

Table 1

LINCOLN COUNTY, NORTH CAROLINA

NET ASSETS BY COMPONENT
 LAST FOUR FISCAL YEARS
 (ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2003	2004	2005	2006
Governmental activities				
Invested in capital assets, net of related debt	\$ 24,405,655	\$ 17,058,349	\$ 18,771,801	\$ 19,783,230
Unrestricted	<u>(32,094,771)</u>	<u>(35,499,299)</u>	<u>(36,676,975)</u>	<u>(63,149,458)</u>
Total governmental activities net assets	<u>\$ (7,689,116)</u>	<u>\$ (18,440,950)</u>	<u>\$ (17,905,174)</u>	<u>\$ (43,366,228)</u>
Business-type activities				
Invested in capital assets, net of related debt	\$ 28,193,447	\$ 33,701,064	\$ 36,885,842	\$ 41,920,528
Unrestricted	<u>5,919,073</u>	<u>10,536,352</u>	<u>12,404,362</u>	<u>9,621,361</u>
Total business-type activities	<u>\$ 34,112,520</u>	<u>\$ 44,237,416</u>	<u>\$ 49,290,204</u>	<u>\$ 51,541,889</u>
Primary government				
Invested in capital assets, net of related debt	\$ 52,599,102	\$ 50,759,413	\$ 55,657,643	\$ 61,703,758
Unrestricted	<u>(26,175,698)</u>	<u>(24,962,947)</u>	<u>(24,272,613)</u>	<u>(53,528,097)</u>
Total primary government net assets	<u>\$ 26,423,404</u>	<u>\$ 25,796,466</u>	<u>\$ 31,385,030</u>	<u>\$ 8,175,661</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.

LINCOLN COUNTY, NORTH CAROLINA

CHANGES IN NET ASSETS
LAST FOUR FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2003	2004	2005	2006
Expenses:				
Governmental activities:				
General government	\$ 6,099,433	\$ 5,979,916	\$ 7,104,402	\$ 8,021,461
Public safety	14,144,467	14,518,385	16,173,103	17,514,812
Environmental protection	653,286	671,799	104,494	91,252
Economic and physical development	682,364	855,719	1,266,878	1,138,483
Human services	15,623,350	17,349,741	17,870,817	19,037,216
Cultural and recreation	1,372,624	1,450,828	1,584,772	1,614,685
Education	32,732,273	18,665,458	22,437,377	49,001,212
Interest on long term debt	2,756,549	3,373,137	3,340,655	4,047,733
Total governmental activities	<u>74,064,346</u>	<u>62,864,983</u>	<u>69,882,498</u>	<u>100,466,854</u>
Business-type activities:				
Landfill	2,287,674	1,076,654	2,735,135	3,429,851
Water and Sewer	3,161,730	3,017,433	3,166,677	3,547,451
East Lincoln County water and sewer	2,300,153	2,688,491	2,142,314	2,214,001
Total business activities	<u>7,749,557</u>	<u>6,782,578</u>	<u>8,044,126</u>	<u>9,191,303</u>
Total primary government expenses	<u>\$ 81,813,903</u>	<u>\$ 69,647,561</u>	<u>\$ 77,926,624</u>	<u>\$ 109,658,157</u>
Program Revenues:				
Governmental activities:				
Charges for services:				
General government	\$ 1,566,541	\$ 2,732,965	\$ 895,388	\$ 926,068
Public safety	1,470,655	2,099,257	3,493,321	3,782,402
Human services	2,661,208	3,310,684	4,065,761	3,971,525
Cultural and recreation	773,461	24	127,405	140,744
Operating grants and contributions:				
General government	419,365	153,133	325,191	877,850
Public safety	248,766	17,385	131,689	508,995
Economic and physical development	-	-	-	137,198
Environmental protection	10,000	-	-	-
Human services	6,149,978	6,977,362	7,871,944	7,253,373
Education	562	-	691,737	886,900
Capital grants and contributions:				
General government	-	23,494	100,838	23,212
Public safety	145,243	133,950	-	-
Economic and physical development	-	504,554	-	-
Human services	24,100	-	-	-
Total governmental activities program revenues	<u>13,469,879</u>	<u>15,952,808</u>	<u>17,703,274</u>	<u>18,508,267</u>
Business-type activities:				
Landfill	606,605	2,736,183	2,793,556	2,711,745
Charge for service - Water and Sewer	5,348,120	4,674,117	5,036,157	5,765,962
Charge for service - East Lincoln Sewer District	2,065,900	1,592,919	2,087,237	2,330,721
Capital grants and contributions - Landfill	-	15,758	-	-
Capital grants and contributions - Water	-	4,145,790	553,730	686,465
Capital grants and contributions - Sewer District	-	233,985	477,480	677,198
Total business-type activities program revenues	<u>8,020,625</u>	<u>13,398,752</u>	<u>10,948,160</u>	<u>9,460,346</u>

LINCOLN COUNTY, NORTH CAROLINA

CHANGES IN NET ASSETS
LAST FOUR FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2003	2004	2005	2006
Total primary government program revenues	\$ 21,490,504	\$ 29,351,560	\$ 28,651,434	\$ 27,968,613
Net (Expense)/Revenue:				
Governmental activities	\$ (60,594,467)	\$ (46,912,175)	\$ (52,179,224)	\$ (81,958,587)
Business-type activities	271,068	6,616,174	2,904,034	2,950,788
Total primary government net (expense)/revenue	\$ (60,323,399)	\$ (40,296,001)	\$ (49,275,190)	\$ (79,007,799)
General Revenues and Other Changes in Net Assets:				
Governmental activities:				
Property taxes	\$ 30,069,280	\$ 31,778,884	\$ 36,774,263	\$ 38,185,874
Local option sales tax	9,265,641	11,818,791	13,184,746	14,312,428
Utility franchise tax	168,229	173,696	180,808	186,985
Real estate transfer tax	534,704	693,074	850,318	1,155,158
Other taxes and licenses	1,532,527	421,983	525,573	445,617
Unrestricted intergovernmental	286,096	378,105	427,161	446,783
Investment earnings	443,179	165,874	772,131	2,016,573
Miscellaneous	248,747	-	-	-
Transfers	-	-	-	(251,884)
Total governmental activities:	42,548,403	45,430,407	52,715,000	56,497,534
Business-type activities:				
Property taxes	1,529,428	1,604,298	1,806,680	1,547,152
Other taxes and licenses	2,051,000	-	-	-
Unrestricted intergovernmental	20,068	-	-	-
Investment earnings	159,517	113,335	342,074	704,796
Transfers	-	-	-	251,884
Total business-type activities	3,760,013	1,717,633	2,148,754	2,503,832
Total primary government	\$ 46,308,416	\$ 47,148,040	\$ 54,863,754	\$ 59,001,366
Change in Net Assets:				
Governmental activities	\$ (18,046,064)	\$ (1,481,768)	\$ 535,776	\$ (25,461,053)
Prior period adjustment	-	-	281,085	-
Business-type activities	4,031,081	8,333,807	5,052,788	5,454,620
Prior period adjustment	-	-	(400,000)	(3,202,935)
Total primary government	\$ (14,014,983)	\$ 6,852,039	\$ 5,469,649	\$ (23,209,368)

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.

Table 3

LINCOLN COUNTY, NORTH CAROLINA

FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST FOUR FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2003	2004	2005	2006
General Fund				
Reserved for:				
State statute	\$ 7,103,522	\$ 6,207,162	\$ 6,300,551	\$ 6,142,499
Unreserved:				
Undesignated	<u>9,374,194</u>	<u>10,808,036</u>	<u>14,040,465</u>	<u>12,218,849</u>
Total General Fund	<u>\$ 16,477,716</u>	<u>\$ 17,015,198</u>	<u>\$ 20,341,016</u>	<u>\$ 18,361,348</u>
All Other Governmental Funds				
Reserved for:				
State statute	\$ 741,305	\$ 738,349	\$ 472,524	\$ 546,305
Unreserved, reported in:				
Capital projects funds	5,591,234	1,422,207	9,473,672	30,550,999
Special revenue funds	<u>868,004</u>	<u>681,614</u>	<u>1,443,006</u>	<u>1,918,943</u>
Total all other governmental funds	<u>\$ 7,200,543</u>	<u>\$ 2,842,170</u>	<u>\$ 11,389,202</u>	<u>\$ 33,016,247</u>

Notes: Due to changes in the county's fund structure connected with the implementation of GASB Statement 34, fund balance information is available back to 2003 only.

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LINCOLN COUNTY, NORTH CAROLINA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	1997	1998	1999	2000	2001
Revenues:					
Ad valorem taxes	\$19,161,813	\$20,066,855	\$20,960,354	\$21,842,724	\$22,710,919
Local option sales taxes	6,944,508	7,467,171	8,176,993	8,858,644	9,098,378
Other taxes and licenses	362,553	452,357	550,140	1,118,951	1,024,660
Unrestricted intergovernmental revenues	1,803,843	1,793,534	1,693,913	1,696,603	1,700,408
Restricted intergovernmental revenues	4,402,172	11,203,850	13,148,786	5,809,303	7,667,406
Permits and fees	832,579	1,032,090	1,304,307	938,556	973,216
Sales, service and rents	2,342,639	2,010,014	2,673,230	3,670,297	4,663,316
Investment earnings	827,834	906,951	929,346	502,794	1,241,056
Miscellaneous	487,967	299,915	400,541	989,898	836,537
Total revenues	<u>37,165,908</u>	<u>45,232,737</u>	<u>49,837,610</u>	<u>45,427,770</u>	<u>49,915,896</u>
Expenditures:					
General government	3,567,447	3,852,479	4,363,439	4,284,523	4,664,414
Public safety	7,329,233	7,424,717	7,441,940	9,217,599	10,754,883
Environmental protection	586,682	584,410	600,973	778,291	1,034,964
Economic and physical development	923,494	505,551	416,592	460,301	1,344,795
Human services	9,509,764	9,755,980	10,534,240	12,669,908	15,031,210
Culture and recreation	933,248	992,929	1,041,968	1,010,962	1,205,228
Education	6,941,687	7,489,016	7,931,555	8,782,924	10,011,061
Capital outlay	5,424,479	12,967,395	16,270,839	2,570,173	3,661,396
Debt service:					
Principal	2,643,692	2,545,978	2,614,426	2,795,133	3,125,639
Interest	1,909,967	2,016,124	2,003,147	1,915,923	2,048,918
Total expenditures	<u>39,769,693</u>	<u>48,134,579</u>	<u>53,219,119</u>	<u>44,485,737</u>	<u>52,882,508</u>
Excess of revenues over (under) expenditures	<u>(2,603,785)</u>	<u>(2,901,842)</u>	<u>(3,381,509)</u>	<u>942,033</u>	<u>(2,966,612)</u>
Other Financing Sources (Uses):					
Transfers in	6,759,029	7,525,506	6,965,076	6,864,816	7,422,980
Transfers out	(6,759,029)	(7,525,506)	(6,853,205)	(6,864,815)	(7,422,980)
Bonds & installment financing issued	3,100,000	4,350,000	3,000,000	376,065	12,185,550
Bond premium	-	-	-	-	-
Advance refunding of long-term debt	-	-	-	-	-
Advance refunding payments to trustee	-	-	-	-	-
Debt issuance costs	-	-	-	-	-
Prior period adjustment	-	-	(35,790)	-	-
Miscellaneous other financing uses	-	-	-	-	-
Total other financing sources (uses)	<u>3,100,000</u>	<u>4,350,000</u>	<u>3,076,081</u>	<u>376,066</u>	<u>12,185,550</u>
Net change in fund balances	<u>\$ 496,215</u>	<u>\$ 1,448,158</u>	<u>\$ (305,428)</u>	<u>\$ 1,318,099</u>	<u>\$ 9,218,938</u>
Debt service as a percentage of noncapital expenditures	13.26%	12.97%	12.50%	11.24%	10.51%

Table 4

2002	2003	2004	2005	2006
\$28,499,531	\$ 29,877,029	\$31,720,911	\$36,512,355	\$38,564,953
9,381,802	10,344,449	11,818,791	13,184,746	14,312,428
1,099,793	1,156,652	1,288,753	1,556,699	1,787,760
1,154,447	286,096	378,105	427,161	446,783
8,104,789	6,998,014	7,720,774	8,887,514	9,334,631
1,500,223	1,412,239	1,546,249	1,722,771	1,816,283
5,381,785	5,059,626	6,423,416	6,853,660	7,004,456
710,526	443,179	165,874	772,131	2,016,573
581,516	278,847	262,369	435,690	528,126
<u>56,414,412</u>	<u>55,856,131</u>	<u>61,325,242</u>	<u>70,352,727</u>	<u>75,811,993</u>
4,831,980	5,420,276	5,587,042	6,689,600	7,180,315
12,102,993	13,489,640	14,107,357	16,243,710	17,291,813
565,526	537,466	563,632	-	-
953,514	678,381	855,719	1,284,830	1,121,760
16,119,413	15,410,129	16,392,974	17,592,440	18,751,492
1,151,385	1,211,763	1,352,872	1,429,794	1,518,568
21,611,475	32,732,273	12,681,353	13,464,100	14,375,502
1,791,577	4,722,622	7,012,641	10,810,331	36,797,703
4,229,290	4,663,402	3,601,883	4,658,421	5,724,576
1,638,363	2,725,299	3,387,510	3,319,690	4,021,663
<u>64,995,516</u>	<u>81,591,251</u>	<u>65,542,983</u>	<u>75,492,916</u>	<u>106,783,392</u>
<u>(8,581,104)</u>	<u>(25,735,120)</u>	<u>(4,217,741)</u>	<u>(5,140,189)</u>	<u>(30,971,399)</u>
8,440,092	10,347,464	10,771,009	6,550,828	21,737,558
(11,421,067)	(10,347,464)	(10,771,009)	(6,550,828)	(21,989,442)
19,662,064	9,588,275	-	17,000,000	60,220,000
-	-	-	34,005	76,730
-	-	17,506,757	-	-
-	-	(17,763,348)	-	(9,400,000)
-	-	(87,730)	-	-
-	-	-	-	-
-	-	-	(20,966)	(26,070)
<u>16,681,089</u>	<u>9,588,275</u>	<u>(344,321)</u>	<u>17,013,039</u>	<u>50,618,776</u>
<u>\$ 8,099,985</u>	<u>\$(16,146,845)</u>	<u>\$(4,562,062)</u>	<u>\$11,872,850</u>	<u>\$19,647,377</u>
9.28%	9.61%	11.94%	12.33%	13.93%

LINCOLN COUNTY, NORTH CAROLINA

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

Fiscal Year	Real Property			Less (1)	Personal Property	
	Residential Property	Commercial Property	Industrial Property		Registered Vehicles	Other
1997 (5)	\$ 1,608,164,135	\$ 190,346,923	\$ 110,695,202	\$ 105,514,696	\$ 316,875,597	\$ 249,791,403
1998	1,668,155,647	194,889,482	114,664,474	109,366,444	382,563,415	263,509,180
1999	1,772,527,899	202,916,335	116,404,842	110,442,111	408,701,463	265,187,211
2000	1,841,861,718	210,883,030	119,748,145	109,963,975	464,824,878	305,498,028
2001 (5)	2,338,948,890	305,622,932	150,674,813	164,570,337	496,120,487	323,359,671
2002	2,479,096,275	337,235,202	157,743,165	159,801,617	522,855,670	381,607,364
2003	2,636,232,850	338,448,801	163,376,431	165,157,601	524,431,990	370,129,854
2004	2,762,762,473	360,806,847	167,382,296	164,199,294	530,303,836	409,492,585
2005 (5)	3,360,267,358	444,490,729	178,822,434	221,215,557	546,104,374	504,857,009
2006	3,450,576,768	457,076,482	188,530,612	229,539,273	642,566,748	470,754,443

Source: Annual County Report of Valuation and Property Tax Levies

Notes:

- (1) Included as tax exempt includes property excluded as "Senior Citizens and Disabled Persons Exclusion" G.S. 105-277.1, Property listed at "present-use value" G.S. 105-277.4, and property listed as historic property G.S. 105-278. 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 differences 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 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 ratio for the most recent year is not yet available.
- (5) Years revaluation of property increased tax values, Lincoln County is reassessed every 4 years. The last reassessment was on January 1, 2004 and was the basis for fiscal 2005 taxes.

Table 5

Public Service Companies (2)	Total Taxable Assessed Value	Total Direct Tax Rate (3)	Estimated Actual Taxable Value (4)	Assessed Value as a Percentage of Actual Value
\$ 363,225,087	\$ 2,944,613,043	\$ 0.615	\$ 2,990,669,351	98.46%
369,110,260	3,102,258,902	0.615	3,317,923,959	93.50%
371,646,347	3,247,826,208	0.615	3,698,697,424	87.81%
372,535,990	3,425,315,764	0.615	4,095,308,183	83.64%
361,775,485	4,141,072,615	0.510	4,244,641,877	97.56%
363,651,567	4,401,990,860	0.620	4,677,992,412	94.10%
360,596,730	4,558,374,257	0.620	5,082,932,936	89.68%
377,825,148	4,772,772,479	0.620	5,538,786,676	86.17%
372,177,382	5,627,934,843	0.620	5,691,106,121	98.89%
372,386,636	5,811,430,962	0.610	6,056,097,293	95.96%

LINCOLN COUNTY, NORTH CAROLINA

PROPERTY TAX RATES DIRECT AND OVERLAPPING LAST TEN FISCAL YEARS

	<u>1997(1)</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001(1)</u>
Lincoln County	0.6150	0.6150	0.6150	0.6150	0.5100
<u>Municipality Rates:</u>					
Lincolnton	0.6000	0.6000	0.6000	0.6000	0.5600
<u>Special District</u>					
East Lincoln Water and Sewer District	0.0600	0.2200	0.2800	0.2800	0.1500
<u>Fire Districts</u>					
Alexis	0.0500	0.0500	0.0500	0.0500	0.0500
Boger City	0.0300	0.0300	0.0300	0.0300	0.0500
Crouse	0.0300	0.0300	0.0400	0.0400	0.0400
Denver	0.0400	0.0400	0.0400	0.0400	0.0400
East Lincoln	0.0300	0.0300	0.0300	0.0300	0.0300
Howards Creek	0.0500	0.0500	0.0500	0.0500	0.0500
Hughes Pond	0.0600	0.0600	0.0550	0.0500	0.0500
High Shoals	0.0540	0.0540	0.0540	0.0540	0.0000
North Brook	0.0500	0.0500	0.0500	0.0500	0.0500
North 321	0.0350	0.0350	0.0350	0.0350	0.0350
Pumpkin Center	0.0400	0.0400	0.0400	0.0500	0.0500
South Fork	0.0400	0.0400	0.0400	0.0400	0.0500
Union	0.0600	0.0600	0.0500	0.0500	0.0500

Note: (1) Real property was revalued on January 1, 1996, 2000 and 2004
these revaluations are reflected in the following fiscal year.

Table 6

2002	2003	2004	2005(1)	2006
0.6200	0.6200	0.6200	0.6200	.6100
0.5600	0.5600	0.5600	0.5600	0.5600
0.1500	0.1500	0.1500	0.1300	0.1100
0.0500	0.0500	0.0500	0.0500	0.0650
0.0500	0.0500	0.0500	0.0500	0.0500
0.0400	0.0500	0.0500	0.0500	0.0500
0.0400	0.0500	0.0500	0.0450	0.0500
0.0500	0.0500	0.0500	0.0450	0.0600
0.0500	0.0500	0.0500	0.0500	0.0500
0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000
0.0500	0.0500	0.0500	0.0500	0.0500
0.0350	0.0350	0.0350	0.0350	0.0350
0.0500	0.0500	0.0500	0.0500	0.0500
0.0500	0.0500	0.0500	0.0500	0.0500
0.0500	0.0500	0.0500	0.0500	0.0500

LINCOLN COUNTY, NORTH CAROLINA

PRINCIPAL PROPERTY TAX PAYERS CURRENT YEAR AND NINE YEARS AGO

Taxpayer	Type of Business	Fiscal Year 2006		
		Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Duke Power	Utility	\$ 287,024,098	1	4.94%
The Timken Company	Bearing manufacturer	92,946,512	2	1.60%
Julius Blum, Inc.	Furniture hardware manufacturer	43,878,798	3	0.76%
BellSouth Corp.	Utility	29,945,910	4	0.52%
Cataler North America Corp.	Auto parts manufacturer	29,998,541	5	0.52%
Rutherford Electric Membership	Utility	25,858,333	6	0.44%
Robert Bosch	Tool manufacturer	18,875,315	7	0.32%
RSI Home Products	Manufacturing	14,111,775	8	0.24%
T & T Investments	Real estate	13,148,536	9	0.23%
Cochrane Furniture Co., Inc.	Furniture manufacturer	12,283,667	10	0.21%
Carolina Centers, LLC				
Mohican Mills, Inc.	Textile manufacturer			
Alpharma USPD Inc.	Pharmaceuticals			
Totals		<u>\$ 568,071,485</u>		9.78%

Source: Lincoln County Tax Department

Table 7

Fiscal Year 1997		
Assessed Valuation	Rank	Percentage of Total Assessed Valuation
\$ 297,184,305	1	10.09%
59,516,023	2	2.02%
27,914,631	4	0.95%
30,801,543	3	1.05%
17,083,920	7	0.58%
12,044,026	9	0.41%
13,964,010	8	0.47%
26,036,524	5	0.88%
23,240,652	6	0.79%
10,425,094	10	0.35%
<u>\$ 518,210,728</u>		17.60%

LINCOLN COUNTY, NORTH CAROLINA

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Fiscal Year	Taxes Levied for the Fiscal Year			Total		Collected within the Fiscal Year of the Levy	
	(Original Levy)	Adjustments	Adjusted Levy	Amount	Percentage of Original Levy		
1997	\$ 17,956,107	\$ 168,403	\$ 18,124,510	\$ 17,442,043	96.23%		
1998	19,058,685	38,008	19,096,693	18,506,884	96.91%		
1999	20,139,646	(117,261)	20,022,385	19,483,324	97.31%		
2000	21,009,410	89,651	21,099,061	20,371,944	96.55%		
2001	21,340,359	94,112	21,434,471	20,772,953	96.91%		
2002	26,872,932	192,066	27,064,998	26,260,324	97.03%		
2003	28,162,134	156,030	28,318,164	27,283,688	96.35%		
2004	29,507,590	155,770	29,663,360	28,841,912	97.23%		
2005	34,643,901	49,123	34,693,024	33,537,294	96.67%		
2006	35,554,969	(14,335)	35,540,634	34,697,002	97.63%		

Source: Lincoln County Tax Department

Table 8

Total Collections to Date

Collections in Subsequent Years		Amount	Percentage of Adjusted Levy	Uncollected
\$	644,580	\$ 18,086,623	99.79%	\$ 37,887
	549,802	19,056,686	99.79%	40,007
	499,727	19,983,051	99.80%	39,334
	666,680	21,038,624	99.71%	60,437
	589,267	21,362,220	99.66%	72,251
	700,906	26,961,230	99.62%	103,768
	904,277	28,187,965	99.54%	130,199
	641,921	29,483,833	99.39%	179,527
	904,994	34,442,288	99.28%	250,736
	-	34,697,002	97.63%	843,632
				<u>\$ 1,757,778</u>

LINCOLN COUNTY, NORTH CAROLINA

RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities			Business-type Activities			Total Primary Government
	General Obligation Bonds	Installment Loans	Capital Leases	General Obligation Bonds	State Clean Water Loan	Installment Loans	
1997	\$ 29,310,000	\$ 6,121,377	\$ 78,204	\$ 24,578,000	\$ 5,000,000	\$ 1,257,582	\$ 66,345,163
1998	27,557,461	9,719,867	36,275	23,088,139	4,750,000	826,731	65,978,473
1999	28,197,205	9,836,972	-	22,917,139	4,500,000	155,051	65,606,367
2000	27,743,645	9,356,586	-	20,962,652	4,250,000	1,381,849	63,694,732
2001	33,266,744	12,893,397	-	19,041,156	4,000,000	1,330,180	70,531,477
2002	50,457,792	11,623,802	-	17,212,308	3,750,000	1,249,226	84,293,128
2003	56,536,445	11,121,128	-	15,386,428	3,500,000	1,163,327	87,707,328
2004	53,122,034	11,403,864	-	14,057,966	3,250,000	1,031,136	82,865,000
2005	66,785,180	10,082,297	-	12,204,820	3,000,000	912,702	92,984,999
2006	90,935,156	31,027,745	-	10,394,844	2,750,000	3,942,943	139,050,688

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.

* Information not yet available.

Table 9

Per Capita (1)	Percentage of Personal Income (1)
1,109	5.55%
1,075	5.11%
1,046	4.95%
994	4.58%
1,078	4.72%
1,271	5.51%
1,301	5.59%
1,216	5.21%
1,337	5.53%
1,961	*

LINCOLN COUNTY, NORTH CAROLINA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

<u>General Bonded Debt Outstanding</u>					
Fiscal Year	General Obligation Bonds	Total	Percentage of Personal Income(1)	Percentage of Actual Taxable Value of Property(2)	Per Capita(1)
1997	\$ 53,888,000	\$ 53,888,000	4.51%	1.83%	900
1998	50,645,600	50,645,600	3.92%	1.63%	825
1999	51,114,344	51,114,344	3.86%	1.57%	815
2000	48,706,297	48,706,297	3.50%	1.42%	760
2001	52,307,900	52,307,900	3.50%	1.26%	799
2002	67,670,100	67,670,100	4.42%	1.54%	1,020
2003	71,922,873	71,922,873	4.58%	1.58%	1,067
2004	67,180,000	67,180,000	4.22%	1.41%	986
2005	78,990,000	78,990,000	4.70%	1.40%	1,136
2006	101,330,000	101,330,000	*	1.74%	1,429

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.

(2) See schedule 5 for property value data.

* Information not yet available.

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LINCOLN COUNTY, NORTH CAROLINA

LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS (DOLLARS IN THOUSANDS)

	Fiscal Year				
	1997	1998	1999	2000	2001
Assessed Value of Property	\$2,944,613	\$3,102,259	\$3,247,826	\$3,425,316	\$4,141,073
Debt Limit, 8% of Assessed Value (Statutory Limitation)	235,569	248,181	259,826	274,025	331,286
Amount of Debt Applicable to Limit					
Gross debt	66,345	65,978	65,606	63,695	70,531
Less: Amount available for repayment of general obligation bonds	-	-	-	-	-
Debt outstanding for water and sewer purposes	<u>30,836</u>	<u>28,665</u>	<u>27,572</u>	<u>26,595</u>	<u>24,371</u>
Total net debt applicable to limit	<u>35,510</u>	<u>37,314</u>	<u>38,034</u>	<u>37,100</u>	<u>46,160</u>
Legal Debt Margin	<u>\$ 200,059</u>	<u>\$ 210,867</u>	<u>\$ 221,792</u>	<u>\$ 236,925</u>	<u>\$ 285,126</u>
Total net debt applicable to the limit as a percentage of debt limit	15.07%	15.03%	14.64%	13.54%	13.93%

Note: NC Statute GS159-55 limits the county's outstanding debt to 8% of the appraised value of property subject to taxation. The following deductions are made from gross debt to arrive at net debt applicable to the limit: money held for payment of principal; debt incurred for water, sewer, gas, or electric power purposes; uncollected special assessments, funding, and refunding bonds not yet issued; and revenue bonds. 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.

Table 11

Fiscal Year				
2002	2003	2004	2005	2006
\$4,401,991	\$4,558,374	\$4,772,772	\$5,627,935	\$5,811,431
352,159	364,670	381,822	450,235	464,914
84,293	87,707	82,865	92,985	139,051
-	-	-	-	-
<u>22,212</u>	<u>20,050</u>	<u>18,339</u>	<u>16,118</u>	<u>17,088</u>
<u>62,082</u>	<u>67,658</u>	<u>64,526</u>	<u>76,867</u>	<u>121,963</u>
<u>\$ 290,078</u>	<u>\$ 297,012</u>	<u>\$ 317,296</u>	<u>\$ 373,367</u>	<u>\$ 342,952</u>
17.63%	18.55%	16.90%	17.07%	26.23%

LINCOLN 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>
Cities:			
City of Lincolnton	\$ -	100.00%	\$ -
Direct - Lincoln County			<u>90,935,156.00</u>
Total direct and overlapping debt			<u>\$ 90,935,156.00</u>

Table 13

LINCOLN COUNTY, NORTH CAROLINA

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Year	Population(1)	Personal Income (2) (thousands of dollars)	Per Capita Personal Income (2)	Public School Enrollment(3)	Unemployment Rate(4)	Number of Building Inspections Performed(5)
1997	59,848	\$ 1,195,360	\$ 20,292	9,716	5.20%	910
1998	61,383	1,292,293	21,416	10,059	3.70%	1,049
1999	62,734	1,325,373	21,490	10,231	3.40%	1,235
2000	64,059	1,391,333	22,100	10,495	2.90%	1,361
2001	65,450	1,493,165	23,313	10,594	3.80%	1,217
2002	66,318	1,530,265	23,510	10,826	6.80%	1,171
2003	67,390	1,568,971	23,688	11,050	7.10%	968
2004	68,118	1,590,737	23,635	11,274	7.10%	922
2005	69,532	1,681,231	24,692	11,480	6.10%	971
2006	70,914	*	*	11,666	5.70%	978

* Information not yet available.

Notes:

(1) N.C. State Data Center. Estimates are as of beginning of fiscal year.

(2) Bureau of Economic Analysis, U. S. Department of Commerce. Figures are for the prior calendar year

(3) Lincoln County School Administrative Unit.

(4) N. C. Employment Security Commission, Annual Average for prior calendar year.

(5) Lincoln County Building and Land Development Department. Inspections are for entire County figures are for prior calendar year.

LINCOLN COUNTY, NORTH CAROLINA

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

Employer	Product or Service	2006		
		Employees	Rank	Percentage of Total County Employment
Lincoln County Schools	Education	1,750	1	4.77%
RSI Home Products	Vanities and Marble Counter Tops	990	2	2.70%
The Timken Company	Tapered Roller Bearings	790	3	2.15%
Lincoln Medical Center	Medical Care	680	4	1.85%
Lincoln County Government	County Government	551	5	1.50%
Robert Bosch Tool Corporation	Tools Manufacturer and Distributor	512	6	1.40%
Julius Blum, Inc.	Cabinet and Furniture Hardware	410	7	1.12%
Cochrane Furniture Co., Inc.	Furniture	400	8	1.09%
R-Anell Housing Group, LLC	Manufactured Housing	350	9	0.95%
Mohican Mills	Lace and Tricot Goods	350	10	0.95%
Belding-Hausman, Inc.	Drapery Fabric & Specialty Yarns	190		0.52%
La-Z-Boy	Upholstered Recliners & Inline Groups	320		0.87%
Total Civilian Labor Force for the County		36,689		

Sources: Lincoln Economic Development Association
 North Carolina Employment Security Commission
 Telephone survey Finance Department

Table 14

1997		
Employees	Rank	Percentage of Total County Employment
1,183	1	3.70%
-		0.00%
570	5	1.78%
615	4	1.92%
344	10	1.08%
520	6	1.63%
205		0.64%
985	2	3.08%
490	7	1.53%
850	3	2.66%
450	8	1.41%
380	9	1.19%
<hr/>		
31,991		

Table 15

LINCOLN COUNTY, NORTH CAROLINA

FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	Full-time Equivalent Employees as of June 30									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
General government										
Governing body	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Administration and Finance	8.5	8.5	8.0	11.5	11.0	10.0	10.0	11.0	11.5	10.5
Management Information Systems	3.0	4.0	4.0	5.0	4.0	5.0	6.0	6.0	5.0	6.0
Elections	3.0	3.0	3.0	4.0	4.0	4.0	3.0	3.0	3.0	2.0
Tax	18.5	18.5	18.5	16.0	14.5	19.5	19.5	21.5	22.5	22.5
Register of Deeds	7.0	8.0	8.0	9.5	10.0	9.5	8.5	10.5	10.0	9.5
Public Buildings	12.0	14.5	15.5	18.0	16.5	16.5	15.5	15.5	16.5	17.5
Public safety										
Sheriff	52.0	57.5	56.5	61.0	71.5	78.5	82.5	84.0	91.0	103.0
Communications	8.5	7.5	10.5	13.0	13.5	14.5	16.5	17.5	21.5	22.0
Jail	17.0	15.5	20.5	29.0	33.0	34.0	34.5	35.0	35.5	40.5
Emergency Management	4.0	4.0	4.0	4.0	3.0	3.0	3.0	3.0	3.0	4.0
Ambulance Services (1)	0	0	0	25.5	36.0	42.5	44.5	52.5	58.0	61.5
Fire Marshall (2)	2.0	2.0	2.0	1.0	1.0	1.0	2.0	1.0	0.0	0.0
Building and Land Development	11.5	11.5	14.5	16.5	17.0	17.0	16.0	16.0	16.0	20.0
Animal Control	2.5	2.0	2.0	3.0	3.0	5.0	5.0	5.0	6.0	6.5
Economic and physical development										
Sanitation (3)	8.5	12.0	11.0	12.0	14.0	16.0	7.0	7.0	0.0	0.0
Cooperative Extension	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Soil and Water Conservation	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Human services										
Health	51.0	55.5	56.0	55.0	63.0	61.0	61.5	65.5	69.5	67.5
Social Services	61.0	65.0	70.0	85.0	86.0	91.0	89.5	95.0	99.0	106.0
Veterans Service	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Juvenile Crime Prevention	2.5	3.5	3.0	4.0	3.5	3.5	2.5	1.0	0.0	0.0
Office on Aging	7.0	6.0	6.0	6.0	7.0	7.0	6.0	7.0	8.5	12.0
Cultural and recreation										
Recreation	13.0	15.5	16.0	18.5	19.0	19.0	18.5	16.0	17.0	18.0
Library	11.0	10.5	9.5	11.5	11.5	13.5	14.5	15.5	16.5	16.0
Historical Coordinator	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Water/Sewer (Business activity)										
Water Fund	18.0	15.0	14.0	17.0	16.5	20.5	23.0	25.0	27.0	28.0
East Lincoln Sewer District	5.0	6.0	8.0	7.0	8.0	8.0	7.0	7.0	7.0	8.0
Landfill (3)	12.0	9.0	9.0	10.0	10.0	11.0	22.5	24.5	29.5	30.5
Total	<u>345.0</u>	<u>361.0</u>	<u>376.0</u>	<u>449.5</u>	<u>483.0</u>	<u>517.0</u>	<u>525.0</u>	<u>551.5</u>	<u>580.0</u>	<u>618.0</u>

Source: County Personnel Office

Note: This schedule represents number of persons employed as of June 30 of each year. Vacant positions are not included in the above numbers. Full time personnel work 2,088 hours per year (less vacation and sick leave). For purposes of this schedule the number of part time employees has been divided by 2.5 to arrive at the full time equivalents.

(1) County began operation of Ambulance Services in FY 2000, previously County had contracted with Lincoln Medical Center for services.

(2) Fire Marshal was consolidated into Emergency Management in FY 2005.

(3) Sanitation was combined into Landfill Fund in FY 2005.

LINCOLN COUNTY, NORTH CAROLINA

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
General government										
Management Information Systems										
Work orders	-	-	-	1,777	1,991	2,662	2,669	2,562	3,168	3,259
Elections										
Registered voters	34,574	35,838	38,621	41,448	39,719	40,869	41,378	41,174	42,923	43,955
Votes cast in general elections (votes odd years city even county wide)	1,995	17,758	760	25,286	271	20,864	926	30,207	189	-
Tax										
Number of land records created	564	719	941	1,382	1,649	1,202	1,314	996	930	1,081
Number of ownership transfers - real estate/mfg. homes	3,961	4,247	5,004	4,797	4,563	5,011	5,248	6,066	5,947	6,499
Number of tax bills created - real/personal	48,643	49,344	52,804	54,045	56,297	58,383	60,656	60,153	62,476	65,243
Number of tax bills created - registered vehicles	60,007	65,943	69,355	70,995	74,624	76,787	78,325	80,864	83,135	89,016
Register of Deeds										
Total documents recorded	13,874	16,179	19,244	16,720	17,708	21,031	21,727	23,171	20,125	21,414
Deeds recorded	2,878	3,141	3,635	3,524	3,563	3,643	3,615	4,130	4,252	4,714
Marriage licenses issued	434	463	492	465	455	491	459	422	473	492
Births occurring	* 404	452	531	563	546	468	512	466	375	-
Deaths occurring	* 379	415	446	469	473	467	460	486	443	-
Certified copies issued	5,260	5,311	6,058	6,263	6,474	5,886	4,848	5,119	5,220	5,211
Public safety										
Arrests	* -	-	-	3,022	3,191	3,257	1,882	2,053	2,154	-
Civil papers served	* -	-	-	8,799	10,183	11,134	9,872	9,205	9,404	-
Jail bookings	-	-	993	1,834	2,189	2,379	2,398	4,246	6,150	4,805
Average daily jail population	-	-	51	46	66	65	77	76	100	117
Communications total calls	* -	-	54,403	46,067	50,825	54,818	57,794	63,261	49,261	-
Building inspections conducted	910	1,049	1,235	1,361	1,217	1,171	968	922	971	978
Emergency medical calls answered	-	-	-	5,374	6,270	6,800	7,239	8,164	8,889	9,635
Emergency patients transported	-	-	-	3,896	4,083	4,202	4,672	5,002	5,089	5,436
Number of firemen and officers	400	400	400	400	400	400	400	400	400	-
Number of fire calls answered	1,604	1,700	1,700	1,700	1,800	1,800	1,800	1,800	1,900	-
Number of firemarshal inspections	360	400	400	400	350	400	350	350	300	-
Animals entering shelter	* -	-	-	7,183	3,934	3,905	3,821	3,105	3,262	-
Animals euthanized	* -	-	-	3,389	2,237	3,183	3,119	2,866	2,824	-
Economic and physical development										
Cooperative Extension client contacts	-	-	-	-	-	23,340	18,355	22,744	25,069	25,099
Soil and Water Conservation										
Clients assisted	2,232	2,179	2,141	2,258	2,447	2,547	2,319	2,372	2,320	2,435
Funds landowners received from fed & state programs	128,132	103,758	77,013	82,912	35,756	59,500	189,284	295,000	253,463	581,611
Human services										
Health Department patient visits										
Adult Health	-	382	658	608	381	595	594	705	895	1,007
Child Health	-	438	478	392	434	421	336	280	249	236
Family Planning	-	1,630	1,201	1,058	1,182	1,200	1,278	1,099	1,075	1,025
Immunizations/Flu	-	1,796	1,742	1,372	1,257	1,742	3,431	3,460	4,611	4,372
Maternal Health	-	691	585	437	479	521	540	732	718	506
Primary Care	-	-	-	-	-	-	508	4,182	6,394	6,109
Sexually transmitted diseases	-	349	436	216	117	436	308	287	225	228
Tuberculosis	-	163	154	159	77	154	155	155	131	203
Case Management (child service & maternity care)	-	2,686	2,599	2,336	2,155	2,794	2,580	2,421	2,216	2,342
Lab services (in-house)	-	-	-	8,555	10,421	9,436	9,603	17,513	12,663	12,786
Lab services (referred)	-	-	-	3,655	3,987	4,467	4,653	4,750	4,748	4,224
WIC (women infants and children)	-	13,958	14,210	13,515	13,085	15,785	13,085	14,605	20,074	20,684
Home Health (unduplicated patients)	-	479	470	443	438	250	340	357	445	358
Envitronmental Health										
Food & Lodging permits	-	-	-	-	-	-	-	40	64	96
Sewage system permits	-	-	-	-	-	-	-	972	756	780
Sewage system finals	-	-	-	-	-	-	-	597	543	464
Water samples	-	-	-	-	-	-	-	126	134	220
Wells Inspected (water for sampling)	-	-	-	-	-	-	-	54	66	80
New well sitings	-	-	-	-	594	588	465	380	406	540
Swimming pools	-	-	-	-	-	-	-	30	25	35
Lead investigations	-	-	-	-	-	-	-	1	2	-
Social Services cases (may contain duplicates)										
Child & adult protective services	-	-	95	70	63	83	83	90	85	116
Children in foster care	-	-	64	81	56	44	49	44	58	71
Work first cases	-	-	319	262	218	252	266	188	182	167
NC health choice cases	-	-	-	308	218	387	444	557	623	566
Medicaid cases	-	-	4,126	4,139	4,335	4,844	5,299	5,769	6,244	6,814
Food stamp cases	-	-	1,025	964	1,082	1,280	1,452	1,861	2,186	2,568
Child support cases	-	-	2,770	2,739	2,595	2,558	2,476	2,542	2,516	2,599
Transportation clients served	-	-	-	-	-	-	-	-	-	280

LINCOLN COUNTY, NORTH CAROLINA

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Cultural and recreation										
Library volumes in collection	86,969	94,647	91,726	95,983	96,900	98,712	102,204	106,855	109,413	128,856
Library circulation	247,831	251,386	252,727	246,258	246,734	275,994	301,116	304,599	321,761	315,578
Water/Sewer (Business activity)										
Number of water customers	4,725	4,986	5,440	5,947	6,515	6,898	6,898	7,756	8,075	8,657
Average daily water production	2,400,000	2,293,000	1,907,033	2,346,000	2,084,000	2,150,000	2,150,000	2,200,000	2,300,000	2,460,000
Number of sewer customers	410	576	825	1,041	1,376	1,611	1,611	2,234	2,502	2,879
Average daily sewage treatment	94,000	112,000	115,000	165,000	216,000	284,000	393,000	463,000	523,000	548,000
Landfill										
Tons of waste sanitary landfill	31,596	35,391	38,323	40,065	38,481	41,231	44,125	45,558	52,013	45,435
Tons of waste demolition landfill	3,311	5,411	4,604	6,874	11,404	14,635	18,730	16,337	16,097	10,351
Tons of recyclables	983	1,023	1,154	1,252	1,218	1,279	1,288	1,337	1,424	1,440
Tons of whitegoods	444	689	741	1,142	1,162	1,408	1,310	1,508	1,583	1,502
Tons of tires	788	858	900	1,042	1,118	1,241	1,290	1,117	1,310	1,267

* Reported on calendar year basis

Table 17

LINCOLN COUNTY, NORTH CAROLINA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
General government										
Buildings	15	15	15	18	19	19	19	20	22	22
Public safety										
Law enforcement stations	3	3	3	3	3	3	3	3	3	-
Patrol units	47	30	30	30	37	43	53	53	53	-
Jail capacity										
Emergency medical stations	-	-	-	2	2	2	3	3	3	3
Emergency medical apparatus	-	-	-	9	10	14	18	20	18	17
Fire department stations	11	11	11	11	11	11	11	11	12	-
Human services										
Number of transportation vehicles	-	-	-	-	-	17	19	18	14	12
Cultural and recreation										
Number of libraries	2	2	2	2	2	3	3	3	3	-
Number of county parks										
Developed	2	2	2	2	2	2	2	2	2	2
Undeveloped	-	-	-	-	1	1	1	1	2	2
Park acreage:										
Developed	37	37	37	37	37	37	37	37	37	37
Undeveloped	-	-	-	-	54	54	54	54	54	54
Number of community centers	2	2	2	2	2	2	2	2	2	2
Number of gyms/centers	1	1	1	1	2	2	2	2	2	2
Water/Sewer (Business activity)										
Number of water plants	1	1	1	1	1	1	1	1	1	1
Miles of water mains	220	230	240	245	250	255	258	260	265	270
Number of wastewater plants	2	2	2	2	2	1	1	1	1	1
Miles of sanitary sewer	55	60	62	65	68	70	72	75	78	82
Landfill										
Number of sanitary landfills	1	1	1	1	1	1	1	1	1	1
Number of demolition landfills	1	1	1	1	1	1	1	1	1	1
Number of convenience sites	7	7	7	7	7	7	7	7	7	7