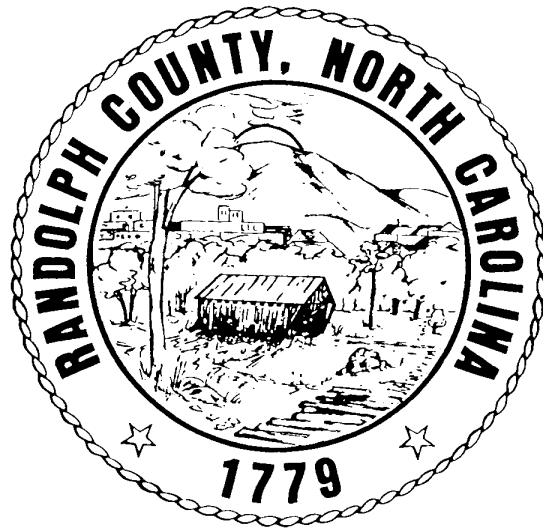


Debt Service

Summary of Debt Service Budget

	2004-2005	2005-2006	2006-2007		
	Actual	Final Approved	Department Request	Proposed	Final Approved
Expenditures:					
Principal	6,301,701	6,953,122	6,694,228	6,694,228	6,694,228
Interest	3,840,760	3,785,918	4,383,733	4,383,733	4,383,733
Bond Fees	15,946	16,000	16,000	16,000	16,000
Total Expenditures	10,158,407	10,755,040	11,093,961	11,093,961	11,093,961
Revenues:					
Restricted Intergovernmental	1,279,077	240,869	237,869	1,237,869	2,737,869
Miscellaneous	61,672	61,672	61,672	61,672	61,672
Total Revenues	1,340,749	302,541	299,541	1,299,541	2,799,541
General County Revenues Provided (Needed)	(8,817,658)	(10,452,499)	(10,794,420)	(9,794,420)	(8,294,420)



Debt Service

Department

The County issues various types of debt to finance the acquisition, renovation, and construction of public facilities. The buildings currently being financed are school facilities for the Randolph County Board of Education and the Asheboro City Schools, a training facility for Randolph Community College, the County Courthouse, a detention facility, and various public buildings. Principal and interest payments on this outstanding debt will continue until 2022. The County has a legal debt margin of over \$590 million, which is based on the statutory rate of eight percent of assessed property valuation. However, the N.C. Local Government Commission limits debt to much lower levels in order to prevent local governments from committing themselves to excessive debt. Randolph County's total outstanding debt at June 30, 2006 is \$85,455,071; the total debt per capita was \$614.

BONDS

1998 Refunding Bonds - issued to retire School Bonds issued in 1991 and 1992 . Interest rates range from 4.2% to 5.0%.

INSTALLMENT PURCHASE AGREEMENTS

County Office Building & Detention Facility Installment Purchase - issued to finance the acquisition of the Randolph County Office Building and the construction of the county detention facility. Interest is paid at 5.39%.

1995 Certificates of Participation (COPS) - issued to finance the construction of Randolph County Schools and the acquisition of the Mental Health office building. The debt is often repaid with state grants available for school construction and related debt service. Interest rates range from 4.7% to 5.3%. A major portion of the outstanding debt was refunded with the proceeds of the 2003 Certificates of Participation.

2000 Certificates of Participation (COPS) - issued to finance the construction of Randolph County Schools, renovation and construction of Asheboro City Schools, construction of the new County Courthouse, and construction of an emergency training facility for Randolph Community College. Interest rates range from 5.0% to 5.75%. A major portion of the outstanding debt was refunded with the proceeds of the 2004 and 2004A Certificates of Participation.

2003 Refunding Certificates of Participation (COPS) - issued to refinance a portion of the 1995 Certificates and the outstanding obligations under the Asheboro High School Expansion installment purchase agreement. Interest rates range from 2.0% to 5.0%.

2004 Refunding Certificates of Participation (COPS) - issued to refinance a portion of the 2000 Certificates of Participation. Interest rates range from 2.0% to 5.0%.

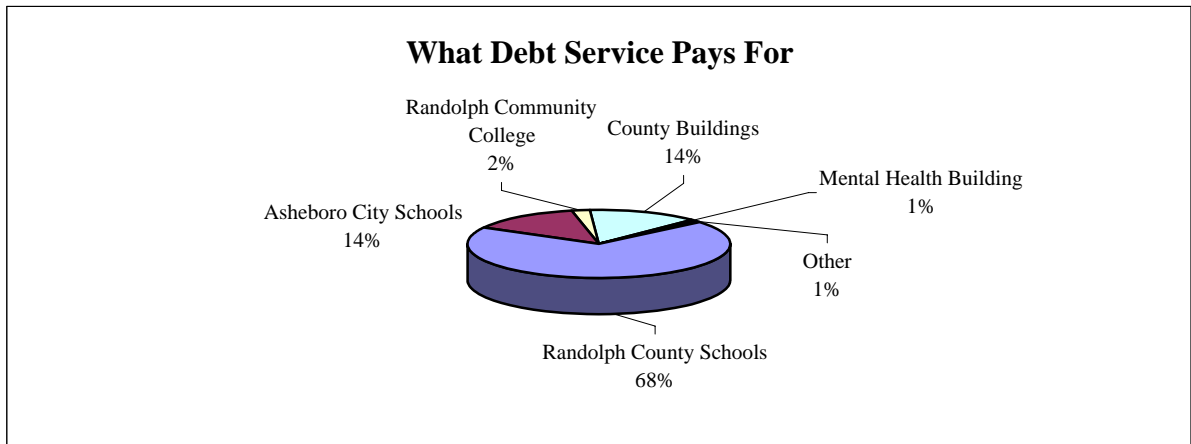
2004A Refunding Certificates of Participation (COPS) - issued to refinance a portion of the 2000 Certificates of Participation. Interest rates range from 2.0% to 5.0%.

2006 Certificates of Participation (COPS) - to be issued during 2006 to construct a new high school, renovate an elementary school, and purchase land for a second high school. Estimated interest is for the partial year.

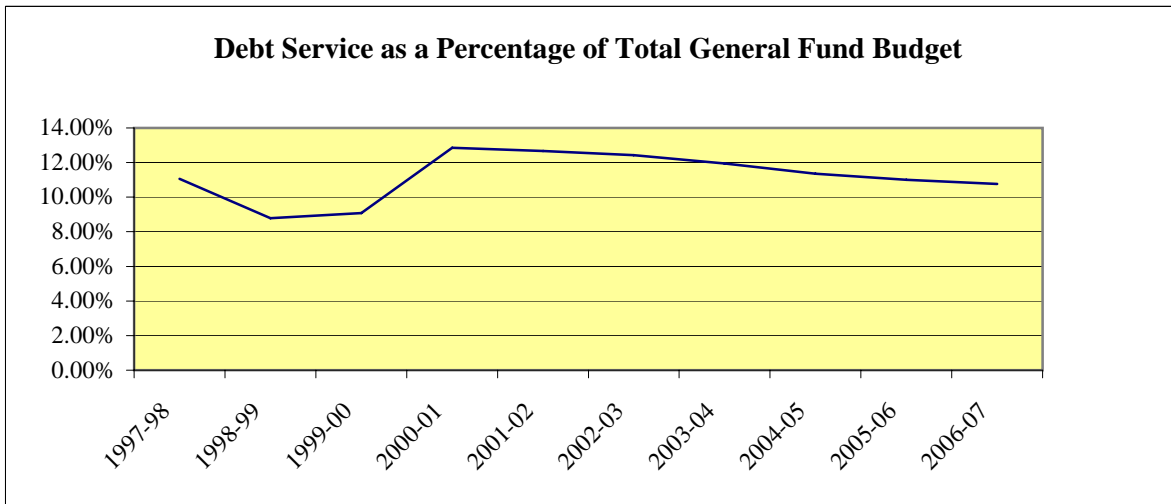
Water Rights and Public Buildings Installment Purchase - issued to finance the acquisition of additional rights to raw water in the Randleman Lake, construction of a new library in Seagrove, and renovations to various public buildings. Interest is paid at 3.59%.

OTHER DEBT

NC Drinking Water Revolving Loan - issued to finance the expansion of water service to the Glenola area of the County. This loan is being repaid from the proceeds of an annuity purchased by Davidson Water. Interest is paid at 2.55%.



Eight-four percent of Randolph County's 2006-07 debt service is for educational facilities.



In order to maintain financial stability, debt service payments should remain below fifteen percent of the total General Fund Budget. The County intends to issue debt to finance the construction of two new high schools and renovation of an elementary school within the next eighteen months, putting us close to this threshold. A large portion of debt will be retired in 2010, providing additional debt capacity.

Randolph County issued \$52,190,000 in 2000 Certificates of Participation. Debt service rose in 2001 accordingly.

BUDGET HIGHLIGHTS

The County intends to finance the construction of one new high school and renovation of an elementary school in August 2006; estimated interest on this new debt is \$850,000 for the fiscal year.

DEBT SERVICE

Department

TOTAL DEPARTMENT BUDGET

	2004-2005	2005-2006	2006-2007		
	Actual	Final Approved	Department Request	Proposed	Final Approved
Expenditures:					
Debt Service on Bonds:					
1998 Refunding Bonds					
Principal	2,290,000	2,255,000	2,210,000	2,210,000	2,210,000
Interest	586,510	488,040	391,075	391,075	391,075
Debt Service on Installment Purchase					
Agreements:					
County Office Building & Detention Facility					
Principal	677,814	714,841	-	-	-
Interest	66,052	29,026	-	-	-
Water Rights and Public Buildings					
Principal	-	440,259	456,206	456,206	456,206
Interest	-	219,741	203,794	203,794	203,794
1995 Certificates of Participation					
Principal	1,430,000	-	-	-	-
Interest	68,640	-	-	-	-
2000 Certificates of Participation					
Principal	1,115,000	1,305,000	1,750,000	1,750,000	1,750,000
Interest	452,050	396,300	331,050	331,050	331,050
2003 Certificates of Participation					
Principal	300,000	1,810,000	1,845,000	1,845,000	1,845,000
Interest	865,550	859,550	823,350	823,350	823,350
2004 Certificates of Participation					
Principal	245,000	250,000	250,000	250,000	250,000
Interest	682,889	677,989	672,989	672,989	672,989
2004A Certificates of Participation					
Principal	135,000	135,000	140,000	140,000	140,000
Interest	1,100,419	1,097,719	1,095,019	1,095,019	1,095,019
2006 Certificates of Participation					
Principal	-	-	-	-	-
Interest	-	-	850,000	850,000	850,000
Debt Service on Other Debt:					
NC Drinking Water Revolving Loan					
Principal	43,022	43,022	43,022	43,022	43,022
Interest	18,650	17,553	16,456	16,456	16,456
Other	65,865				
Bond Service Charge	15,946	16,000	16,000	16,000	16,000
Total Expenditures	10,158,407	10,755,040	11,093,961	11,093,961	11,093,961
Revenues:					
Restricted Intergovernmental	1,279,077	240,869	237,869	1,237,869	2,737,869
Miscellaneous	61,672	61,672	61,672	61,672	61,672
Total Revenues	1,340,749	302,541	299,541	1,299,541	2,799,541
General County Revenues Provided (Needed)	(8,817,658)	(10,452,499)	(10,794,420)	(9,794,420)	(8,294,420)