

STATISTICAL SECTION
(unaudited)

Harnett County, North Carolina
Net Assets by Component
Last Four Fiscal Years
(Unaudited)

	Fiscal Year			
	2003	2004	2005	2006
Governmental Activities				
Invested in capital assets, net of related debt	\$ 20,511,775	\$ 30,644,658	\$ 32,281,393	\$ 39,542,666
Restricted	5,818,485	-	-	-
Unrestricted	(30,221,650)	(35,601,131)	(30,123,489)	(29,422,525)
Total governmental activities net assets	<u>\$ (3,891,390)</u>	<u>\$ (4,956,473)</u>	<u>\$ 2,157,904</u>	<u>\$ 10,120,141</u>
Business-type activities				
Invested in capital assets, net of related debt	\$ 57,333,007	\$ 60,379,951	\$ 63,266,357	\$ 76,151,245
Restricted	-	-	-	-
Unrestricted	4,017,002	3,105,605	3,877,325	2,736,125
Total business-type activities net assets	<u>\$ 61,350,009</u>	<u>\$ 63,485,556</u>	<u>\$ 67,143,682</u>	<u>\$ 78,887,370</u>
Primary Government				
Invested in capital assets, net of related debt	\$ 77,844,782	\$ 91,024,609	\$ 95,547,750	\$ 115,693,911
Restricted	5,818,485	-	-	-
Unrestricted	(26,204,648)	(32,495,526)	(26,246,164)	(26,686,400)
Total primary government net assets	<u>\$ 57,458,619</u>	<u>\$ 58,529,083</u>	<u>\$ 69,301,586</u>	<u>\$ 89,007,511</u>

Note: Harnett County implemented GASB Statement 34 in Fiscal Year 2003. In the future, up to nine (9) prior years will be presented with the current year to illustrate the County's financial performance over time.

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

	Fiscal Year			
	2003	2004	2005	2006
Expenses				
Governmental Activities				
General Government	\$ 9,118,050	\$ 11,137,601	\$ 11,922,720	\$ 11,780,292
Public Safety	15,824,691	18,734,476	20,528,975	23,948,439
Environmental Protection	336,670	339,734	115,279	121,443
Transportation	156,504	238,349	244,706	216,201
Economic & physical development	3,179,192	3,107,644	3,876,732	4,678,094
Human Services	22,825,213	23,113,123	26,148,326	27,257,065
Cultural & Recreational	889,600	1,036,545	1,025,861	1,188,384
Education	28,737,978	24,034,612	18,325,234	16,948,707
Debt Service:				
Interest and fees	4,669,096	3,599,182	3,280,078	2,838,662
Total governmental activities expenses	<u>85,736,994</u>	<u>85,341,266</u>	<u>85,467,911</u>	<u>88,977,287</u>
Business type activities				
Water and Sewer	11,654,443	11,046,073	11,415,915	13,185,106
Solid Waste	2,803,091	2,938,399	3,267,650	3,473,564
Total business-type activities	<u>14,457,534</u>	<u>13,984,472</u>	<u>14,683,565</u>	<u>16,658,670</u>
Total primary government expenses	<u>\$ 100,194,528</u>	<u>\$ 99,325,738</u>	<u>\$ 100,151,476</u>	<u>\$ 105,635,957</u>

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

	Fiscal Year			
	2003	2004	2005	2006
Program Revenues				
Governmental Activities:				
Charges for services:				
General government	1,371,287	1,629,372	1,778,886	1,953,538
Public Safety	2,980,749	3,530,676	4,015,181	5,208,884
Transportation	276,495	253,134	268,595	235,955
Human services	2,906,427	3,387,362	3,835,695	3,872,519
Cultural and recreational	481,893	508,809	643,499	528,604
Education	2,949	-	-	-
Operating grants and contributions:				
General government	82,897	15,081	7,110	43,573
Public Safety	336,910	676,682	859,297	883,364
Environmental protection	6,205	5,629	179,368	192,253
Transportation	1,072,013	907,992	1,556,337	1,187,832
Economic and physical development	1,450,053	1,040,489	1,053,503	1,141,569
Human services	12,221,625	12,153,794	13,894,073	13,928,078
Cultural and recreational	10,032	6,268	9,421	3,881
Education	3,491,399	3,113,369	3,347,915	3,699,754
Capital grants and contributions:				
General government		292,713	24,390	
Public Safety		16,806	7,061	
Human services	17,478	49,804	11,000	2,200
Total governmental activities programs revenues	26,708,412	27,587,980	31,491,331	32,882,004
Business-type activities:				
Charges for services:				
Water and Sewer	11,595,488	12,119,400	13,726,990	15,822,667
Solid Waste	2,703,991	2,990,098	3,237,580	3,235,539
Operating grants and contributions:				
Water and Sewer		1,240,394	24,934	411,375
Capital grants and contributions:				
Water and Sewer	4,918,071	-	3,010,914	8,773,746
Total business-type activities program revenues	19,217,550	16,349,892	20,000,418	28,243,327
Total primary government program revenues	\$ 45,925,962	\$ 43,937,872	\$ 51,491,749	\$ 61,125,331
Net (expense)/revenue				
Governmental activities	\$ (59,028,582)	\$ (57,753,286)	\$ (53,976,580)	\$ (56,095,283)
Business-type activities	4,760,016	2,365,420	5,316,853	11,584,657
Total primary government net expense	\$ (54,268,566)	\$ (55,387,866)	\$ (48,659,727)	\$ (44,510,626)

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

	Fiscal Year			
	2003	2004	2005	2006
General Revenues and Other Changes in Net Assets				
Governmental activities				
Ad valorem taxes	\$ 30,862,061	\$ 36,538,896	\$ 38,052,769	\$ 40,420,076
Other taxes	13,893,614	16,365,422	17,796,236	19,051,924
Unrestricted grants and contributions	48,741	108,341	86,153	1,462,300
Investment earnings	358,035	773,627	527,522	901,167
Miscellaneous	1,476,618	1,505,336	2,744,092	1,940,896
Gain on sale of capital asset	-	-	-	129,507
Transfers	851,269	478,601	1,884,185	151,650
Total governmental activities	<u>47,490,338</u>	<u>55,770,223</u>	<u>61,090,957</u>	<u>64,057,320</u>
Business-type activities:				
Other taxes	85,681	90,198	95,571	101,665
Investment earnings	67,158	98,324	66,286	162,363
Miscellaneous	51,761	51,392	62,401	57,179
Gain on sale of capital asset	12,075	8,814	1,200	(10,526)
Transfers	(851,269)	(478,601)	(1,884,185)	(151,650)
Total business-type activities	<u>(634,594)</u>	<u>(229,873)</u>	<u>(1,658,727)</u>	<u>159,031</u>
Total primary government	<u>\$ 46,855,744</u>	<u>\$ 55,540,350</u>	<u>\$ 59,432,230</u>	<u>\$ 64,216,351</u>
Change in Net Assets				
Governmental activities	\$ (11,538,244)	\$ (1,983,063)	\$ 7,114,377	\$ 7,962,237
Business-type activities	4,125,422	2,135,547	3,658,126	11,743,688
Total primary government	<u>\$ (7,412,822)</u>	<u>\$ 152,484</u>	<u>\$ 10,772,503</u>	<u>\$ 19,705,925</u>

Note: Harnett County implemented GASB Statement 34 in Fiscal Year 2003. In the future, up to nine (9) prior years will be presented with the current year to illustrate the County's financial performance over time.

Harnett County, North Carolina
Tax Revenues By Source
Last Four Fiscal Years
 (accrual basis of accounting)
 (Unaudited)

Fiscal Year	Governmental Activities						Business-type Activities			Total
	Ad Valorem	Sales Tax	Excise Stamp - Real Property	Occupancy Tax	Cable TV Franchise	Solid Waste				
2003	\$ 30,862,061	\$ 13,241,695	\$ 226,315	\$ 276,293	\$ 149,311	\$ 85,681			\$ 44,841,356	
2004	36,538,896	15,568,684	325,996	304,954	165,788	90,198			52,994,516	
2005	38,052,769	16,963,204	358,956	289,062	185,014	95,571			55,944,576	
2006	40,420,076	18,124,258	478,806	270,406	178,454	101,665			59,573,665	

Note: Harnett County implemented GASB Statement 34 in Fiscal Year 2003. In the future, up to nine (9) prior years will be presented with the current year to illustrate the County's financial performance over time.

Harnett County, North Carolina
Fund Balances of Governmental Funds
Last Four Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2003	2004 ¹	2005	2006
General Fund				
Reserved	\$ 5,841,973	\$ 7,072,504	\$ 7,247,012	\$ 8,951,368
Unreserved	5,701,058	9,557,195	11,131,214	9,845,746
Total General Fund	<u>\$ 11,543,031</u>	<u>\$ 16,629,699</u>	<u>\$ 18,378,226</u>	<u>\$ 18,797,114</u>
All other governmental funds				
Reserved	\$ 5,728,330	\$ 3,544,560	\$ 5,425,700	\$ 7,316,481
Unreserved, reported in nonmajor:				
Special Revenue	81,387	451,486	635,578	689,250
Capital Projects	15,704,703	8,170,493	5,226,273	2,432,420
Total all other governmental funds	<u>\$ 21,514,420</u>	<u>\$ 12,166,539</u>	<u>\$ 11,287,551</u>	<u>\$ 10,438,151</u>

¹ Decrease in Fund Balance for all other governmental funds is due to the closing of various projects from the prior year.

Note: Harnett County implemented GASB Statement 34 in Fiscal Year 2003. In the future, up to nine (9) prior years will be presented with the current year to illustrate the County's financial performance over time.

Harnett County, North Carolina
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Revenues										
Ad valorem taxes	\$ 17,782,353	\$ 21,080,438	\$ 23,753,519	\$ 25,027,816	\$ 27,691,049	\$ 29,499,446	\$ 32,079,611	\$ 37,166,836	\$ 38,643,943	\$ 40,885,746
Other taxes and licenses	9,026,275	9,963,797	10,885,665	11,342,368	11,827,780	12,107,635	13,893,614	16,365,422	17,796,236	19,051,924
Unrestricted intergovernmental	1,342,124	1,842,750	1,286,344	1,287,885	1,297,868	916,986	48,741	108,341	86,153	55,149
Restricted intergovernmental	10,753,654	14,281,412	27,446,131	16,367,781	12,714,532	12,957,403	18,688,612	17,446,097	19,477,727	19,999,156
Permits and fees	1,004,952	1,331,499	1,503,183	1,683,467	1,680,296	2,014,839	2,456,959	2,794,494	2,919,326	3,181,855
Sales and services	1,742,683	2,214,208	3,241,466	4,041,423	4,518,842	5,722,287	5,559,892	6,514,859	7,622,530	8,617,645
Investment earnings	1,096,839	1,008,480	855,692	1,135,207	2,071,810	871,257	744,838	778,059	537,600	1,023,817
Contributions	-	33,000	75,722	37,117	4,150	1,800	775	832,530	1,471,748	2,490,499
Other general revenues	3,690,870	790,711	1,130,758	958,680	1,614,583	1,514,555	1,502,439	2,194,379	2,793,179	2,128,850
Total revenues	46,439,750	52,547,305	70,178,480	61,881,344	63,420,910	63,608,208	74,975,681	84,201,017	91,348,442	97,434,641
Expenditures										
General government	11,420,799	7,566,848	8,019,255	7,323,620	14,743,012	16,884,764	10,393,384	11,813,870	14,937,119	15,594,781
Public safety	9,660,707	10,945,744	11,921,729	13,988,669	14,209,303	16,784,002	15,970,570	18,664,858	20,408,243	23,729,857
Environmental protection	60,188	70,921	74,961	84,628	89,927	86,177	91,210	122,573	164,991	118,113
Transportation	49,172	44,867	37,409	40,478	38,665	44,039	48,309	78,693	89,613	90,547
Economic and physical development	1,520,399	2,042,055	2,253,612	1,889,076	2,781,166	2,744,132	3,707,573	3,062,306	5,012,225	5,350,214
Human services	14,056,543	15,551,362	16,302,340	18,990,848	20,848,442	21,261,054	22,839,033	23,237,455	26,446,717	27,276,463
Cultural and recreational	637,207	736,176	785,047	851,366	1,006,145	807,629	805,654	985,871	1,058,245	1,227,703
Education	8,616,336	10,836,586	25,944,018	16,201,445	15,162,953	19,053,348	29,087,939	24,034,612	18,335,754	16,948,707
Debt Service	-	-	-	-	-	-	-	-	-	-
Principal	1,869,700	1,850,925	1,863,249	2,002,493	2,142,933	3,519,247	3,719,308	8,850,213	5,124,959	5,710,097
Interest and fees	2,228,688	2,166,501	2,090,800	2,023,166	2,928,429	2,970,128	4,299,951	3,695,964	3,246,717	3,153,151
Debt issuance cost	-	-	-	-	-	339,057	-	-	-	-
Total primary government expenses	\$ 50,119,739	\$ 51,811,985	\$ 69,312,420	\$ 63,395,809	\$ 73,950,975	\$ 84,495,577	\$ 90,962,931	\$ 94,546,415	\$ 94,824,583	\$ 98,189,633
Excess of revenues over (under) expenditures	(3,679,989)	735,320	866,060	(1,514,465)	(10,530,065)	(18,887,369)	(15,987,250)	(10,345,398)	(3,476,141)	(1,764,992)

Harnett County, North Carolina
 Changes in Fund Balances of Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 (Unaudited)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Other financing sources (uses)										
Bonds and Capital lease issuance	1,018,655	1,400,000	-	594,919	23,897,226	32,570,902	10,958	24,181,348	3,853,795	1,182,830
Bond premium	-	-	-	-	269,509	-	-	1,116,722	-	-
Payment to escrow agent	-	-	-	-	-	-	-	(20,610,463)	-	-
Transfers in	2,174,917	2,371,685	1,879,379	1,058,944	2,288,963	716,408	3,729,321	3,430,746	4,535,367	3,721,394
Transfers out	(1,804,917)	(2,371,685)	(1,743,879)	(1,058,944)	(1,938,963)	(101,408)	(2,878,052)	(2,952,145)	(4,043,482)	(3,569,744)
Total other financing sources (uses)	1,388,655	1,400,000	135,500	594,919	24,516,735	33,185,902	862,227	5,166,208	4,345,680	1,334,480
Net change in fund balances	\$ (2,291,334)	\$ 2,135,320	\$ 1,001,560	\$ (919,546)	\$ 13,986,670	\$ 14,298,533	\$ (15,125,023)	\$ (5,179,190)	\$ 869,539	\$ (430,512)
Debt service as a percentage of noncapital expenditures	8.18%	7.15%	5.73%	6.35%	6.86%	7.68%	8.82%	13.27%	8.83%	8.83%

Harnett County, North Carolina
General Governmental Tax Revenues by Source¹
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

Fiscal Year	Ad Valorem	Sales Tax	Excise Stamp Real Property	Occupancy Tax	Cable TV Franchise	Privilege License	Total
1997	\$ 17,782,353	\$ 8,654,767	\$ 196,602	\$ 126,376	\$ 38,681	\$ 9,849	\$ 26,808,628
1998	21,080,438	9,529,675	226,778	105,870	99,375	2,099	31,044,235
1999	23,753,519	10,488,985	142,328	121,703	132,649	-	34,639,184
2000	25,027,816	10,907,484	186,478	143,814	104,592	-	36,370,184
2001	27,691,049	11,307,451	185,989	128,950	205,390	-	39,518,829
2002	29,499,446	11,570,775	222,733	171,306	142,821	-	41,607,081
2003	32,079,811	13,241,695	226,315	276,293	149,311	-	45,973,425
2004	37,166,836	15,568,684	325,996	304,954	165,788	-	53,532,258
2005	38,643,943	16,963,204	358,956	289,062	185,014	-	56,440,179
2006	40,885,746	18,124,258	478,806	270,406	178,454	-	59,937,670

¹ Includes Ad Valorem Tax and Other Taxes and Licenses

Harnett County, North Carolina
Assessed Value of Taxable Property
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended June 30	Personal Property				Less: Tax Exempt Real Property ²	Total Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value ³	Assessed Value as a Percentage of Actual Value ⁴
	Real Property	Public Service ¹	Motor Vehicle	Other					
1997	\$ 1,584,133,448	\$ 87,496,553	\$ 359,801,214	\$ 285,359,002	\$ -	\$ 2,316,790,217	0.70	\$ 2,670,100,725	86.77%
1998	2,023,330,241	111,007,818	488,808,361	301,027,684	-	2,924,174,104	0.68	2,924,174,104	100.00%
1999	2,162,130,179	116,588,928	453,602,134	271,890,238	-	3,004,211,479	0.68	3,180,258,272	94.46%
2000	2,315,730,022	116,526,118	496,204,109	345,076,541	-	3,273,536,790	0.73	3,436,886,276	95.25%
2001	2,583,568,234	120,976,095	559,394,064	336,304,978	104,670,820	3,495,572,551	0.73	3,679,439,667	95.00%
2002	2,735,785,272	117,040,133	632,051,447	328,790,761	104,729,578	3,708,938,035	0.76	4,179,973,165	88.73%
2003	2,892,577,436	120,494,699	552,882,627	309,599,719	115,494,670	3,760,059,811	0.76	4,295,116,322	87.54%
2004	3,716,832,164	137,807,959	584,923,607	291,344,948	157,961,660	4,572,947,018	0.735	4,572,947,018	100.00%
2005	3,816,647,064	137,920,639	609,445,287	295,595,827	163,501,820	4,696,106,997	0.735	4,915,884,804	95.53%
2006	4,006,628,671	145,951,703	642,219,418	302,141,650	168,412,260	4,928,529,182	0.735	5,451,309,791	90.41%

¹ Public service companies' property includes real and personal property of utilities, railroad and busines, etc. These assessments are made by the North Carolina Department of Revenue with no distinction between real and personal property.

² Exempt real estate only, does not include Elderly Exemption or Deferred. Exempt properties are not reported in the year-to-year levy; therefore, annual scrolls were not maintained. The information presented was compiled from reports prepared for the Department of Revenue.

³ Estimated actual taxable value reflects an increase in real and exempt property. Estimated Actual Taxable Value was computed by using Real Estate Assessment Sales Ratio Study Percentages from the North Carolina Department of Revenue.

⁴ Estimated actual values and the ratio of total assessed value to total estimated actual value has been adjusted to reflect updated sales assessment ratio percentages from the North Carolina Department of Revenue.

⁵ Denotes the year in which a revaluation was effective January 1st and reflected in the following fiscal year.

Source: Harnett County Tax Department

Note: A revaluation of real property is required by North Carolina General Statutes at least every eight years. Assessed valuations are established by the Board of Commissioners at 100% of market value as of the year of the revaluation. The last revaluation was effective January 1, 2003 and reflected in the 2004 fiscal year.

Harnett County, North Carolina
Property Tax Rates - Direct and Overlapping¹ Governments
(Per \$100 of Assessed Value)
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended June 30 ^{2,3}	Name of Government									
	Harnett County	Special Fire Districts	Special School District	City of Dunn	Town of Lillington	Town of Coats	Town of Angier	Town of Erwin	Overlapping Rates	
1997	0.70	.02 to .15	0.02	0.46	0.68	0.71	0.67	0.59		
1998	0.68	.02 to .15	0.02	0.46	0.63	0.69	0.61	0.53		
1999	0.68	.02 to .15	0.02	0.46	0.63	0.69	0.47	0.57		
2000	0.73	.04 to .15	0.02	0.46	0.63	0.69	0.46	0.53		
2001	0.73	.05 to .15	0.02	0.46	0.63	0.69	0.45	0.53		
2002	0.76	.06 to .15	0.02	0.46	0.63	0.69	0.45	0.55		
2003	0.76	.06 to .15	0.02	0.46	0.63	0.69	0.44	0.55		
2004	0.735	.04 to .15	0.02	0.46	0.56	0.69	0.44	0.55		
2005	0.735	.04 to .15	0.02	0.46	0.56	0.64	0.46	0.55		
2006	0.735	.04 to .15	0.02	0.46	0.56	0.64	0.50	0.55		

¹ Overlapping rates are those of local and county governments that apply to property owners within Harnett County. Not all overlapping rates apply to all Harnett County property owners (e.g. the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district.)

² Property was revalued for fiscal years 1997 and 2004.

³ For the years 1997 to 1999, Rescue Districts are included in the rates which are represented under Special Fire Districts. Beginning with the 2000 fiscal year, rescue districts no longer have a special tax.

Source: Harnett County Tax Department

**Harnett County, North Carolina
Principal Property Taxpayers
Ten Year Comparison
(Unaudited)**

Taxpayer	2006			1997		
	2005 Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	1996 Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Carolina Power & Light	\$ 57,280,009	1	1.34%	\$ 33,223,657	2	1.45%
Carolina Telephone	27,285,125	2	0.64%	24,031,669	5	1.05%
Energy Conversion (formerly Morganite)	27,049,095	3	0.63%	27,431,006	4	1.20%
South River EMC	26,520,079	4	0.62%	12,124,505	6	0.53%
Food Lion, Inc.	26,077,110	5	0.61%	24,618,610	3	1.07%
Wal-Mart Real Estate Business	11,683,790	6	0.27%	-	-	-
Robert W. Winston, Jr.	10,237,540	7	0.24%	-	-	-
Anderson Creek Partners	10,104,660	8	0.23%	-	-	-
Central EMC	10,067,358	9	0.23%	-	-	-
Womble Rentals	9,060,631	10	0.21%	-	-	-
Swift Textiles, Inc.	-	-	-	62,316,245	1	2.72%
Food Lion Stores, Distribution Warehouse	-	-	-	6,961,068	7	0.30%
Patten Corporation	-	-	-	5,937,370	8	0.26%
Bailey & Associates	-	-	-	5,903,590	9	0.26%
This End Up Furniture	-	-	-	6,013,500	10	0.26%
	<u>\$ 215,365,397</u>		<u>5.02%</u>	<u>\$ 208,561,220</u>		<u>9.10%</u>

Source: Harnett County Tax Department

Harnett County, North Carolina
Property Tax Levies and Collections - General Fund
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended June 30	Collected within the Fiscal Year of the Levy			Total Collections to Date		
	Total Tax Levy	Current Tax Collections	Percent of Net Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections To Net Levy
1997 ¹	\$ 20,336,157	\$ 19,168,823	94.26%	\$ 608,889	\$ 19,777,712	97.25%
1998	19,879,932	17,862,446	89.85%	828,980	18,691,426	94.02%
1999	20,812,621	19,282,456	92.65%	1,442,588	20,725,044	99.58%
2000	23,817,404	21,801,138	91.53%	1,022,346	22,823,484	95.83%
2001	25,547,179	23,578,681	92.29%	1,653,125	25,231,806	98.77%
2002	27,600,119	25,241,068	91.45%	1,670,925	26,911,993	97.51%
2003 ¹	28,773,241	26,914,383	93.54%	2,174,337	29,088,720	101.10%
2004	33,715,256	31,986,355	94.87%	2,094,476	34,080,831	101.08%
2005	35,232,094	33,778,940	95.88%	1,924,096	35,703,036	101.34%
2006	36,286,597	35,106,194	96.75%	1,904,874	37,011,068	102.00%

¹ Denotes the year in which a revaluation was effective on January 1st and reflected in the following fiscal year.

Source: Harnett County Tax Department

Harnett County, North Carolina
Ratios of Outstanding Debt by Type
Last Three Fiscal Years
(Unaudited)

Fiscal Year	Governmental Activities			Business-type Activities				Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	Capitalized Leases	Installment Purchase	Capitalized Leases	Installment Purchase	Obligation Bonds	State Bond Loan	General			
2003	\$ 950,922	\$ 76,832,713	\$ 77,502	\$ 10,297,150	\$ 18,922,200	\$ 7,761,387	\$ 114,841,874	5.16%	\$ 1,161	
2004	925,583	73,341,011	290,306	10,864,283	18,543,900	7,224,343	111,189,426	4.69%	1,109	
2005	1,017,824	70,585,320	215,776	10,902,366	17,940,300	6,687,299	107,348,885	N/A	1,055	
2006	941,063	66,134,470	138,654	11,035,549	17,210,400	15,676,716	111,136,852	N/A	1,070	

¹ Provided by the NC Department of Commerce. Latest information available is represented. Refer to the schedule on page P-18 for personal income and population data.

Note: Harnett County implemented GASB Statement 34 in Fiscal Year 2003. In the future, up to nine (9) prior years will be presented with the current year to illustrate the County's financial performance over time. Details regarding the County's outstanding debt can be found in the notes to the financial statements.

Harnett County, North Carolina
Direct and Overlapping Governmental Activities Debt
Year Ended June 30, 2006
(Unaudited)

Governmental Unit	Debt Outstanding ^{1,2}	Estimated Percentage Applicable	Estimated share of Overlapping Debt
Debt repaid with property taxes: County	\$ 16,307,488	100%	\$ 16,307,488
Subtotal, overlapping debt			16,307,488
Town of Angier, direct debt			113,347
Town of Coats, direct debt			-
City of Dunn, direct debt			1,441,067
Town of Erwin, direct debt			443,415
Town of Lillington, direct debt			235,347
Total direct and overlapping debt			<u>\$ 18,540,664</u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Harnett County. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

¹ Includes debt outstanding for the following:

Central Carolina Community College	\$ 490,092
COPS 2000, Courthouse	9,958,600
COPS 2003 (94), Social Services and Health Facility	2,335,788
Harnett Production Enterprises	336,801
Agriculture Center	2,845,000
Animal Control Facility	341,207
	<u>\$ 16,307,488</u>

² Debt service for the schools is paid from Public School Building Bond Funds, ADM and Sales Tax Revenue. In years where the sales tax received by the County and allocated toward the repayment of the school debt is insufficient to cover the debt payments, property tax funds are used. For the fiscal year ending 2006, the County repaid \$472,768 of the school debt with property taxes.

Harnett County, North Carolina
Pledged Revenue Coverage - Water & Sewer
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended June 30	Gross Revenues ¹	Direct Operating Expenses ²	Net Revenue Available for Debt Service	Debt Service Requirements ³			Coverage
				Principal	Interest	Total	
1997	\$ 7,496,252	\$ 3,701,680	\$ 3,794,572	\$ 2,114,695	\$ 1,726,503	\$ 3,841,198	98.79%
1998	8,198,715	5,093,005	3,105,710	1,145,998	1,781,142	2,927,140	106.10%
1999	9,344,171	4,696,833	4,647,338	1,334,414	1,844,392	3,178,806	146.20%
2000	9,517,405	4,912,175	4,605,230	1,663,274	2,007,523	3,670,797	125.46%
2001	9,919,151	6,144,585	3,774,566	2,909,380	1,951,044	4,860,424	77.66%
2002	11,786,651	6,064,523	5,722,128	2,149,592	2,021,348	4,170,940	137.19%
2003	11,684,767	7,131,206	4,553,561	2,294,429	1,974,775	4,269,204	106.66%
2004	12,222,986	6,884,558	5,338,428	2,609,394	1,697,652	4,307,046	123.95%
2005	13,781,929	6,864,141	6,917,788	2,710,883	1,562,488	4,273,371	161.88%
2006	15,928,322	11,712,206	4,216,116	2,894,802	1,500,317	4,395,119	95.93%

¹ Total revenues including interest

² Total operating expenses exclusive of depreciation and amortization

³ Includes Installment Purchase, General Obligation Bonds, Capitalized Leases and State Bond Loan

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

Harnett County, North Carolina
Computation of Legal Debt Margin
Last ten fiscal years
(amounts expressed in thousands)
(Unaudited)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Debt Limit	\$ 183,404	\$ 185,052	\$ 194,721	\$ 222,186	\$ 224,988	\$ 236,787	\$ 302,123	\$ 365,835	\$ 375,688	\$ 394,282
Total net debt applicable to limit	\$ 47,608	\$ 46,344	\$ 46,487	\$ 48,572	\$ 69,764	\$ 100,586	\$ 95,919	\$ 92,645	\$ 89,408	\$ 93,927
Legal debt margin	\$ 135,795	\$ 138,707	\$ 148,234	\$ 173,614	\$ 155,224	\$ 136,200	\$ 206,203	\$ 273,190	\$ 286,280	\$ 300,356
Total net debt applicable to the limit as a percentage of debt limit	25.96%	25.05%	23.88%	21.86%	31.01%	42.48%	31.75%	25.33%	23.80%	23.82%

Legal Debt Margin Calculation for Fiscal Year 2006

Assessed Value	\$4,928,529,182
Debt Limit (8% of total assessed value)	394,282,335
Debt applicable to limit:	
Certificates of participation	62,638,000
Installment Purchase	14,532,020
Revolving Loan	11,176,463
Issued and outstanding general bond debt - enterprise funds	17,210,400
State Bond Loans	4,500,253
Obligations under capital lease	1,079,717
Subtotal	111,136,853
Authorized and unissued debt	42,000,000
Total Gross Debt	153,136,853
Less: Statutory deductions	
Bonds issued and outstanding for water and sewer purposes	17,210,400
Authorized and unissued debt	42,000,000
	59,210,400
Total amount of debt applicable to debt limit	93,926,453
Legal debt margin	\$300,355,882

Harnett County, North Carolina
Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended June 30	Population ¹	Personal Income	Per Capita Income ²	Median Age ¹	School Enrollment ³	Unemployment Rate ⁴
1997	81,358	1,539,700,150	18,925	33.2	14,225	3.9%
1998	83,411	1,679,647,307	20,137	33.4	14,839	4.0%
1999	83,590	1,727,303,760	20,664	32.6	15,225	3.7%
2000	84,501	1,826,489,115	21,615	33.8	15,900	4.6%
2001	91,025	2,064,082,900	22,676	32.8	16,497	7.1%
2002	96,153	2,151,615,681	22,377	32.5	16,711	8.9%
2003	98,908	2,225,232,184	22,498	32.6	16,873	8.0%
2004	100,271	2,372,311,589	23,659	33.5	17,215	6.4%
2005	101,737	N/A	N/A	33.3	17,892	5.5%
2006	103,884	N/A	N/A	33.3	19,054	4.9%

Sources:

1. NC State Demographics
2. NC Department of Commerce. Latest figures available are reflected.
3. Harnett County Board of Education
4. NC Employment Security Commission

**Harnett County, North Carolina
Principal Employers
Current Year and Nine Years Ago
(Unaudited)**

Employer	2006			1997		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Harnett County Public Schools	2,055	1	4.59%	1,515	1	4.21%
Campbell University	1,073	2	2.40%	800	3	2.22%
Harnett County Government	742	3	1.65%	339	9	1.11%
Food Lion Distribution Center	659	4	1.47%	760	4	2.11%
Betsy Johnson Regional Hospital	638	5	1.43%	400	8	0.94%
Energy Conversion Systems, Inc. (formerly Morganite)	436	6	0.97%	-	-	-
Wal Mart	420	7	0.94%	275	12	0.76%
Harnett Correctional Institute	357	8	0.80%	451	7	1.25%
Edwards Brothers, Inc.	269	9	0.60%	300	10	0.83%
Good Hope Hospital	263	10	0.59%	-	-	-
Machine & Welding Supply	220	11	0.49%	-	-	-
Godwin Manufacturing Company	200	12	0.45%	-	-	-
Champion Homes	175	13	0.39%	250	13	0.69%
Morganite	-	-	-	1,100	2	3.06%
Champion Products	-	-	-	730	5	2.03%
Swift Denim Textiles	-	-	-	550	6	1.53%
This End Up Furnitures	-	-	-	280	11	0.78%
	<u>7,507</u>		<u>16.77%</u>	<u>7,750</u>		<u>21.52%</u>

Source: Harnett County Economic Development Commission

Harnett County, North Carolina
Full-time County Government Employees by Function
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year Ended									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
General Government	70	84	102	107	107	103	106	106	103	110
Public Safety	77	91	113	143	147	156	172	194	196	233
Environmental Protection	1	2	2	2	2	2	2	2	2	2
Economic and Physical Development	16	20	30	37	46	44	45	48	50	53
Human Services	131	152	189	194	212	212	211	229	234	248
Cultural & Recreation	10	12	12	12	12	14	13	13	14	16
Water and Wastewater	26	34	42	51	58	58	60	63	62	69
Solid Waste	8	9	10	9	10	10	10	11	11	11
Total	339	404	500	555	594	599	619	666	672	742

Source: Harnett County Finance Office

Harnett County, North Carolina
Operating Indicators by Function
Last Ten Fiscal Years
(Unaudited)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Fire										
Number of calls answered	2,843	3,295	5,100	4,387	4,495	4,615	4,200	4,300	4,628	4,975
Sheriff										
Number of law violations:										
Arrests	6,005	6,350	7,025	6,432	4,078	6,265	6,582	7,019	7,372	8,566
Traffic violations	332	375	405	515	409	446	406	1,433	1,535	2,035
Inspections										
Number of permits issued	5,882	5,587	6,265	4,970	4,659	4,048	5,304	2,228	2,850	2,638
Culture and Recreation										
Circulation	204,474	271,695	288,768	272,004	308,275	343,814	323,490	341,655	337,527	373,052
Utilities										
Water System:										
Daily average consumption in gallons	5,500,000	5,500,000	6,000,000	6,200,000	6,800,000	7,200,000	7,500,000	7,500,000	7,500,000	8,200,209
Sewer System:										
Daily average treatment in gallons	550,000	550,000	550,000	800,000	1,100,000	1,100,000	1,230,000	1,230,000	1,280,000	1,585,653

Source: Information provided by various county departments

Harnett County, North Carolina
Capital Assets Statistics by Function
Last Ten Fiscal Years
(Unaudited)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Fire										
Number of Stations	22	18	15	18	18	18	18	18	15	18
Sheriff										
Number of stations	3	3	4	4	2	1	1	1	1	1
Number of patrol units	31	45	45	59	62	46	84	98	98	104
Culture and Recreation										
Number of libraries	5	6	6	6	6	6	6	6	6	6
Library collections	130,783	139,130	164,315	143,540	171,951	178,057	186,895	184,297	185,891	191,865
Number of Parks	2	2	3	3	3	3	3	3	3	5
Park acreage	50	50	55	55	55	55	55	55	55	1,100
Number of Ball Fields	4	4	6	6	6	6	6	6	6	6
Number of tennis courts	12	12	12	12	12	12	12	12	12	12
Number of playground areas	2	2	2	2	2	2	2	0	0	0
Number of soccer fields	2	2	3	2	2	2	2	2	2	2
Number of County owned senior centers	0	1	1	1	1	1	1	1	1	1
Utilities										
Water System:										
Miles of water main	1,200	1,250	1,375	1,394	1,439	1,456	1,489	1,489	1,514	1,568
Number of service connections	19,500	20,000	24,279	24,252	24,786	28,891	29,693	31,268	30,318	35,522
Number of fire hydrants	1,200	1,225	1,249	1,263	1,348	2,000	3,500	3,500	3,500	3,715

Harnett County, North Carolina
Capital Assets Statistics by Function
Last Ten Fiscal Years
(Unaudited)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Sewer System:										
Miles of sanitary sewer	125	125	125	140	140	140	146	146	146	200
Number of treatment plants	2	2	2	3	4	4	4	4	4	4
Number of service connections	2,500	2,525	2,734	3,430	3,508	3,747	3,856	4,515	4,765	7,080
Maximum daily capacity of treatment plant in gallons	800,000	800,000	800,000	1,200,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	4,000,000
Facilities and services not included in primary government:										
Education:										
Number of schools	22	23	23	24	25	25	26	26	26	26
Number of teachers	913	978	1,044	1,100	1,110	1,110	1,116	1,130	1,166	1,188
Number of students	N/A	14,839	15,225	15,900	16,497	16,711	16,873	17,125	17,892	19,054
Universities	1	1	1	1	1	1	1	1	1	1
Community colleges	1	1	1	1	1	1	1	1	1	1
Hospitals:										
Number of hospitals	2	2	2	2	2	2	2	2	2	1
Number of patient beds	183	180	180	180	180	180	180	180	173	101

Source: Information provided by various county departments and local hospital administration department.