

# **RANDOLPH COUNTY, NORTH CAROLINA**

Comprehensive Annual Financial Report  
Fiscal Year Ended June 30, 2006



## **Randolph County Public Library—Seagrove Branch**

The Seagrove Public Library is a full-service library offering reference and Internet resources, children's programs, circulation, and programs of general interest. The Seagrove Library began operating in 1973 in a building constructed by the Seagrove Grange. The Grange rented the facility to the library for a very nominal fee for over thirty years. The library was open only 24 hours per week with two part-time staff. The library always worked closely with Seagrove Elementary School in providing programs and story times, and both entities have benefited from the cooperation.

A great demand for more hours of operation from residents in the southern third of the County, coupled with the deterioration of the thirty-year-old structure, prompted the County to provide funding for a new Seagrove Library. Construction on the 5,568-square-foot building was completed in October 2005 on land donated by the Randolph County Board of Education. The \$750,000 library is located next door to Seagrove Elementary School and will continue the long-term relationship regarding programming and cooperation. The new facility has a meeting room (unlike the old building) that can be used even when the library itself is closed.

At the new library, hours have increased to six days per week, including Saturdays. Four part-time staff have been hired. The County assumed all operations and costs of the library with some financial assistance from the Town of Seagrove. A dramatic increase in the use of the Seagrove Library has borne out the need for the new building. Statistics from the fiscal year ending June 30, 2006 show a 77 percent increase in the number of visits to the library with the number of patrons obtaining library cards up by almost 20 percent compared to the previous year. Circulation of materials has increased by 45 percent and requests for reference assistance skyrocketed 76 percent.

## **Randolph County Public Library—Seagrove Branch**

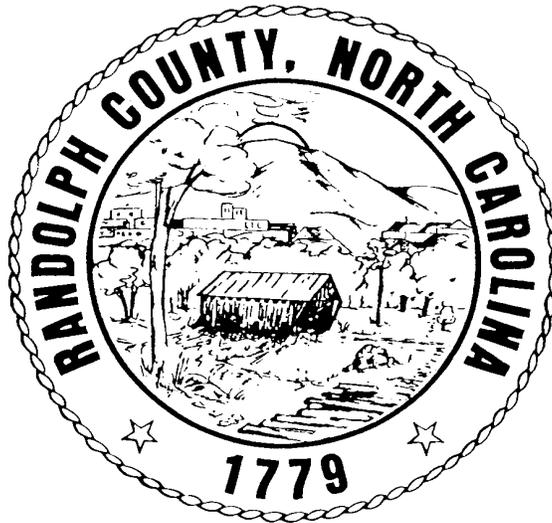
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**RANDOLPH COUNTY, NORTH CAROLINA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

For the Fiscal Year Ended June 30, 2006



Prepared by:

Randolph County Finance Office

**William L. Massie, CPA**  
Assistant County Manager/Finance Officer

**Jane H. Leonard**  
Deputy Finance Officer



**RANDOLPH COUNTY, NORTH CAROLINA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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## **INTRODUCTORY SECTION**

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## 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

October 20, 2006

To The Board of Commissioners, County Manager, 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, 2006. This CAFR demonstrates the County's accountability to the citizens of Randolph County, the Board of Commissioners, and other interested parties by presenting financial information which conforms to high reporting standards.

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 Cherry, Bekaert, and Holland, 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

Finance: 318-6611 ☐ Personnel: 318-6600 ☐ Purchasing: 318-6304  
Greensboro Area: 218-4300 ☐ Archdale-High Point-Trinity Area: 819-3300 ☐ Liberty Area: 218-4300

year ended June 30, 2006, 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, 2006, 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 was formed in 1779 from the southern section of Guilford County by an act of the NC General Assembly. The County was named for Peyton Randolph of Virginia, a popular leader and President of the Continental Congress of 1774 and 1775.

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 provides 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 and Public 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, Sandhills Center, 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. Health care has become one of the fastest growing sectors, and Randolph Hospital today is the fourth largest employer in the County.

Additionally, retail sales continue to grow, due to new shopping centers opening throughout the County, especially in Archdale, Asheboro, Ramseur and Randleman. New home construction and real estate sales have remained strong with growth occurring countywide.

For many years, the County unemployment rate continued to be one of the lowest in North Carolina. Although the national decline in economic conditions has also affected Randolph County, the current unemployment rate stands at 4.7%, still below the statewide rate (4.8%). 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, Asian owned StarPet selected the County for a \$44 million capacity expansion. Plastics company Dart Container is adding 366,000

square feet of manufacturing and distribution space at an investment of \$22 million. The Timken Company is adding 61,000 square feet and 50 new jobs as part of a \$27 million expansion. Hubbell Industrial Controls added two new product lines, adding 150 jobs and \$5 million in new equipment. Several other firms have recently announced plans to expand existing operations.

The fundamental strengths of our local economy remain healthy. Furniture currently stands at 14.72% 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 5.73% of the jobs in the County. Metalworking, chemical and plastics, and electronic and other electrical products along with instruments constitute 14.27% 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 2006, the vacancy rates for industrial and commercial space remain tight, with most buildings selling or leasing within 90-120 days. Since the first of 2006, more than 401,000 square feet of industrial space has been sold or leased by end users. An additional 529,000 square feet of new industrial space has been announced within the same 9-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 \$545 million by both new and existing industries. This increased investment generated more than 4,100 new jobs. Continuous attention is placed on meeting the needs of existing industry. In past years, the RCEDC has received numerous national and regional awards of excellence for marketing, promotion and industrial recruitment.

Tourism continues to play an increasingly important role in the County's economy. 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 Seagrove area is home for over 100 potteries, keeping alive the 200 year old heritage and craft of pottery making. Other tourism attractions consist of four special interest museums: the famous Richard Petty Museum, the N.C. Aviation 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

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.

Currently, the Board of Commissioners has approved the construction of two new high schools and renovation of an elementary school to lighten the overcrowding. The anticipated cost of these projects is \$75 million, with installment purchase financing to be issued in 2006 and 2007. The elementary school renovation should be completed by the 2007-08 school year. The first high school should be available in the 2008-09 school year; the second high school a year later.

There are still many critical needs in both school districts and the community college, which will be addressed in later years. The County is also implementing a county-wide water plan to improve development of water transmission lines to the many unincorporated areas of the county that are currently served with wells. These capital issues are addressed in the Capital Improvement Plan developed in conjunction with the annual budget process.

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 serves as the basis for updating our information technology systems, which we have been accomplishing for the past few years.

#### 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 counties and 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, 2005. This was the 17th 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.

Randolph County also received the GFOA's Distinguished Budget Presentation Award for its annual budget for the fiscal year ended June 30, 2006. This was the second consecutive year that the County has received this prestigious award. In order to receive this award, the governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

We would like to recognize the cooperation of the County's departments in providing efficient financial operations throughout the year. Also, the preparation of this report would not have been possible without the dedicated efforts of the entire staff of the Finance Office. We have set high standards of service, which is reflected in this report.

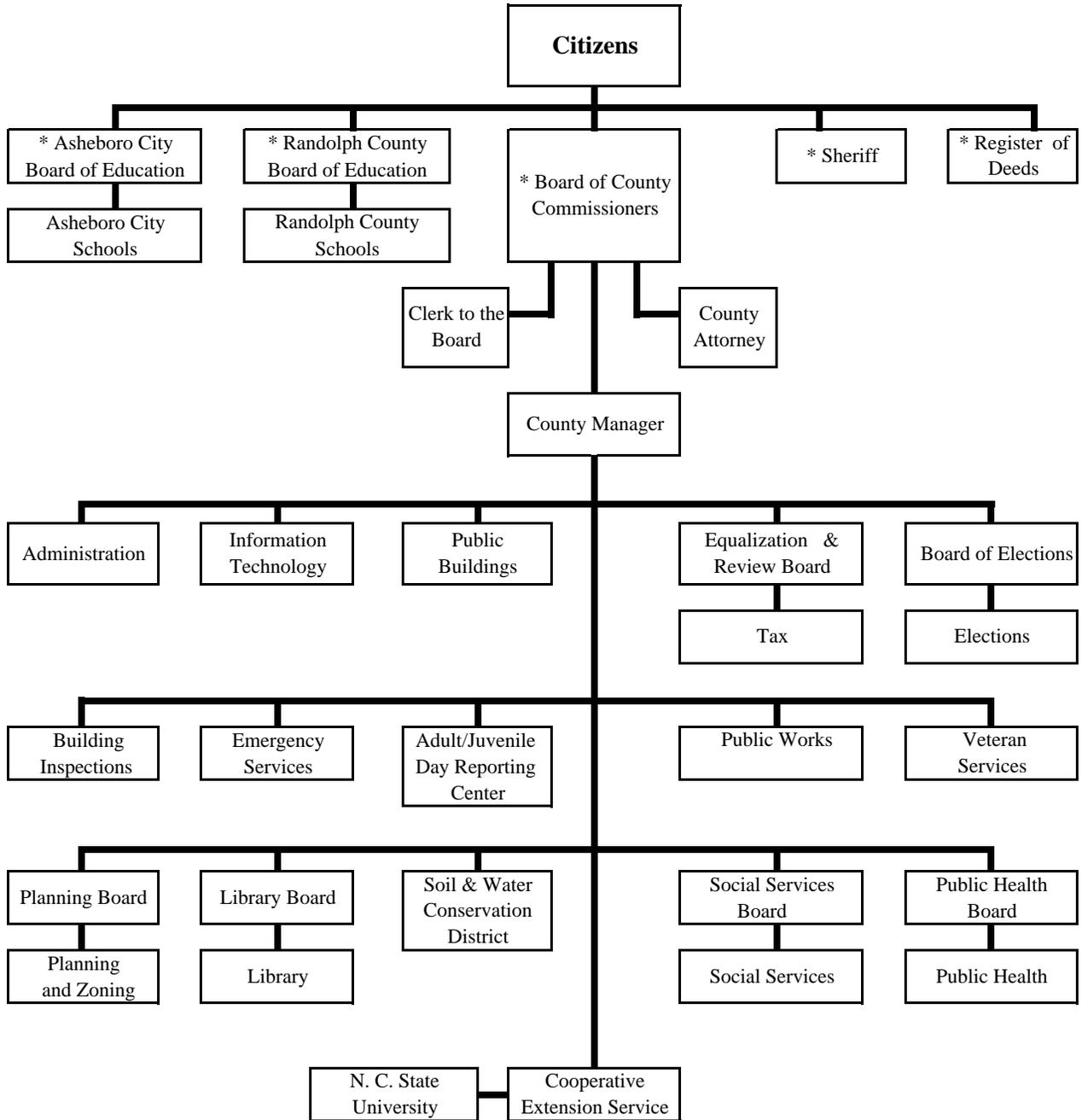
I would also like to thank the members of the Board of Commissioners for their dedication to the citizens of Randolph County and for their continued interest and support throughout the past year. Their efforts make possible the excellent financial position of the County through their support in planning and conducting the financial affairs of the County in a responsible manner.

Respectfully,



William L. Massie  
Assistant County Manager/Finance Officer

**RANDOLPH COUNTY, NORTH CAROLINA**  
ORGANIZATIONAL CHART



\* Elected Officials

# Randolph County, North Carolina

## List of Principal Officials

June 30, 2006



### Elected Officials

County Commissioner .....J. Harold Holmes, *Chairman*  
County Commissioner .....Darrell L. Frye, *Vice Chairman*  
County Commissioner .....Robert B. Davis  
County Commissioner .....Phil Kemp  
County Commissioner .....Arnold Lanier  
Sheriff .....Litchard Hurley  
Register of Deeds.....Ann Shaw

### County Officials

Interim County Manager.....Richard Wells  
Assistant County Manager / Finance Officer.....Will Massie  
County Attorney.....Aimee Scotton  
Tax Administrator.....Ben Chavis  
Director of Building Inspections.....Paxton Arthurs  
Director of Building Maintenance .....James Chriscoe  
Director of Cooperative Extension .....Carolyn Langley  
Director of Data Processing .....Annette Crotts  
Director of Elections .....Patsy Foscue  
Director of Emergency Services .....Neil Allen  
Director of Planning /Zoning .....Hal Johnson  
Director of Public Health .....Mimi Cooper  
Director of Public Library.....Suzanne Tate  
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, 2005

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.



President

Executive Director.



## **FINANCIAL SECTION**





## Independent Auditor's Report

To the Board of County Commissioners  
Randolph County, North Carolina

We 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 "the County" as of and for the year ended June 30, 2006, which collectively comprise the County's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our 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 we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Randolph County Tourism Development Authority were not audited in accordance with Government Auditing Standards. 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. We believe that our audit provides a reasonable basis for our opinions.

In our 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 the County as of June 30, 2006, and the respective changes in financial position, where appropriate, 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.

In accordance with Government Auditing Standards, we have also issued our report dated October 20, 2006 on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing in considering the results of our audit.

As discussed in Note II D of the financial statements, management of the County discovered that liabilities and expenditures were understated in the prior year. Accordingly, the 2005 financial statements have been restated and net assets as of June 30, 2005 have been adjusted to properly reflect the resultant decrease in net assets.

Management's Discussion and Analysis and the Required Supplementary Information listed in the Table of Contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We 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, we did not audit this information and express no opinion thereon.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the County. The combining and individual fund statements and schedules, capital assets used in the operation of governmental funds section, and other supplementary information listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The Introductory and Statistical Sections, as listed in the accompanying table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

*Chung, Bekant & Holland, L.L.P.*

Asheboro, North Carolina  
October 20, 2006

## 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, 2006. 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 assets of the County exceeded its liabilities at the close of the fiscal year by \$15,008,702 (*net assets*). Under North Carolina law, counties are responsible for providing public school facilities. At June 30, 2006, Randolph County had outstanding debt of \$68,286,264 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 has the effect of reducing total net assets for the County.
- The government's total net assets increased by \$8,902,345, primarily due to increased net assets in the General Fund. This includes a small prior period adjustment of \$29,203 in the Landfill Closure Fund.
- As of the close of the current fiscal year, Randolph County's governmental funds reported combined ending fund balances of \$43,745,509, an increase of \$718,435 in comparison with the prior year. Approximately seventy-one percent of this total amount, or \$31,345,359, 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 \$24,881,548, or 26.2 percent of total general fund expenditures for the fiscal year.
- Randolph County's total debt decreased by \$6,737,136 (7.55%) during the current fiscal year, the amount of required principal payments. No new debt was issued.
- Randolph County maintained for the 8<sup>th</sup> consecutive year, its Aa3 bond rating from Moody's Investor Service and for the 6<sup>th</sup> consecutive year, its AA- rating from Standard and Poor's Corporation.

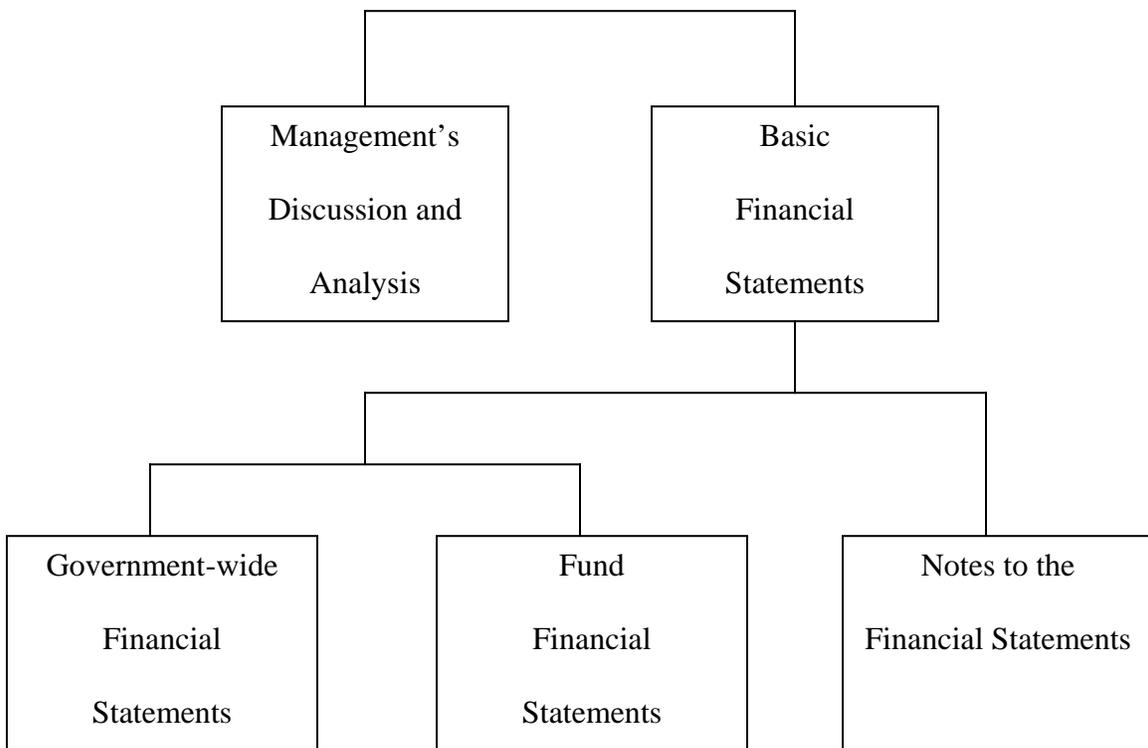
## **Overview of the Financial Statements**

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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**



Summary



Detail

## **Basic Financial Statements**

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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**

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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 gauge 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, one of which is a pension trust fund and eighteen 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 page 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 assets of Randolph County exceeded liabilities by \$15,008,702 as of June 30, 2006. The County’s net assets increased by \$8,902,345 for the fiscal year ended June 30, 2006. 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 (30%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$(14,528,602) is unrestricted.

**Randolph County’s Net Assets**

**Figure 2**

	<b>Governmental Activities</b>	
	<b>2006</b>	<b>2005</b>
Current and other assets	\$ 69,132,331	\$ 67,227,375
Capital assets	<u>36,117,107</u>	<u>35,750,794</u>
Total assets	<u>105,249,438</u>	<u>102,978,169</u>
Long-term liabilities outstanding	86,908,671	93,610,043
Other liabilities	<u>3,332,065</u>	<u>3,261,769</u>
Total liabilities	<u>90,240,736</u>	<u>96,871,812</u>
Net assets:		
Invested in capital assets, net of related debt	25,053,217	23,461,269
Restricted	4,484,087	3,740,215
Unrestricted	<u>(14,528,602)</u>	<u>(21,095,127)</u>
Total net assets	<u>\$ 15,008,702</u>	<u>\$ 6,106,357</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, 2006, \$68,286,264 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 97.95%, higher than the statewide average of 97.04%.
- Improving economy was reflected in retail sales; sales tax collections grew 4.9%.
- Continued revenue growth in charges for Emergency Medical Services.
- 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 2006	Governmental Activities 2005
Revenues:		
Program revenues:		
Charges for services	\$ 10,460,744	\$ 10,092,648
Operating grants and contributions	16,226,299	16,122,451
Capital grants and contributions	670,612	32,609
General revenues:		
Property taxes	50,631,937	47,490,811
Sales taxes	22,553,119	21,496,129
Other taxes	1,880,040	1,727,065
Other	2,619,913	2,027,453
Total revenues	105,042,664	98,989,166
Expenses:		
General government	8,919,465	8,293,182
Public safety	22,846,258	22,367,554
Economic and physical development	1,990,561	2,028,595
Environmental protection	3,092,969	3,102,096
Human services	27,234,372	25,970,858
Culture and recreation	1,731,871	1,599,807
Education	26,074,526	22,526,568
Interest on long-term debt	4,221,094	4,470,737
Total expenses	96,111,116	90,359,397
Increase in net assets	8,931,548	8,629,769
Net assets, July 1	6,106,357	(2,523,412)
Prior Period Adjustment	(29,203)	-
Net assets, June 30	\$ 15,008,702	\$ 6,106,357

**Governmental activities.** Governmental activities increased the County's net assets \$8,902,345 for the year. Key elements in several areas affected the County's net assets:

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

- Maintenance of the County's high tax collection rate of 97.95%.
- Sales tax collections grew 4.9%, for an additional \$785,619 beyond the budgeted level.
- Medicaid costs, after years of double digit growth, rose only 2.8 percent, or an additional \$165,793.

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

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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 \$24,881,548, while total fund balance reached \$36,786,363. 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 26.2 percent of total General Fund expenditures, while total fund balance represents 38.75 percent of that same amount.

At June 30, 2006, the governmental funds of Randolph County reported a combined fund balance of \$43,745,509, a 1.67 percent increase over last year. The primary reason for this change is the increase in fund balance in the two Reserve Funds.

**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 \$3,190,215, or 3.27 percent. These changes were primarily to record increased federal and state financial assistance.

Actual revenues exceeded budgeted amounts by \$3,732,016, which was the result of strong property tax revenues, sales tax collections, and ambulance fees. Expenditures were \$5,255,651 under budget, with unspent monies primarily due to delayed public building projects, economic development incentives not yet disbursed, and lower than projected departmental operating 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, 2006, totals \$36,117,107 (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 and defibrillators for Emergency Services and new vehicles and patrol cars for Sheriff.
- Obtained election equipment through Help America Vote Act grants (\$566,005).
- Completed the construction of Seagrove Library and certain technology improvements, resulting in no construction in progress at year-end.

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

**Figure 4**

	Governmental Activities 2006	Governmental Activities 2005
Land	\$ 2,937,830	\$ 2,944,858
Land improvements	279,907	305,235
Buildings	27,766,879	27,688,775
Machinery and equipment	3,400,149	2,291,436
Vehicles	1,732,342	1,690,130
Construction in progress	-	830,360
Total	<u>\$ 36,117,107</u>	<u>\$ 35,750,794</u>

Additional information on the County's capital assets can be found in note II.A.6 of the Basic Financial Statements.

**Long-term Debt.** As of June 30, 2006, Randolph County had total bonded debt outstanding of \$8,260,000, 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.

## Randolph County's Outstanding Debt

**Figure 5**

	Governmental	
	Activities	
	<u>2006</u>	<u>2005</u>
General obligation bonds	\$ 8,260,000	\$ 10,515,000
Installment purchase obligations	76,549,741	81,204,841
Less deferred items, net	(3,046,269)	(3,394,331)
Capital lease	117,221	249,297
Note payable - State of N.C.	<u>645,330</u>	<u>688,352</u>
	<u>\$ 82,526,023</u>	<u>\$ 89,263,159</u>

During the past fiscal year, Randolph County's total debt decreased by \$6,737,136, the amount of required principal payments.

As mentioned in the financial highlights section of this document, Randolph County maintained for the 8<sup>th</sup> consecutive year, its Aa3 bond rating from Moody's Investor Service and for the 6<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 \$611,186,681. The County has no bonds authorized but unissued at June 30, 2006. However, the Board of County Commissioners had authorized the County to issue up to \$42,000,000 in certificates of participation for school construction; \$41,195,000 was issued in August 2006.

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 51 of this audited financial report.

## **Economic Factors**

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

- The County's current unemployment rate of 4.6% is lower than the state average of 4.8%.
- Hotel occupancy has increased over the past year, as reflected in a 7.2 percent growth in occupancy tax collections.
- New manufacturing investment of over \$76.5 million was announced in the last year; 240 new jobs were announced by 16 companies.
- Development of a County-wide Water Plan should improve cooperation among municipal and private utilities and promote growth and economic development.

## **Budget Highlights for the Fiscal Year Ending June 30, 2007**

### **Governmental Activities:**

The Final 2006-07 General Fund Budget totals \$102,844,407, a 5.44% increase over last year. The 2006-07 Budget levies a 53.5¢ property tax rate (an increase of 1¢) with a countywide property valuation of \$8,750,000,000. The County's 2006-07 tax rate was the 4<sup>th</sup> lowest among urban (>100,000 population) counties and 24<sup>th</sup> lowest among all 100 counties in North Carolina.

The Board of Commissioners continues to provide for the growing needs of our public schools. The final budget includes an additional \$1,363,117 in Education appropriations, or an increase of 5.7%. Randolph County will be constructing one new high school and renovating an elementary school this fall. An additional \$850,000 was estimated as new debt service on the financing for this school construction. The Final Budget includes grant proceeds from the NC Education Lottery to pay for debt service on school construction.

The budget includes a 6.4% market adjustment to the employee pay plan to bring compensation closer to levels paid by other governments. It also includes \$40,000 specifically for the merit program in the Sheriff's Department in order to improve retention of qualified officers. Ten new positions were added to the County to improve efficiency, meet the increased demand for public services, or improve public safety.

Last year, the Randolph County Economic Development Corporation proposed a four-year economic development program for Randolph County to finance projects in a manner which allows the County to retain better control over its future growth. The 2006-07 Budget includes \$850,500 for future economic development projects, funded with one cent of the property tax rate.

## **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, 2006**

	<b>Primary Government</b>	<b>Component Unit</b>
	<b>Governmental</b>	<b>Randolph County</b>
	<b>Activities</b>	<b>Tourism</b>
		<b>Development</b>
		<b>Authority</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 37,520,518	\$ 270,718
Receivables (net)	12,619,864	38,907
Medical self-insurance account	399,749	
Prepaid items and deferred charges	881,543	
Notes receivable	684,705	
Restricted cash	4,000	
Intangible asset:		
Water rights	17,021,952	
Capital assets:		
Land, improvements, and construction in progress	2,937,830	
Other capital assets, net of depreciation	33,179,277	-
Total capital assets	36,117,107	-
Total assets	105,249,438	309,625
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	2,255,647	2,848
Due to fiduciary funds	239,360	
Unearned revenue	433,081	
Liabilities payable from restricted assets	4,000	
Accrued interest payable	399,977	
Long-term liabilities:		
Due within one year	8,230,887	
Due in more than one year	78,677,784	3,050
Total liabilities	90,240,736	5,898
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	25,053,217	
Restricted for:		
General government	109,229	
Public safety	2,536,333	
Human services	1,752,954	
Cultural and recreational	85,571	
Unrestricted (deficit)	(14,528,602)	303,727
Total net assets	\$ 15,008,702	\$ 303,727

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

**Randolph County, North Carolina**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2006**

Functions/Programs	Program Revenues			
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary government:</b>				
Governmental Activities:				
General government	\$ 8,919,465	\$ 1,343,580	\$ 14,957	\$ 566,005
Public safety	22,846,258	4,948,735	1,284,608	
Economic and physical development	1,990,561	33,697	160,419	
Environmental protection	3,092,969	2,736,402	15,877	
Human services	27,234,372	1,229,513	12,581,548	
Cultural and recreation	1,731,871	168,817	280,394	104,607
Education	26,074,526			
Interest on long-term debt	4,221,094	-	1,888,496	-
Total primary government	\$ 96,111,116	\$ 10,460,744	\$ 16,226,299	\$ 670,612
Component unit:				
Randolph County Tourism Development Authority	\$ 340,579	\$ -	\$ -	\$ -
General revenues:				
Taxes:				
Property taxes, levied for general purpose				
Local option sales tax				
Other taxes and licenses				
Investment earnings, unrestricted				
Miscellaneous, unrestricted				
Total general revenues, special items, and transfers				
Change in net assets				
Net assets-as previously reported				
Prior period adjustment				
Net assets - restated				
Net assets-ending				

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

<b>Net (Expense) Revenue and Changes in Net Assets</b>	
<b>Primary Government</b>	<b>Component Unit</b>
<b>Governmental Activities</b>	<b>Randolph County Tourism Development Authority</b>
\$ (6,994,923)	
(16,612,915)	
(1,796,445)	
(340,690)	
(13,423,311)	
(1,178,053)	
(26,074,526)	
<u>(2,332,598)</u>	
<u>(68,753,461)</u>	
	\$ <u>(340,579)</u>
50,631,937	
22,553,119	
1,880,040	359,099
1,982,485	11,327
637,428	200
<u>77,685,009</u>	<u>370,626</u>
8,931,548	30,047
6,106,357	273,680
(29,203)	-
<u>6,077,154</u>	<u>273,680</u>
<u>\$ 15,008,702</u>	<u>\$ 303,727</u>

**Randolph County, North Carolina**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2006**

	<u>Major Fund</u>	<u>Non-Major Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
	<u>General</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	
<b>ASSETS</b>			
Cash and cash equivalents	\$ 30,803,657	\$ 6,716,861	\$ 37,520,518
Accounts receivables, net	2,546,055	190,590	2,736,645
Taxes receivable, net	1,574,731	192,930	1,767,661
Due from other governments	7,991,635	-	7,991,635
Due from other funds	-	306,003	306,003
Medical self-insurance account	399,749		399,749
Prepaid items	23,326		23,326
Notes receivable	684,705		684,705
Restricted cash and cash equivalents	-	4,000	4,000
Total assets	<u>\$ 44,023,858</u>	<u>\$ 7,410,384</u>	<u>\$ 51,434,242</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable and accrued liabilities	\$ 2,029,253	\$ 226,394	\$ 2,255,647
Due to other funds	545,363	-	545,363
Unearned revenue	405,167	27,914	433,081
Deferred revenue	4,257,712	192,930	4,450,642
Liabilities payable from restricted assets	-	4,000	4,000
Total liabilities	<u>7,237,495</u>	<u>451,238</u>	<u>7,688,733</u>
Fund balances:			
Reserved for:			
State statute	8,962,490	495,335	9,457,825
Encumbrances	2,942,325	-	2,942,325
Unreserved:			
Designated for subsequent year - General Fund	2,165,418		2,165,418
Designated for subsequent year - Special Revenue Funds		82,356	82,356
Undesignated	22,716,130		22,716,130
Unreserved, reported in:			
Special revenue funds		5,772,579	5,772,579
Capital projects funds	-	608,876	608,876
Total fund balances	<u>36,786,363</u>	<u>6,959,146</u>	<u>43,745,509</u>
Total liabilities and fund balances	<u>\$ 44,023,858</u>	<u>\$ 7,410,384</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.	36,117,107
The disbursements reported in the Randleman Dam Capital Project are presented in the Statement of Net Assets as an increase in intangible asset	17,021,952
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	982,140
Liabilities for earned but deferred revenues in fund statements.	4,450,642
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>(87,308,648)</u>
Net assets of governmental activities	<u>\$ 15,008,702</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 Fiscal Year Ended June 30, 2006**

	<u>Major Fund</u>	<u>Non-Major Funds</u>	
	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>			
Ad valorem taxes	\$ 45,387,760	\$ 5,029,285	\$ 50,417,045
Local option sales taxes	22,553,119		22,553,119
Other taxes and licenses	1,139,264	740,981	1,880,245
Unrestricted intergovernmental	88,393		88,393
Restricted intergovernmental	16,990,676	82,983	17,073,659
Permits and fees	2,132,920		2,132,920
Sales and services	8,027,801		8,027,801
Investment earnings	1,762,650	293,968	2,056,618
Miscellaneous	618,389	3,414	621,803
Total revenues	<u>98,700,972</u>	<u>6,150,631</u>	<u>104,851,603</u>
<b>EXPENDITURES</b>			
Current:			
General government	8,801,097		8,801,097
Public safety	17,194,573	5,678,794	22,873,367
Economic and physical development	1,899,820	82,983	1,982,803
Environmental protection	3,131,282	83,143	3,214,425
Human services	27,287,657		27,287,657
Culture and recreation	1,796,199	13,030	1,809,229
Intergovernmental:			
Education	23,933,525		23,933,525
Capital outlay		3,305,038	3,305,038
Debt service:			
Principal	7,085,198		7,085,198
Interest and other charges	3,811,626	-	3,811,626
Total expenditures	<u>94,940,977</u>	<u>9,162,988</u>	<u>104,103,965</u>
Excess (deficiency) of revenues over expenditures	<u>3,759,995</u>	<u>(3,012,357)</u>	<u>747,638</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from other funds	805,924	5,072,251	5,878,175
Transfers to other funds	(5,049,314)	(828,861)	(5,878,175)
Total other financing sources and uses	<u>(4,243,390)</u>	<u>4,243,390</u>	<u>-</u>
Net change in fund balances	(483,395)	1,231,033	747,638
Fund balances - beginning, as previously reported	37,269,758	5,757,316	43,027,074
Prior period adjustment	-	(29,203)	(29,203)
Fund balances - restated	<u>37,269,758</u>	<u>5,728,113</u>	<u>42,997,871</u>
Fund balances - ending	<u>\$ 36,786,363</u>	<u>\$ 6,959,146</u>	<u>\$ 43,745,509</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, 2006**

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

Net changes in fund balances - total governmental funds	\$	747,638
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.		402,564
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.		671,496
Net book value of capital assets disposed of during the year, not recognized on modified accrual basis.		(36,251)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		227,312
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.		6,625,751
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>293,038</u>
Total changes in net assets of governmental activities	\$	<u><u>8,931,548</u></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, 2006**

	General Fund			Variance With Final Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Ad valorem taxes	\$ 44,390,800	\$ 44,390,800	\$ 45,387,760	\$ 996,960
Local option sales tax	21,767,500	21,767,500	22,553,119	785,619
Other taxes and licenses	609,000	609,000	1,139,264	530,264
Unrestricted intergovernmental	56,900	56,900	88,393	31,493
Restricted intergovernmental	13,820,183	16,553,503	16,990,676	437,173
Permits and fees	2,381,250	2,439,806	2,132,920	(306,886)
Sales and services	7,166,859	7,446,661	8,027,801	581,140
Investment earnings	936,000	941,000	1,762,650	821,650
Miscellaneous	650,249	763,786	618,389	(145,397)
Total revenues	<u>91,778,741</u>	<u>94,968,956</u>	<u>98,700,972</u>	<u>3,732,016</u>
Expenditures				
Current:				
General government	8,692,884	10,373,265	8,801,097	1,572,168
Public safety	16,923,315	17,654,669	17,194,573	460,096
Economic and physical development	1,633,746	3,287,105	1,899,820	1,387,285
Environmental protection	3,238,430	3,365,591	3,131,282	234,309
Human services	28,389,245	28,778,967	27,287,657	1,491,310
Culture and recreation	1,636,322	1,843,097	1,796,199	46,898
Intergovernmental:				
Education	23,993,742	23,993,742	23,933,525	60,217
Debt service:				
Principal retirement	6,953,122	7,085,198	7,085,198	-
Interest and other charges	3,801,918	3,814,994	3,811,626	3,368
Total expenditures	<u>95,262,724</u>	<u>100,196,628</u>	<u>94,940,977</u>	<u>5,255,651</u>
Revenues over (under) expenditures	<u>(3,483,983)</u>	<u>(5,227,672)</u>	<u>3,759,995</u>	<u>8,987,667</u>
Other financing sources (uses):				
Transfers from other funds	2,490,140	805,924	805,924	-
Transfers to other funds	(2,278,870)	(5,258,703)	(5,049,314)	209,389
Total other financing sources (uses)	<u>211,270</u>	<u>(4,452,779)</u>	<u>(4,243,390)</u>	<u>209,389</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (3,272,713)</u>	<u>\$ (9,680,451)</u>	<u>(483,395)</u>	<u>\$ 9,197,056</u>
Fund balances:				
Beginning of year, July 1			<u>37,269,758</u>	
End of year, June 30			<u>\$ 36,786,363</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, 2006**

	<u>Pension Trust Fund</u>	<u>Agency Funds</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 262,090	\$ 145,824
Receivables, net	3,910	13,150
Taxes receivable, net		739,982
Due from General Fund	<u>-</u>	<u>239,360</u>
 Total assets	 <u>266,000</u>	 <u>1,138,316</u>
 <b>Liabilities and Net Assets</b>		
Liabilities:		
Miscellaneous liabilities	943	155,174
Intergovernmental payables	<u>-</u>	<u>983,142</u>
 Total liabilities	 <u>943</u>	 <u>1,138,316</u>
Net assets:		
Assets held in trust for pension benefits	<u>\$ 265,057</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, 2006**

Additions:	
Contributions:	
Employer contributions	\$ 53,396
Investment income:	
Interest	<u>10,281</u>
Total additions	<u>63,677</u>
Deductions:	
Benefits	24,236
Administrative expense	<u>397</u>
Total deductions	<u>24,633</u>
Change in net assets	39,044
Net assets - beginning of year	<u>226,013</u>
Net assets - end of year	<u><u>\$ 265,057</u></u>

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, 2006**

**I. Summary of Significant Accounting Policies**

The accounting policies of Randolph County (the 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 222 Sunset Avenue Suite 107 Asheboro, N.C. 27203

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

**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 fund:

*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.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

**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 one Pension Trust Fund the Special Separation Allowance Fund, that accounts for the Law Enforcement Officers' Special Separation Allowance, a single-employer, public employee retirement system.

*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 monies deposited with the Department of Social Services for the benefit of certain individuals; the Fines and Forfeitures Fund – Public Schools, 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 Fines and Forfeitures Fund – State of NC, which accounts for the three percent interest on the first month of delinquent motor vehicle taxes that the County is required to remit to the North Carolina Department of Motor Vehicles; the Municipal Tax Districts Funds and the School Tax Districts Funds, 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; the Town Library Fund which accounts for monies held by the County as trustee for certain town libraries in the County; and the Detention Center Commissary Fund, which accounts for monies held by the County as agent for inmates of the Detention Center.

**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, 2006**

**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 2005 through February 2006 apply to the fiscal year ended June 30, 2006. Uncollected taxes that were billed during this period are shown as a receivable on these financial statements. In addition, as of January 1, 2006, State law implemented a staggered expiration date system for annually registered vehicles as part of the conversion into the staggered registration. Originally, annual registration expired December 31st each year with taxes due by May 1st of the following year. To transition from the staggered into the annual registration, the initial 2006 registration renewals will vary from 7 to 18 months after December 31, 2005. Once these initial renewals have expired, all vehicles that were previously annually registered will be in the staggered system.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

**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 activities 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 Economic Development Reserve, the Randleman Dam Capital Project Fund, the Asheboro City Schools Capital Project Fund, the Randolph County Schools Project Fund, the Seagrove Library Capital Project Fund, and the Technology 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, 2006**

**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	\$ 3,390,100
Advances to School Capital Projects	2,350,000
Transfer to Technology Capital Project	510,000
Transfer to Randleman Dam Capital Project	119,833
Election Equipment Grant	576,285
Purchase of Defibrillators for Ambulances	234,352
Other grants	452,190
Other amendments	280,977
	<u>\$ 7,913,737</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 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.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

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

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

**2. Cash and Cash Equivalents**

The County pools monies 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. Restricted Assets**

Customer deposits held by the County before any services are supplied are restricted to the service for which the deposit was collected.

**4. 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, 2005. 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.

**5. 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.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

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

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

**6. 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.

**7. 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, 2006**

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

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

**8. 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 another financing source.

**9. 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, 2006**

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

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

**10. 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 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.

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.

**Unreserved:**

Designated for subsequent year expenditures - portion of total fund balance available for appropriation that has been designated for the adopted 2006-2007 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, 2006**

**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 \$ 28,736,807 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)	\$ 52,199,227
Less Accumulated Depreciation	<u>(16,082,120)</u>
Net Capital Assets	36,117,107
 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	 17,021,952
Deferred charges related to advance refunding bond issued - included on government-wide statement of net assets but are not current financial resources	 858,217
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	 123,923
Liabilities for revenue deferred but earned and therefore recorded in the fund statements but not the government-wide statements	 4,450,642
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	(82,526,023)
Accrued interest payable	(399,977)
Compensated absences	(1,669,941)
Net pension obligation	(446,638)
Medical claims incurred but not reported	(357,000)
Accrued landfill post-closure costs	<u>(1,909,069)</u>
 Total Adjustment	 <u>\$ (28,736,807)</u>

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

**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 \$8,183,910 as follows:

(continued on next page)

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

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

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

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the government-wide statement of net assets	\$ 3,090,340
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.	(2,016,280)
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	7,085,198
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)	(298,083)
Amortization of refunding costs not recorded on fund statements	(111,385)
Compensated absences are accrued in the government-wide statements but not in the fund statements because they do not use current resources	(167,430)
Increase in net pension obligation	(70,320)
Landfill post-closure costs are accrued in the government-wide statements but not in the fund statements because they do not use current resources	60,962
Cost of capital assets disposed of during the year	(36,251)
Decrease in medical claims reserve	141,024
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements:	
Reversal of deferred tax revenue recorded at 7/1/05	(1,552,769)
Recording of tax receipts deferred in the fund statements as of 6/30/06	1,767,661
Decrease in accrued interest on taxes receivable	11,429
Reversal of deferred service revenues recorded at 7/1/05	(2,403,167)
Recording of service fees deferred in the fund statements as of 6/30/06	2,682,981
Total adjustment	<u>\$ 8,183,910</u>

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

**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.

The State Treasurer enforces standards of minimum capitalization for all pooling method financial institutions. The County and Authority rely on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

At June 30, 2006, the County's deposits had a carrying amount of \$ 34,854,121 and a bank balance of \$ 36,736,501. Of the bank balance, \$ 519,808 was covered by federal depository insurance, and \$ 36,216,693 in interest bearing deposits were covered by collateral held under the Pooling Method.

At June 30, 2006, Randolph County had \$4,766 cash on hand.

At June 30, 2006, the carrying amount of deposits for Randolph County Tourism Development Authority was \$ 270,718 and the bank balance was \$ 270,718. All of the bank balance was covered by collateral held under the Pooling Method.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

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

**A. Assets (continued)**

**2. Investments**

At June 30, 2006, the County's investments consisted of \$ 3,073,545 in the North Carolina Capital Management Trust's Cash Portfolio, which carried a credit rating of AAAM by Standard and Poor's. The County has no policy on credit risk.

**3. Receivables**

Receivables at the government-wide level at June 30, 2006 were as follows:

	Accounts	Taxes and Related Accrued Interest	Due from Other Governments	Total
Governmental Activities:				
General	\$ 5,533,855	\$ 2,151,654	\$ 7,991,635	\$ 15,677,144
Other Governmental	<u>190,590</u>	<u>215,530</u>	-	<u>406,120</u>
Total receivables	5,724,445	2,367,184	7,991,635	16,083,264
Allowance for doubtful accounts	<u>(2,987,800)</u>	<u>(475,600)</u>	-	<u>(3,463,400)</u>
 Total-governmental activities	 <u>\$ 2,736,645</u>	 <u>\$ 1,891,584</u>	 <u>\$ 7,991,635</u>	 <u>\$ 12,619,864</u>

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

Ambulance Billings	\$ 2,909,400
Landfill tipping fees	13,200
Health service fees	<u>65,200</u>
Total allowance for uncollectible accounts	<u>\$ 2,987,800</u>

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

Local option sales tax	\$ 5,880,596
Social service grant reimbursements	1,193,974
Health grants	224,411
Refund of sales and use tax	217,675
Other	<u>474,979</u>
Total due from other governments	<u>\$ 7,991,635</u>

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

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

**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. The Town of Ramseur was advanced a total of \$315,000, payable \$19,687 semi-annually over eight years. The note does not have 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:

	Balance July 1, 2005	Advances	Adjustments and Collections	Balance June 30, 2006
Due from:				
Town of Ramseur	\$ 62,500	\$ -	\$ 31,250	\$ 31,250
Town of Ramseur	16,250		8,125	8,125
Davidson Water, Inc.	<u>688,352</u>	-	<u>43,022</u>	<u>645,330</u>
	<u>\$ 767,102</u>	<u>\$ -</u>	<u>\$ 82,397</u>	<u>\$ 684,705</u>

**5. Property Tax - Use-Value Assessment on Certain Lands**

In accordance with the general statutes, agriculture, horticulture, and forestland may be taxed by the County at the present-use value as opposed to market value. When the property loses its eligibility for use-value taxation, the property tax is recomputed at market value for the current year and the three preceding fiscal years, along with the accrued interest from the original due date. This tax is immediately due and payable. The following are property taxes that could become due if present use-value eligibility is lost. These amounts have not been recorded in the financial statements.

Year Levied	Tax	Interest	Total
2003	\$ 946,383	\$ 224,766	\$ 1,171,149
2004	\$ 995,852	\$ 146,888	\$ 1,142,740
2005	\$ 1,067,664	\$ 69,398	\$ 1,137,062
2006	\$ 1,128,227		\$ 1,128,227

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

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

**A. Assets (concluded)**

**6. Capital Assets**

Capital asset activity for the year ended June 30, 2006, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 2,944,858	\$ -	\$ 7,028	\$ 2,937,830
Construction in progress	830,360	-	830,360	-
Total capital assets not being depreciated	<u>3,775,218</u>	<u>-</u>	<u>837,388</u>	<u>2,937,830</u>
Capital assets being depreciated:				
Buildings	35,747,857	936,665		36,684,522
Land improvements	450,695			450,695
Equipment	5,206,356	1,665,492	108,066	6,763,782
Vehicles and motor equipment	5,044,570	647,046	329,218	5,362,398
Total capital assets being depreciated	<u>46,449,478</u>	<u>3,249,203</u>	<u>437,284</u>	<u>49,261,397</u>
Less accumulated depreciation for:				
Buildings	8,059,082	858,561		8,917,643
Land improvements	145,460	25,328		170,788
Equipment	2,914,920	556,779	108,066	3,363,633
Vehicles and motor equipment	3,354,440	575,612	299,996	3,630,056
Total accumulated depreciation	<u>14,473,902</u>	<u>\$ 2,016,280</u>	<u>\$ 408,062</u>	<u>16,082,120</u>
Total capital assets being depreciated, net	<u>31,975,576</u>			<u>33,179,277</u>
Governmental activity capital assets, net	<u>\$ 35,750,794</u>			<u>\$ 36,117,107</u>

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

General government	\$ 846,205
Public safety	988,893
Economic and physical development	18,571
Environmental protection	36,358
Human services	72,062
Cultural and recreational	54,191
Total depreciation expense	<u>\$ 2,016,280</u>

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

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

**B. Liabilities**

**1. Payables**

Payables at the government-wide level at June 30, 2006, were as follows:

	Vendors	Salaries and Benefits	Accrued Interest	Total
Governmental Activities:				
General	\$ 1,777,613	\$ 255,440	\$ 399,977	\$ 2,433,030
Other Governmental	220,703	1,891	-	222,594
 Total - governmental activities	 \$ 1,998,316	 \$ 257,331	 \$ 399,977	 \$ 2,655,624

**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, 2006**

**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, 2006, 2005, and 2004 were \$ 1,049,509, \$ 998,555, and \$954,375, respectively. The Authority's contributions to LGERS for the years ended June 30, 2006, 2005, and 2004 were \$ 3,449, \$2,311, and \$3,749, 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; no separate financial statements are issued.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

**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, 2005, the Separation Allowance's membership consisted of:

Retirees receiving benefits	3
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	147
Total	<hr style="border: 0.5px solid black;"/> <hr style="border: 0.5px solid black;"/> 150

**(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 \$53,000, or .22% 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, 2004 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, 2006**

**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, 2004 was 26 years.

For Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2004	\$ 95,717	5.22%	\$ 274,857
2005	\$ 106,461	4.70%	\$ 376,318
2006	\$ 123,320	42.98%	\$ 446,638

**(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, 2006 was as follows:

Annual Required Contribution (ARC)	\$ 117,651
Interest on NPO	27,283
Adjustment to NPO	<u>( 21,614)</u>
Annual Pension Cost (APC)	<u>\$ 123,320</u>

The Net Pension Obligation as of June 30, 2006 was as follows:

NPO, beginning of year	\$ 376,318
Annual Pension Cost (APC)	123,320
Actual Contribution	<u>(53,000)</u>
NPO, End of Year	<u>\$ 446,638</u>
Percentage of APC Contributed	<u>42.98%</u>

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

**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, 2006 were \$319,333, which consisted of \$256,282 from the County and \$63,051 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, 2006, the County's required and actual contributions were \$35,761.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

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

**B. Liabilities (continued)**

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

**e. Other Post employment Benefits**

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 23 retirees are eligible for postretirement health benefits. For the fiscal year ended June 30, 2006, the County made payments for postretirement health benefit premiums of \$42,419. The County is self-insured for health care costs.

**f. Other Employment Benefits**

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 will be a minimum of \$25,000 and will not exceed \$50,000. 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, 2006, the County and the Tourism Development Authority made contributions to the State for death benefits of \$22,305 and \$65, 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, 2006**

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

**B. Liabilities (continued)**

**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, 2006 exceeded the accrued postclosure cost liability of \$1,909,069. 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, 2006**

**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)	\$ -	\$ 260,963
Prepaid taxes not yet earned (Special Revenue)		27,914
Deferred annuity on Drinking Water Loan (General)		117,859
Other collections (General)	278,823	26,345
Taxes receivable, net (General)	1,574,731	
Taxes receivable, net (Special Revenue)	192,930	
Ambulance service receivables, net (General)	1,469,910	
Health service receivables, net (General)	43,545	
Landfill tipping fees receivable, net (General)	204,007	
Dog license receivables (General)	1,991	
Notes receivable (General)	684,705	-
Total	<u>\$ 4,450,642</u>	<u>\$ 433,081</u>

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

**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 Randolph County Multi-jurisdictional Hazard Mitigation Plan, completed in August 2004, inventoried all County-owned property and determined that no County property was located in a Flood Plain. Accordingly, Randolph County has not obtained flood insurance on any of its property.

County employees are bonded in accordance with NC General Statutes. The Finance Officer is individually bonded for \$100,000 and the Tax Collector is individually bonded for \$200,000. Deputy finance officers and deputy tax collectors are each individually bonded for \$100,000. The remaining employees that have access to funds are bonded under a blanket bond for \$250,000.

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, 2006, the County had a balance of \$399,749 in a medical self-insurance account with its independent medical claims administrator; there is also a potential liability of \$357,000 for estimated self-insurance claims incurred but not reported.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

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

**B. Liabilities (continued)**

**5. Risk Management (concluded)**

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

	Fiscal Year Ending <u>June 30, 2006</u>	Fiscal Year Ending <u>June 30, 2005</u>
Beginning of year claims liability	\$ 498,024	\$ 498,024
Claims incurred	3,194,582	3,801,850
Payments	<u>(3,335,606)</u>	<u>(3,801,850)</u>
End of year claims liability	<u>\$ 357,000</u>	<u>\$ 498,024</u>

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, 2006, 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, 2006, 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	<u>\$ 620,660</u>	<u>\$ 248,264</u>	<u>\$ 372,396</u>

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

**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, 2006 were as follows:

	Year Ending June 30
2007	\$ 120,960
Total minimum lease payments	120,960
Less: amount representing interest	3,739
Present value of the minimum lease payments	\$ 117,221

**b. Note Payable – Revolving Loan**

In 1999, 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, 2006 are as follows:

Year Ending June 30,	Principal	Interest
2007	\$ 43,022	\$ 16,456
2008	43,022	15,359
2009	43,022	14,262
2010	43,022	13,165
2011	43,022	12,068
2012-2016	215,110	43,882
2017-2021	215,110	16,455
Totals	\$ 645,330	\$ 131,647

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

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

**B. Liabilities (continued)**

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

**c. Installment Purchases**

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 capital 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, 2006, there is no remaining outstanding obligation under this agreement.

A second 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, 2006**

**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 capital 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, 2006, only \$6,400,000 remained as outstanding obligations under this agreement, to be retired over the next three years.

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%.

A sixth installment purchase was issued in January 2005 to finance the acquisition of additional water rights in the Randleman Lake, construction of a new library, and renovation to two other county office buildings. Biannual payments of \$330,000 are required, including interest of 3.59%.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

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

**B. Liabilities (continued)**

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

**c. Installment Purchases (concluded)**

The debt service requirements for installment purchases as of June 30, 2006, are:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2007	\$ 4,441,206	\$ 3,126,202
2008	4,982,731	2,938,827
2009	5,344,854	2,722,804
2010	5,547,599	2,488,633
2011	5,725,985	2,329,015
2012-1016	29,759,890	8,341,623
2017-2021	17,507,476	2,985,937
2022-2026	3,240,000	129,600
Totals	<u>\$ 76,549,741</u>	<u>\$ 25,062,641</u>

**d. Advance Refundings**

In a prior year, the County defeased certain certificates of participation by placing the proceeds of new debt in irrevocable trusts to provide for all future debt service payments on the old debt. Accordingly, the trust account assets and the liability for the defeased certificates are not included in the County's financial statements. On June 30, 2006, \$40,815,000 of outstanding certificates of participation are considered defeased.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

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

**B. Liabilities (continued)**

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

**e. 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, 2006 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. \$ 8,260,000

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

Year Ending June 30	Governmental Activities	
	Principal	Interest
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	\$ 8,260,000	\$ 963,200

At June 30, 2006, Randolph County had no bonds authorized but unissued and a legal debt margin of \$611,186,681.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

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

**B. Liabilities (continued)**

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

**f. 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, 2006:

	Balance			Current	
	June 30, 2005	Increases	Decreases	Balance June 30, 2006	Portion of Balance
Governmental activities:					
General obligation debt	\$ 10,515,000	\$ -	\$ 2,255,000	\$ 8,260,000	\$ 2,210,000
Installment purchase	81,204,841		4,655,100	76,549,741	4,441,206
Unamortized premium on debt	2,624,791		294,905	2,329,886	288,342
Deferred Charge on Refunding	(6,019,122)		(642,967)	(5,376,155)	(633,110)
Note Payable - State of NC	688,352		43,022	645,330	43,022
Capitalized leases	249,297		132,076	117,221	117,221
Compensated absences	1,502,511	1,488,136	1,320,706	1,669,941	1,320,706
Net pension obligation	376,318	70,320		446,638	-
Accrued medical claims	498,024	3,194,582	3,335,606	357,000	357,000
Accrued landfill postclosure costs	1,970,031	-	60,962	1,909,069	86,500
Total governmental activities	<u>\$ 93,610,043</u>	<u>\$ 4,753,038</u>	<u>\$ 11,454,410</u>	<u>\$ 86,908,671</u>	<u>\$ 8,230,887</u>

Compensated absences, the net pension obligation, and accrued medical claims typically have been liquidated in the General Fund.

**g. 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, 2006, there were two series of industrial revenue bonds outstanding, with an aggregate principal amount payable of \$4.2 million.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

**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, 2006, consist 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 the Economic Development Reserve Fund to accumulate resources for site development and incentives	835,920
From the General Fund to Randleman Dam Capital Project Fund for reservoir construction	119,443
From the General Fund to the Asheboro City Schools Capital Project Fund to advance monies for school construction	731,030
From the General Fund to the Randolph County Schools Capital Project Fund to advance monies for school construction	1,409,971
From the General Fund to the Technology Capital Project to transfer appropriations for improvements to county technology	510,000
From the Seagrove Library Capital Project to the Randleman Dam Capital Project Fund to transfer residual monies from the completed project	22,937
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	782,295
From the Economic Development Reserve Fund to the General Fund to transfer resources for the payment of economic development projects	<u>23,629</u>
Total	<u>\$5,878,175</u>

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

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

**C. Interfund Balances and Activity**

**2. Interfund Receivables and Payables**

The General Fund collects taxes for various entities; at year end, undistributed tax receipts are due from the General Fund to fiduciary funds. These interfund balances as of June 30, 2006 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Special Revenue Funds:		
Fire Districts Fund:	General Fund	\$ <u>87,368</u>
Trust and Agency Funds:		
City of Asheboro Tax Fund	General Fund	\$ 111,718
City of Archdale Tax Fund	General Fund	25,019
Town of Franklinville Tax Fund	General Fund	3,133
Town of Liberty Tax Fund	General Fund	12,994
Town of Ramseur Tax Fund	General Fund	3,499
City of Randleman Tax Fund	General Fund	15,630
Town of Seagrove Tax Fund	General Fund	2,317
Town of Staley Tax Fund	General Fund	428
City of High Point Tax Fund	General Fund	317
City of Thomasville Tax Fund	General Fund	18
City of Trinity Tax Fund	General Fund	4,343
Asheboro School District Tax Fund	General Fund	34,473
Archdale-Trinity School District Tax Fund	General Fund	<u>25,471</u>
		<u>\$ 239,360</u>

In addition, as of June 30, 2006 the General Fund had advanced monies to the Asheboro City Schools Capital Project Fund, which was reimbursed from debt proceeds shortly after year end.

218,635

Total \$ 545,363

**D. Prior Period Adjustment**

Expenses for the Landfill Closure Fund were understated as of June 30, 2005 due to an unrecorded liability of \$29,203. Fund Balance and Net Assets of Governmental Activities have been restated, accordingly.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

**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 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.

**IV. 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 \$ 39,346 to the Council during the fiscal year ended June 30, 2006. The County was the subrecipient of grants for \$ 776,648 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.

**Randolph County, North Carolina**  
**Notes to Financial Statements**  
**For the Fiscal Year Ended June 30, 2006**

**V. 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, 2006, the County has no outstanding general obligation bond debt for this purpose. The County has a \$3,013,856 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 \$2,034,732 and \$733,333 to the community college for operating and capital purposes, respectively, during the fiscal year ended June 30, 2006. In addition, the County made debt service payments of \$229,396 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, 2006. 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 18.75%. 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, a \$17,021,952 intangible asset has been recorded at cost in the government-wide financial statements at June 30, 2006. 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, 2006**

**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.

	<u>Federal</u>	<u>State</u>
Women, infants and children	\$ 2,407,264	\$ -
Medicaid	71,283,018	34,782,015
Food stamp program	12,848,461	
Temporary assistance for needy families	1,805,444	
Energy assistance	164,232	
Adoption assistance	266,482	364,621
Adult assistance		1,063,152
Title IV-E, foster care	<u>191,567</u>	<u>40,820</u>
Total	<u>\$ 88,966,468</u>	<u>\$ 36,250,608</u>

**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. Subsequent Event**

In August 2006, Randolph County issued \$41,195,000 in Certificates of Participation to finance the construction of Providence Grove High School, the acquisition of land for an additional high school in the Archdale-Trinity area, and the renovation of Teachey Elementary School.



## **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)
12/31/96	\$ -	\$ 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%
12/31/04	239,981	986,598	746,617	24.32%	4,546,681	16.42%
12/31/05	224,371	982,797	758,426	22.83%	4,854,299	15.62%

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%
2005	\$ 101,953	4.90%
2006	\$ 117,651	45.05%

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	12/31/04
Actuarial cost method	Projected unit credit
Amortization method	Level percent closed
Remaining amortization period	26 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 Fund 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.



**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, 2006

	2006		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Ad valorem taxes:			
Taxes		\$ 45,135,871	
Penalties and interest		251,889	
Total	<u>\$ 44,390,800</u>	<u>45,387,760</u>	<u>\$ 996,960</u>
Local option sales taxes:			
Article 39 one percent		7,137,133	
Article 40 one - half of one percent		5,668,386	
Article 42 one - half of one percent		5,642,058	
Article 44 one - half of one percent		4,105,542	
Total	<u>21,767,500</u>	<u>22,553,119</u>	<u>785,619</u>
Other taxes and licenses:			
Animal tax		69,343	
Occupancy tax		370,225	
Gross receipts tax		26,721	
White goods disposal tax		53,567	
Scrap tire disposal tax		138,874	
Deed stamp excise tax		480,534	
Total	<u>609,000</u>	<u>1,139,264</u>	<u>530,264</u>
Unrestricted intergovernmental:			
Payments in lieu of taxes-outside sources		13,809	
Gas tax refunds		74,584	
Total	<u>56,900</u>	<u>88,393</u>	<u>31,493</u>
Restricted intergovernmental:			
Federal and State grants			
Election grants		578,962	
Public safety services		429,831	
Health services		1,370,712	
Social services		10,238,850	
Juvenile justice services		325,446	
Aging services		892,102	
Library services		377,602	
Public School Building Capital Funds		1,888,496	
All other		154,956	
Court facility fees		266,726	
Controlled substance tax		44,943	
Treasury Department forfeitures		408,911	
ABC bottles taxes		13,139	
Total	<u>16,553,503</u>	<u>16,990,676</u>	<u>437,173</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, 2006

	2006		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues (concluded):</b>			
Permits and fees:			
Franchise fees		\$ 291,185	
Register of deeds fees		796,437	
Inspection and zoning fees		818,458	
Environmental health fees		226,840	
Total	<u>\$ 2,439,806</u>	<u>2,132,920</u>	<u>\$ (306,886)</u>
Sales and services:			
Tax department fees		223,742	
Officer and jail fees		232,930	
School resource officer reimbursements		519,772	
Ambulance and rescue squad fees		2,520,110	
Solid waste fees		2,712,280	
Health department fees		927,933	
Library fees		151,236	
All other		739,798	
Total	<u>7,446,661</u>	<u>8,027,801</u>	<u>581,140</u>
Investment earnings	<u>941,000</u>	<u>1,762,650</u>	<u>821,650</u>
Miscellaneous:			
Sale of materials		22,752	
Other		595,637	
Total	<u>763,786</u>	<u>618,389</u>	<u>(145,397)</u>
Total revenues	<u>94,968,956</u>	<u>98,700,972</u>	<u>3,732,016</u>
<b>Expenditures:</b>			
General government:			
Governing body:			
Salaries		43,225	
Employee benefits		16,478	
Other operating expenditures		76,394	
Total	<u>138,616</u>	<u>136,097</u>	<u>2,519</u>
Administration:			
Salaries		930,180	
Employee benefits		193,902	
Other operating expenditures		214,620	
Insurance and bonds		1,292,801	
Capital outlay		19,435	
Total	<u>2,746,312</u>	<u>2,650,938</u>	<u>95,374</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, 2006

	2006		Variance Positive (Negative)
	Budget	Actual	
<b>Expenditures (continued):</b>			
General Government (concluded):			
Computer Services:			
Salaries		\$ 544,345	
Employee benefits		121,428	
Other operating expenditures		333,269	
Capital outlay		72,556	
Total	<u>\$ 1,251,422</u>	<u>1,071,598</u>	<u>\$ 179,824</u>
Tax:			
Salaries		1,100,251	
Employee benefits		281,254	
Other operating expenditures		318,649	
Capital outlay		12,749	
Total	<u>1,716,382</u>	<u>1,712,903</u>	<u>3,479</u>
Elections:			
Salaries		116,539	
Employee benefits		17,820	
Other operating expenditures		141,274	
Capital outlay		566,005	
Total	<u>957,531</u>	<u>841,638</u>	<u>115,893</u>
Register of deeds:			
Salaries		286,006	
Employee benefits		110,967	
Other operating expenditures		117,549	
Total	<u>634,460</u>	<u>514,522</u>	<u>119,938</u>
Public buildings:			
Salaries		292,324	
Employee benefits		80,241	
Utilities and telephone		968,623	
Other operating expenditures		459,697	
Capital outlay		72,516	
Total	<u>2,928,542</u>	<u>1,873,401</u>	<u>1,055,141</u>
Total general government	<u>10,373,265</u>	<u>8,801,097</u>	<u>1,572,168</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, 2006

	2006		Variance Positive (Negative)
	Budget	Actual	
<b>Expenditures (continued):</b>			
Public Safety:			
Sheriff and Jail			
Sheriff:			
Salaries		\$ 4,946,697	
Employee benefits		1,521,174	
Other operating expenditures		748,514	
Capital outlay		351,670	
Total		<u>7,568,055</u>	
Jail:			
Salaries		2,169,390	
Employee benefits		581,007	
Other operating expenditures		821,441	
Capital outlay		67,984	
Total		<u>3,639,822</u>	
Total Sheriff and Jail	<u>\$ 11,385,310</u>	<u>11,207,877</u>	<u>\$ 177,433</u>
Emergency Services:			
Emergency medical services:			
Salaries		1,770,474	
Employee benefits		412,577	
Other operating expenditures		408,641	
Capital outlay		391,010	
Total		<u>2,982,702</u>	
Emergency communications:			
Salaries		695,085	
Employee benefits		156,090	
Other operating expenditures		20,509	
Total		<u>871,684</u>	
Emergency management:			
Salaries		54,404	
Employee benefits		12,285	
Other operating expenditures		46,439	
Capital outlay		91,427	
Total		<u>204,555</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, 2006

	2006		Variance Positive (Negative)
	Budget	Actual	
<b>Expenditures (continued):</b>			
Public Safety (concluded):			
Emergency Services (concluded):			
Fire Inspections:			
Salaries		\$ 176,968	
Employee benefits		44,729	
Other operating expenditures		32,932	
Total		<u>254,629</u>	
Total Emergency Services	<u>\$ 4,479,471</u>	<u>4,313,570</u>	<u>\$ 165,901</u>
Building inspections:			
Salaries		519,401	
Employee benefits		120,926	
Other operating expenditures		54,623	
Capital outlay		31,428	
Total	<u>739,058</u>	<u>726,378</u>	<u>12,680</u>
Adult and juvenile day reporting:			
Salaries		458,800	
Employee benefits		112,207	
Other operating expenditures		187,636	
Total	<u>821,105</u>	<u>758,643</u>	<u>62,462</u>
Other public safety appropriations:			
Juvenile detention services		33,516	
Jury commission		2,214	
Medical examiner		40,650	
Contributions to:			
U.S. Forest Service		95,600	
Ashe-Rand Rescue Squad		14,225	
Piedmont Triad Ambulance Service		950	
N.C. National Guard		950	
Total	<u>229,725</u>	<u>188,105</u>	<u>41,620</u>
Total public safety	<u>17,654,669</u>	<u>17,194,573</u>	<u>460,096</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, 2006

	2006		Variance Positive (Negative)
	Budget	Actual	
<b>Expenditures (continued):</b>			
Economic and physical development:			
Planning and zoning:			
Salaries		\$ 349,235	
Employee benefits		84,788	
Other operating expenditures		59,301	
Total	\$ 519,793	493,324	\$ 26,469
Cooperative Extension Service:			
Salaries		277,576	
Employee benefits		67,460	
Other operating expenditures		53,999	
Total	461,211	399,035	62,176
Soil and Water Conservation:			
Salaries		73,861	
Employee benefits		17,942	
Other operating expenditures		6,822	
Total	154,274	98,625	55,649
Other economic and physical development appropriations:			
Contributions to:			
Randolph Economic Development Corporation		226,129	
Piedmont Triad Partnership		13,498	
Yadkin - Pee Dee Lakes Project		3,300	
Research Conservation and Development		500	
Cape Fear River Assembly		1,000	
Environmental Enhancement Grants		49,060	
Economic development incentives:			
Rheem Manufacturing		31,250	
Technimark		50,000	
Thomas Built Bus		125,000	
Times Fiber		50,000	
Distributions of occupancy tax to:			
Randolph Tourism Development Authority		359,099	
Total	2,151,827	908,836	1,242,991
Total economic and physical development	3,287,105	1,899,820	1,387,285

**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, 2006

	2006		Variance Positive (Negative)
	Budget	Actual	
<b>Expenditures (continued):</b>			
Environmental protection:			
Public Works:			
Administrative and engineering:			
Salaries		\$ 88,741	
Employee benefits		18,515	
Other operating expenditures		20,025	
Total		<u>127,281</u>	
Solid waste transfer station:			
Salaries		62,274	
Employee benefits		16,945	
Transfer station operations		2,394,136	
Other operating expenditures		169,365	
Capital outlay		93,271	
Total		<u>2,735,991</u>	
Recycling and convenience site operations:			
Salaries		18,370	
Employee benefits		4,477	
Other recycling costs		70,236	
Other operating expenditures		174,927	
Total		<u>268,010</u>	
Total environmental protection	<u>\$ 3,365,591</u>	<u>3,131,282</u>	<u>\$ 234,309</u>
Human services:			
Health:			
Public health services:			
Salaries		1,689,431	
Employee benefits		421,308	
Other operating expenditures		476,842	
Total		<u>2,587,581</u>	
Animal control:			
Salaries		192,184	
Employee benefits		55,401	
Other operating expenditures		52,351	
Capital outlay		19,241	
Total		<u>319,177</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, 2006

	2006		Variance Positive (Negative)
	Budget	Actual	
<b>Expenditures (continued):</b>			
Human Services (continued):			
Health (concluded):			
Environmental health:			
Salaries		\$ 651,713	
Employee benefits		153,294	
Other operating expenditures		113,234	
Total		<u>918,241</u>	
Women, infants, and children			
Salaries		332,453	
Employee benefits		94,402	
Other operating expenditures		57,942	
Total		<u>484,797</u>	
Total health	<u>\$ 4,642,617</u>	<u>4,309,796</u>	<u>\$ 332,821</u>
Social services:			
Administration:			
Salaries		4,683,053	
Employee benefits		1,209,745	
Other operating expenditures		1,271,387	
Total		<u>7,164,185</u>	
Assistance programs:			
Child day care		5,113,154	
Foster care		874,094	
Workfirst		466,932	
Total		<u>6,454,180</u>	
Medical assistance program (Medicaid):			
County share of assistance payments		<u>6,088,479</u>	
Special assistance to adults:			
County share of assistance payments		<u>1,063,152</u>	
Total social services	<u>21,996,784</u>	<u>20,769,996</u>	<u>1,226,788</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, 2006

	2006		Variance Positive (Negative)
	Budget	Actual	
<b>Expenditures (continued):</b>			
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.		189,514	
Eastside Improvement Assn.		5,000	
Sandhills Center		1,001,565	
Pass-through grants to other agencies:			
Home and Community Care Block Grant		776,648	
Rural Operating Assistance Program		175,088	
Juvenile Justice programs		19,250	
Total other human service appropriations	<u>\$ 2,139,566</u>	<u>2,207,865</u>	<u>\$ (68,299)</u>
Total human services	<u>28,778,967</u>	<u>27,287,657</u>	<u>1,491,310</u>
Culture and recreation:			
Library			
Salaries		1,003,316	
Employee benefits		243,734	
Other operating expenditures		391,792	
Capital outlay		118,657	
Total	<u>1,804,397</u>	<u>1,757,499</u>	<u>46,898</u>
Other culture and recreation appropriations:			
Randolph Arts Guild		15,000	
N.C. Pottery Center		23,700	
Total	<u>38,700</u>	<u>38,700</u>	<u>-</u>
Total culture and recreation	<u>1,843,097</u>	<u>1,796,199</u>	<u>46,898</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, 2006

	2006		Variance Positive (Negative)
	Budget	Actual	
<b>Expenditures (concluded):</b>			
Education:			
Contributions to other agencies:			
Public schools:			
Current Expense:			
Asheboro City Schools		\$ 3,612,250	
Randolph County Schools		14,512,438	
Randolph Community College		2,034,732	
Capital Outlay:			
Asheboro City Schools		758,051	
Randolph County Schools		2,283,054	
Randolph Community College		733,000	
Total Education	\$ 23,993,742	23,933,525	\$ 60,217
Debt service:			
Principal retirement	7,085,198	7,085,198	
Interest and other charges	3,814,994	3,811,626	
Total debt service	10,900,192	10,896,824	3,368
Total expenditures	100,196,628	94,940,977	5,255,651
Revenues over (under) expenditures	(5,227,672)	3,759,995	8,987,667

**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, 2006

	2006		Variance Positive (Negative)
	Budget	Actual	
<b>Other financing sources (uses):</b>			
Transfers from other funds:			
From 1995 Capital Reserve - Mental Health and County School Facilities Fund	\$ 782,295	\$ 782,295	\$ -
From Economic Development Reserve	23,629	23,629	
Transfers to other funds:			
Special Revenue Funds:			
To 1995 Capital Reserve - Mental Health and County School Facilities Fund	(1,442,950)	(1,442,950)	
To Economic Development Reserve	(835,920)	(835,920)	
Capital Projects Funds:			
To Randleman Dam Project	(119,833)	(119,443)	390
To Asheboro City Schools Project	(750,000)	(731,030)	18,970
To Randolph County Schools Project	(1,600,000)	(1,409,971)	190,029
To Technology Capital Project	(510,000)	(510,000)	
Total other financing sources (uses)	<u>(4,452,779)</u>	<u>(4,243,390)</u>	<u>209,389</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>(9,680,451)</u>	<u>(483,395)</u>	<u>9,197,056</u>
Fund balances:			
Beginning of year, July 1	<u>37,269,758</u>	<u>37,269,758</u>	<u>-</u>
End of year, June 30	<u><u>\$ 27,589,307</u></u>	<u><u>\$ 36,786,363</u></u>	<u><u>\$ 9,197,056</u></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.

Economic Development Reserve - accounts for funds accumulated for infrastructure development and incentive payments.

### **Capital Project Funds:**

Randleman Dam Capital Project Fund - accounts for the County's share of construction of a dam for a regional water reservoir.

Asheboro City Schools Capital Project Fund - accounts for the renovation of property to expand Teachey Elementary School, to be financed through an installment purchase contract.

Randolph County Schools Capital Project Fund - accounts for the acquisition of property and construction of two county high schools, to be financed through an installment purchase contract.

Seagrove Library Capital Project Fund - accounts for the construction of a new library facility in Seagrove, financed through an installment purchase contract.

Technology Capital Project Fund - accounts for the implementation costs to upgrade county technology services, financed by transfers from the General Fund.

**Randolph County, North Carolina**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2006**

	Special Revenue 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
<b>ASSETS</b>						
Cash and cash equivalents	\$ -	\$ 1,896,816	\$ 2,017,249	\$ 84,313	\$ -	\$ 1,056,012
Accounts receivable, net		118,678	30,096	1,258		15,755
Taxes receivable, net	192,930					
Due from other governments						
Due from other funds	87,368					
Restricted cash and equivalents	-	-	-	-	4,000	-
<b>Total assets</b>	<b>\$ 280,298</b>	<b>\$ 2,015,494</b>	<b>\$ 2,047,345</b>	<b>\$ 85,571</b>	<b>\$ 4,000</b>	<b>\$ 1,071,767</b>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable and accrued liabilities	\$ -	\$ 2,335	\$ 2,000	\$ -	\$ -	\$ -
Due to other funds						
Unearned revenue	27,914					
Deferred revenue	192,930		-			-
Liabilities payable from restricted assets	-	-	-	-	4,000	-
<b>Total liabilities</b>	<b>220,844</b>	<b>2,335</b>	<b>2,000</b>	<b>-</b>	<b>4,000</b>	<b>-</b>
Fund balances:						
Reserved by state statute	87,368	118,678	30,096		-	15,755
Unreserved:						
Designated for subsequent years		18,856	63,500			
Undesignated	(27,914)	1,875,625	1,951,749	85,571	-	1,056,012
<b>Total fund balances</b>	<b>59,454</b>	<b>2,013,159</b>	<b>2,045,345</b>	<b>85,571</b>	<b>-</b>	<b>1,071,767</b>
<b>Total liabilities and fund balances</b>	<b>\$ 280,298</b>	<b>\$ 2,015,494</b>	<b>\$ 2,047,345</b>	<b>\$ 85,571</b>	<b>\$ 4,000</b>	<b>\$ 1,071,767</b>

Capital Project Funds

Economic Development Reserve	Total Nonmajor Special Revenue Funds	Randleman Dam Capital Project	Asheboro City Schools Capital Project	Randolph County Schools Capital Project	Seagrove Library Capital Project	Technology Capital Project Fund	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
\$ 831,536	\$ 5,885,926	\$ -	\$ -	\$ -	\$ -	\$ 830,935	\$ 830,935	\$ 6,716,861
12,406	178,193					12,397	12,397	190,590
	192,930						-	192,930
	-						-	-
	87,368		218,635	-	-	-	218,635	306,003
-	4,000	-	-	-	-	-	-	4,000
<u>\$ 843,942</u>	<u>\$ 6,348,417</u>	<u>\$ -</u>	<u>\$ 218,635</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 843,332</u>	<u>\$ 1,061,967</u>	<u>\$ 7,410,384</u>
\$ -	\$ 4,335	\$ -	\$ 218,635	\$ -	\$ -	\$ 3,424	\$ 222,059	\$ 226,394
	-						-	-
	27,914						-	27,914
	192,930						-	192,930
-	4,000	-	-	-	-	-	-	4,000
-	229,179	-	218,635	-	-	3,424	222,059	451,238
12,406	264,303		218,635			12,397	231,032	495,335
	82,356						-	82,356
<u>831,536</u>	<u>5,772,579</u>	<u>-</u>	<u>(218,635)</u>	<u>-</u>	<u>-</u>	<u>827,511</u>	<u>608,876</u>	<u>6,381,455</u>
<u>843,942</u>	<u>6,119,238</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>839,908</u>	<u>839,908</u>	<u>6,959,146</u>
<u>\$ 843,942</u>	<u>\$ 6,348,417</u>	<u>\$ -</u>	<u>\$ 218,635</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 843,332</u>	<u>\$ 1,061,967</u>	<u>\$ 7,410,384</u>

**Randolph County, North Carolina**  
**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2006**

	<b>Special Revenue Funds</b>						
	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	Economic Development Reserve
<b>REVENUES</b>							
Ad valorem taxes	\$ 5,029,285	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes and licenses		740,981					
Restricted Intergovernmental					82,983		
Investment earnings		81,578	88,199	3,985	-	52,813	31,651
Miscellaneous	-	-	-	3,414	-	-	-
Total revenues	<u>5,029,285</u>	<u>822,559</u>	<u>88,199</u>	<u>7,399</u>	<u>82,983</u>	<u>52,813</u>	<u>31,651</u>
<b>EXPENDITURES</b>							
Current:							
Public safety	5,024,133	654,661					
Economic and Physical Development					82,983		
Environmental protection			83,143				
Culture and recreation				13,030			
Capital outlay	-	-	-	-	-	-	-
Total expenditures	<u>5,024,133</u>	<u>654,661</u>	<u>83,143</u>	<u>13,030</u>	<u>82,983</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>5,152</u>	<u>167,898</u>	<u>5,056</u>	<u>(5,631)</u>	<u>-</u>	<u>52,813</u>	<u>31,651</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Installment Purchase Debt Issued							
Transfers from other funds						1,442,950	835,920
Transfers to other funds	-	-	-	-	-	(782,295)	(23,629)
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>660,655</u>	<u>812,291</u>
Net change in fund balances	5,152	167,898	5,056	(5,631)	-	713,468	843,942
Fund balances - beginning	54,302	1,845,261	2,069,492	91,202	-	358,299	-
Prior period adjustment	-	-	(29,203)	-	-	-	-
Fund balances - restated	<u>54,302</u>	<u>1,845,261</u>	<u>2,040,289</u>	<u>91,202</u>	<u>-</u>	<u>358,299</u>	<u>-</u>
Fund balances - ending	<u>\$ 59,454</u>	<u>\$ 2,013,159</u>	<u>\$ 2,045,345</u>	<u>\$ 85,571</u>	<u>\$ -</u>	<u>\$ 1,071,767</u>	<u>\$ 843,942</u>

Capital Project Funds

Total Nonmajor Special Revenue Funds	Randleman Dam Capital Project	Asheboro City Schools Capital Project	Randolph County Schools Capital Project	Seagrove Library Capital Project	Technology Capital Project Fund	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
\$ 5,029,285	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,029,285
740,981							740,981
82,983							82,983
258,226	7,103			2,995	25,644	35,742	293,968
3,414	-	-	-	-	-	-	3,414
<u>6,114,889</u>	<u>7,103</u>	<u>-</u>	<u>-</u>	<u>2,995</u>	<u>25,644</u>	<u>35,742</u>	<u>6,150,631</u>
5,678,794						-	5,678,794
82,983						-	82,983
83,143						-	83,143
13,030						-	13,030
-	671,496	731,030	1,409,971	263,895	228,646	3,305,038	3,305,038
<u>5,857,950</u>	<u>671,496</u>	<u>731,030</u>	<u>1,409,971</u>	<u>263,895</u>	<u>228,646</u>	<u>3,305,038</u>	<u>9,162,988</u>
<u>256,939</u>	<u>(664,393)</u>	<u>(731,030)</u>	<u>(1,409,971)</u>	<u>(260,900)</u>	<u>(203,002)</u>	<u>(3,269,296)</u>	<u>(3,012,357)</u>
-							-
2,278,870	142,380	731,030	1,409,971		510,000	2,793,381	5,072,251
(805,924)	-	-	-	(22,937)	-	(22,937)	(828,861)
<u>1,472,946</u>	<u>142,380</u>	<u>731,030</u>	<u>1,409,971</u>	<u>(22,937)</u>	<u>510,000</u>	<u>2,770,444</u>	<u>4,243,390</u>
1,729,885	(522,013)	-	-	(283,837)	306,998	(498,852)	1,231,033
4,418,556	522,013	-	-	283,837	532,910	1,338,760	5,757,316
(29,203)	-	-	-	-	-	-	(29,203)
<u>4,389,353</u>	<u>522,013</u>	<u>-</u>	<u>-</u>	<u>283,837</u>	<u>532,910</u>	<u>1,338,760</u>	<u>5,728,113</u>
<u>\$ 6,119,238</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 839,908</u>	<u>\$ 839,908</u>	<u>\$ 6,959,146</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, 2006

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad valorem taxes:			
Current year		\$ 5,002,378	
Prior year		26,907	
Total revenues	<u>\$ 5,086,688</u>	<u>5,029,285</u>	<u>\$ (57,403)</u>
Expenditures:			
Current:			
Public safety:			
Fire Districts:			
Bennett		23,656	
Climax		356,611	
Coleridge		138,939	
Eastside		280,698	
Fairgrove		188,148	
Farmer		116,908	
Franklinville		259,744	
Guil-Rand		1,728,610	
Julian		73,167	
Level Cross		202,866	
Northeast		79,738	
Randleman		197,613	
Seagrove		150,261	
Sophia		102,531	
Southwest		54,414	
Staley		134,896	
Tabernacle		170,213	
Ulah		264,681	
Westside		500,439	
Total expenditures	<u>5,086,688</u>	<u>5,024,133</u>	<u>62,555</u>
Revenues over (under) expenditures	<u>\$ -</u>	5,152	<u>\$ 5,152</u>
Fund balances:			
Beginning of year, July 1		<u>54,302</u>	
End of year, June 30		<u>\$ 59,454</u>	

**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, 2006

	Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>			
Other Taxes and Licenses			
911 System Subscriber Fees	\$ 464,065	\$ 495,327	\$ 31,262
Wireless 911 Funds	186,711	245,654	58,943
Investment Earnings	18,678	81,578	62,900
Total Revenues	669,454	822,559	153,105
<b>Expenditures:</b>			
Public Safety:			
911 System Subscriber Fees:			
911 Services	292,872	279,093	13,779
Information Management	193,638	138,867	54,771
Capital Outlay	71,630	43,730	27,900
Total Subscriber Fees	558,140	461,690	96,450
Wireless 911 Funds:			
911 Services	117,700	98,101	19,599
Information Management	76,481	51,139	25,342
Capital Outlay	56,231	43,731	12,500
Total Wireless 911	250,412	192,971	57,441
Total Expenditures	808,552	654,661	153,891
Revenues over (under) expenditures	\$ (139,098)	167,898	\$ 306,996
<b>Fund Balance:</b>			
Beginning of Year, July 1		1,845,261	
End of Year, June 30		\$ 2,013,159	

**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, 2006

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	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Investment earnings	\$ 23,000	\$ 88,199	\$ 65,199
Expenditures:			
Current:			
Environmental protection:			
Post-closure costs	86,500	83,143	3,357
Revenues over (under) expenditures	<u>\$ (63,500)</u>	5,056	<u>\$ 68,556</u>
Fund balances:			
Beginning of year, July 1, as previously stated		2,069,492	
Prior period adjustment		<u>(29,203)</u>	
Beginning of year, July 1, restated		<u>2,040,289</u>	
End of year, June 30		<u>\$ 2,045,345</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, 2006

	Project Authorization	Actual		Total to Date	Variance Positive (Negative)
		Prior Years	Current Year		
<b>Revenues</b>					
Community Development Block Grant	\$ 400,000	\$ 317,017	\$ 82,983	\$ 400,000	\$ -
Investment earnings	-	-	-	-	-
Total revenues	<u>400,000</u>	<u>317,017</u>	<u>82,983</u>	<u>400,000</u>	<u>-</u>
<b>Expenditures</b>					
Clearance	-	-	-	-	-
Relocation Assistance	-	-	-	-	-
Rehabilitation Assistance	311,456	255,181	56,275	311,456	-
Lead-Based Paint	47,344	41,844	5,500	47,344	-
Planning/House Work Write-ups	1,200	-	1,200	1,200	-
Administration	40,000	19,992	20,008	40,000	-
Total expenditures	<u>400,000</u>	<u>317,017</u>	<u>82,983</u>	<u>400,000</u>	<u>-</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, 2006

	Project Authorization	Prior Year	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Investment Earnings	\$ -	\$ 1,118,658	\$ 52,813	\$ 1,171,471	\$ 1,171,471
Other financing sources (uses):					
Transfers in:					
General Fund	30,301,950	14,328,100	1,442,950	15,771,050	(14,530,900)
Transfers out:					
General Fund	(30,301,950)	(15,088,459)	(782,295)	(15,870,754)	14,431,196
Total other financing sources (uses)	-	(760,359)	660,655	(99,704)	(99,704)
Revenues and other financing sources over other financing uses	\$ -	\$ 358,299	713,468	\$ 1,071,767	\$ 1,071,767
Fund balance:					
Beginning of year, July 1			358,299		
End of Year, June 30			\$ 1,071,767		

**Randolph County, North Carolina**  
**Economic Development Reserve**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget and Actual**

From Inception and for the Fiscal Year Ended June 30, 2006

	Project Authorization	Prior Year	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Investment Earnings	\$ -	\$ -	\$ 31,651	\$ 31,651	\$ 31,651
Other financing sources (uses):					
Transfers in:					
General Fund	3,400,000	-	835,920	835,920	(2,564,080)
Transfers out:					
General Fund	(3,400,000)	-	(23,629)	(23,629)	3,376,371
Total other financing sources (uses)	-	-	812,291	812,291	812,291
Revenues and other financing sources over uses	\$ -	\$ -	843,942	\$ 843,942	\$ 843,942
Fund balance:					
Beginning of year, July 1			-		
End of Year, June 30			\$ 843,942		

**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, 2006

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
<b>Revenues</b>					
Investment earnings	\$ 2,147,300	\$ 2,140,450	\$ 7,103	\$ 2,147,553	\$ 253
Sale of Water Rights to Archdale	1,749,000	1,748,086		1,748,086	(914)
Total revenues	<u>3,896,300</u>	<u>3,888,536</u>	<u>7,103</u>	<u>3,895,639</u>	<u>(661)</u>
<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	17,427,684	16,754,394	671,496	17,425,890	1,794
Total expenditures	<u>18,771,832</u>	<u>18,098,542</u>	<u>671,496</u>	<u>18,770,038</u>	<u>1,794</u>
Revenues under expenditures	<u>(14,875,532)</u>	<u>(14,210,006)</u>	<u>(664,393)</u>	<u>(14,874,399)</u>	<u>1,133</u>
Other financing sources:					
Installment Purchase Debt Issued	5,245,000	5,244,257		5,244,257	(743)
Transfers from General Fund	9,607,595	9,487,762	119,443	9,607,205	(390)
Transfer from Seagrove Library					
Project	22,937		22,937	22,937	-
Total other financing sources	<u>14,875,532</u>	<u>14,732,019</u>	<u>142,380</u>	<u>14,874,399</u>	<u>(1,133)</u>
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>\$ 522,013</u>	(522,013)	<u>\$ -</u>	<u>\$ -</u>
Fund balances:					
Beginning of year, July 1			<u>522,013</u>		
End of year, June 30			<u>\$ -</u>		

**Randolph County, North Carolina**  
**Asheboro City Schools 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, 2006

	Project Authorization	Actual		Total to Date	Variance Positive (Negative)
		Prior Years	Current Year		
<b>Revenues</b>					
Investment earnings	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-	-
<b>Expenditures</b>					
Education:					
Professional services	352,388	63,202	236,288	299,490	52,898
Other Services	30,000	15,400	11,827	27,227	2,773
Miscellaneous	165,384	-	3,375	3,375	162,009
General Construction	4,877,228	-	479,540	479,540	4,397,688
Total expenditures	5,425,000	78,602	731,030	809,632	4,615,368
Revenues over (under) expenditures	(5,425,000)	(78,602)	(731,030)	(809,632)	4,615,368
Other financing sources (uses):					
Installment Purchase Debt Issued	5,425,000	-	-	-	(5,425,000)
Transfer from General Fund	828,602	78,602	731,030	809,632	(18,970)
Transfer to General Fund	(828,602)	-	-	-	828,602
Total other financing sources (uses)	5,425,000	78,602	731,030	809,632	(4,615,368)
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ -	-	\$ -	\$ -
Fund balances:					
Beginning of year, July 1			-		
End of year, June 30			\$ -		

**Randolph County, North Carolina**  
**Randolph County Schools 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, 2006

	Project Authorization	Actual		Total to Date	Variance Positive (Negative)
		Prior Years	Current Year		
<b>Revenues</b>					
Investment earnings	\$ 5,000	\$ -	\$ -	\$ -	\$ (5,000)
Total revenues	5,000	-	-	-	(5,000)
<b>Expenditures</b>					
Education:					
Providence Grove High School					
Administrative	283,015		5,000	5,000	278,015
Professional Fees	1,261,575	310,529	439,725	750,254	511,321
Land Acquisition	572,000		915,404	915,404	(343,404)
Other Services	228,000	1,000	35,040	36,040	191,960
Construction	23,947,000		637	637	23,946,363
Furniture and Equipment	1,000,000			-	1,000,000
Contingency	718,410			-	718,410
Less sales tax reimbursements	(5,000)			-	(5,000)
	<u>28,005,000</u>	<u>311,529</u>	<u>1,395,806</u>	<u>1,707,335</u>	<u>26,297,665</u>
Archdale-Trinity Area High School					
Professional Fees	1,229,375		12,265	12,265	1,217,110
Land Acquisition	915,200			-	915,200
Other Services	250,000		1,900	1,900	248,100
Construction	30,100,000			-	30,100,000
Furniture and Equipment	1,000,000			-	1,000,000
Contingency	906,088			-	906,088
Less sales tax reimbursements	-			-	-
	<u>34,400,663</u>	<u>-</u>	<u>14,165</u>	<u>14,165</u>	<u>34,386,498</u>
Total expenditures	<u>62,405,663</u>	<u>311,529</u>	<u>1,409,971</u>	<u>1,721,500</u>	<u>60,684,163</u>
Revenues over (under) expenditures	<u>(62,400,663)</u>	<u>(311,529)</u>	<u>(1,409,971)</u>	<u>(1,721,500)</u>	<u>60,679,163</u>
Other financing sources (uses):					
Installment Purchase Debt Issued	62,400,663	-	-	-	(62,400,663)
Transfer from General Fund	1,911,530	311,529	1,409,971	1,721,500	(190,030)
Transfer to General Fund	(1,911,530)	-	-	-	1,911,530
Total other financing sources (uses)	<u>62,400,663</u>	<u>311,529</u>	<u>1,409,971</u>	<u>1,721,500</u>	<u>(60,679,163)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<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**  
**Seagrove Library 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, 2006

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
<b>Revenues</b>					
Investment earnings	\$ 9,865	\$ 6,868	\$ 2,995	\$ 9,863	\$ (2)
Total revenues	<u>9,865</u>	<u>6,868</u>	<u>2,995</u>	<u>9,863</u>	<u>(2)</u>
<b>Expenditures</b>					
Capital outlay:					
Project construction	665,342	407,822	257,519	665,341	1
Professional fees	40,000	38,000	2,000	40,000	-
Site development	31,664	31,343	320	31,663	1
Furnishings	11,063	-	11,063	11,063	-
Less sales tax reimbursements	(11,141)	(4,134)	(7,007)	(11,141)	-
Total expenditures	<u>736,928</u>	<u>473,031</u>	<u>263,895</u>	<u>736,926</u>	<u>2</u>
Revenues over (under) expenditures	<u>(727,063)</u>	<u>(466,163)</u>	<u>(260,900)</u>	<u>(727,063)</u>	<u>-</u>
Other financing sources (uses):					
Installment purchase debt issued	750,000	750,000	-	750,000	-
Transfer to Randleman Dam Project	(22,937)		(22,937)	(22,937)	-
Total other financing sources (uses)	<u>727,063</u>	<u>750,000</u>	<u>(22,937)</u>	<u>727,063</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 283,837</u>	<u>(283,837)</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances:					
Beginning of year, July 1			<u>283,837</u>		
End of year, June 30			<u>\$ -</u>		

**Randolph County, North Carolina**  
**Technology 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, 2006

	Project Authorization	Prior Years	Actual		Variance Positive (Negative)
			Current Year	Total to Date	
<b>Revenues</b>					
Investment earnings	\$ -	\$ 9,719	\$ 25,644	\$ 35,363	\$ 35,363
Total revenues	-	9,719	25,644	35,363	35,363
<b>Expenditures</b>					
Capital Outlay:					
2005 Work Plan	547,500	24,309	21,662	45,971	501,529
2006 Work Plan	510,000	-	206,984	206,984	303,016
Total expenditures	1,057,500	24,309	228,646	252,955	804,545
Revenues over (under) expenditures	(1,057,500)	(14,590)	(203,002)	(217,592)	839,908
Other financing sources:					
Transfer from General Fund	1,057,500	547,500	510,000	1,057,500	-
Total other financing sources	1,057,500	547,500	510,000	1,057,500	-
Revenues and other sources over (under) expenditures	\$ -	\$ 532,910	306,998	\$ 839,908	\$ 839,908
Fund balances:					
Beginning of year, July 1			532,910		
End of year, June 30			\$ 839,908		



## Agency Funds

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.

### 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 - Public Schools - 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.

Fines and Forfeitures - State of NC - accounts for additional interest on overdue motor vehicle taxes collected by the County that are required to be remitted to the State of North Carolina.

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.

Town Library Fund - accounts for monies held by the County as trustee for certain town libraries in the County.

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



**Randolph County, North Carolina**  
**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
For the Fiscal Year Ended June 30, 2006

	Balance June 30, 2005	Additions	Deductions	Balance June 30, 2006
<u>Social Services Custodial Fund</u>				
ASSETS				
Cash and Investments	\$ 90,312	\$ 689,969	\$ 679,757	\$ 100,524
LIABILITIES				
Miscellaneous Liabilities	\$ 90,312	\$ 689,969	\$ 679,757	\$ 100,524
<u>Fines and Forfeitures - Public Schools</u>				
ASSETS				
Cash and Investments	\$ -	\$ 1,890,495	\$ 1,890,495	\$ -
LIABILITIES				
Intergovernmental Payables	\$ -	\$ 1,890,495	\$ 1,890,495	\$ -
<u>Fines and Forfeitures - State of N.C.</u>				
ASSETS				
Cash and Investments	\$ -	\$ 13,113	\$ 9,313	\$ 3,800
LIABILITIES				
Intergovernmental Payables	\$ -	\$ 13,113	\$ 9,313	\$ 3,800
<u>City of Asheboro Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ 374,255	\$ 10,283,064	\$ 10,273,927	\$ 383,392
Due from General Fund	101,656	112,272	102,210	111,718
Total Assets	\$ 475,911	\$ 10,395,336	\$ 10,376,137	\$ 495,110
LIABILITIES				
Intergovernmental Payables	\$ 475,911	\$ 10,395,336	\$ 10,376,137	\$ 495,110

**Randolph County, North Carolina**  
**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
For the Fiscal Year Ended June 30, 2006

	Balance June 30, 2005	Additions	Deductions	Balance June 30, 2006
<u>City of Archdale Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ 60,861	\$ 2,184,427	\$ 2,177,750	\$ 67,538
Due from General Fund	27,177	25,084	27,242	25,019
Total Assets	<u>\$ 88,038</u>	<u>\$ 2,209,511</u>	<u>\$ 2,204,992</u>	<u>\$ 92,557</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 88,038</u>	<u>\$ 2,209,511</u>	<u>\$ 2,204,992</u>	<u>\$ 92,557</u>
<u>Town of Franklinville Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ 18,654	\$ 128,195	\$ 128,640	\$ 18,209
Due from General Fund	2,716	3,138	2,721	3,133
Total Assets	<u>\$ 21,370</u>	<u>\$ 131,333</u>	<u>\$ 131,361</u>	<u>\$ 21,342</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 21,370</u>	<u>\$ 131,333</u>	<u>\$ 131,361</u>	<u>\$ 21,342</u>
<u>Town of Liberty Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ 39,541	\$ 849,606	\$ 850,319	\$ 38,828
Due from General Fund	13,023	13,037	13,066	12,994
Total Assets	<u>\$ 52,564</u>	<u>\$ 862,643</u>	<u>\$ 863,385</u>	<u>\$ 51,822</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 52,564</u>	<u>\$ 862,643</u>	<u>\$ 863,385</u>	<u>\$ 51,822</u>
<u>Town of Ramseur Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ 14,966	\$ 50,013	\$ 49,662	\$ 15,317
Due from General Fund	3,916	3,507	3,924	3,499
Total Assets	<u>\$ 18,882</u>	<u>\$ 53,520</u>	<u>\$ 53,586</u>	<u>\$ 18,816</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 18,882</u>	<u>\$ 53,520</u>	<u>\$ 53,586</u>	<u>\$ 18,816</u>

**Randolph County, North Carolina**  
**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
For the Fiscal Year Ended June 30, 2006

	Balance June 30, 2005	Additions	Deductions	Balance June 30, 2006
<u>City of Randleman Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ 41,211	\$ 1,457,717	\$ 1,454,944	\$ 43,984
Due from General Fund	12,234	15,688	12,292	15,630
Total Assets	<u>\$ 53,445</u>	<u>\$ 1,473,405</u>	<u>\$ 1,467,236</u>	<u>\$ 59,614</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 53,445</u>	<u>\$ 1,473,405</u>	<u>\$ 1,467,236</u>	<u>\$ 59,614</u>
<u>Town of Seagrove Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ 3,394	\$ 97,480	\$ 98,072	\$ 2,802
Due from General Fund	928	2,323	934	2,317
Total Assets	<u>\$ 4,322</u>	<u>\$ 99,803</u>	<u>\$ 99,006</u>	<u>\$ 5,119</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 4,322</u>	<u>\$ 99,803</u>	<u>\$ 99,006</u>	<u>\$ 5,119</u>
<u>Town of Staley Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ 1,340	\$ 24,098	\$ 24,124	\$ 1,314
Due from General Fund	416	430	418	428
Total Assets	<u>\$ 1,756</u>	<u>\$ 24,528</u>	<u>\$ 24,542</u>	<u>\$ 1,742</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 1,756</u>	<u>\$ 24,528</u>	<u>\$ 24,542</u>	<u>\$ 1,742</u>
<u>City of High Point Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ 3,806	\$ 13,177	\$ 13,639	\$ 3,344
Due from General Fund	499	317	499	317
Total Assets	<u>\$ 4,305</u>	<u>\$ 13,494</u>	<u>\$ 14,138</u>	<u>\$ 3,661</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 4,305</u>	<u>\$ 13,494</u>	<u>\$ 14,138</u>	<u>\$ 3,661</u>

**Randolph County, North Carolina**  
**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
For the Fiscal Year Ended June 30, 2006

	Balance June 30, 2005	Additions	Deductions	Balance June 30, 2006
<u>City of Thomasville Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ 424	\$ 1,497	\$ 1,498	\$ 423
Due from General Fund	-	18		18
Total Assets	<u>\$ 424</u>	<u>\$ 1,515</u>	<u>\$ 1,498</u>	<u>\$ 441</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 424</u>	<u>\$ 1,515</u>	<u>\$ 1,498</u>	<u>\$ 441</u>
<u>City of Trinity Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ 7,915	\$ 225,421	\$ 225,242	\$ 8,094
Due from General Fund	3,629	4,353	3,639	4,343
Total Assets	<u>\$ 11,544</u>	<u>\$ 229,774</u>	<u>\$ 228,881</u>	<u>\$ 12,437</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 11,544</u>	<u>\$ 229,774</u>	<u>\$ 228,881</u>	<u>\$ 12,437</u>
<u>Asheboro School District Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ 102,884	\$ 2,698,186	\$ 2,705,140	\$ 95,930
Due from General Fund	31,709	2,366,979	2,364,215	34,473
Total Assets	<u>\$ 134,593</u>	<u>\$ 5,065,165</u>	<u>\$ 5,069,355</u>	<u>\$ 130,403</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 134,593</u>	<u>\$ 5,065,165</u>	<u>\$ 5,069,355</u>	<u>\$ 130,403</u>
<u>Archdale-Trinity School District Tax Fund</u>				
ASSETS				
Taxes Receivable	\$ 58,985	\$ 1,691,817	\$ 1,689,995	\$ 60,807
Due from General Fund	25,063	1,450,211	1,449,803	25,471
Total Assets	<u>\$ 84,048</u>	<u>\$ 3,142,028</u>	<u>\$ 3,139,798</u>	<u>\$ 86,278</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 84,048</u>	<u>\$ 3,142,028</u>	<u>\$ 3,139,798</u>	<u>\$ 86,278</u>

**Randolph County, North Carolina**  
**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
For the Fiscal Year Ended June 30, 2006

	<u>Balance June 30, 2005</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2006</u>
<u>Town Library Fund</u>				
ASSETS				
Cash and Investments	\$ -	\$ 98,621	\$ 62,620	\$ 36,001
LIABILITIES				
Miscellaneous Liabilities	\$ -	\$ 98,621	\$ 62,620	\$ 36,001
 <u>Detention Center Commissary Fund</u>				
ASSETS				
Cash and Investments	\$ 19,832	\$ 80,040	\$ 94,373	\$ 5,499
Accounts Receivable	10,153	2,997		13,150
Total Assets	<u>\$ 29,985</u>	<u>\$ 83,037</u>	<u>\$ 94,373</u>	<u>\$ 18,649</u>
LIABILITIES				
Miscellaneous Liabilities	<u>\$ 29,985</u>	<u>\$ 83,037</u>	<u>\$ 94,373</u>	<u>\$ 18,649</u>
 <u>Totals - All Agency Funds</u>				
ASSETS				
Cash and Investments	\$ 110,144	\$ 2,772,238	\$ 2,736,558	\$ 145,824
Accounts Receivable	10,153	2,997	-	13,150
Taxes Receivable	728,236	19,704,698	19,692,952	739,982
Due from General Fund	222,966	3,997,357	3,980,963	239,360
Total Assets	<u>\$ 1,071,499</u>	<u>\$ 26,477,290</u>	<u>\$ 26,410,473</u>	<u>\$ 1,138,316</u>
LIABILITIES				
Miscellaneous Liabilities	\$ 120,297	\$ 871,627	\$ 836,750	\$ 155,174
Intergovernmental Payables	951,202	25,605,663	25,573,723	983,142
Total Liabilities	<u>\$ 1,071,499</u>	<u>\$ 26,477,290</u>	<u>\$ 26,410,473</u>	<u>\$ 1,138,316</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, 2006

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	2006	2005
Governmental Funds Capital Assets:		
Land	\$ 2,937,830	\$ 2,944,858
Buildings	36,684,522	35,747,857
Improvements	450,695	450,695
Equipment	6,763,782	5,206,356
Vehicles	5,362,398	5,044,570
Construction in Progress	-	830,360
Total Governmental Funds Capital Assets	\$ 52,199,227	\$ 50,224,696
 Investment in Governmental Funds Capital Assets By Source:		
General Fund	\$ 26,218,600	\$ 24,674,962
Special Revenue Funds	1,027,060	939,598
Capital Project Funds	24,869,072	24,525,641
Donations	84,495	84,495
	\$ 52,199,227	\$ 50,224,696

**Randolph County, North Carolina**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule By Function And Activity**  
June 30, 2006

<u>Function and Activity</u>	<u>Land</u>	<u>Buildings</u>	<u>Land Improvements</u>
General Government			
Administration	\$ -	\$ -	\$ -
Computer Services			
Tax			
Elections			
Register of Deeds			
Public Buildings	<u>1,957,799</u>	<u>23,967,437</u>	<u>289,043</u>
	<u>1,957,799</u>	<u>23,967,437</u>	<u>289,043</u>
Public Safety			
Sheriff and Jail		8,587,482	
Emergency Services	43,000	373,015	
Inspections			
Day Reporting Center	-	87,053	-
	<u>43,000</u>	<u>9,047,550</u>	<u>-</u>
Economic and Physical Development			
Planning and Zoning			
Cooperative Extension			
Soil and Water Conservation	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Environmental Protection			
Public Works	<u>842,435</u>	<u>1,011,533</u>	<u>161,652</u>
Human Services			
Public Health			
Social Services		1,109,438	
Mental Health	81,366	822,700	-
	<u>81,366</u>	<u>1,932,138</u>	<u>-</u>
Cultural and Recreational			
Public Library	<u>13,230</u>	<u>725,864</u>	<u>-</u>
Total Governmental Funds Capital Assets	<u>\$ 2,937,830</u>	<u>\$ 36,684,522</u>	<u>\$ 450,695</u>

<u>Equipment</u>	<u>Vehicles</u>	<u>Construction in Progress</u>	<u>Total</u>
\$ 194,618	\$ -	\$ -	\$ 194,618
1,305,202			1,305,202
18,146	101,748		119,894
884,415			884,415
251,760			251,760
74,734	177,334	-	26,466,347
<u>2,728,875</u>	<u>279,082</u>	<u>-</u>	<u>29,222,236</u>
1,248,178	3,127,685		12,963,345
2,012,305	1,355,310		3,783,630
8,215	155,544		163,759
6,100	154,367	-	247,520
<u>3,274,798</u>	<u>4,792,906</u>	<u>-</u>	<u>17,158,254</u>
	66,673		66,673
10,000	21,183		31,183
-	-	-	-
<u>10,000</u>	<u>87,856</u>	<u>-</u>	<u>97,856</u>
<u>78,549</u>	<u>58,118</u>	<u>-</u>	<u>2,152,287</u>
97,901	36,349		134,250
113,713	54,771		1,277,922
-	-	-	904,066
<u>211,614</u>	<u>91,120</u>	<u>-</u>	<u>2,316,238</u>
<u>459,946</u>	<u>53,316</u>	<u>-</u>	<u>1,252,356</u>
<u>\$ 6,763,782</u>	<u>\$ 5,362,398</u>	<u>\$ -</u>	<u>\$ 52,199,227</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, 2006

<u>Function and Activity</u>	Governmental Funds Capital Assets <u>June 30, 2005</u>	<u>Additions</u>	<u>Deductions</u>	<u>Transfers</u>	Governmental Funds Capital Assets <u>June 30, 2006</u>
<b>General Government:</b>					
Administration	\$ 107,183	\$ 19,435	\$ -	\$ 68,000	\$ 194,618
Computer Services	1,042,010	163,154		100,038	1,305,202
Tax	207,182	12,749		(100,037)	119,894
Elections	318,410	566,005			884,415
Register of Deeds	251,760	-			251,760
Public Buildings	27,041,937	72,517	5,629	(642,478)	26,466,347
Total General Government	<u>28,968,482</u>	<u>833,860</u>	<u>5,629</u>	<u>(574,477)</u>	<u>29,222,236</u>
<b>Public Safety:</b>					
Sheriff and Jail	12,542,204	499,654	292,109	213,596	12,963,345
Emergency Services	2,794,117	569,899	108,066	527,680	3,783,630
Inspections	172,458	31,428	25,659	(14,468)	163,759
Day Reporting Center	253,080	-	5,560	-	247,520
Total Public Safety	<u>15,761,859</u>	<u>1,100,981</u>	<u>431,394</u>	<u>726,808</u>	<u>17,158,254</u>
<b>Economic and Physical Development</b>					
Planning and Zoning	66,673				66,673
Cooperative Extension	31,183				31,183
Soil and Water Conservation	-	-	-	-	-
Total Economic and Physical Development	<u>97,856</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>97,856</u>
<b>Environmental Protection</b>					
Public Works	2,106,916	93,271	1,400	(46,500)	2,152,287
<b>Human Services</b>					
Public Health	212,138	19,241		(97,129)	134,250
Social Services	1,286,624			(8,702)	1,277,922
Mental Health	904,066	-	-	-	904,066
Total Human Services	<u>2,402,828</u>	<u>19,241</u>	<u>-</u>	<u>(105,831)</u>	<u>2,316,238</u>
<b>Culture and Recreation</b>					
Public Library	886,755	371,490	5,889	-	1,252,356
<b>Total Governmental Funds Capital Assets</b>	<u>\$ 50,224,696</u>	<u>\$ 2,418,843</u>	<u>\$ 444,312</u>	<u>\$ -</u>	<u>\$ 52,199,227</u>



## **Other Supplemental Information**

The other supplemental schedules highlight various details of specific financial statement data for ad valorem property taxes and interfund transfers.

**Randolph County, North Carolina**  
**General Fund**  
**Schedule of Ad Valorem Taxes Receivable**  
June 30, 2006

Fiscal Year	Uncollected Balance June 30, 2005	Additions	Collections And Credits	Uncollected Balance June 30, 2006
2005-2006	\$ -	\$ 45,701,752	\$ 44,764,339	\$ 937,413
2004-2005	826,456		301,171	525,285
2003-2004	534,237		504,282	29,955
2002-2003	72,012		(7,756)	79,768
2001-2002	49,159		11,608	37,551
2000-2001	48,208		2,621	45,587
1999-2000	33,204		3,321	29,883
1998-1999	26,050		1,944	24,106
1997-1998	19,126		1,017	18,109
1996-1997	25,184		860	24,324
1995-1996	17,814	-	17,814	-
	\$ 1,651,450	\$ 45,701,752	\$ 45,601,221	1,751,981
Plus: uncollected 2006-2007 ad valorem taxes receivable on annually registered vehicles				275,750
Less: allowance for uncollectible accounts: General Fund				(453,000)
Ad valorem taxes receivable - net: General Fund				\$ 1,574,731
<u>Reconciliation with revenues:</u>				
Ad valorem taxes - General Fund				\$ 45,387,760
Reconciling items:				
Interest collected				(251,889)
Discounts allowed				445,467
Releases and adjustments				2,165
Taxes written off				17,718
Total reconciling items				213,461
Total collections and credits				\$ 45,601,221

**Randolph County, North Carolina**  
**Analysis of Current Tax Levy**  
**County-wide Levy**  
For the Fiscal Year Ended June 30, 2006

	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	\$ 8,184,594,434	\$0.5250	\$ 42,969,121	\$ 39,100,233	\$ 3,868,888
Motor vehicles taxed at prior year's rate	358,539,084	0.5000	1,792,695		1,792,695
Penalties	-		66,579	66,579	-
Total	<u>8,543,133,518</u>		<u>44,828,395</u>	<u>39,166,812</u>	<u>5,661,583</u>
Discoveries:					
Current year taxes	<u>224,406,429</u>	0.5250	<u>1,178,134</u>	<u>1,178,134</u>	-
Abatements	<u>(58,052,790)</u>		<u>(304,777)</u>	<u>(198,411)</u>	<u>(106,366)</u>
Total property valuation	<u>\$ 8,709,487,157</u>				
Net levy			45,701,752	40,146,535	5,555,217
Uncollected taxes at June 30, 2006			<u>937,413</u>	<u>253,357</u>	<u>684,056</u>
Current year's taxes collected			<u>\$ 44,764,339</u>	<u>\$ 39,893,178</u>	<u>\$ 4,871,161</u>
Current levy collection percentage			<u>97.95%</u>	<u>99.37%</u>	<u>87.69%</u>

**Secondary Market Disclosures:**

Assessed Valuation:	
Assessment Ratio <sup>1</sup>	100%
Real Property	\$ 6,625,649,367
Personal Property	1,878,516,653
Public Service Companies <sup>2</sup>	<u>205,321,137</u>
Total Assessed Valuation	<u>\$ 8,709,487,157</u>
Tax Rate per \$100	0.525
Levy (includes discoveries, releases and abatements) <sup>3</sup>	\$ 45,701,752

<sup>1</sup> Percentage of appraised value has been established by statute.

<sup>2</sup> Valuation of railroads, telephone companies and other utilities as determined by the North Carolina Property Tax Commission.

<sup>3</sup> The levy includes interest and penalties.

**Randolph County, North Carolina**  
**Schedule of Current Tax Levy -**  
**Special Districts**  
For the Fiscal Year Ended June 30, 2006

In addition to the County-wide rate, this table lists the levies by the County on behalf of school districts and fire protection districts for the fiscal year.

	Net Valuation	Net Levy
School Districts:		
Asheboro School District	\$ 1,912,975,928	\$ 2,649,472
Archdale-Trinity School District	1,961,661,518	1,667,412
	3,874,637,446	4,316,884
Fire Protection Districts:		
Fairgrove Fire District	291,630,831	189,560
Guil-Rand Fire District	1,746,458,470	1,746,458
Climax Fire District	386,814,462	359,737
Julian Fire District	74,419,400	74,419
Westside Fire District	563,185,839	505,521
Eastside Fire District	406,361,971	284,453
Level Cross Fire District	206,261,670	206,262
Ulah Fire District	440,690,148	268,821
Seagrove Fire District	155,341,773	150,682
Staley Fire District	136,882,370	136,882
Randleman Fire District	199,075,470	199,075
Tabernacle Fire District	205,252,437	178,570
Northeast Fire District	120,127,882	81,687
Sophia Fire District	103,984,770	103,985
Coleridge Fire District	192,108,438	140,239
Franklinville Fire District	404,247,354	262,761
Bennett Fire District	33,974,729	23,782
Farmer Fire District	156,953,907	117,715
Southwest Fire District	54,500,940	54,501
	5,878,272,861	5,085,110
Total Special District Levies	\$ 9,752,910,307	\$ 9,401,994



## STATISTICAL SECTION

This section of Randolph County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

### **Financial Trends**

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

### **Revenue Capacity**

These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes.

### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.

### **Operating Information**

These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented Statement 34 in 2003; schedules presenting government-wide information begin in that year.



**Randolph County, North Carolina**  
**Net Assets by Component,**  
**Last Four Fiscal Years**  
(accrual basis of accounting)

	<b>Fiscal Year</b>			
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Governmental activities				
Invested in capital assets, net of related debt	\$ 25,240,615	\$ 21,581,815	\$ 23,461,269	\$ 25,053,217
Restricted				
General Government	107,378	91,852	79,907	109,229
Public Safety	2,666,477	2,196,398	1,954,924	2,536,333
Human Services	1,229,792	1,404,061	1,614,182	1,752,954
Cultural and Recreational			91,202	85,571
Unrestricted	<u>(36,237,284)</u>	<u>(27,797,538)</u>	<u>(21,124,330)</u>	<u>(14,528,602)</u>
Total primary government net assets	<u>\$ (6,993,022)</u>	<u>\$ (2,523,412)</u>	<u>\$ 6,077,154</u>	<u>\$ 15,008,702</u>

Note: Accrual-basis financial information for the county government as a whole is available back to 2003 only, the year GASB Statement 34 was implemented.

**Randolph County, North Carolina**  
**Changes in Net Assets,**  
**Last Four Fiscal Years**  
(accrual basis of accounting)

	<b>Fiscal Year</b>		
	<u>2003</u>	<u>2004</u>	<u>2005</u>
<b>Expenses</b>			
Governmental activities:			
General government	\$ 7,820,572	\$ 10,026,294	\$ 8,293,182
Public safety	19,722,191	20,518,846	22,367,554
Economic and physical development	1,296,627	1,619,775	2,028,595
Environmental protection	3,298,341	3,192,249	3,131,299
Human services	35,602,604	24,071,313	25,970,858
Cultural and recreation	1,416,169	1,482,224	1,599,807
Education	23,130,436	20,582,034	22,526,568
Interest on long-term debt	4,971,764	4,899,065	4,470,737
Total primary government expenses	<u>97,258,704</u>	<u>86,391,800</u>	<u>90,388,600</u>
<b>Program Revenues</b>			
Governmental activities:			
Charges for services:			
General government	1,331,878	1,331,851	1,236,873
Public safety	3,763,532	4,456,272	4,609,549
Economic and physical development	31,742	37,870	35,321
Environmental protection	3,000,755	2,852,420	2,776,346
Human services	6,635,118	1,230,230	1,300,617
Cultural and recreation	109,537	124,733	133,942
Operating grants and contributions:			
General government	24,933	2,000	46,087
Public safety	1,007,384	1,082,587	1,935,369
Economic and physical development	90,550	86,499	404,782
Environmental protection	203,684	199,964	193,413
Human services	16,549,677	11,342,505	11,916,577
Cultural and recreation	244,563	249,190	347,146
Education	740,414		
Interest on long-term debt		203,072	1,279,077
Capital grants and contributions:			
General Government			
Public safety	11,220	10,400	32,609
Cultural and recreation		40,509	
Total primary government program revenues	<u>33,744,987</u>	<u>23,250,102</u>	<u>26,247,708</u>

Schedule 2

<u>2006</u>	
\$	8,919,465
	22,846,258
	1,990,561
	3,092,969
	27,234,372
	1,731,871
	26,074,526
	<u>4,221,094</u>
	<u>96,111,116</u>
	1,343,580
	4,948,735
	33,697
	2,736,402
	1,229,513
	168,817
	14,957
	1,284,608
	160,419
	15,877
	12,581,548
	280,394
	1,888,496
	566,005
	<u>104,607</u>
	<u>27,357,655</u>

**Randolph County, North Carolina**  
**Changes in Net Assets,**  
**Last Four Fiscal Years**  
(accrual basis of accounting)

	<b>Fiscal Year</b>		
	<u>2003</u>	<u>2004</u>	<u>2005</u>
<b>Net (Expense)/Revenue</b>			
Total primary government net (expense)/revenue	\$ (63,513,717)	\$ (63,141,698)	\$ (64,140,892)
<b>General Revenues and Other Changes in Net Assets</b>			
Governmental activities:			
Property taxes	44,534,982	46,775,147	47,490,811
Local option sales tax	18,583,664	20,348,995	21,496,129
Other taxes and licenses	1,792,707	1,433,767	1,727,065
Investment earnings	960,087	585,071	974,351
Miscellaneous	100,144	1,194,151	1,053,102
Total primary government	<u>65,971,584</u>	<u>70,337,131</u>	<u>72,741,458</u>
<b>Special Item</b>			
Contribution of assets from Randolph Mental Health to Sandhills Center		(2,725,823)	
<b>Change in Net Assets</b>			
Governmental activities	<u>2,457,867</u>	<u>4,469,610</u>	<u>8,600,566</u>
Total primary government	<u><u>\$ 2,457,867</u></u>	<u><u>\$ 4,469,610</u></u>	<u><u>\$ 8,600,566</u></u>

Note: Accrual-basis financial information for the county government as a whole is available back to 2003 only, the year GASB Statement 34 was implemented.

**Explanatory Information:**

2003: Amounts for intergovernmental revenues, interest earnings, and human service expenditures include the operations of Randolph County Mental Health, a single county mental health program which operated as part of the General Fund during 2003; these services were merged into Sandhill Mental Health Program, effective July 1, 2003.

2004: Amounts for general governmental expenditures include \$1,999,728 in noncapitalized costs at the completion of the new county courthouse project.

2006: Amounts for education include capital project costs for school construction.

Schedule 2

2006

\$ (68,753,461)

50,631,937

22,553,119

1,880,040

1,982,485

637,428

77,685,009

8,931,548

\$ 8,931,548

**Randolph County, North Carolina**  
**Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**

(modified accrual basis of accounting)

General Fund Equity	1997	1998	1999	2000
Fund Balances:				
Reserved:				
By State Statute	\$ 5,092,043	\$ 5,464,860	\$ 5,724,170	\$ 6,101,399
For Encumbrances	2,385,988	4,155,845	854,817	839,611
For Inventories	890	4,747	5,658	16,736
For Investment for Resale	3,849	4,336	4,540	4,540
Unreserved:				
(Available for Appropriation):				
Designated for:				
Public Works	735,569	731,741	151,347	243,550
Mental Health Programs	1,268,950	1,609,905	1,140,664	682,264
Subsequent Year's Expenditures	1,218,548	1,554,095	901,557	1,588,762
Undesignated	12,070,180	11,915,424	14,076,820	17,569,755
Total General Fund Equity	<u>\$ 22,776,017</u>	<u>\$ 25,440,953</u>	<u>\$ 22,859,573</u>	<u>\$ 27,046,617</u>
All Other Governmental Funds				
Reserved:				
By State statute	\$ 598,625	\$ 148,446	\$ 231,723	\$ 788,342
For Encumbrances	35,000		452,150	1,200
Unreserved				
Designated				
Special revenue funds	2,441,778	6,583,777	5,668,750	5,863,946
Capital Projects	7,585,378	3,285,340	7,198,191	52,122,303
Total all other governmental funds	<u>\$ 10,660,781</u>	<u>\$ 10,017,563</u>	<u>\$ 13,550,814</u>	<u>\$ 58,775,791</u>

Schedule 3

<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
\$ 6,491,822	\$ 6,364,590	\$ 7,007,584	\$ 8,035,392	\$ 8,775,010	\$ 8,962,490
615,107	1,368,861	2,842,760	3,621,111	3,390,100	2,942,325
12,332	9,418	-	-	-	-
4,540	4,540	-	-	-	-
1,834,483	2,144,464	1,097,898	-		
795,793	3,564,689	998,000	3,003,526	3,272,713	2,165,418
18,426,598	16,926,127	18,544,163	20,564,254	21,831,935	22,716,130
<u>\$ 28,180,675</u>	<u>\$ 30,382,689</u>	<u>\$ 30,490,405</u>	<u>\$ 35,224,283</u>	<u>\$ 37,269,758</u>	<u>\$ 36,786,363</u>
\$ 1,292,405	\$ 393,155	\$ 196,302	\$ 171,359	\$ 270,116	\$ 495,335
	25,313	122,898	78,942		
4,766,368	5,811,369	5,179,457	4,101,484	4,123,547	5,854,935
17,910,603	4,551,791	3,167,912	496,603	1,334,450	608,876
<u>\$ 23,969,376</u>	<u>\$ 10,781,628</u>	<u>\$ 8,666,569</u>	<u>\$ 4,848,388</u>	<u>\$ 5,728,113</u>	<u>\$ 6,959,146</u>

**Randolph County, North Carolina**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**

(modified accrual basis of accounting)

	1997	1998	1999	2000
<b>Revenues</b>				
Taxes:				
Property	\$ 27,458,990	\$ 28,594,970	\$ 29,577,259	\$ 33,253,074
Sales	13,289,104	13,589,999	14,663,236	15,714,637
Other	261,147	256,844	723,337	868,763
Total taxes	<u>41,009,241</u>	<u>42,441,813</u>	<u>44,963,832</u>	<u>49,836,474</u>
Intergovernmental:				
Unrestricted	3,329,298	2,853,115	2,827,879	2,861,517
Restricted	14,777,078	21,900,912	27,859,042	26,382,250
Permits and Fees	1,059,501	1,552,987	1,782,562	1,751,072
Charges for Services	7,798,862	9,548,740	9,587,565	9,891,683
Investment earnings	2,613,580	2,174,817	2,093,964	3,133,115
Miscellaneous	245,460	525,399	470,399	773,048
Total Revenues	<u>70,833,020</u>	<u>80,997,783</u>	<u>89,585,243</u>	<u>94,629,159</u>
<b>Expenditures</b>				
General Government	5,217,379	5,777,616	6,056,375	5,972,063
Public Safety	11,859,997	12,626,881	13,461,325	14,957,694
Economic Development	1,023,296	1,303,467	1,651,276	1,035,893
Environmental Protection	1,965,195	3,640,658	4,955,703	4,349,467
Human Services	24,012,978	24,762,485	26,517,526	29,133,182
Culture and Recreation	1,145,049	1,141,640	1,111,894	1,286,249
Education	14,887,143	19,551,802	27,684,406	24,405,463
Capital Outlay	16,731,885	5,808,559	401,306	9,488,196
Debt Service:				
Principal	3,864,513	3,898,107	4,052,659	4,312,721
Interest	3,493,645	3,576,613	2,874,426	2,643,790
Total Expenditures	<u>84,201,080</u>	<u>82,087,828</u>	<u>88,766,896</u>	<u>97,584,718</u>
Excess of revenues over (under) expenditures	<u>(13,368,060)</u>	<u>(1,090,045)</u>	<u>818,347</u>	<u>(2,955,559)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	4,741,771	2,652,598	7,838,298	4,435,002
Transfers out	(4,741,771)	(2,652,598)	(7,838,298)	(4,435,002)
Debt issued	124,288	64,713	130,000	52,372,334
Premium on refunding debt				
Refunding debt issued		23,658,009		
Payment to refunding escrow agent		(23,421,802)		
Total other financing sources (uses)	<u>124,288</u>	<u>300,920</u>	<u>130,000</u>	<u>52,372,334</u>
Net change in fund balances	<u>\$ (13,243,772)</u>	<u>\$ (789,125)</u>	<u>\$ 948,347</u>	<u>\$ 49,416,775</u>
Debt service as a percentage of noncapital expenditures	10.91%	9.80%	7.84%	7.90%

Schedule 4

2001	2002	2003	2004	2005	2006
\$ 35,024,916	\$ 43,675,898	\$ 44,503,261	\$ 46,632,517	\$ 47,521,607	\$ 50,417,045
15,937,993	15,643,612	18,583,664	20,348,995	21,496,129	22,553,119
867,016	1,000,335	1,587,084	1,707,592	1,727,304	1,880,245
<u>51,829,925</u>	<u>60,319,845</u>	<u>64,674,009</u>	<u>68,689,104</u>	<u>70,745,040</u>	<u>74,850,409</u>
3,529,266	2,147,923	66,719	87,224	73,019	88,393
19,584,574	20,811,354	18,713,949	13,035,789	15,949,011	17,073,659
1,865,269	2,033,485	2,159,166	2,047,976	2,005,241	2,132,920
10,785,511	11,804,864	12,557,172	7,473,195	7,693,815	8,027,801
4,888,024	1,733,493	952,505	600,433	1,016,386	2,056,618
935,386	888,979	470,159	1,251,305	3,166,319	621,803
<u>93,417,955</u>	<u>99,739,943</u>	<u>99,593,679</u>	<u>93,185,026</u>	<u>100,648,831</u>	<u>104,851,603</u>
6,278,193	6,961,527	6,679,256	7,126,811	8,242,973	8,801,097
16,679,057	18,774,245	18,882,874	21,081,820	22,499,952	22,873,367
978,764	1,008,942	1,266,241	1,610,055	2,015,612	1,982,803
4,204,426	3,872,264	3,283,220	3,340,969	3,098,682	3,214,425
30,666,528	33,016,934	35,429,982	24,081,856	26,176,385	27,287,657
1,243,834	1,265,339	1,346,402	1,476,961	1,591,735	1,809,229
19,062,956	20,687,692	19,824,457	20,283,133	22,136,437	23,933,525
37,924,719	15,446,980	5,989,915	3,280,895	7,888,301	3,305,038
4,301,286	5,136,773	5,256,219	8,284,074	6,359,130	7,085,198
5,743,695	5,205,497	4,970,661	5,758,624	3,944,424	3,811,626
<u>127,083,458</u>	<u>111,376,193</u>	<u>102,929,227</u>	<u>96,325,198</u>	<u>103,953,631</u>	<u>104,103,965</u>
(33,665,503)	(11,636,250)	(3,335,548)	(3,140,172)	(3,304,800)	747,638
5,393,111	2,575,158	5,866,689	4,466,519	4,747,361	5,878,175
(5,393,111)	(2,575,158)	(5,866,689)	(4,466,519)	(4,747,361)	(5,878,175)
	649,732	2,663,250		6,230,000	
			3,027,797		
			67,430,000		
			(66,666,360)		
<u>-</u>	<u>649,732</u>	<u>2,663,250</u>	<u>3,791,437</u>	<u>6,230,000</u>	<u>-</u>
<u>\$ (33,665,503)</u>	<u>\$ (10,986,518)</u>	<u>\$ (672,298)</u>	<u>\$ 651,265</u>	<u>\$ 2,925,200</u>	<u>\$ 747,638</u>
11.27%	10.78%	10.55%	15.09%	10.73%	10.81%

**Randolph County, North Carolina**  
**Assessed Value and Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

Fiscal Year	Real Property				Personal Property
	Residential Property	Commercial Property	Industrial Property	Present-use Value (1)	
1997	\$ 2,771,488,327	\$ 300,165,635	\$ 283,681,530	\$ 81,641,725	\$ 1,612,176,429
1998	2,857,965,991	301,323,338	299,402,060	80,084,465	1,796,367,434
1999	2,944,808,660	346,050,830	295,667,180	80,125,925	1,819,572,351
2000	3,032,566,942	430,896,981	266,868,900	78,943,415	1,933,420,797
2001	3,119,525,712	488,425,660	269,031,410	77,136,335	2,040,579,794
2002 (5)	4,733,037,648	692,464,350	335,615,710	169,315,590	2,005,627,125
2003	5,102,960,371	681,132,930	326,400,350	177,254,880	1,814,078,499
2004	5,183,315,136	729,065,310	309,240,780	189,276,680	1,788,317,724
2005	5,220,036,928	805,968,550	282,750,710	199,170,480	1,809,806,963
2006	5,375,045,807	839,788,720	279,823,060	130,991,780	1,878,516,653

Source: Annual County Report of Valuation and Property Tax Levies

Notes:

(1) Present use value property is agricultural, horticultural and forestland for which the owner has applied for the property to be taxed at its present use. The difference in taxes on the present use basis and the taxes that would have been payable are a lien on the property and are deferred. The taxes become due if the property ceases to qualify for present use value. The preceding three fiscal years taxes are then required to be paid.

(2) Public service companies valuations are provided to the County by the North Carolina Department of Revenue. These amounts include both real and personal property.

(3) Per \$100 of value.

(4) The estimated market value for real property is calculated by dividing the assessed value by an assessment-to-sales ratio determined by the State Department of Revenue. The ratio is based on actual property sales which took place during the fiscal year. The actual ratio for the most recent year is not yet available; an estimated ratio has been provided by the Randolph County Tax Department. Personal property is valued annually.

(5) Property in Randolph County was reassessed every eight years. The last reassessment was on January 1, 2001 and was the basis for fiscal 2002 taxes. Effective January 1, 2007, the County will be reassessed every six years.

**Schedule 5**

<b>Public Service Companies (2)</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate (3)</b>	<b>Estimated Actual Taxable Value (4)</b>
\$ 171,903,877	\$ 5,221,057,523	\$ 0.4650	\$5,626,424,875
152,829,523	5,487,972,811	0.4650	6,060,706,024
164,884,731	5,651,109,677	0.4650	6,463,084,900
169,893,967	5,912,591,002	0.5125	6,933,743,673
145,944,147	6,140,643,058	0.5125	7,631,469,021
213,387,177	8,149,447,600	0.4800	8,288,437,389
221,213,919	8,323,040,949	0.4800	8,804,704,274
225,908,336	8,425,123,966	0.5000	9,049,549,702
221,789,833	8,539,523,464	0.5000	9,239,085,529
205,321,137	8,709,487,157	0.5250	9,808,690,501

**Randolph County, North Carolina**  
**Direct and Overlapping Property Tax Rates,**  
**Last Ten Fiscal Years**  
(rate per \$100 of assessed property value)

	Year Taxes Are Payable				
	1997	1998	1999	2000	2001
<b>Randolph County</b>	\$ 0.4650	\$ 0.4650	\$ 0.4650	\$ 0.5125	\$ 0.5125
<b>Municipalities:</b>					
City of Archdale	0.2400	0.2400	0.2400	0.2400	0.2400
City of Asheboro	0.5200	0.5200	0.5200	0.5200	0.5200
Town of Franklinville	0.3800	0.3800	0.3000	0.3000	0.4000
Town of Liberty	0.5000	0.5000	0.5000	0.5000	0.5000
Town of Ramseur	0.5000	0.5000	0.5000	0.5000	0.5000
City of Randleman	0.3800	0.3800	0.4600	0.4600	0.4600
Town of Seagrove	0.4000	0.4200	0.4200	0.4200	0.4200
Town of Staley	0.1250	0.1250	0.1250	0.1250	0.1250
City of Trinity			0.0500	0.0500	0.0500
<b>School Districts:</b>					
Asheboro School District	0.1450	0.1450	0.1450	0.1450	0.1450
Archdale/Trinity School District	0.0850	0.0850	0.0850	0.0850	0.0850
<b>Fire Protection Districts:</b>					
Fairgrove	0.0400	0.0400	0.0750	0.0750	0.0750
Guil-Rand	0.1000	0.1000	0.1000	0.1000	0.1000
Climax	0.1000	0.1000	0.1000	0.1000	0.1000
Julian	0.1000	0.1000	0.1000	0.1000	0.1000
Westside	0.0850	0.0850	0.0850	0.0850	0.0850
Eastside	0.0600	0.0600	0.0600	0.0600	0.0600
Level Cross	0.0900	0.0900	0.0900	0.0900	0.0900
Ulah	0.0650	0.0650	0.0650	0.0650	0.0650
Seagrove	0.1000	0.1000	0.1000	0.1000	0.1000
Staley	0.1000	0.1000	0.1000	0.1000	0.1000
Randleman	0.0900	0.0900	0.1000	0.1000	0.1000
Tabernacle	0.0900	0.0900	0.0900	0.0900	0.0900
Northeast	0.0700	0.0700	0.0700	0.0700	0.0700
Sophia	0.1000	0.1000	0.1000	0.1000	0.1000
Coleridge-Erect	0.1000	0.1000	0.0800	0.0800	0.0800
Franklinville	0.0800	0.0800	0.0800	0.0800	0.0800
Bennett	0.0800	0.0800	0.0800	0.0800	0.0800
Farmer	0.0700	0.0700	0.0800	0.0800	0.0800
Southwest	0.1000	0.1000	0.1000	0.1000	0.1000

Note: (1) Real property was revalued on January 1, 2001

Schedule 6

Year Taxes Are Payable				
2002 (1)	2003	2004	2005	2006
\$ 0.4800	\$ 0.4800	\$ 0.5000	\$ 0.5000	\$ 0.5250
0.2300	0.2300	0.2300	0.2600	0.2600
0.4500	0.5000	0.5000	0.5500	0.5500
0.4000	0.4000	0.4000	0.4000	0.4000
0.4800	0.4800	0.4800	0.5125	0.5125
0.4600	0.4600	0.4600	0.4600	0.5000
0.4000	0.4800	0.4800	0.5100	0.5100
0.4000	0.4000	0.4000	0.4000	0.4000
0.1250	0.1250	0.1250	0.1250	0.1250
0.0500	0.0500	0.0500	0.0500	0.0500
0.1385	0.1385	0.1385	0.1385	0.1385
0.0750	0.0750	0.0750	0.0850	0.0850
0.0650	0.0650	0.0650	0.0650	0.0650
0.1000	0.1000	0.1000	0.1000	0.1000
0.0930	0.0930	0.0930	0.0930	0.0930
0.0950	0.0950	0.1000	0.1000	0.1000
0.0820	0.0820	0.0850	0.0900	0.0900
0.0550	0.0550	0.0550	0.0700	0.0700
0.0900	0.0900	0.1000	0.1000	0.1000
0.0610	0.0610	0.0610	0.0610	0.0610
0.0970	0.0970	0.0970	0.0970	0.0970
0.0960	0.0960	0.1000	0.1000	0.1000
0.1000	0.1000	0.1000	0.1000	0.1000
0.0870	0.0870	0.0870	0.0870	0.0870
0.0680	0.0680	0.0680	0.0680	0.0680
0.0960	0.0960	0.1000	0.1000	0.1000
0.0730	0.0730	0.0730	0.0730	0.0730
0.0770	0.0700	0.0650	0.0650	0.0650
0.0700	0.0700	0.0700	0.0700	0.0700
0.0750	0.0750	0.0750	0.0750	0.0750
0.0920	0.0920	0.1000	0.1000	0.1000

**Randolph County, North Carolina  
Principal Property Tax Payers,  
Current Year and Nine Years Ago**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Fiscal Year 2006</u>		
		<u>Assessed Valuation</u>	<u>Rank</u>	<u>Percentage of Total Assessed Valuation</u>
Energizer	Battery Manufacturing	\$148,797,834	1	1.71%
Klaussner Furniture Industries	Furniture Manufacturing	55,099,673	2	0.63%
Technimark	Plastics Manufacturing	41,717,750	3	0.48%
Duke Energy Corp	Public Electric Company	39,974,880	4	0.46%
Randolph Electric Membership	Membership Electric Company	39,551,919	5	0.45%
Goodyear Tire & Rubber	Steel Wire Manufacturing	36,969,496	6	0.42%
Progress Energy / C P & L	Public Electric Company	36,438,377	7	0.42%
Sealey	Mattress Manufacturing	32,895,400	8	0.38%
Ramtex	Woven Fabric	32,634,281	9	0.37%
Timken Company	Bearings Manufacturing	32,429,655	10	0.37%
Black & Decker	Small Appliance Manufacturing			
Toloram Polymers	Chemical Manufacturing			
Central Telephone Company	Public Utility Company			
Totals		<u>\$496,509,265</u>		5.70%

Source: Randolph County Tax Department

<b>Fiscal Year 1997</b>		
<b>Assessed Valuation</b>	<b>Rank</b>	<b>Percentage of Total Assessed Valuation</b>
\$ 80,471,543	1	1.54%
36,393,411	5	0.70%
37,724,126	4	0.72%
26,150,454	9	0.50%
26,084,406	10	0.50%
62,266,118	2	1.19%
40,143,359	3	0.77%
31,884,648	6	0.61%
31,763,445	7	0.61%
26,154,187	8	0.50%
<u>\$399,035,697</u>		7.64%

**Randolph County, North Carolina  
Property Tax Levies and Collections  
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Taxes Levied for the Fiscal Year (Original Levy)</u>		<u>Total Adjusted Levy</u>	<u>Collected within the Fiscal Year of the Levy</u>	
		<u>Adjustments</u>		<u>Amount</u>	<u>Percentage of Original Levy</u>
1997	\$ 24,362,674		\$ 24,362,674	\$ 23,735,938	97.43%
1998	25,664,442		25,664,442	24,946,814	97.20%
1999	26,382,094		26,382,094	25,686,686	97.36%
2000	30,226,296		30,226,296	29,319,447	97.00%
2001	31,570,635		31,570,635	30,693,955	97.22%
2002	39,302,404		39,302,404	38,397,923	97.70%
2003	40,079,649		40,079,649	39,222,703	97.86%
2004	42,114,342		42,114,342	41,240,854	97.93%
2005	42,769,290		42,769,290	41,942,834	98.07%
2006	45,701,752		45,701,752	44,764,339	97.95%

Source: Randolph County Tax Department

Schedule 8

Collections in Subsequent Years	Total Collections to Date	
	Amount	Percentage of Adjusted Levy
\$ 602,412	\$ 24,338,350	99.90%
699,519	25,646,333	99.93%
671,302	26,357,988	99.91%
876,966	30,196,413	99.90%
831,093	31,525,048	99.86%
866,930	39,264,853	99.90%
777,178	39,999,881	99.80%
843,533	42,084,387	99.93%
301,171	42,244,005	98.77%
-	44,764,339	97.95%

**Randolph County, North Carolina**  
**Ratios of Outstanding Debt by Type,**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Governmental Activities</b>				<b>Total Primary Government</b>	<b>Percentage of Personal Income (1)</b>	<b>Per Capita (1)</b>
	<b>General Obligation Bonds</b>	<b>Installment Loans</b>	<b>Capital Lease</b>	<b>Note Payable</b>			
1997	\$27,575,000	\$34,465,233	\$ 179,888	\$ -	\$62,220,121	2.37%	\$ 505
1998	27,040,000	32,835,126	126,000	-	60,001,126	2.15%	475
1999	24,735,000	31,280,467	63,000	-	56,078,467	1.88%	436
2000	22,305,000	81,650,746	-	860,440	104,816,186	3.39%	801
2001	19,895,000	79,765,264	-	860,440	100,520,704	3.23%	759
2002	17,505,000	77,114,777	596,468	817,418	96,033,663	3.09%	720
2003	15,135,000	77,043,611	487,687	774,396	93,440,694	2.96%	692
2004	12,805,000	78,877,655	372,591	731,374	92,786,620	2.76%	683
2005	10,515,000	81,204,841	249,297	688,352	92,657,490	2.76%	675
2006	8,260,000	76,549,741	117,221	645,330	85,572,292	2.55%	615

(1) See Schedule 13 for personal income and population data.

Note: Percentages for 2005 and 2006 were calculated using the personal income amounts for 2004, the last year data is available.

Details regarding the county's outstanding debt can be found in the notes to the financial statements.

**Randolph County, North Carolina**  
**Ratios of Net General Bonded Debt Outstanding,**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>General Bonded Debt Outstanding</u>		<u>Percentage of Actual Taxable Value of Property(2)</u>	<u>Per Capita(1)</u>
	<u>General Obligation Bonds</u>	<u>Percentage of Personal Income(1)</u>		
1997	\$ 27,575,000	1.05%	0.53%	\$ 224
1998	27,040,000	0.97%	0.49%	214
1999	24,735,000	0.83%	0.44%	192
2000	22,305,000	0.72%	0.38%	170
2001	19,895,000	0.64%	0.32%	150
2002	17,505,000	0.56%	0.21%	131
2003	15,135,000	0.48%	0.18%	112
2004	12,805,000	0.38%	0.15%	94
2005	10,515,000	0.31%	0.12%	77
2006	8,260,000	0.25%	0.09%	59

Notes: Details regarding the County's outstanding debt can be found in the Notes to the Financial Statements.

(1) See Schedule 13 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year. Calendar 2005 personal income not available to calculate fiscal year 2006.

(2) See schedule 5 for property value data.

**Randolph County, North Carolina  
Legal Debt Margin Information,  
Last Ten Fiscal Years**

	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
Assessed Value of Property	\$5,221,057,523	\$5,487,972,811	\$5,651,109,677	\$5,912,591,002
Debt Limit, 8% of Assessed Value (Statutory Limitation)	417,684,602	439,037,825	452,088,774	473,007,280
Amount of Debt Applicable to Limit Gross debt	<u>62,220,121</u>	<u>60,001,126</u>	<u>56,078,467</u>	<u>104,816,186</u>
Legal Debt Margin	<u>\$ 355,464,481</u>	<u>\$ 379,036,699</u>	<u>\$ 396,010,307</u>	<u>\$ 368,191,094</u>
 Total net debt applicable to the limit as a percentage of debt limit	 14.90%	 13.67%	 12.40%	 22.16%

Note: NC General Statute §159-55 limits the county's outstanding debt to 8% of the appraised value of property subject to taxation. The legal debt margin is the difference between the debt limit and the county's net debt outstanding applicable to the limit, and represents the county's legal borrowing authority.

<b>Fiscal Year</b>					
<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
\$6,140,643,058	\$8,149,447,600	\$8,323,040,949	\$8,425,123,966	\$8,539,523,464	\$8,709,487,157
491,251,445	651,955,808	665,843,276	674,009,917	683,161,877	696,758,973
<u>100,520,704</u>	<u>96,033,663</u>	<u>93,440,694</u>	<u>92,786,620</u>	<u>92,657,490</u>	<u>85,572,292</u>
<u>\$ 390,730,741</u>	<u>\$ 555,922,145</u>	<u>\$ 572,402,582</u>	<u>\$ 581,223,297</u>	<u>\$ 590,504,387</u>	<u>\$ 611,186,681</u>
20.46%	14.73%	14.03%	13.77%	13.56%	12.28%

**Randolph County, North Carolina**  
**Direct and Overlapping Governmental Activities Debt**  
**As of June 30, 2006**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
<b>Municipalities:</b>			
City of Archdale	\$ 521,413	97%	\$ 505,771
City of Asheboro	8,210,000	100%	<u>8,210,000</u>
Subtotal - Overlapping debt			8,715,771
Total direct debt of Randolph County			<u>85,572,292</u>
Total direct and overlapping debt			<u><u>\$ 94,288,063</u></u>

Sources: Local Government Commission and municipalities

**Randolph County, North Carolina  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

<b>Year</b>	<b>Population(1)</b>	<b>Personal Income (2) (thousands of dollars)</b>	<b>Per Capita Personal Income (2)</b>	<b>Public School Enrollment (3)</b>	<b>Unemployment Rate (4)</b>
1997	123,235	\$ 2,630,165	\$ 21,311	19,660	2.70%
1998	126,252	2,790,289	22,141	19,762	2.80%
1999	128,624	2,981,921	23,166	20,951	2.90%
2000	130,882	3,092,647	23,592	21,515	3.10%
2001	132,464	3,112,186	23,516	21,317	5.30%
2002	133,452	3,103,450	23,226	21,905	6.40%
2003	134,950	3,153,316	23,343	22,377	6.30%
2004	135,827	3,358,233	24,639	22,779	5.40%
2005	137,283	N/A	N/A	23,228	5.17%
2006	139,223	N/A	N/A	23,241	4.61%

## Sources:

(1) N.C. State Data Center.

(2) Bureau of Economic Analysis, U. S. Department of Commerce.

(3) N.C. Department of Public Instruction, First Month Average Daily Membership.

(4) N. C. Employment Security Commission.



**Randolph County, North Carolina  
Principal Employers,  
Current Year and Nine Years Ago**

		<u>2006</u>			<u>1997</u>		
		<b>Percentage of Total County</b>			<b>Percentage of Total County</b>		
		<u>Employees</u>	<u>Rank</u>	<u>Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Employment</u>
Randolph County Schools	Education	2,136	1	2.86%	1,911	2	2.69%
Klaussner Furniture Industries	Manufacturing	1,822	2	2.44%	3,150	1	4.44%
Energizer	Manufacturing	1,104	3	1.48%	1,900	3	2.68%
Randolph Hospital	Health Services	880	4	1.18%	550	10	0.77%
Prestige Fabricators	Manufacturing	800	5	1.07%			
Randolph County	Government	752	6	1.01%	575	8	0.81%
Wal-Mart	Retail Trade	718	7	0.96%			
Acme McCrary Corp	Manufacturing	696	8	0.93%	850	5	1.20%
Asheboro City Schools	Education	586	9	0.79%	570	9	0.80%
Hughes Furniture Industries Inc	Manufacturing	500	10	0.67%			
Black & Decker / Windmere	Manufacturing				1,100	4	1.55%
Ramtex Inc	Manufacturing				800	6	1.13%
Arrow International Inc	Manufacturing				600	7	0.85%

**Randolph County, North Carolina  
County Government Employees by Function,  
Last Ten Fiscal Years**

<b>Function/Program</b>	<b>Employee Positions as of June 30</b>					
	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>
General government	79.0	80.0	81.0	84.0	87.0	88.0
Public safety						
Sheriff and jail	155.0	161.0	172.0	182.0	187.0	207.0
Other public safety	72.0	75.0	82.0	82.0	88.0	91.0
Economic and physical development	20.0	19.0	19.0	19.0	19.0	21.0
Environmental protection	10.0	10.0	10.0	10.0	10.0	10.0
Human Services:						
Health	84.0	85.0	85.0	85.0	92.0	92.0
Social services	105.0	108.0	115.0	115.0	131.0	131.0
Other human services	1.0	1.0	1.0	1.0	1.0	1.0
Cultural and recreation	25.0	25.0	25.0	25.0	25.0	25.0
<b>Total</b>	<b>551.0</b>	<b>564.0</b>	<b>590.0</b>	<b>603.0</b>	<b>640.0</b>	<b>666.0</b>

Source: County Finance Department

Note: This schedule represents number of positions authorized by the Board of Commissioners as of June 30 of each year.

Schedule 15

<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
85.5	86.5	86.5	86.5
216.0	220.0	224.0	227.0
95.5	99.0	104.5	103.5
21.0	22.0	23.0	23.0
8.0	5.0	5.0	5.0
90.0	88.0	88.0	88.0
130.0	132.0	137.0	137.0
1.0	1.0	1.0	1.0
25.0	27.0	27.0	31.0
<u>672.0</u>	<u>680.5</u>	<u>696.0</u>	<u>702.0</u>

**Randolph County, North Carolina  
Operating Indicators By Function  
Last Ten Fiscal Years**

<b>Function Department</b>	<b>Fiscal Year</b>				
	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
<u>General Government</u>					
Tax Department					
Number of tax parcels	69,206	70,289	71,464	72,484	73,700
Register of Deeds					
Number of documents filed	23,910	26,970	30,898	30,359	32,034
<u>Public Safety</u>					
Emergency Services					
Number of ambulance transports	N/A	N/A	6,438	6,500	6,634
Number of incoming 9-1-1 calls	N/A	N/A	86,160	86,558	87,049
Building Inspections					
Construction permits issued (1)	1,183	1,332	1,275	1,281	1,639
Number of building inspections	16,828	17,997	19,735	19,939	20,431
<u>Environmental Protection</u>					
Public Works					
Tons of solid waste received at transfer station (2)	N/A	89,787	91,598	96,079	93,182
Tons of tires recycled	N/A	1,590	1,653	2,764	2,914
Tons of white goods recycled	N/A	722	859	726	987
<u>Human Services</u>					
Public Health					
Number of vaccinations	13,706	14,142	12,138	12,936	12,291
Social Services					
Average number of Medicaid recipients	N/A	N/A	N/A	N/A	9,350
Average number of Food Stamp recipients	N/A	N/A	N/A	N/A	1,565
<u>Cultural and Recreational</u>					
Public Library					
Circulation	240,811	166,095	186,085	196,828	212,201
Patron registrations	73,493	13,045	19,877	25,014	30,163

Source: Individual County Departments

Notes:

(1) Including permits issued by the City of Asheboro Inspection Department

(2) Transfer station began operations in December 1997. City of Asheboro opened a separate transfer station in February 2002.

Schedule 16

<b>Fiscal Year</b>				
<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
74,367	74,991	75,824	76,833	77,031
32,190	38,083	35,053	30,379	30,761
6,879	7,419	7,562	8,502	8,958
100,461	113,566	107,946	108,625	107,341
1,666	2,041	2,032	2,041	1,800
21,913	19,533	23,542	22,214	20,574
84,096	75,557	72,670	69,629	68,298
2,884	2,346	2,231	2,198	2,265
1,420	1,060	1,219	1,094	941
10,471	9,507	7,862	5,221	5,877
9,900	11,035	12,160	12,900	13,520
1,792	2,420	3,040	3,640	4,490
211,975	204,665	197,134	190,611	189,804
34,851	39,905	44,205	48,635	52,006

**Randolph County, North Carolina  
Capital Asset Statistics By Function  
Last Ten Fiscal Years**

<b>Function Department</b>	<b>Fiscal Year</b>				
	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
<u>General Government</u>					
Public Buildings					
Total square footage	N/A	N/A	N/A	N/A	N/A
<u>Public Safety</u>					
Sheriff & Jail					
Jail capacity	196	196	196	196	196
Emergency Services					
Number of ambulance bases	5	5	5	5	5
Number of ambulances stationed	7	7	7	7	7

Source: Individual County Departments

Schedule 17

<b>Fiscal Year</b>				
<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
N/A	N/A	267,771	384,648	420,848
196	196	196	196	196
5 7	5 7	5 7	5 7	5 7

