ 12,805,000	\$ 2,037,750

At June 30, 2004, Randolph County had no bonds authorized but unissued and a legal debt margin of \$581,223,297.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**II. Detail Notes on All Funds (continued)**

**B. Liabilities (continued)**

**7. Long-Term Obligations (concluded)**

**e. Long-Term Obligation Activity**

The following is a summary of changes in the County's long-term obligations for the fiscal year ended June 30, 2004:

Governmental activities:	Balance			Balance June 30, 2004	Current
	June 30, 2003	Increases	Decreases		Portion of Balance
General obligation debt	\$ 15,135,000	\$ -	\$ 2,330,000	\$ 12,805,000	\$ 2,290,000
Installment purchase	77,043,611	5,055,525	3,221,481	78,877,655	3,902,814
Unamortized premium on debt	-	3,027,797	106,424	2,921,373	296,582
Deferred Charge on Refunding	-	(6,866,359)	(200,691)	(6,665,668)	(646,546)
Note Payable - State of NC	774,396		43,022	731,374	43,022
Capitalized leases	487,687	-	115,096	372,591	123,294
Compensated absences	1,578,517	1,340,510	1,527,865	1,391,162	1,163,467
Net pension obligation	184,140	90,717		274,857	-
Accrued medical claims	515,149		17,125	498,024	498,024
Accrued landfill postclosure costs	2,033,498	-	46,690	1,986,808	86,500
Total governmental activities	<u>\$ 97,751,998</u>	<u>\$ 2,648,190</u>	<u>\$ 7,207,012</u>	<u>\$ 93,193,176</u>	<u>\$ 7,757,157</u>

Compensated absences typically have been liquidated in the general fund.

**f. Conduit Debt Obligations**

Randolph County Industrial Facility and Pollution Control Authority has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed as well as letters of credit and are payable solely from payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the County, the Authority, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2004, there were two series of industrial revenue bonds outstanding, with an aggregate principal amount payable of \$5 million.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**II. Detail Notes on All Funds (continued)**

**C. Interfund Balances and Activity**

**1. Transfers to/from other funds**

Transfers to/from other funds at June 30, 2004, consists of the following:

From the General Fund to the 1995 Capital Reserve - Mental Health and County Schools Facilities Fund to accumulate resources for the payment of obligations on the above leased properties	\$1,442,950
From the General Fund to Randleman Dam Capital Project Fund for reservoir construction	500,000
From the General Fund to the Asheboro High School Expansion Capital Project Fund to transfer additional debt proceeds	30,399
From the 1995 Capital Reserve - Mental Health and County Schools Facilities Fund to the General Fund to transfer resources for the payment of obligations on the above leased properties	<u>2,493,170</u>
Total	<u>\$4,466,519</u>

**2. Interfund Receivables and Payables**

The composition of interfund balances as of June 30, 2004, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Special Revenue Funds:		
Fire Districts Fund:	General Fund	\$ <u>70,648</u>
Trust and Agency Funds:		
City of Asheboro Tax Fund	General Fund	\$ 88,499
City of Archdale Tax Fund	General Fund	18,575
Town of Franklinville Tax Fund	General Fund	2,628
Town of Liberty Tax Fund	General Fund	18,224
Town of Ramseur Tax Fund	General Fund	3,709
City of Randleman Tax Fund	General Fund	11,239
Town of Seagrove Tax Fund	General Fund	931
Town of Staley Tax Fund	General Fund	363
City of High Point Tax Fund	General Fund	251
City of Trinity Tax Fund	General Fund	2,798
Asheboro School District Tax Fund	General Fund	30,194
Archdale-Trinity School District Tax Fund	General Fund	<u>18,779</u>
		<u>\$ 196,190</u>

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**II. Detail Notes on All Funds (concluded)**

**D. Prior Period Adjustment**

During the fiscal year ended June 30, 2004 the State of North Carolina changed the distribution method for local option sales taxes that it collects on behalf of local governments. These taxes are now distributed on a monthly rather than quarterly basis. Taxes on sales for the month of June 2004 will be distributed by the State on or around September 15, 2004. In addition, the County collects a cable television franchise fee for services rendered during the prior year that is collected in July 2004.

In accordance with GASB Statement No. 33, these items are considered to be revenues as of June 30, 2004. The County has decided to consider revenues available for payment of current year-end liabilities if collected within 90 days after year-end, other than property taxes. The County had previously considered only revenues collected within 60 days of year-end as available. See Note I.B.

The September 15, 2004 distributions of sales taxes and the franchise fee are recognized as revenues for the 2004 fiscal year. If this policy had been in effect for the 2003 fiscal year, ending fund balance of the General Fund would have been \$31,888,682, which is \$1,398,277 higher than was previously reported. The beginning fund balance of the General Fund for the 2004 fiscal year had been restated to that amount.

**III. Related Organization**

The Seagrove-Ulah Metropolitan Water District of Randolph County was established in 1989 to provide local water and sewer services. Its primary revenues are customer fees for these services. Three of the four members of the District's governing board are appointed by Randolph County; however, the County's responsibility for this organization does not extend beyond making these appointments. The County is not responsible for any debt issued by the District, nor is it required to fund any operating deficits. The Water District has a \$50,000 outstanding loan from the County.

The Randolph County Health Development Authority, Inc., is a non-stock corporation established in 1982. The Authority's board of directors is appointed by the County Board of Commissioners; however, the County provides no funding to the Authority, guarantees no debt of the Authority, and does not maintain a significant continuing relationship with the Authority board.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**IV. Joint Ventures**

The County, in conjunction with the State of North Carolina, the Asheboro City Board of Education, and the Randolph County Board of Education, participates in a joint venture to operate the Randolph County Community College. The County and the State appoint four members of the thirteen-member board of trustees of the community college. The Boards of Education each appoint two members. The president of the community college's student government serves as an ex officio nonvoting member of the community college's board of trustees. The community college is included as a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the community college and also provides some financial support for the community college's operations. In addition to providing annual appropriations for the facilities, the County periodically issues general obligation bonds to provide financing for new and restructured facilities. As of June 30, 2004, the County has no outstanding general obligation bond debt for this purpose. The County has a \$3,203,040 debt outstanding for an installment purchase obligation to construct a training facility at the community college. The County has an ongoing financial responsibility for the community college because of the statutory responsibilities to provide funding for the community college's facilities. The County contributed \$1,832,457 and \$100,000 to the community college for operating and capital purposes, respectively, during the fiscal year ended June 30, 2004. In addition, the County made debt service payments of \$211,915 during the fiscal year on installment purchase obligations issued for community college capital facilities. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2004. Complete financial statements for the community college may be obtained from the community college's administrative offices at 629 Industrial Park Avenue, Asheboro, NC 27203.

The County, in conjunction with five other governments, participates in the Piedmont Triad Regional Water Authority. The Authority was established to construct a dam facility, water treatment plant and related distribution lines. The Authority began construction of the dam in 2001, and the participating governments are legally obligated under the intergovernmental agreement that created the Authority to contribute a pre-determined share of the construction costs. The County's share of support is 12.5%. During the year ended June 30, 2004, the County made a \$2,512,051 contribution to the Authority for construction. According to the joint governmental agreement, the participating governments do not have an equity interest in the joint venture, but rather rights to water in the reservoir. After a water treatment plant is constructed, the participating governments have the right to purchase future treated water based upon their pre-determined share, according to a uniform rate structure to be set by the Authority. Accordingly, an \$11,106,199 intangible asset has been recorded at cost in the government-wide financial statements at June 30, 2004. Complete financial statements for the Authority can be obtained from the Authority's administrative offices at 2216 West Meadowview Road, Greensboro, NC 27407.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**V. Jointly Governed Organization**

The County, in conjunction with six other counties and thirty-four municipalities, established the Piedmont Triad Council of Governments (Council). The participating governments established the Council to coordinate various funding received from Federal and State agencies. Each participating government appoints one member to the Council's governing board. The County paid membership fees of \$ 36,939 to the Council during the fiscal year ended June 30, 2004. The County was the subrecipient of grants for \$ 725,994 from the U.S. Department of Health and Human Services, the U.S. Department of Agriculture, and the Division of Aging of the North Carolina Department of Human Resources, which was passed through the Council.

**VI. Benefit Payments Issued by the State**

The amounts listed below were paid directly to individual recipients by the State from federal and State moneys. County personnel are involved with certain functions, primarily eligibility determinations, which cause benefit payments to be issued by the State. These amounts disclose this additional aid to County recipients that do not appear in the basic financial statements because they are not revenues and expenditures of the County.

	Federal	State
Women, infants and children	\$ 2,256,040	\$ -
Medicaid	65,750,355	28,812,877
Food stamp program	8,391,285	
Temporary assistance for needy families	1,645,938	
Energy assistance	172,302	
Adoption assistance	227,719	68,611
Adult assistance		977,194
Title IV-E, foster care	159,192	30,250
Total	<u>\$ 78,602,831</u>	<u>\$ 29,888,932</u>

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2004**

**VII. Summary Disclosure of Significant Commitments and Contingencies**

**Federal and State Assisted Programs**

The County has received proceeds from several federal and State grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant moneys to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant moneys.

**VIII. Special Item**

**Merger of Randolph County Mental Health Program with Sandhills Center**

The Randolph County Mental Health Program operated as a single county area mental health provider until June 30, 2003. Although the Program operated independently of Randolph County, it was not a legally separate entity. State law (G.S. 122C-116) required its operations to be presented with those of the County and, accordingly, had been included in the accompanying financial statements as a department of the General Fund.

On July 1, 2003, the Randolph County Mental Health Program merged with Sandhills Center, a multi-county a regional service agency which provides mental health, developmental disabilities, and substance abuse services to citizens in six counties in south-central North Carolina. The Center is governed by an Area Board comprised of individuals appointed by the County Commissioners for each of the six counties.

All the assets and liabilities of the Randolph County Mental Health Program were contributed to Sandhills Center on July 1, 2003. This consisted of net assets of \$2,725,823 included in the governmental activities on the Statement of Net Assets and \$3,152,932 in fund balances of the Mental Health Supplemental Retirement Plan, included in the Pension Trust Fund.



## Required Supplemental Financial Data

This section contains additional information required by generally accepted accounting principles.

- Schedule of Funding Progress for the Law Enforcement Officers' Special Separation Allowance
- Schedule of Employer Contributions for the Law Enforcement Officers' Special Separation Allowance
- Notes to the Required Schedules for the Law Enforcement Officers' Special Separation Allowance

Randolph County, North Carolina  
Law Enforcement Officers' Special Separation Allowance  
Required Supplementary Information  
Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)- Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b - a)/c)
12/31/94	-	148,433	148,433	0.00%	1,445,225	10.27%
12/31/95	-	167,650	167,650	0.00%	1,588,781	10.55%
12/31/96	-	176,329	176,329	0.00%	1,703,693	10.35%
12/31/97	181,859	232,624	50,765	78.18%	2,254,919	2.25%
12/31/98	186,108	275,565	89,457	67.54%	2,524,873	3.54%
12/31/99	207,437	308,915	101,478	67.15%	2,807,872	3.61%
12/31/00	221,416	589,798	368,382	37.54%	3,060,200	12.04%
12/31/01	237,664	684,921	447,257	34.70%	3,487,660	12.82%
12/31/02	244,283	741,252	496,969	49.15%	4,052,114	12.26%
12/31/03	251,090	826,784	575,694	30.37%	4,313,650	13.35%

Randolph County, North Carolina  
 Law Enforcement Officers' Special Separation Allowance  
 Required Supplementary Information  
 Schedule of Employer Contributions

Year Ending June 30	Annual Required Contributions	Percentage Contributed
1997	\$ 29,392	37.15%
1998	\$ 31,106	35.30%
1999	\$ 25,499	0.00%
2000	\$ 32,667	45.92%
2001	\$ 36,615	13.66%
2002	\$ 71,081	7.03%
2003	\$ 82,075	6.09%
2004	\$ 92,469	5.41%

Notes to the Required Schedules:

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows.

Valuation date	12/31/02
Actuarial cost method	Projected unit credit
Amortization method	Level percent closed
Remaining amortization period	28 Years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return*	7.25%
Projected salary increases*	From 5.9% to 9.8%
*Includes inflation at	3.75%
Cost of living adjustments	None





## **Major Governmental Funds Budgetary Comparison Schedules**

### **General Fund**

The General Fund is the general operating fund of Randolph County. It is used to account for all financial resources except those required to be accounted for in another fund.

### **Major Capital Project Fund**

The Randleman Dam Capital Project Fund accounts for Randolph County's share of the construction of a water reservoir by the Piedmont Triad Regional Water Authority, a joint venture with five other local governments.



**Randolph County, North Carolina**  
**General Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2004

	2004		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Ad valorem taxes:			
Taxes		\$ 41,631,484	
Penalties and interest		232,193	
Total	<u>\$ 41,247,100</u>	<u>41,863,677</u>	<u>\$ 616,577</u>
Local option sales taxes:			
Article 39 one percent		7,263,095	
Article 40 one - half of one percent		4,715,796	
Article 42 one - half of one percent		4,683,756	
Article 44 one - half of one percent		3,686,348	
Total	<u>19,419,012</u>	<u>20,348,995</u>	<u>929,983</u>
Other taxes and licenses:			
Animal tax		67,502	
Deed stamp excise tax		387,580	
Scrap tire disposal tax		127,023	
White goods disposal tax		49,836	
Occupancy tax		298,545	
Gross receipts tax		28,969	
Total	<u>541,000</u>	<u>959,455</u>	<u>418,455</u>
Unrestricted intergovernmental:			
Payments in lieu of taxes-outside sources		13,021	
Sales and gas tax refunds		74,203	
Total	<u>54,900</u>	<u>87,224</u>	<u>32,324</u>
Restricted intergovernmental:			
Federal and State grants			
Public safety services		522,951	
Health services		1,145,373	
Social services		9,392,258	
Juvenile justice services		324,132	
Aging services		788,306	
Library services		285,720	
Public School Building Capital Funds		202,599	
All other		111,604	
Court facility fees		218,239	
Controlled substance tax		14,315	
Treasury Department forfeitures		19,097	
ABC bottles taxes		11,195	
Total	<u>14,024,903</u>	<u>13,035,789</u>	<u>(989,114)</u>

**Randolph County, North Carolina**  
**General Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2004

	2004		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues (concluded):</b>			
Permits and fees:			
Franchise fees		\$ 213,194	
Inspection and zoning fees		700,695	
Register of deeds fees		860,411	
Environmental health fees		273,676	
Total	<u>\$ 2,161,250</u>	<u>2,047,976</u>	<u>\$ (113,274)</u>
Sales and services:			
Tax department fees		209,397	
Officer and jail fees		123,133	
School resource officer reimbursements		529,941	
Ambulance and rescue squad fees		1,848,309	
Solid waste fees		2,893,542	
Health department fees		846,541	
Library fees		124,733	
All other		897,599	
Total	<u>6,939,631</u>	<u>7,473,195</u>	<u>533,564</u>
Investment earnings	<u>517,786</u>	<u>491,783</u>	<u>(26,003)</u>
Miscellaneous:			
Sale of materials		43,614	
Other		451,259	
Total	<u>457,488</u>	<u>494,873</u>	<u>37,385</u>
Total revenues	<u>85,363,070</u>	<u>86,802,967</u>	<u>1,439,897</u>
<b>Expenditures:</b>			
General government:			
Governing body:			
Salaries and employee benefits		49,152	
Other operating expenditures		69,058	
Total	<u>123,150</u>	<u>118,210</u>	<u>4,940</u>
Administration:			
Salaries and employee benefits		970,822	
Other operating expenditures		151,970	
Insurance and bonds		978,333	
Capital outlay		17,183	
Total	<u>2,181,357</u>	<u>2,118,308</u>	<u>63,049</u>

**Randolph County, North Carolina**  
**General Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2004

	2004		Variance Positive (Negative)
	Budget	Actual	
Expenditures (continued):			
General Government (concluded):			
Computer Services:			
Salaries and employee benefits		\$ 595,725	
Other operating expenditures		149,481	
Capital outlay		19,673	
Total	<u>\$ 827,006</u>	<u>764,879</u>	<u>\$ 62,127</u>
Tax:			
Salaries and employee benefits		1,246,549	
Other operating expenditures		388,436	
Total	<u>1,663,290</u>	<u>1,634,985</u>	<u>28,305</u>
Elections:			
Salaries and employee benefits		124,151	
Other operating expenditures		97,730	
Total	<u>435,749</u>	<u>221,881</u>	<u>213,868</u>
Register of deeds:			
Salaries and employee benefits		353,152	
Other operating expenditures		194,145	
Capital outlay		6,000	
Total	<u>817,992</u>	<u>553,297</u>	<u>264,695</u>
Public buildings:			
Salaries and employee benefits		376,117	
Utilities and telephone		746,512	
Other operating expenditures		581,622	
Capital outlay		11,000	
Total	<u>2,403,736</u>	<u>1,715,251</u>	<u>688,485</u>
Total general government	<u>8,452,280</u>	<u>7,126,811</u>	<u>1,325,469</u>
Public safety:			
Sheriff:			
Salaries and employee benefits		5,658,449	
Other operating expenditures		698,520	
Capital outlay		584,940	
Total	<u>6,941,909</u>	<u>6,941,909</u>	<u>0</u>

**Randolph County, North Carolina**  
**General Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2004

	2004		Variance Positive (Negative)
	Budget	Actual	
Expenditures (continued):			
Public Safety (continued):			
Jail:			
Salaries and employee benefits		\$ 2,529,375	
Other operating expenditures		834,333	
Capital outlay		24,160	
Total		<u>3,387,868</u>	
Total Sheriff and Jail	<u>\$ 10,701,238</u>	<u>10,329,777</u>	<u>\$ 371,461</u>
Emergency medical services:			
Salaries and employee benefits		1,963,130	
Other operating expenditures		318,589	
Capital outlay		166,643	
Total		<u>2,448,362</u>	
Emergency communications:			
Salaries and employee benefits		823,337	
Other operating expenditures		16,890	
Total		<u>840,227</u>	
Emergency management:			
Salaries and employee benefits		40,132	
Other operating expenditures		27,005	
Total		<u>67,137</u>	
Fire Inspections:			
Salaries and employee benefits		204,857	
Other operating expenditures		26,313	
Total		<u>231,170</u>	
Total Emergency Services	<u>4,262,562</u>	<u>3,586,896</u>	<u>675,666</u>
Building inspections:			
Salaries and employee benefits		553,475	
Other operating expenditures		51,859	
Capital outlay		23,303	
Total	<u>676,161</u>	<u>628,637</u>	<u>47,524</u>

**Randolph County, North Carolina**  
**General Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2004

	2004		Variance Positive (Negative)
	Budget	Actual	
Expenditures (continued):			
Public Safety (concluded):			
Adult and juvenile day reporting:			
Salaries and employee benefits		\$ 576,675	
Other operating expenditures		213,067	
Capital outlay		7,065	
Total	<u>\$ 811,778</u>	<u>796,807</u>	<u>\$ 14,971</u>
Other public safety appropriations:			
Medical examiner		39,725	
Juvenile detention services		34,798	
Jury commission		1,401	
Contributions to:			
U.S. Forest Service		84,040	
Ashe-Rand Rescue Squad		14,225	
Piedmont Triad Ambulance Service		950	
N.C. National Guard		950	
Total	<u>225,805</u>	<u>176,089</u>	<u>49,716</u>
Total public safety	<u>16,677,544</u>	<u>15,518,206</u>	<u>1,159,338</u>
Economic and physical development:			
Planning and zoning:			
Salaries and employee benefits		386,939	
Other operating expenditures		44,809	
Capital outlay		20,867	
Total	<u>476,963</u>	<u>452,615</u>	<u>24,348</u>
Cooperative Extension Service:			
Salaries and employee benefits		205,896	
Other operating expenditures		108,261	
Total	<u>412,936</u>	<u>314,157</u>	<u>98,779</u>
Soil and Water Conservation:			
Salaries and employee benefits		56,786	
Other operating expenditures		9,475	
Total	<u>132,495</u>	<u>66,261</u>	<u>66,234</u>

**Randolph County, North Carolina**  
**General Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2004

	2004		Variance Positive (Negative)
	Budget	Actual	
Expenditures (continued):			
Economic and physical development (concluded):			
Other economic and physical development appropriations:			
Contributions to:			
Randolph Economic Development Corporation		\$ 219,420	
Piedmont Triad Partnership		13,213	
Yadkin - Pee Dee Lakes Project		3,300	
Research Conservation and Development		500	
Interstate I-73/74 Association		1,000	
Economic development incentives:			
Times Fiber			
Unilever		125,000	
Thomas Built Bus		125,000	
Town of Seagrove			
Town of Ramseur - Tower Components			
Energizer Battery Manufacturing, Inc.			
Distributions of occupancy tax to:			
Randolph Tourism Development Authority		289,589	
Total	<u>\$ 2,110,434</u>	<u>777,022</u>	<u>\$ 1,333,412</u>
Total economic and physical development	<u>3,132,828</u>	<u>1,610,055</u>	<u>1,522,773</u>
Environmental protection:			
Administrative and engineering:			
Salaries and employee benefits		117,448	
Other operating expenditures		10,029	
Total		<u>127,477</u>	
Solid waste transfer station:			
Salaries and employee benefits		80,876	
Transfer station operations		2,431,896	
Other operating expenditures		179,348	
Capital outlay		136,352	
Total		<u>2,828,472</u>	
Recycling and other operations:			
Salaries and employee benefits		13,057	
Other recycling costs		100,041	
Other operating expenditures		193,944	
Total		<u>307,042</u>	
Total environmental protection	<u>3,463,061</u>	<u>3,262,991</u>	<u>200,070</u>

**Randolph County, North Carolina**  
**General Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2004

	2004		Variance Positive (Negative)
	Budget	Actual	
Expenditures (continued):			
Human services:			
Health:			
Public health services:			
Salaries and employee benefits		\$ 1,870,291	
Other operating expenditures		421,721	
Capital outlay		12,698	
Total		<u>2,304,710</u>	
Animal control:			
Salaries and employee benefits		221,876	
Other operating expenditures		34,429	
Capital outlay		30,000	
Total		<u>286,305</u>	
Environmental health:			
Salaries and employee benefits		784,116	
Other operating expenditures		93,790	
Total		<u>877,906</u>	
Women, infants, and children			
Salaries and employee benefits		373,380	
Other operating expenditures		51,773	
Total		<u>425,153</u>	
Total health	<u>\$ 4,305,482</u>	<u>3,894,074</u>	<u>\$ 411,408</u>
Social services:			
Administration:			
Salaries and employee benefits		5,191,812	
Other operating expenditures		1,214,571	
Capital outlay		15,752	
Total		<u>6,422,135</u>	
Assistance programs:			
Child day care		4,456,510	
Foster care		707,897	
Workfirst		522,381	
Total		<u>5,686,788</u>	
Medical assistance program (Medicaid):			
County share of assistance payments		<u>4,972,162</u>	
Special assistance to adults:			
County share of assistance payments		<u>977,762</u>	
Total social services	<u>19,882,104</u>	<u>18,058,847</u>	<u>1,823,257</u>

**Randolph County, North Carolina**  
**General Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2004

	2004		Variance Positive (Negative)
	Budget	Actual	
Expenditures (continued):			
Human services (concluded):			
Other human service appropriations:			
Contributions to other agencies:			
Family Crisis Center		\$ 38,800	
Regional Consolidated Services		2,000	
Randolph County Senior Adults Assn.		164,418	
Randolph Hospital		66,667	
Sandhills Center		972,176	
Victory Junction Gang Camp		50,000	
Central Boys & Girls Club		30,000	
Pass-through grants to other agencies:			
Home and Community Care Block Grant		641,536	
Rural Operating Assistance Program		146,770	
Juvenile Justice programs		16,568	
Total other human service appropriations	<u>\$ 2,074,174</u>	<u>2,128,935</u>	<u>\$ (54,761)</u>
Total human services	<u>26,261,760</u>	<u>24,081,856</u>	<u>2,179,904</u>
Culture and recreation:			
Library			
Salaries and employee benefits		1,078,818	
Other operating expenditures		349,129	
Capital outlay		10,539	
Total	<u>1,467,232</u>	<u>1,438,486</u>	<u>28,746</u>
Other culture and recreation appropriations:			
Randolph Arts Guild		13,275	
N.C. Pottery Center		23,700	
Total	<u>36,975</u>	<u>36,975</u>	<u>-</u>
Total culture and recreation	<u>1,504,207</u>	<u>1,475,461</u>	<u>28,746</u>

**Randolph County, North Carolina**  
**General Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2004

	2004		Variance Positive (Negative)
	Budget	Actual	
Expenditures (continued):			
Education:			
Contributions to other agencies:			
Public schools:			
Current Expense:			
Asheboro City Schools		\$ 2,957,368	
Randolph County Schools		12,326,186	
Randolph Community College		1,832,457	
Capital Outlay:			
Asheboro City Schools		736,019	
Randolph County Schools		2,297,770	
Randolph Community College		100,000	
Other:			
RCC Foundation, Inc.		33,333	
Total Education	<u>\$ 20,350,666</u>	<u>20,283,133</u>	<u>\$ 67,533</u>
Debt service:			
Principal retirement	8,284,074	8,284,074	
Interest and other charges	4,771,685	4,611,019	
Debt issuance costs	1,135,932	1,118,105	
Escrow restructuring costs	29,500	29,500	
Total debt service	<u>14,221,191</u>	<u>14,042,698</u>	<u>178,493</u>
Contingency			
Technology	<u>500,000</u>		<u>500,000</u>
Total expenditures	<u>94,563,537</u>	<u>87,401,211</u>	<u>7,162,326</u>
Revenues over (under) expenditures	<u>(9,200,467)</u>	<u>(598,244)</u>	<u>8,602,223</u>

**Randolph County, North Carolina**  
**General Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2004

	2004		Variance Positive (Negative)
	Budget	Actual	
Expenditures (continued):			
Other financing sources (uses):			
Refunding Certificates of Participation Issued	\$ 67,430,000	\$ 67,430,000	
Payments to Escrow Agent	(66,666,360)	(66,666,360)	
Premium on Refunding Certificates	3,027,798	3,027,797	\$ (1)
Gain from Escrow Restructuring	756,432	756,432	
Transfers from other funds:			
From 1995 Capital Reserve - Mental Health and County School Facilities Fund	2,493,170	2,493,170	
Transfers to other funds:			
Special Revenue Funds:			
To 1995 Capital Reserve - Mental Health and County School Facilities Fund	(1,442,950)	(1,442,950)	
Capital Projects Funds:			
To Randleman Dam Project	(500,000)	(500,000)	
To Asheboro High School Expansion Project	(30,399)	(30,399)	
Total other financing sources (uses)	<u>5,067,691</u>	<u>5,067,690</u>	<u>(1)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>(4,132,776)</u>	<u>4,469,446</u>	<u>8,602,222</u>
Special item:			
Contribution of assets from Randolph Mental Health to Sandhills Center		(1,133,845)	(1,133,845)
Net change in fund balances	<u>(4,132,776)</u>	<u>3,335,601</u>	<u>7,468,377</u>
Fund balances:			
Beginning of year, July 1	30,490,405	30,490,405	
Prior Period Adjustment	-	1,398,277	1,398,277
End of year, June 30	<u>\$ 26,357,629</u>	<u>\$ 35,224,283</u>	<u>\$ 8,866,654</u>

**Randolph County, North Carolina**  
**Randleman Dam Capital Project Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget and Actual**

From Inception and for the Fiscal Year Ended June 30, 2004

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
<b>Revenues</b>					
Investment earnings	\$ 2,118,437	\$ 2,118,623	\$ 21,340	\$ 2,139,963	\$ 21,526
<b>Expenditures</b>					
Capital outlay:					
Project management fees	219,148	219,148		219,148	-
Purchase of land	1,125,000	1,125,000		1,125,000	-
Dam construction	9,762,051	7,250,000	2,512,051	9,762,051	-
Total expenditures	<u>11,106,199</u>	<u>8,594,148</u>	<u>2,512,051</u>	<u>11,106,199</u>	<u>-</u>
Revenues under expenditures	<u>(8,987,762)</u>	<u>(6,475,525)</u>	<u>(2,490,711)</u>	<u>(8,966,236)</u>	<u>21,526</u>
Other financing sources:					
Transfers from General Fund	<u>8,987,762</u>	<u>8,487,762</u>	<u>500,000</u>	<u>8,987,762</u>	<u>-</u>
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>\$ 2,012,237</u>	<u>(1,990,711)</u>	<u>\$ 21,526</u>	<u>\$ 21,526</u>
Fund balances:					
Beginning of year, July 1			<u>2,012,237</u>		
End of year, June 30			<u>\$ 21,526</u>		



## **Non-Major Governmental Funds Budgetary Comparison Schedules**

### **Special Revenue Funds:**

Fire District Fund - accounts for voter-approved property taxes levied to provide fire protection for nineteen districts.

Emergency Telephone System Fund - established in accordance with North Carolina law to account for the accumulation of telephone surcharges to be used for emergency telephone systems.

Landfill Closure Fund - accounts for the costs associated with closure and postclosure of the County's landfill, which closed in December 1997.

Library Trust Fund - accounts for contributions from bequests specifically restricted for the public library.

Community Development Block Grant - 2003 Scattered Housing Grant Fund - accounts for the \$400,000 CDBG grant to assist in rehabilitating area housing. No financial activity occurred during the year.

1995 Capital Reserve - Mental Health and County School Facilities Fund - accounts for funds required to be accumulated to pay the debt service on the installment financing contract for the mental health and county school facilities.

### **Capital Project Funds:**

Randolph County Courthouse Capital Project Fund - accounts for the renovation and construction of the courthouse facility, financed primarily through an installment purchase.

Asheboro High School Expansion Capital Project Fund - accounts for the acquisition and renovation of property to expand Asheboro High School. This project was completed during the fiscal year ended June 30, 2004.

**Randolph County, North Carolina**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2004**

	Special Revenue Funds						Capital Projects Funds			Total Nonmajor Governmental Funds	
	Fire Districts Fund	Emergency Telephone System Fund	Landfill Closure Fund	Library Trust Fund	Community Development Block Grant - 2003 Scattered Housing	1995 Capital Reserve - Mental Health and County School Facilities	Total Nonmajor Special Revenue Funds	Randolph County Courthouse Capital Project Fund	Asheboro High School Expansion Capital Project Fund		Total Nonmajor Capital Projects Funds
<b>ASSETS</b>											
Cash and cash equivalents	\$ -	\$ 1,779,067	\$ 2,072,387	\$ 88,746	\$ -	\$ 281,533	\$ 4,221,733	\$ 479,748	\$ -	\$ 479,748	\$ 4,701,481
Accounts receivable, net		65,116	10,144	434		1,378	77,072	2,348		2,348	79,420
Taxes receivable, net	163,561						163,561			-	163,561
Due from other governments		15,492					15,492	1,562		1,562	17,054
Due from other funds	70,648	-	-	-	-	70,648	-	-	-	-	70,648
<b>Total assets</b>	<b>\$ 234,209</b>	<b>\$ 1,859,675</b>	<b>\$ 2,082,531</b>	<b>\$ 89,180</b>	<b>\$ -</b>	<b>\$ 282,911</b>	<b>\$ 4,548,506</b>	<b>\$ 483,658</b>	<b>\$ -</b>	<b>\$ 483,658</b>	<b>\$ 5,032,164</b>
<b>LIABILITIES AND FUND BALANCES</b>											
Liabilities:											
Accounts payable and accrued liabilities	\$ -	\$ 14,395	\$ 2,000	\$ -	\$ -	\$ -	\$ 16,395	\$ -	\$ -	\$ -	\$ 16,395
Deferred revenue	163,561						163,561			-	163,561
Unearned revenue	25,346	-	-	-	-	-	25,346	-	-	-	25,346
<b>Total liabilities</b>	<b>188,907</b>	<b>14,395</b>	<b>2,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>205,302</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>205,302</b>
Fund balances:											
Reserved by state statute	70,648	80,608	10,144			1,378	162,778	3,910		3,910	166,688
Reserved for encumbrances		78,942					78,942			-	78,942
Unreserved:											
Designated for subsequent years		40,780	63,500				104,280			-	104,280
Undesignated	(25,346)	1,644,950	2,006,887	89,180	-	281,533	3,997,204	479,748	-	479,748	4,476,952
<b>Total fund balances</b>	<b>45,302</b>	<b>1,845,280</b>	<b>2,080,531</b>	<b>89,180</b>	<b>-</b>	<b>282,911</b>	<b>4,343,204</b>	<b>483,658</b>	<b>-</b>	<b>483,658</b>	<b>4,826,862</b>
<b>Total liabilities and fund balances</b>	<b>\$ 234,209</b>	<b>\$ 1,859,675</b>	<b>\$ 2,082,531</b>	<b>\$ 89,180</b>	<b>\$ -</b>	<b>\$ 282,911</b>	<b>\$ 4,548,506</b>	<b>\$ 483,658</b>	<b>\$ -</b>	<b>\$ 483,658</b>	<b>\$ 5,032,164</b>

**Randolph County, North Carolina**  
**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2004**

	<u>Special Revenue Funds</u>							<u>Capital Projects Funds</u>			
	Fire Districts Fund	Emergency Telephone System Fund	Landfill Closure Fund	Library Trust Fund	Community Development Block Grant - 2003 Scattered Housing	1995 Capital Reserve - Mental Health and County School Facilities	Total Nonmajor Special Revenue Funds	Randolph County Courthouse Capital Project Fund	Asheboro High School Expansion Capital Project Fund	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>REVENUES</b>											
Ad valorem taxes	\$ 4,768,840	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,768,840	\$ -	\$ -	\$ -	\$ 4,768,840
Other taxes and licenses		748,137					748,137			-	748,137
Restricted Intergovernmental											
Investment earnings	-	26,198	29,771	1,267	-	22,097	79,333	7,504	473	7,977	87,310
Total revenues	<u>4,768,840</u>	<u>774,335</u>	<u>29,771</u>	<u>1,267</u>	<u>-</u>	<u>22,097</u>	<u>5,596,310</u>	<u>7,504</u>	<u>473</u>	<u>7,977</u>	<u>5,604,287</u>
<b>EXPENDITURES</b>											
Current:											
Public safety	4,777,476	786,138					5,563,614			-	5,563,614
Economic and Physical Development						-					
Environmental protection			77,978				77,978			-	77,978
Culture and recreation				1,500			1,500			-	1,500
Capital outlay	-	-	-	-	-	-	-	469,943	298,901	768,844	768,844
Total expenditures	<u>4,777,476</u>	<u>786,138</u>	<u>77,978</u>	<u>1,500</u>	<u>-</u>	<u>-</u>	<u>5,643,092</u>	<u>469,943</u>	<u>298,901</u>	<u>768,844</u>	<u>6,411,936</u>
Excess (deficiency) of revenues over expenditures	<u>(8,636)</u>	<u>(11,803)</u>	<u>(48,207)</u>	<u>(233)</u>	<u>-</u>	<u>22,097</u>	<u>(46,782)</u>	<u>(462,439)</u>	<u>(298,428)</u>	<u>(760,867)</u>	<u>(807,649)</u>
<b>OTHER FINANCING SOURCES (USES)</b>											
Transfers from other funds						1,442,950	1,442,950		30,399	30,399	1,473,349
Transfers to other funds	-	-	-	-	-	(2,493,170)	(2,493,170)	-	-	-	(2,493,170)
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,050,220)</u>	<u>(1,050,220)</u>	<u>-</u>	<u>30,399</u>	<u>30,399</u>	<u>(1,019,821)</u>
Net change in fund balances	(8,636)	(11,803)	(48,207)	(233)	-	(1,028,123)	(1,097,002)	(462,439)	(268,029)	(730,468)	(1,827,470)
Fund balances - beginning	53,938	1,857,083	2,128,738	89,413	-	1,311,034	5,440,206	946,097	268,029	1,214,126	6,654,332
Fund balances - ending	<u>\$ 45,302</u>	<u>\$ 1,845,280</u>	<u>\$ 2,080,531</u>	<u>\$ 89,180</u>	<u>\$ -</u>	<u>\$ 282,911</u>	<u>\$ 4,343,204</u>	<u>\$ 483,658</u>	<u>\$ -</u>	<u>\$ 483,658</u>	<u>\$ 4,826,862</u>

**Randolph County, North Carolina**  
**Fire Districts Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget and Actual**

For the Fiscal Year Ended June 30, 2004

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Ad valorem taxes:			
Current year		\$ 4,735,929	
Prior year		32,911	
Total revenues	\$ 5,020,417	4,768,840	\$ (251,577)
Expenditures:			
Current:			
Public safety:			
Fire Districts:			
Bennett		23,396	
Climax		327,190	
Coleridge		138,809	
Eastside		215,381	
Fairgrove		181,629	
Farmer		113,777	
Franklinville		252,172	
Guil-Rand		1,670,917	
Julian		72,351	
Level Cross		198,211	
Northeast		77,680	
Randleman		193,603	
Seagrove		146,523	
Sophia		99,141	
Southwest		53,413	
Staley		130,887	
Tabernacle		164,507	
Ulah		258,710	
Westside		459,179	
Total expenditures	5,020,417	4,777,476	242,941
Revenues over (under) expenditures	\$ -	(8,636)	\$ (8,636)
Fund balances:			
Beginning of year, July 1		53,938	
End of year, June 30		\$ 45,302	

**Randolph County, North Carolina**  
**Emergency Telephone System Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget and Actual**

For the Fiscal Year Ended June 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues:</b>			
Other Taxes and Licenses			
911 System Subscriber Fees	\$ 529,020	\$ 564,157	\$ 35,137
Wireless 911 Funds	159,500	183,980	24,480
Investment Earnings	<u>16,500</u>	<u>26,198</u>	<u>9,698</u>
Total Revenues	<u>705,020</u>	<u>774,335</u>	<u>69,315</u>
<b>Expenditures:</b>			
Public Safety:			
911 System Subscriber Fees:			
911 Services	409,304	323,659	85,645
Information Management	323,325	194,193	129,132
Capital Outlay	<u>128,916</u>	<u>98,973</u>	<u>29,943</u>
Total Subscriber Fees	<u>861,545</u>	<u>616,825</u>	<u>244,720</u>
Wireless 911 Funds:			
911 Services	84,276	72,333	11,943
Information Management	67,581	64,286	3,295
Capital Outlay	<u>57,098</u>	<u>32,694</u>	<u>24,404</u>
Total Wireless 911	<u>208,955</u>	<u>169,313</u>	<u>39,642</u>
Total Expenditures	<u>1,070,500</u>	<u>786,138</u>	<u>284,362</u>
Revenues over (under) expenditures	<u>\$ (365,480)</u>	(11,803)	<u>\$ 353,677</u>
<b>Fund Balance:</b>			
Beginning of Year, July 1		<u>1,857,083</u>	
End of Year, June 30		<u>\$ 1,845,280</u>	

**Randolph County, North Carolina**  
**Landfill Closure Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget and Actual**  
For the Fiscal Year Ended June 30, 2004

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	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Investment earnings	<u>\$ 40,000</u>	<u>\$ 29,771</u>	<u>\$ (10,229)</u>
Expenditures:			
Current:			
Environmental protection:			
Post-closure costs	<u>94,100</u>	<u>77,978</u>	<u>16,122</u>
Revenues over (under) expenditures	<u><u>\$ (54,100)</u></u>	<u>(48,207)</u>	<u><u>\$ 5,893</u></u>
Fund balances:			
Beginning of year, July 1		<u>2,128,738</u>	
End of year, June 30		<u><u>\$ 2,080,531</u></u>	

**Randolph County, North Carolina**  
**Community Development Block Grant - 2003 Scattered Housing**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget and Actual**

From Inception and for the Fiscal Year Ended June 30, 2004

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
<b>Revenues</b>					
Community Development Block Grant	\$ 400,000	\$ -	\$ -	\$ -	\$ (400,000)
Investment earnings	-			-	-
Total revenues	<u>400,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(400,000)</u>
<b>Expenditures</b>					
Clearance	9,000			-	9,000
Relocation Assistance	44,500			-	44,500
Rehabilitation Assistance	255,000			-	255,000
Lead-Based Paint	48,000			-	48,000
Planning/House Work Write-ups	3,500			-	3,500
Administration	40,000			-	40,000
Total expenditures	<u>400,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>400,000</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances:					
Beginning of year, July 1			<u>-</u>		
End of year, June 30			<u>\$ -</u>		

**Randolph County, North Carolina**  
**1995 Capital Reserve - Mental Health and County School Facilities Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget and Actual**

From Inception and for the Fiscal Year Ended June 30, 2004

	Project Authorization	Prior Year	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Investment Earnings	\$ -	\$ 1,075,343	\$ 22,097	\$ 1,097,440	\$ 1,097,440
Other financing sources (uses):					
Transfers in:					
General Fund	30,301,950	11,442,200	1,442,950	12,885,150	(17,416,800)
Transfers out:					
General Fund	<u>(30,301,950)</u>	<u>(11,206,509)</u>	<u>(2,493,170)</u>	<u>(13,699,679)</u>	<u>16,602,271</u>
Total other financing sources (uses)	<u>-</u>	<u>235,691</u>	<u>(1,050,220)</u>	<u>(814,529)</u>	<u>(814,529)</u>
Revenues and other financing sources over uses	<u>\$ -</u>	<u>\$ 1,311,034</u>	(1,028,123)	<u>\$ 282,911</u>	<u>\$ 282,911</u>
Fund balance:					
Beginning of year, July 1			<u>1,311,034</u>		
End of Year, June 30			<u>\$ 282,911</u>		

**Randolph County, North Carolina**  
**Randolph County Courthouse Capital Project Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget and Actual**

From Inception and for the Fiscal Year Ended June 30, 2004

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
<b>Revenues</b>					
Investment earnings	\$ 1,126,056	\$ 1,327,765	\$ 7,504	\$ 1,335,269	\$ 209,213
Total revenues	<u>1,126,056</u>	<u>1,327,765</u>	<u>7,504</u>	<u>1,335,269</u>	<u>209,213</u>
<b>Expenditures</b>					
Capital outlay:					
Project construction	14,535,191	13,862,101	457,313	14,319,414	215,777
Professional fees	1,365,650	1,301,395	14,192	1,315,587	50,063
Administrative costs	992,386	992,371		992,371	15
Less sales tax reimbursements	<u>(250,000)</u>	<u>(257,030)</u>	<u>(1,562)</u>	<u>(258,592)</u>	<u>8,592</u>
Total expenditures	<u>16,643,227</u>	<u>15,898,837</u>	<u>469,943</u>	<u>16,368,780</u>	<u>274,447</u>
Revenues over (under) expenditures	<u>(15,517,171)</u>	<u>(14,571,072)</u>	<u>(462,439)</u>	<u>(15,033,511)</u>	<u>483,660</u>
Other financing sources:					
Transfers from General Fund	4,692,841	4,692,841		4,692,841	-
Proceeds from installment purchase	<u>10,824,330</u>	<u>10,824,328</u>		<u>10,824,328</u>	<u>(2)</u>
Total other financing sources	<u>15,517,171</u>	<u>15,517,169</u>	<u>-</u>	<u>15,517,169</u>	<u>(2)</u>
Revenues and other sources (under) over expenditures	<u>\$ -</u>	<u>\$ 946,097</u>	<u>(462,439)</u>	<u>\$ 483,658</u>	<u>\$ 483,658</u>
Fund balances:					
Beginning of year, July 1			<u>946,097</u>		
End of year, June 30			<u>\$ 483,658</u>		

**Randolph County, North Carolina**  
**Asheboro High School Expansion Capital Project Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget and Actual**

From Inception and for the Fiscal Year Ended June 30, 2004

	Project Authorization	Actual		Total to Date	Variance Positive (Negative)
		Prior Years	Current Year		
<b>Revenues</b>					
Investment earnings	\$ 4,200	\$ 3,637	\$ 473	\$ 4,110	\$ (90)
Total revenues	<u>4,200</u>	<u>3,637</u>	<u>473</u>	<u>4,110</u>	<u>(90)</u>
<b>Expenditures</b>					
Intergovernmental - education:					
Architect fees	129,232	124,063	5,169	129,232	-
Bank fees	13,316	13,316		13,316	-
Miscellaneous costs	63,219		63,218	63,218	1
Land acquisition	1,100,848	1,100,848		1,100,848	-
General construction	1,409,134	1,176,837	232,201	1,409,038	96
Less sales tax reimbursements	(17,900)	(16,206)	(1,687)	(17,893)	(7)
Total expenditures	<u>2,697,849</u>	<u>2,398,858</u>	<u>298,901</u>	<u>2,697,759</u>	<u>90</u>
Revenues over (under) expenditures	<u>(2,693,649)</u>	<u>(2,395,221)</u>	<u>(298,428)</u>	<u>(2,693,649)</u>	<u>-</u>
Other financing sources:					
Proceeds from installment purchase	2,663,250	2,663,250		2,663,250	-
Transfer from General Fund	<u>30,399</u>	<u>-</u>	<u>30,399</u>	<u>30,399</u>	<u>-</u>
	<u>2,693,649</u>	<u>2,663,250</u>	<u>30,399</u>	<u>2,693,649</u>	<u>-</u>
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>\$ 268,029</u>	<u>(268,029)</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances:					
Beginning of year, July 1			<u>268,029</u>		
End of year, June 30			<u>\$ -</u>		



## Trust and Agency Funds

Trust and Agency Funds account for transactions related to assets held by the County as trustee or agent for other governments, individuals, private organizations or other funds.

### PENSION TRUST FUNDS

Special Separation Allowance Fund - accounts for the accumulation of resources to be used for the payment of special separation benefits to qualified law enforcement officers.

Mental Health Supplemental Retirement Plan Trust Fund - accounts for contributions and assets of the defined contribution retirement plan for participating employees of the Mental Health Program. As part of the merger of Randolph Mental Health and Sandhills Center, all Plan Assets were transferred to Sandhills Center on July 1, 2003.

### AGENCY FUNDS

Social Services Custodial Fund - accounts for monies held by the Department of Social Services as agent for the benefit of certain individuals in the County.

Fines and Forfeitures - accounts for fines and forfeitures collected by the County that are required to be remitted to the Asheboro City and Randolph County Boards of Education.

Detention Center Commissary Fund - accounts for monies held by the County as agent for inmates of the County jail.

City of Trinity Tax Fund, City of Asheboro Tax Fund, City of Randleman Tax Fund, Town of Liberty Tax Fund, Town of Seagrove Tax Fund, Town of Staley Tax Fund, City of Archdale Tax Fund, Town of Ramseur Tax Fund, City of High Point Tax Fund, Town of Franklinville Tax Fund and City of Thomasville Tax Fund - accounts for the collection and disbursement of taxes levied by the Cities and Towns.

Asheboro School District Tax Fund and Archdale-Trinity School District Tax Fund - accounts for voter-approved supplemental property taxes levied to provide additional school needs.



**Randolph County, North Carolina**  
**Pension Trust Funds**  
**Combining Statement of Changes in Plan Net Assets**  
For the Year Ended June 30, 2004

	<u>Defined Benefit Plan</u>	<u>Defined Contribution Plan</u>	
	<u>Law Enforcement Separation Allowance</u>	<u>Mental Health Supplemental Retirement Plan</u>	<u>Total</u>
Additions:			
Contributions:			
Employer Contributions	\$ 5,383		\$ 5,383
Employee Contributions and Rollovers			-
	<u>5,383</u>	<u>-</u>	<u>5,383</u>
Gain (Loss) on Investments			-
Interest and Dividends	3,535		3,535
	<u>3,535</u>		<u>3,535</u>
Investment Expense			-
Net Investment Income	3,535		3,535
	<u>3,535</u>		<u>3,535</u>
Total Additions	<u>8,918</u>	<u>-</u>	<u>8,918</u>
Deductions:			
Benefits	12,218		12,218
Administrative Costs	383		383
Distribution of assets to substitute trustee	-	3,152,932	3,152,932
	<u>-</u>	<u>3,152,932</u>	<u>3,152,932</u>
Total Deductions	<u>12,601</u>	<u>3,152,932</u>	<u>3,165,533</u>
Net Increase (Decrease)	(3,683)	(3,152,932)	(3,156,615)
Fund Balance Reserved For Employees'			
Pension Benefits:			
Beginning of Year, July 1	247,314	3,152,932	3,400,246
	<u>247,314</u>	<u>3,152,932</u>	<u>3,400,246</u>
End of Year, June 30	<u>\$ 243,631</u>	<u>\$ -</u>	<u>\$ 243,631</u>

**Randolph County, North Carolina**  
**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
For the Fiscal Year Ended June 30, 2004

	Balance June 30, 2003	Additions	Deductions	Balance June 30, 2004
<u>Social Services Custodial Fund</u>				
ASSETS				
Cash and Investments	\$ 80,320	\$ 599,484	\$ 571,531	\$ 108,273
LIABILITIES				
Miscellaneous Liabilities	\$ 80,320	\$ 599,484	\$ 571,531	\$ 108,273
<u>Fines and Forfeitures</u>				
ASSETS				
Cash and Investments	\$ -	\$ 1,049,961	\$ 1,049,961	\$ -
LIABILITIES				
Intergovernmental Payables	\$ -	\$ 1,049,961	\$ 1,049,961	\$ -
<u>Detention Center Commissary Fund</u>				
ASSETS				
Cash and Investments	\$ 3,967	\$ 152,715	\$ 153,842	\$ 2,840
Accounts Receivable	6,893	1,915	34	8,774
Total Assets	\$ 10,860	\$ 154,630	\$ 153,876	\$ 11,614
LIABILITIES				
Miscellaneous Liabilities	\$ 10,860	\$ 154,630	\$ 153,876	\$ 11,614
<u>City of Asheboro Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ 373,739	\$ 9,027,112	\$ 8,967,279	\$ 433,572
Due from General Fund	115,687	88,499	115,687	88,499
Total Assets	\$ 489,426	\$ 9,115,611	\$ 9,082,966	\$ 522,071
LIABILITIES				
Intergovernmental Payables	\$ 489,426	\$ 9,115,611	\$ 9,082,966	\$ 522,071

**Randolph County, North Carolina**  
**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
For the Fiscal Year Ended June 30, 2004

	Balance June 30, 2003	Additions	Deductions	Balance June 30, 2004
<u>City of Archdale Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ 49,666	\$ 1,792,683	\$ 1,787,817	\$ 54,532
Due from General Fund	23,444	18,575	23,444	18,575
Total Assets	<u>\$ 73,110</u>	<u>\$ 1,811,258</u>	<u>\$ 1,811,261</u>	<u>\$ 73,107</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 73,110</u>	<u>\$ 1,811,258</u>	<u>\$ 1,811,261</u>	<u>\$ 73,107</u>
<u>Town of Franklinville Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ 20,550	\$ 126,180	\$ 125,917	\$ 20,813
Due from General Fund	3,393	2,628	3,392	2,629
Total Assets	<u>\$ 23,943</u>	<u>\$ 128,808</u>	<u>\$ 129,309</u>	<u>\$ 23,442</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 23,943</u>	<u>\$ 128,808</u>	<u>\$ 129,309</u>	<u>\$ 23,442</u>
<u>Town of Liberty Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ 48,675	\$ 781,727	\$ 788,689	\$ 41,713
Due from General Fund	12,832	18,224	12,832	18,224
Total Assets	<u>\$ 61,507</u>	<u>\$ 799,951</u>	<u>\$ 801,521</u>	<u>\$ 59,937</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 61,507</u>	<u>\$ 799,951</u>	<u>\$ 801,521</u>	<u>\$ 59,937</u>
<u>Town of Ramseur Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ 13,528	\$ 45,081	\$ 45,448	\$ 13,161
Due from General Fund	4,729	3,708	4,729	3,708
Total Assets	<u>\$ 18,257</u>	<u>\$ 48,789</u>	<u>\$ 50,177</u>	<u>\$ 16,869</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 18,257</u>	<u>\$ 48,789</u>	<u>\$ 50,177</u>	<u>\$ 16,869</u>

**Randolph County, North Carolina**  
**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
For the Fiscal Year Ended June 30, 2004

	Balance June 30, 2003	Additions	Deductions	Balance June 30, 2004
<u>City of Randleman Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ 36,989	\$ 1,366,343	\$ 1,364,364	\$ 38,968
Due from General Fund	11,949	11,239	11,949	11,239
Total Assets	<u>\$ 48,938</u>	<u>\$ 1,377,582</u>	<u>\$ 1,376,313</u>	<u>\$ 50,207</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 48,938</u>	<u>\$ 1,377,582</u>	<u>\$ 1,376,313</u>	<u>\$ 50,207</u>
<u>Town of Seagrove Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ 3,797	\$ 99,179	\$ 99,583	\$ 3,393
Due from General Fund	1,261	931	1,261	931
Total Assets	<u>\$ 5,058</u>	<u>\$ 100,110</u>	<u>\$ 100,844</u>	<u>\$ 4,324</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 5,058</u>	<u>\$ 100,110</u>	<u>\$ 100,844</u>	<u>\$ 4,324</u>
<u>Town of Staley Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ 1,462	\$ 23,747	\$ 23,920	\$ 1,289
Due from General Fund	250	363	250	363
Total Assets	<u>\$ 1,712</u>	<u>\$ 24,110</u>	<u>\$ 24,170</u>	<u>\$ 1,652</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 1,712</u>	<u>\$ 24,110</u>	<u>\$ 24,170</u>	<u>\$ 1,652</u>
<u>City of High Point Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ 1,027	\$ 14,150	\$ 11,713	\$ 3,464
Due from General Fund	699	251	699	251
Total Assets	<u>\$ 1,726</u>	<u>\$ 14,401</u>	<u>\$ 12,412</u>	<u>\$ 3,715</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 1,726</u>	<u>\$ 14,401</u>	<u>\$ 12,412</u>	<u>\$ 3,715</u>

**Randolph County, North Carolina**  
**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
For the Fiscal Year Ended June 30, 2004

	Balance June 30, 2003	Additions	Deductions	Balance June 30, 2004
<u>City of Thomasville Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ -	\$ 2,127	\$ 1,980	\$ 147
Due from General Fund				-
Total Assets	<u>\$ -</u>	<u>\$ 2,127</u>	<u>\$ 1,980</u>	<u>\$ 147</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ -</u>	<u>\$ 2,127</u>	<u>\$ 1,980</u>	<u>\$ 147</u>
<u>City of Trinity Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ 9,367	\$ 221,330	\$ 223,388	\$ 7,309
Due from General Fund	4,447	2,798	4,447	2,798
Total Assets	<u>\$ 13,814</u>	<u>\$ 224,128</u>	<u>\$ 227,835</u>	<u>\$ 10,107</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 13,814</u>	<u>\$ 224,128</u>	<u>\$ 227,835</u>	<u>\$ 10,107</u>
<u>Asheboro School District Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ 111,521	\$ 2,650,579	\$ 2,640,662	\$ 121,438
Due from General Fund	37,328	2,314,116	2,321,250	30,194
Total Assets	<u>\$ 148,849</u>	<u>\$ 4,964,695</u>	<u>\$ 4,961,912</u>	<u>\$ 151,632</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 148,849</u>	<u>\$ 4,964,695</u>	<u>\$ 4,961,912</u>	<u>\$ 151,632</u>
<u>Archdale-Trinity School District Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ 55,087	\$ 1,432,179	\$ 1,432,609	\$ 54,657
Due from General Fund	25,164	1,223,682	1,230,067	18,779
Total Assets	<u>\$ 80,251</u>	<u>\$ 2,655,861</u>	<u>\$ 2,662,676</u>	<u>\$ 73,436</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 80,251</u>	<u>\$ 2,655,861</u>	<u>\$ 2,662,676</u>	<u>\$ 73,436</u>

**Randolph County, North Carolina**  
**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
For the Fiscal Year Ended June 30, 2004

	<u>Balance June 30, 2003</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2004</u>
<u>Totals - All Agency Funds</u>				
ASSETS				
Cash and Investments	\$ 84,287	\$ 1,802,160	\$ 1,775,334	\$ 111,113
Accounts Receivable	6,893	1,915	34	8,774
Taxes Receivable	725,408	17,582,417	17,513,369	794,456
Due from General Fund	<u>241,183</u>	<u>3,685,014</u>	<u>3,730,007</u>	<u>196,190</u>
Total Assets	<u>\$ 1,057,771</u>	<u>\$ 23,071,506</u>	<u>\$ 23,018,744</u>	<u>\$ 1,110,533</u>
LIABILITIES				
Miscellaneous Liabilities	\$ 91,180	\$ 754,114	\$ 725,407	\$ 119,887
Intergovernmental Payables	<u>966,591</u>	<u>22,317,392</u>	<u>22,293,337</u>	<u>990,646</u>
Total Liabilities	<u>\$ 1,057,771</u>	<u>\$ 23,071,506</u>	<u>\$ 23,018,744</u>	<u>\$ 1,110,533</u>



## **Capital Assets Used in the Operation of Governmental Funds**



**Randolph County, North Carolina**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Comparative Schedules By Source**  
June 30, 2004

	2004	2003
Governmental Funds Capital Assets:		
Land	\$ 2,931,628	\$ 3,081,237
Buildings	35,669,121	37,516,526
Improvements	450,695	361,535
Equipment	4,198,267	4,521,457
Vehicles	4,498,605	4,586,113
Construction in Progress	9,135	1,999,728
Total Governmental Funds Capital Assets	\$47,757,451	\$52,066,596
Investment in Governmental Funds Capital Assets By Source:		
General Fund	\$ 22,788,365	\$25,269,781
Special Revenue Funds	888,899	757,231
Capital Project Funds	24,028,301	25,998,098
Donations	51,886	41,486
	\$47,757,451	\$52,066,596

**Randolph County, North Carolina**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule By Function And Activity**  
June 30, 2004

<u>Function and Activity</u>	<u>Land</u>	<u>Buildings</u>	<u>Land Improvements</u>	<u>Equipment</u>	<u>Vehicles</u>	<u>Construction in Progress</u>	<u>Total</u>
<b>General Government</b>							
Administration	\$ -	\$ -	\$ -	\$ 107,183	\$ -	\$ -	\$ 107,183
Computer Services				456,287			456,287
Tax				112,383	90,548		202,931
Elections				318,410			318,410
Register of Deeds				123,860			123,860
Public Buildings	1,963,427	23,754,631	289,043	740,589	148,092	-	26,895,782
	<u>1,963,427</u>	<u>23,754,631</u>	<u>289,043</u>	<u>1,858,712</u>	<u>238,640</u>	<u>-</u>	<u>28,104,453</u>
<b>Public Safety</b>							
Sheriff and Jail		8,587,482		1,033,664	2,650,530		12,271,676
Emergency Services	43,000	323,883		697,266	886,524	9,135	1,959,808
Inspections				8,215	183,726		191,941
Day Reporting Center	-	87,053	-	6,100	149,970	-	243,123
	<u>43,000</u>	<u>8,998,418</u>	<u>-</u>	<u>1,745,245</u>	<u>3,870,750</u>	<u>9,135</u>	<u>14,666,548</u>
<b>Economic and Physical Development</b>							
Planning and Zoning					66,673		66,673
Cooperative Extension				10,000	21,183		31,183
Soil and Water Conservation	-	-	-	-	12,756	-	12,756
	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>100,612</u>	<u>-</u>	<u>110,612</u>
<b>Environmental Protection</b>							
Public Works	843,835	983,934	161,652	85,048	32,447	-	2,106,916
<b>Human Services</b>							
Public Health				70,060	124,878		194,938
Social Services		1,109,438		87,913	72,073		1,269,424
Mental Health	81,366	822,700	-	-	-	-	904,066
	<u>81,366</u>	<u>1,932,138</u>	<u>-</u>	<u>157,973</u>	<u>196,951</u>	<u>-</u>	<u>2,368,428</u>
<b>Cultural and Recreational</b>							
Public Library	-	-	-	341,289	59,205	-	400,494
<b>Total Governmental Funds Capital Assets</b>	<u>\$ 2,931,628</u>	<u>\$ 35,669,121</u>	<u>\$ 450,695</u>	<u>\$ 4,198,267</u>	<u>\$ 4,498,605</u>	<u>\$ 9,135</u>	<u>\$ 47,757,451</u>

**Randolph County, North Carolina**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule Of Changes By Function And Activity**  
For the Fiscal Year Ended June 30, 2004

<u>Function and Activity</u>	Governmental Funds Capital Assets <u>June 30, 2003</u>	<u>Additions</u>	<u>Deductions</u>	<u>Transfers</u>	Governmental Funds Capital Assets <u>June 30, 2004</u>
General Government:					
Administration	\$ 97,004	\$ 17,183	\$ 7,004	\$ -	\$ 107,183
Computer Services	234,853	101,410		120,024	456,287
Tax	202,931				202,931
Elections	318,410				318,410
Register of Deeds	142,101	6,000	16,000	(8,241)	123,860
Public Buildings	29,392,571	40,931	2,560,072	22,352	26,895,782
Total General Government	<u>30,387,870</u>	<u>165,524</u>	<u>2,583,076</u>	<u>134,135</u>	<u>28,104,453</u>
Public Safety:					
Sheriff and Jail	11,890,864	619,501	238,689		12,271,676
Emergency Services	1,986,087	216,574	114,584	(128,269)	1,959,808
Inspections	183,856	23,303		(15,218)	191,941
Day Reporting Center	238,507	16,841	12,225	-	243,123
Total Public Safety	<u>14,299,314</u>	<u>876,219</u>	<u>365,498</u>	<u>(143,487)</u>	<u>14,666,548</u>
Economic and Physical Development					
Planning and Zoning	44,063	20,866	23,398	25,142	66,673
Cooperative Extension	31,183				31,183
Soil and Water Conservation	12,756	-	-	-	12,756
Total Economic and Physical Development	<u>88,002</u>	<u>20,866</u>	<u>23,398</u>	<u>25,142</u>	<u>110,612</u>
Environmental Protection					
Public Works	1,993,546	136,352	7,192	(15,790)	2,106,916
Human Services					
Public Health	177,942	42,698	25,702		194,938
Social Services	1,258,813	15,752	5,141		1,269,424
Mental Health	3,471,156	-	2,567,090	-	904,066
Total Human Services	<u>4,907,911</u>	<u>58,450</u>	<u>2,597,933</u>	<u>-</u>	<u>2,368,428</u>
Culture and Recreation					
Public Library	389,955	10,539	-	-	400,494
Total Governmental Funds Capital Assets	<u>\$ 52,066,598</u>	<u>\$ 1,267,950</u>	<u>\$ 5,577,097</u>	<u>\$ -</u>	<u>\$ 47,757,451</u>

**Randolph County, North Carolina**  
**General Fund**  
**Schedule of Ad Valorem Taxes Receivable**  
June 30, 2004

Fiscal Year	Uncollected Balance June 30, 2003	Additions	Collections And Credits	Uncollected Balance June 30, 2004
2003-2004	\$ -	\$ 42,114,342	\$ 41,240,854	\$ 873,488
2002-2003	856,946		299,088	557,858
2001-2002	520,835		459,580	61,255
2000-2001	53,105		(963)	54,068
1999-2000	44,047		6,762	37,285
1998-1999	32,374		4,584	27,790
1997-1998	23,820		3,112	20,708
1996-1997	28,343		1,809	26,534
1995-1996	19,721		1,010	18,711
1994-1995	18,866		866	18,000
1993-1994	17,492	-	17,492	-
	\$ 1,615,549	\$ 42,114,342	\$ 42,034,194	1,695,697
Plus: uncollected 2004-2005 ad valorem taxes receivable on annually registered vehicles				266,307
Less: allowance for uncollectible accounts: General Fund				(542,000)
Ad valorem taxes receivable - net: General Fund				\$ 1,420,004
<u>Reconciliation with revenues:</u>				
Ad valorem taxes - General Fund				\$ 41,863,677
Reconciling items:				
Interest collected				(232,193)
Discounts allowed				391,283
Releases and adjustments				(5,888)
Taxes written off				17,315
Total reconciling items				170,517
Total collections and credits				\$ 42,034,194

**Randolph County, North Carolina**  
**Analysis of Current Tax Levy**  
**County-wide Levy**  
For the Fiscal Year Ended June 30, 2004

	County - wide		Total Levy		
	Property Valuation	Rate	Amount of Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property taxed at current year's rate	\$ 7,857,145,368	\$0.5000	\$ 39,285,727	\$ 35,749,868	\$ 3,535,859
Motor vehicles taxed at prior year's rate	356,985,238	0.4800	1,713,529		1,713,529
Penalties	-		60,120	60,120	-
Total	<u>8,214,130,606</u>		<u>41,059,376</u>	<u>35,809,988</u>	<u>5,249,388</u>
Discoveries:					
Current year taxes	<u>256,567,266</u>	0.5000	<u>1,282,836</u>	<u>1,282,836</u>	-
Abatements	<u>(45,573,906)</u>		<u>(227,870)</u>	<u>(125,691)</u>	<u>(102,179)</u>
Total property valuation	<u>\$ 8,425,123,966</u>				
Net levy			42,114,342	36,967,133	5,147,209
Uncollected taxes at June 30, 2004			<u>873,488</u>	<u>352,765</u>	<u>520,723</u>
Current year's taxes collected			<u>\$ 41,240,854</u>	<u>\$ 36,614,368</u>	<u>\$ 4,626,486</u>
Current levy collection percentage			<u>97.93%</u>	<u>99.05%</u>	<u>89.88%</u>

**Randolph County, North Carolina**  
**Schedule of Current Tax Levy -**  
**Special Districts**  
For the Fiscal Year Ended June 30, 2004

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	Net Valuation	Net Levy
School Districts:		
Asheboro School District	\$ 1,883,968,563	\$ 2,609,296
Archdale-Trinity School District	1,880,766,080	1,410,575
Fire Districts:		
Fairgrove Fire District	282,545,708	183,655
Guil-Rand Fire District	1,680,945,600	1,680,946
Climax Fire District	354,845,484	330,006
Julian Fire District	72,642,553	72,485
Westside Fire District	548,810,835	465,720
Eastside Fire District	394,416,618	216,929
Level Cross Fire District	201,336,431	200,244
Ulah Fire District	428,319,295	261,275
Seagrove Fire District	151,393,175	146,851
Staley Fire District	133,149,211	132,914
Randleman Fire District	194,087,850	194,088
Tabernacle Fire District	188,628,943	164,107
Northeast Fire District	114,547,662	77,892
Sophia Fire District	98,954,917	98,756
Coleridge Fire District	189,780,411	138,540
Franklinville Fire District	388,255,604	253,342
Bennett Fire District	33,495,729	23,447
Farmer Fire District	152,911,027	114,683
Southwest Fire District	53,646,076	53,512



## STATISTICAL SECTION

**RANDOLPH COUNTY, NORTH CAROLINA**

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)  
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	General Government	Public Safety	Human Services (2)	Education	Environmental Protection	Economic and Physical Development	Culture and Recreation	Capital Projects	Debt Service	Total
1995	\$ 4,402,249	\$ 8,715,269	\$ 20,087,254	\$ 13,580,305	\$ 1,860,200	\$ 606,650	\$ 849,531	\$ 1,401,460	\$ 5,384,353	\$ 56,887,271
1996	5,209,087	10,171,097	23,482,290	12,355,777	1,858,303	867,741	915,282	15,763,947	5,825,468	76,448,992
1997	5,217,379	11,859,997	24,012,978	14,887,143	1,965,195	1,023,296	1,134,083	16,731,885	7,358,158	84,190,114
1998	5,777,616	12,626,881	24,762,485	19,551,802	3,640,658	1,303,467	1,139,378	5,808,559	7,474,720	82,085,566
1999	6,056,375	13,461,325	26,517,526	27,684,406	4,955,703	1,651,276	1,104,350	401,306	6,927,085	88,759,352
2000	5,972,063	14,957,694	29,133,182	24,405,463	4,349,467	1,035,893	1,286,249	9,488,196	6,956,511	97,584,718
2001	6,278,193	16,679,057	30,666,528	19,062,956	4,204,426	978,764	1,243,834	37,924,719	10,044,981	127,083,458
2002	6,961,527	18,774,245	33,016,934	20,687,692	3,872,264	1,008,942	1,261,763	15,446,980	10,342,270	111,372,617
2003	6,679,256	18,882,874	35,429,982	19,824,457	3,283,220	1,266,241	1,346,402	5,989,915	10,226,880	102,929,227
2004	7,126,811	21,081,820	24,081,856	20,283,133	3,340,969	1,610,055	1,476,961	3,280,895	14,042,698	96,325,198

(1) Funds included are General Fund, Special Revenue Funds and Capital Project Funds.

(2) Randolph Mental Health was included in the General Fund until the program merged with Sandhills Center on July 1, 2003.

**RANDOLPH COUNTY, NORTH CAROLINA**

GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)  
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Ad Valorem Taxes	Local Option Sales Tax	Other Taxes and Licenses	Unrestricted Inter- governmental Revenues	Restricted Inter- governmental Revenues	Permits and Fees	Sales Services and Rents	Investment Earnings	Miscellaneous Revenues	Total
1995	\$ 23,952,353	\$ 11,671,829	\$ 239,941	\$ 2,825,618	\$ 13,132,279	\$ 899,530	\$ 6,637,412	\$ 1,224,392	\$ 242,152	\$ 60,825,506
1996	25,643,150	12,294,555	250,026	2,887,232	13,908,723	974,797	7,581,821	2,371,350	125,053	66,036,707
1997	27,458,990	13,289,104	261,147	3,329,298	14,777,078	1,059,501	7,798,862	2,610,294	245,460	70,829,734
1998	28,594,970	13,589,999	256,844	2,853,115	21,880,912	1,552,987	9,548,740	2,171,341	505,399	80,954,307
1999	29,577,259	14,663,236	723,337	2,827,879	27,859,042	1,782,562	9,587,565	2,089,944	470,399	89,581,223
2000	33,253,074	15,714,637	868,763	2,861,517	26,382,250	1,751,072	9,891,683	3,128,361	773,048	94,624,405
2001	35,024,916	15,937,993	867,016	3,529,266	19,584,574	1,865,269	10,785,511	4,882,170	934,386	93,411,101
2002	43,675,898	15,643,612	1,000,335	2,147,923	20,811,354	2,033,485	11,804,864	1,730,701	888,979	99,737,151
2003	44,503,261	17,391,010	1,587,084	66,719	18,713,949	1,953,543	12,557,172	952,505	470,159	98,195,402
2004	46,632,517	20,348,995	1,707,592	87,224	13,035,789	2,047,976	7,473,195	600,433	494,873	92,428,594

(1) Funds included are General Fund, Special Revenue Funds and Capital Project Funds.

**RANDOLPH COUNTY, NORTH CAROLINA**

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE (1)  
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Property Tax	Sales Tax	Intangible Tax (2)(3)	Payment in Lieu of Taxes (2)	Food Stamp Tax (2)(3)	Inventories Tax (2)(3)	Room Occupancy Tax (4)	Scrap Tire Disposal Tax (5)	White Goods Disposal Tax (5) (6)	Gross Receipts Tax on Leased Motor Vehicles	Total
1995	\$ 23,952,353	\$ 11,671,829	\$ 930,316	\$ 6,906	\$ 29,907	\$ 1,730,799		\$ 87,690	\$ 88,277		\$ 38,498,077
1996	25,643,150	12,294,555	935,416	6,605	29,763	1,736,020		93,857	90,464		40,829,830
1997	27,458,990	13,289,104	927,976	7,275	29,449	1,724,768		99,572	94,745		43,631,879
1998	28,594,970	13,589,999	927,745	6,774	29,831	1,725,874	105,364	101,926	89,554		45,172,037
1999	29,577,259	14,663,236	925,269	6,774	28,518	1,707,874	260,950	108,646	54,519		47,333,045
2000	33,253,074	15,714,637	920,896	6,997	28,396	1,716,842	292,529	112,806			52,046,177
2001	35,024,916	15,937,993	941,852	7,368	28,486	1,633,067	287,994	120,600		24,814	54,007,090
2002	43,675,898	15,643,612	941,936	21,645	28,420	814,225	270,273	149,348	63,537	26,784	61,635,678
2003	44,503,261	17,391,010	-	12,706	-	-	289,123	121,306	49,281	28,268	62,394,955
2004	46,632,517	20,348,995	-	13,021	-	-	298,545	127,023	49,836	28,969	67,498,906

(1) Funds included are General Fund and Special Revenue Funds.

(2) Amounts shown are included in Unrestricted Intergovernmental Revenues or Miscellaneous Revenues in Table 2.

(3) State of North Carolina reimbursements for these taxes ceased in fiscal year 2002-03.

(4) Fiscal year 1998 was the first year of tax revenue source.

(5) Amounts shown are included in other taxes and licenses in Table 2.

**RANDOLPH COUNTY, NORTH CAROLINA**

ANALYSIS OF GENERAL FUND EQUITY  
LAST TEN FISCAL YEARS

General Fund Equity	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
Fund Balances:										
Reserved:										
For Inventories	\$ -	\$ -	\$ 9,418	\$ 12,332	\$ 16,736	\$ 5,658	\$ 4,747	\$ 890	\$ 2,128	\$ 7,918
For Investment for Resale	-	-	4,540	4,540	4,540	4,540	4,336	3,849	3,849	3,849
For Encumbrances	3,621,111	2,842,760	1,368,861	615,107	839,611	854,817	4,155,845	2,385,988	3,385,645	1,742,999
By State Statute	8,035,392	7,007,584	6,364,590	6,491,822	6,101,399	5,724,170	5,464,860	5,092,043	4,666,010	3,950,040
Unreserved:										
(Available for Appropriation):										
Designated for:										
Public Works					243,550	151,347	731,741	735,569	1,082,809	528,726
Mental Health Programs	-	1,097,898	2,144,464	1,834,483	682,264	1,140,664	1,609,905	1,268,950	1,637,194	741,406
Detention Facility Construction										3,695,000
Subsequent Year's Expenditures	3,003,526	998,000	3,564,689	795,793	1,588,762	901,557	1,554,095	1,218,548	1,559,932	300,000
Undesignated	20,564,254	18,544,163	16,926,127	18,426,598	17,569,755	14,076,820	11,915,424	12,070,180	9,951,490	9,643,847
<b>Total General Fund Equity</b>	<b>\$ 35,224,283</b>	<b>\$ 30,490,405</b>	<b>\$ 30,382,689</b>	<b>\$ 28,180,675</b>	<b>\$ 27,046,617</b>	<b>\$ 22,859,573</b>	<b>\$ 25,440,953</b>	<b>\$ 22,776,017</b>	<b>\$ 22,289,057</b>	<b>\$ 20,613,785</b>

Source: Annual audited financial statements of this entity.

**RANDOLPH COUNTY, NORTH CAROLINA**

PROPERTY TAX LEVIES AND COLLECTIONS (1)  
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Total Tax Levy	Current Tax Collections	Percentage Current Tax Collected	Collections Prior Year Taxes	Total Tax Collections	Ratio of Total Collections to Total Tax Levy	Outstanding Delinquent Taxes (Net)	Ratio of Total Delinquent Taxes to Total Tax Levy
1995	\$ 21,393,071	\$ 20,693,152	96.73%	\$ 551,528	\$ 21,244,680	99.31%	\$ 1,639,949	7.67%
1996	22,665,732	22,054,223	97.30%	941,502	22,995,725	101.46%	1,740,745	7.68%
1997	24,362,674	23,735,938	97.43%	882,957	24,618,895	101.05%	1,484,524	6.09%
1998	25,664,441	24,946,814	97.20%	715,613	25,662,427	99.99%	1,486,538	5.79%
1999	26,382,094	25,686,686	97.36%	742,433	26,429,119	100.18%	1,439,513	5.46%
2000	30,226,296	29,319,447	97.00%	677,351	29,996,798	99.24%	1,669,011	5.52%
2001	31,570,635	30,693,955	97.22%	922,671	31,616,626	100.15%	1,623,020	5.14%
2002	39,302,404	38,397,923	97.70%	894,719	39,292,642	99.98%	1,632,782	4.15%
2003	40,079,649	39,222,703	97.86%	874,179	40,096,882	100.04%	1,615,549	4.03%
2004	42,114,342	41,240,854	97.93%	793,340	42,034,194	99.81%	1,695,697	4.03%

(1) County Tax Levy Only.

**RANDOLPH COUNTY, NORTH CAROLINA**

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (1)  
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Real Property		Personal Property		Public Service Companies		Total		Ratio of Total Assessed Value To Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1995	\$ 3,214,945,134	\$ 3,459,906,515	\$ 1,230,160,904	\$ 1,230,160,904	\$ 155,554,457	\$ 167,406,863	\$ 4,600,660,495	\$ 4,857,474,282	94.71%
1996	3,351,402,214	3,723,780,238	1,343,365,450	1,343,365,450	163,031,246	181,145,829	4,857,798,910	5,248,291,517	92.56%
1997	3,436,977,217	4,023,150,201	1,612,176,429	1,612,176,429	171,903,877	201,221,909	5,221,057,523	5,836,548,539	89.45%
1998	3,538,775,854	4,390,540,762	1,796,367,434	1,796,367,434	152,829,523	189,614,793	5,487,972,811	6,376,522,989	86.07%
1999	3,666,652,595	4,864,224,721	1,819,572,351	1,819,572,351	164,884,731	218,738,035	5,651,109,677	6,902,535,107	81.87%
2000	3,809,276,238	5,326,914,051	1,933,420,797	1,933,420,797	169,893,967	237,580,712	5,912,591,002	7,497,915,560	78.86%
2001	3,954,119,117	6,187,011,605	2,040,579,794	2,040,579,794	145,944,147	228,358,859	6,140,643,058	8,455,950,258	72.62%
2002 (2)	5,930,433,298	6,114,479,119	2,005,627,125	2,005,627,125	213,387,177	220,009,462	8,149,447,600	8,340,115,706	97.71%
2003	6,287,748,531	6,903,544,720	1,814,078,499	1,814,078,499	221,213,919	242,878,699	8,323,040,949	8,960,501,918	92.89%
2004	6,410,897,906	7,203,256,074	1,788,317,724	1,788,317,724	225,908,336	253,829,591	8,425,123,966	9,245,403,389	91.13%

(1) As required by NC General Statute, real property is reappraised at 100% of fair market value every eight years. Personal property is appraised each year and assessed at 100% of appraised value. Public Service Companies' assessed valuation is adjusted according to the sales ratio of real property.

(2) Increase is due to revaluation of property.

**RANDOLPH COUNTY, NORTH CAROLINA**

PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING ENTITIES  
PER \$100 OF ASSESSED VALUATION  
LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30					Fiscal Year Ended June 30				
	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
Randolph County	0.50	0.48	0.48	0.5125	0.5125	0.465	0.465	0.465	0.465	0.465
City of Archdale	0.23	0.23	0.23	0.24	0.24	0.24	0.24	0.24	0.24	0.24
City of Asheboro	0.50	0.50	0.45	0.52	0.52	0.52	0.52	0.52	0.52	0.52
Town of Franklinville	0.40	0.40	0.40	0.40	0.30	0.30	0.38	0.38	0.38	0.38
Town of Liberty	0.48	0.48	0.48	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Town of Ramseur	0.46	0.46	0.46	0.50	0.50	0.50	0.50	0.50	0.50	0.44
City of Randleman	0.48	0.48	0.40	0.46	0.46	0.46	0.38	0.38	0.38	0.38
Town of Seagrove	0.40	0.40	0.40	0.42	0.42	0.42	0.42	0.40	0.40	0.40
Town of Staley	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125
City of Trinity	0.05	0.05	0.05	0.05	0.05	0.05				
School Districts:										
Asheboro School District	0.1385	0.1385	0.1385	0.145	0.145	0.145	0.145	0.145	0.145	0.145
Archdale/Trinity School District	0.075	0.075	0.075	0.085	0.085	0.085	0.085	0.085	0.085	0.085
Fire Protection Districts:										
Fairgrove	0.065	0.065	0.065	0.075	0.075	0.075	0.04	0.04	0.04	0.04
Guil-Rand	0.100	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Climax	0.093	0.093	0.093	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Julian	0.100	0.095	0.095	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Westside	0.085	0.082	0.082	0.085	0.085	0.085	0.085	0.085	0.085	0.085
Eastside	0.055	0.055	0.055	0.06	0.06	0.06	0.06	0.06	0.06	0.06
Level Cross	0.100	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09
Ulah	0.061	0.061	0.061	0.065	0.065	0.065	0.065	0.065	0.065	0.065
Seagrove	0.097	0.097	0.097	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Staley	0.100	0.096	0.096	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Randleman	0.100	0.10	0.10	0.10	0.10	0.10	0.09	0.09	0.09	0.09
Tabernacle	0.087	0.087	0.087	0.09	0.09	0.09	0.09	0.09	0.09	0.09
Northeast	0.068	0.068	0.068	0.07	0.07	0.07	0.07	0.07	0.07	0.07
Sophia	0.100	0.096	0.096	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Coleridge-Erect	0.073	0.073	0.073	0.08	0.08	0.08	0.10	0.10	0.10	0.08
Franklinville	0.065	0.07	0.077	0.08	0.08	0.08	0.08	0.08	0.08	0.08
Farmer	0.075	0.075	0.075	0.08	0.08	0.08	0.07	0.07	0.07	0.07
Bennett	0.070	0.07	0.07	0.08	0.08	0.08	0.08	0.08	0.08	0.08
Southwest	0.100	0.092	0.092	0.10	0.10	0.10	0.10	0.10	0.10	0.10

## RANDOLPH COUNTY, NORTH CAROLINA

PROPERTY TAX LEVIES - ALL DIRECT AND OVERLAPPING ENTITIES  
PER \$100 OF ASSESSED VALUATION  
LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30				Fiscal Year Ended June 30					
	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
Randolph County	\$ 42,114,342	\$ 40,079,649	\$ 39,302,404	\$ 31,570,635	\$ 30,226,296	\$ 26,382,094	\$ 25,664,442	\$ 24,362,674	\$ 22,665,732	\$ 21,393,071
City of Asheboro	8,872,488	8,823,016	7,816,955	7,379,738	6,883,743	6,648,400	6,478,483	5,994,587	5,556,010	5,300,683
City of Archdale	1,769,050	1,711,310	1,596,306	1,254,572	1,234,754	1,130,520	1,100,564	854,765	819,580	796,590
Town of Franklinville	122,490	123,250	118,903	92,101	71,263	53,835	44,764	41,853	41,146	41,146
Town of Liberty	755,576	770,132	757,764	601,765	605,170	561,145	539,512	533,131	481,416	495,525
Town of Ramseur	597,613	642,422	671,600	616,346	671,980	559,276	683,804	605,917	565,268	512,377
City of Randleman	1,349,621	1,291,706	925,366	770,730	714,988	667,373	526,109	521,070	471,774	477,997
Town of Seagrove	97,283	92,695	92,184	74,320	71,681	75,616	56,700	53,653	51,321	48,705
Town of Staley	23,107	23,059	23,495	16,605	15,824	16,025	15,204	14,139	11,578	11,572
City of Trinity	218,227	215,345	213,625	155,940	150,355	142,464	124,152			
School Districts:										
Asheboro School District	2,609,296	2,614,133	2,598,549	2,088,948	2,024,649	1,958,154	1,882,350	1,824,050	1,729,174	1,651,410
Archdale/Trinity School District	1,410,575	1,378,771	1,340,628	1,131,909	1,118,052	1,042,940	1,008,664	953,670	895,909	826,750
Fire Protection Districts:										
Fairgrove	183,655	172,596	166,641	131,395	125,099	112,030	55,561	50,411	45,938	42,376
Guil-Rand	1,680,946	1,644,547	1,594,025	1,211,716	1,200,860	1,132,548	1,114,245	1,047,402	986,723	931,679
Climax	330,006	316,530	303,652	225,208	218,380	195,973	184,112	170,193	155,835	142,678
Julian	72,485	69,200	68,717	52,271	51,410	48,567	47,650	45,765	42,190	39,592
Westside	465,720	446,530	443,201	326,870	318,381	298,390	302,194	291,872	274,466	254,220
Eastside	216,929	215,515	211,956	161,469	161,211	151,024	141,948	138,439	128,879	126,313
Level Cross	200,244	179,001	178,116	130,191	128,483	116,254	109,533	105,517	92,573	84,843
Ulah	261,275	270,152	268,073	207,696	204,425	192,776	180,480	171,640	157,191	148,790
Seagrove	146,851	149,062	147,559	115,304	115,527	109,984	110,166	100,854	94,930	86,183
Staley	132,914	124,418	120,901	89,582	77,181	71,991	70,381	67,429	62,401	59,544
Randleman	194,088	192,954	235,183	200,400	194,829	189,800	183,918	170,825	158,182	115,642
Tabernacle	164,107	159,754	156,142	117,767	117,184	109,085	106,422	100,956	92,421	86,560
Northeast	77,892	77,265	76,138	61,889	56,608	57,139	50,251	47,947	44,433	41,133
Sophia	98,756	91,373	88,109	66,891	66,735	62,516	62,540	58,858	54,172	50,610
Coleridge-Erect	138,540	138,461	137,824	102,583	100,007	91,262	88,401	87,581	80,653	75,942
Franklinville	253,342	271,933	293,222	222,645	217,182	201,373	193,235	187,786	176,790	167,992
Bennett	23,447	22,883	22,717	18,421	18,205	17,918	17,067	16,648	15,648	14,917
Farmer	114,683	109,519	106,792	78,745	77,635	71,744	61,086	58,574	52,746	49,385
Southwest	53,512	48,794	49,069	37,190	36,985	34,444	35,603	31,700	29,265	28,227

Table 9

## RANDOLPH COUNTY, NORTH CAROLINA

PRINCIPAL TAXPAYERS  
June 30, 2004

Taxpayer	Type of Business	Assessed Valuation	Percentage of Total Assessed Valuation
Eveready Battery Company	Battery Manufacturer	\$ 131,257,794	1.56%
Klaussner Furniture Industries	Furniture Manufacturer	53,316,363	0.63%
Duke Energy Corp.	Public Electric Company	43,030,795	0.51%
Randolph Electric Membership Corp.	Membership Electric Company	42,087,111	0.50%
Ramtex, Inc.	Woven Fabric	38,552,587	0.46%
Timken Company (The)	Bearings Manufacturer	35,841,796	0.43%
Carolina Power & Light	Public Electric Company	35,060,754	0.42%
Sealy	Matress manufacturer	32,417,069	0.38%
North State Telephone	Public Telephone Company	31,955,236	0.38%
Central Telephone Company	Public Telephone Company	31,517,553	0.37%

Source: Randolph County Tax Department

Table 10

## RANDOLPH COUNTY, NORTH CAROLINA

COMPUTATION OF LEGAL DEBT MARGIN  
June 30, 2004

Total Assessed Value	<u>\$ 8,425,123,966</u>
Legal Debt Margin	
Debt Limitation - 8% of Total Assessed Value	<u>\$ 674,009,917</u>
Debt Applicable to Limitation:	
General Obligation Bonds	12,805,000
Installment Purchase Agreements	78,877,655
Other Debt	<u>1,103,965</u>
Total Debt Applicable to Limitation	<u>92,786,620</u>
Legal Debt Margin	<u>\$ 581,223,297</u>

Table 11

**RANDOLPH COUNTY, NORTH CAROLINA**

RATIO OF BONDED DEBT TO ASSESSED VALUE AND PER CAPITA  
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Population (1)	Assessed Value (2)	Bonded Debt	Ratio of Bonded Debt to Assessed Value	Bonded Debt Per Capita
1995	112,684	\$ 4,600,660,495	\$ 31,875,000	0.69%	\$283
1996	112,926	4,857,798,910	29,725,000	0.61%	\$263
1997	115,548	5,221,057,523	27,575,000	0.53%	\$239
1998	118,722	5,487,972,811	27,040,000	0.49%	\$228
1999	121,550	5,651,109,677	24,735,000	0.44%	\$203
2000	124,142	5,912,591,002	22,305,000	0.38%	\$180
2001	126,316	6,140,643,058	19,895,000	0.32%	\$158
2002	131,095	8,149,447,600	17,505,000	0.21%	\$134
2003	132,139	8,323,040,949	15,135,000	0.18%	\$115
2004	133,836	8,425,123,966	12,805,000	0.15%	\$96

(1) Source: North Carolina State Demographer

(2) From Table 4

Table 12

**RANDOLPH COUNTY, NORTH CAROLINA**

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES  
TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES  
LAST TEN YEARS

Fiscal Year Ended June 30	Principal	Interest (1)	Total Debt Service	Total General Governmental Expenditures (2)	Ratio of Debt Service to General Governmental Expenditures
1995	\$ 3,144,988	\$ 2,239,365	\$ 5,384,353	\$ 56,887,271	9.46%
1996	2,936,229	2,889,239	5,825,468	76,448,992	7.62%
1997	4,005,855	3,352,303	7,358,158	84,190,114	8.74%
1998	3,898,107	3,576,613	7,474,720	82,085,566	9.11%
1999	4,052,659	2,874,426	6,927,085	88,759,352	7.80%
2000	4,312,721	2,643,790	6,956,511	97,584,718	7.13%
2001	4,301,286	5,743,695	10,044,981	127,083,458	7.90%
2002	5,112,581	5,176,425	10,289,006	111,372,617	9.24%
2003	5,256,219	4,970,661	10,226,880	102,929,227	9.94%
2004	8,284,074	4,611,019	12,895,093	96,325,198	13.39%

(1) Includes Bond Fees.

(2) Includes General Fund, Special Revenue Funds, and Capital Project Funds.

**RANDOLPH COUNTY, NORTH CAROLINA**

Table 13

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT (1)**  
June 30, 2004

	Net Bonded Debt Outstanding	Percentage Applicable to Randolph County	Amount Applicable to Randolph County
Randolph County	\$ 12,805,000	100%	\$ 12,805,000
City of Asheboro	975,000	100%	975,000
	<u>\$ 13,780,000</u>		<u>\$ 13,780,000</u>

**RANDOLPH COUNTY, NORTH CAROLINA**

Table 14

**DEMOGRAPHIC STATISTICS**  
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Population (1)	Per Capita Income (2)	Median Age (3)	Public School Enrollment (4)	Average Unemployment Rate (5)
1995	112,684	\$ 19,685	35.2	18,659	3.00%
1996	112,926	\$ 20,417	35.3	18,950	3.50%
1997	115,548	\$ 21,004	35.4	19,660	2.70%
1998	118,722	\$ 21,821	35.6	19,762	2.80%
1999	121,550	\$ 22,716	35.6	20,951	2.90%
2000	124,142	\$ 23,317	36.16	21,515	3.10%
2001	126,316	\$ 23,372	36.37	21,317	5.30%
2002	131,095	\$ 23,629	36.52	21,905	6.40%
2003	-	N/A	36.64	22,377	6.03%
2004	133,836	N/A	36.75	22,779	5.40%

- (1) Source: North Carolina State Demographer.
- (2) Source: Bureau of Economic Analysis. Information for fiscal years 2003 and 2004 is not currently available.
- (3) Source: North Carolina State Demographer. This information is not produced on a per year/per county basis. Some of the numbers used are estimated.
- (4) Source: Randolph County Board of Education and Asheboro City Board of Education.
- (5) Source: North Carolina Employment Security Commission.

(1) Excluding general obligation bonds reported in any enterprise fund.

**RANDOLPH COUNTY, NORTH CAROLINA**

PROPERTY VALUE, CONSTRUCTION, AND BANK DEPOSITS  
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Property Value (1)				Construction		Deposits	
	Commercial	Residential	Exemptions	Total	Number Of Units	Value	Commercial Banks	Savings & Loan
1995	\$ 558,714,150	\$ 2,780,591,032	\$ 124,360,048	\$ 3,214,945,134	1,282	\$ 79,093,346	\$ 965,662,000	\$ 17,432,000
1996	584,175,455	2,890,779,020	123,552,261	3,351,402,214	1,142	79,113,599	1,035,550,000	17,541,000
1997	611,357,375	2,938,869,294	113,249,452	3,436,977,217	1,183	91,398,444	1,101,298,000	16,792,000
1998	639,758,800	3,020,823,296	121,806,242	3,538,775,854	1,332	105,388,895	1,118,392,000	18,888,000
1999	658,619,830	3,131,177,471	123,144,706	3,666,652,595	1,275	122,178,341	1,173,185,000	19,954,000
2000	708,666,760	3,213,345,224	112,735,746	3,809,276,238	1,281	125,463,087	1,187,000,000	33,000,000
2001	757,447,330	3,287,774,178	91,102,391	3,954,119,117	1,639	127,415,762	1,251,000,000	36,000,000
2002	(4) 1,028,080,060	5,083,207,650	180,854,412	5,930,433,298	1,666	111,472,171	1,316,000,000	40,000,000
2003	1,298,962,399	4,942,081,501	230,711,625	6,010,332,275	2,041	114,439,408	1,252,000,000	43,000,000
2004	1,349,500,547	5,043,355,103	260,043,592	6,132,812,058	2,032	130,737,733	1,533,000,000	36,000,000

(1) Source: Randolph County Tax Department. Property values are estimated based on beginning tax levy.

(2) Source: County and City Inspection Departments.

(3) Source: Federal Deposit Insurance Corporation. Figures are rounded to the nearest \$1,000. All figures are as of June 30th of each year.

(4) Increase in value is due to revaluation of property.

**RANDOLPH COUNTY, NORTH CAROLINA**

MISCELLANEOUS STATISTICS

June 30, 2004

County Government:

Date Incorporated	1779
Form of Government	County Commissioners/County Manager
Number of Employees in Classified Positions	
Full time	663.5
Part time	17

Geographic Area

790 Square Miles

Miles of Roads:

Paved	1,578
Unpaved	122

County Population:

2000 Census

By Age:	0-19	27.3%
	20-64	60.6%
	65 and over	12.1%
By Gender:	Male	49.4%
	Female	50.6%
By Race:	White	86.0%
	Hispanic	6.6%
	Black	5.6%
	Other	1.8%

Population By Area:

Archdale	8,970
Asheboro	22,504
Franklinville	1,304
Liberty	2,711
Ramseur	1,604
Randleman	3,845
Seagrove	248
Staley	353
Trinity	6,794
Residents outside any city limits	85,503
	<u>133,836</u>

**RANDOLPH COUNTY, NORTH CAROLINA****MISCELLANEOUS STATISTICS**

June 30, 2004

## Education (K-12):

## Pre-K &amp; Elementary:

Number of Schools	23
Number of Teachers	787
Number of Students	10,913

## Middle School:

Number of Schools	9
Number of Teachers	390
Number of Students	5,570

## High School:

Number of Schools	5
Number of Teachers	422
Number of Students	6,296

## Law Enforcement (Including Municipalities):

Number of Stations	8
Number of Law Enforcement Officers	252

## Emergency Medical Services:

Number of Stations	5
Number of Employees (Full Time)	42
Number of Employees (Part Time)	21

## Fire Protection:

Number of Volunteer Fire Districts	19
Number of Volunteer Firemen	600