## Statistical Section
(Unaudited)

This part of The City of Asheville'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 say about the government's overall financial health.

**Contents**

Financial Trends

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

Revenue Capacity

*These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.*

Debt Capacity

*These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government'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 government's financial activities take place.*

Operating Information

*These schedules contain service, water system, and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government 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.

**CITY OF ASHEVILLE**
**NET ASSETS BY COMPONENT**
**Last Four Fiscal Years**
**(accrual basis of accounting)**
**(amounts expressed in thousands)**

| | Fiscal Year | | | |
|---|---|---|---|---|
| | **2003** | **2004** | **2005** | **2006** |
| Governmental activities | | | | |
| Invested in capital assets, net of related debt | $ 173,740 | $ 173,149 | $ 168,990 | $ 173,599 |
| Restricted | 31 | 5,750 | 5,774 | 12,076 |
| Unrestricted | 31,017 | 25,714 | 28,301 | 27,118 |
| Total governmental activities net assets | $ 204,788 | $ 204,613 | $ 203,065 | $ 212,793 |
| Business-type activities | | | | |
| Invested in capital assets, net of related debt | $ 61,794 | $ 75,087 | $ 80,280 | $ 92,519 |
| Restricted | - | - | - | - |
| Unrestricted | 22,964 | 24,981 | 25,480 | 29,832 |
| Total business-type activities net assets | $ 84,758 | $ 100,068 | $ 105,760 | $ 122,351 |
| Primary government | | | | |
| Invested in capital assets, net of related debt | $ 235,534 | $ 248,236 | $ 249,270 | $ 266,118 |
| Restricted | 31 | 5,750 | 5,774 | 12,076 |
| Unrestricted | 53,981 | 50,695 | 53,781 | 56,950 |
| Total primary government net assets | $ 289,546 | $ 304,681 | $ 308,825 | $ 335,144 |

**CITY OF ASHEVILLE**
**NET ASSETS BY COMPONENT**
**Last Four Fiscal Years**
**(accrual basis of accounting)**
**(amounts expressed in thousands)**

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2003 | 2004 | 2005 | 2006 |
| **Expenses** | | | | |
| Governmental activities: | | | | |
| General government | $ 24,243 | $ 21,148 | $ 14,782 | $ 16,033 |
| Public safety | 26,370 | 30,513 | 31,480 | 33,384 |
| Highways and streets | 4,800 | 5,651 | 22,399 | 20,076 |
| Environmental protection | 5,190 | 5,025 | - | - |
| Economic development | 3,577 | 3,533 | 5,181 | 4,785 |
| Culture and recreation | 5,801 | 5,120 | 7,347 | 7,783 |
| Interest on long-term debt | 1,440 | 1,341 | 1,182 | 1,179 |
| Total governmental activities expenses | 71,421 | 72,331 | 82,371 | 83,240 |
| Business-type activities: | | | | |
| Water resources | 17,106 | 20,624 | 21,093 | 20,194 |
| Civic center | 2,003 | 2,669 | 2,361 | 2,252 |
| Festivals | 801 | 1,121 | 1,067 | 1,270 |
| Parking services | 1,016 | 1,348 | 1,364 | 1,249 |
| Mass transit | 3,575 | 3,775 | 3,928 | 4,262 |
| Stormwater | - | - | - | 1,995 |
| Golf Course | - | - | - | 884 |
| Total business-type activities expenses | 24,501 | 29,537 | 29,813 | 32,106 |
| Total primary government expenses | $ 95,922 | $ 101,868 | $ 112,184 | $ 115,346 |
| **Program Revenues** | | | | |
| Governmental activities: | | | | |
| Charges for services: | | | | |
| General government | $ 8,491 | $ 6,720 | $ 8,002 | $ 9,255 |
| Public safety | 4,529 | 5,074 | 3,415 | 2,881 |
| Other activities | 573 | 213 | 186 | 3,029 |
| Operating grants and contributions | 5,782 | 6,786 | 9,553 | 6,645 |
| Capital grants and contributions | 498 | 463 | 346 | 2,897 |
| Total governmental activities program revenues | 19,873 | 19,256 | 21,502 | 24,707 |
| Business-type activities: | | | | |
| Charges for services: | | | | |
| Water resources | 22,598 | 22,795 | 23,174 | 23,992 |
| Civic center | 1,099 | 1,302 | 1,798 | 1,526 |
| Festivals | 463 | 425 | 701 | 1,033 |
| Parking services | 2,120 | 2,594 | 2,520 | 2,383 |
| Mass transit | 592 | 689 | 671 | 752 |
| Stormwater | - | - | - | 2,357 |
| Golf Course | - | - | - | 839 |
| Operating grants and contributions | 1,597 | 1,884 | 2,501 | 2,171 |
| Capital grants and contributions | 255 | 2,077 | 2,165 | 4,137 |
| Total business-type activities program revenue | 28,724 | 31,766 | 33,530 | 39,190 |
| Total primary government program revenue | $ 48,597 | $ 51,022 | $ 55,032 | $ 63,897 |
| Net (expense) / revenue: | | | | |
| Governmental activities | $ (51,548) | $ (53,075) | $ (60,869) | $ (58,533) |
| Business-type activities | 4,223 | 2,229 | 3,717 | 7,084 |
| Total primary government net expense | $ (47,325) | $ (50,846) | $ (57,152) | $ (51,449) |

**CITY OF ASHEVILLE**
**NET ASSETS BY COMPONENT (continued)**
**Last Four Fiscal Years**
**(accrual basis of accounting)**
**(amounts expressed in thousands)**

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2003 | 2004 | 2005 | 2006 |
| **General Revenues and Other Changes in Net Assets** | | | | |
| Governmental activities: | | | | |
| Taxes | | | | |
| Property taxes | $ 34,988 | $ 33,947 | $ 35,079 | $ 36,914 |
| Sales taxes | 12,028 | 13,571 | 14,545 | 16,107 |
| Other taxes | 4,669 | 6,656 | 8,257 | 6,086 |
| Unrestricted grants and contributions | 7,433 | 290 | 222 | 1,059 |
| Investment earnings and miscellaneous | 1,598 | 1,513 | 2,407 | 2,724 |
| Gain on sale of capital assets | 108 | 167 | 97 | 126 |
| Special item | - | - | - | 7,189 |
| Transfers | (1,849) | (1,883) | (1,941) | (1,943) |
| Total governmental activities | 58,975 | 54,261 | 58,666 | 68,262 |
| Business-type activities: | | | | |
| Investment earnings and miscellaneous | (2,666) | 696 | - | 542 |
| Gain on sale of capital assets | 493 | 45 | 34 | 17 |
| Special item | - | - | - | 7,004 |
| Transfers | 1,849 | 1,883 | 1,941 | 1,943 |
| Total business-type activities | (324) | 2,624 | 1,975 | 9,506 |
| Total primary government | $ 58,651 | $ 56,885 | $ 60,641 | $ 77,768 |
| **Change in Net Assets** | | | | |
| Governmental activities | $ 7,427 | $ 1,186 | $ (2,203) | $ 9,729 |
| Business-type activities | 3,899 | 4,853 | 5,692 | 16,590 |
| Total primary government | $ 11,326 | $ 6,039 | $ 3,489 | $ 26,319 |

**CITY OF ASHEVILLE**
**FUND BALANCES OF GOVERNMENTAL FUNDS**
**Last Ten Fiscal Years**
**(modified accrual basis of accounting)**
**(amounts expressed in thousands)**

| | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
| General fund | | | | | | | | | | |
| Reserved | $ 7,443 | $ 7,656 | $ 8,396 | $ 6,996 | $ 9,894 | $ 9,033 | $ 7,075 | $ 14,649 | $ 15,529 | $ 13,834 |
| Unreserved | 9,878 | 8,781 | 8,251 | 8,493 | 7,313 | 10,009 | 17,481 | 17,833 | 17,276 | 23,792 |
| Total general fund | $ 17,321 | $ 16,437 | $ 16,647 | $ 15,489 | $ 17,207 | $ 19,042 | $ 24,556 | $ 32,482 | $ 32,805 | $ 37,626 |
| All other governmental funds | | | | | | | | | | |
| Reserved | $ 58 | $ 794 | $ 646 | $ 2,917 | $ 341 | $ 354 | $ 2,382 | $ 573 | $ 3,978 | $ 7,793 |
| Unreserved, reported in: | | | | | | | | | | |
| Special revenue funds | 44 | 34 | 187 | 79 | 156 | 216 | 47 | 1,563 | (54) | 1,362 |
| Capital projects funds | 7,377 | 21,050 | 12,794 | 3,209 | 4,656 | 1,176 | (14) | 1,030 | 613 | 1,543 |
| Total all other governmental funds | $ 7,479 | $ 21,878 | $ 13,627 | $ 6,205 | $ 5,153 | $ 1,746 | $ 2,415 | $ 3,166 | $ 4,537 | $ 10,698 |

# CITY OF ASHEVILLE
## FUND BALANCES OF GOVERNMENTAL FUNDS
### Last Ten Fiscal Years
**(modified accrual basis of accounting)**
**(amounts expressed in thousands)**

| | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
| **Revenues** | | | | | | | | | | |
| Taxes | $ 35,372 | $ 36,671 | $ 34,713 | $ 36,141 | $ 38,757 | $ 40,046 | $ 46,250 | $ 49,713 | $ 51,259 | $ 53,356 |
| Intergovernmental | 10,841 | 12,597 | 15,947 | 16,641 | 17,013 | 13,584 | 13,791 | 13,336 | 14,875 | 15,440 |
| Licenses and Permits | 1,905 | 2,661 | 3,691 | 4,133 | 4,673 | 4,417 | 4,406 | 5,074 | 4,677 | 4,948 |
| Charges for services | 4,416 | 3,834 | 4,127 | 4,861 | 4,947 | 5,103 | 9,064 | 6,933 | 8,188 | 9,023 |
| Private donations | 25 | 107 | 200 | 202 | 48 | 171 | 268 | 247 | 562 | 1,059 |
| Investment earnings | 1,369 | 1,797 | 1,490 | 1,066 | 1,027 | 439 | 437 | 181 | 663 | 1,833 |
| Miscellaneous | 1,027 | 971 | 989 | 921 | 975 | 1,562 | 849 | 1,055 | 1,320 | 891 |
| Total Revenues | 54,955 | 58,638 | 61,157 | 63,965 | 67,440 | 65,322 | 75,065 | 76,539 | 81,544 | 86,550 |
| **Expenditures** | | | | | | | | | | |
| General government | 5,738 | 6,514 | 6,771 | 7,985 | 8,822 | 8,602 | 11,552 | 8,637 | 12,309 | 14,177 |
| Public safety | 21,862 | 22,647 | 25,251 | 26,553 | 25,992 | 27,185 | 28,841 | 29,619 | 31,138 | 35,129 |
| Public works | 9,181 | 9,417 | 9,888 | 9,941 | 9,634 | 10,005 | 11,044 | 11,625 | 12,576 | 12,206 |
| Human services | 75 | 104 | 53 | 534 | 140 | 243 | 3,596 | 3,391 | 5,181 | 3,450 |
| Planning | 1,197 | 1,247 | 1,463 | 1,561 | 1,422 | 1,336 | 1,165 | 1,364 | 1,503 | 1,319 |
| Engineering | 885 | 1,073 | 1,284 | 1,218 | 1,683 | 1,505 | 1,600 | 1,673 | 1,924 | 1,905 |
| Culture and recreation | 4,804 | 5,216 | 6,056 | 7,117 | 7,189 | 6,445 | 5,613 | 7,240 | 8,342 | 9,850 |
| Capital outlay | 6,719 | 13,452 | 14,451 | 7,771 | 8,498 | 7,667 | 82 | 143 | - | - |
| Debt service | | | | | | | | | | |
| Principal | 2,079 | 2,458 | 2,312 | 2,419 | 2,245 | 2,471 | 3,604 | 4,120 | 3,820 | 3,803 |
| Interest | 1,348 | 1,129 | 1,726 | 1,479 | 1,427 | 1,492 | 1,468 | 1,367 | 1,213 | 1,128 |
| Total expenditures | 53,888 | 63,257 | 69,255 | 66,578 | 67,052 | 66,951 | 68,565 | 69,179 | 78,006 | 82,967 |
| Excess (deficiency) of revenues over (under) expenditures | 1,067 | (4,619) | (8,098) | (2,613) | 387 | (1,629) | 6,500 | 7,360 | 3,538 | 3,583 |
| **Other financing sources (uses)** | | | | | | | | | | |
| Transfer in | 2,523 | 460 | 474 | 556 | 2,927 | 3,131 | 1,627 | 1,889 | 3,548 | 4,254 |
| Transfer out | (4,198) | (4,462) | (3,485) | (3,686) | (4,740) | (4,220) | (3,475) | (3,772) | (5,489) | (6,197) |
| Sale of capital assets | - | - | 130 | 38 | 161 | 156 | 207 | 163 | 97 | 1,312 |
| Long term debt issued | 180 | 3,480 | 5,575 | 359 | 1,970 | 1,070 | 2,546 | 2,191 | - | 8,030 |
| Payment to bond escrow agent | - | (3,397) | (4,933) | - | - | - | - | - | - | - |
| Total other financing sources (uses) | (1,495) | (3,919) | (2,239) | (2,733) | 318 | 137 | 905 | 471 | (1,844) | 7,399 |
| Net change in fund balance | $ (428) | $ (8,538) | $ (10,337) | $ (5,346) | $ 705 | $ (1,492) | $ 7,405 | $ 7,831 | $ 1,694 | $ 10,982 |
| Debt service as a percentage of noncapital expenditures | 6.36% | 5.67% | 5.89% | 5.97% | 5.58% | 5.97% | 7.68% | 8.07% | 6.69% | 6.16% |

**CITY OF ASHEVILLE**
**GENERAL GOVERNMENTAL TAX REVENUNES BY SOURCE**
**(modified accrual basis of accounting)**
**(amounts expressed in thousands)**

| Fiscal Year Ended June 30 | Ad Valorem Taxes | Local Option Sales Tax (a) | Payment in Lieu of Taxes (a) | Other Taxes (a) | Total |
|---|---|---|---|---|---|
| **1997** | $ 21,694 | N/A | N/A | $ 13,678 | $ 35,372 |
| **1998** | 22,230 | N/A | N/A | 14,441 | 36,671 |
| **1999** | 25,104 | N/A | N/A | 9,609 | 34,713 |
| **2000** | 25,740 | N/A | N/A | 10,401 | 36,141 |
| **2001** | 27,962 | N/A | N/A | 10,795 | 38,757 |
| **2002** | 28,930 | N/A | N/A | 11,116 | 40,046 |
| **2003** | 33,013 | 11,733 | 1,282 | 220 | 46,248 |
| **2004** | 34,617 | 13,571 | 1,255 | 271 | 49,714 |
| **2005** | 35,178 | 14,545 | 1,265 | 271 | 51,259 |
| **2006** | 36,874 | 16,107 | 67 | 308 | 53,356 |

(a) Prior to FY2003 all taxes except Ad Valorem were reported as other taxes.

**CITY OF ASHEVILLE**
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**
**Last Ten Fiscal Years**
**(in thousands of dollars)**

| Fiscal Year Ended June 30 | Real Property | | | Personal Property | | Total Taxable Assessed Value | Total City Direct Tax Rate (a) | Estimated Actual Assessed Value | Assessed Value as a Percentage of Actual Value |
|---|---|---|---|---|---|---|---|---|---|
| | Residential Property | Commercial Property | Public Works | Motor Vehicles | Other | | | | |
| 1997 | $12,048,215 | $ 667,925 | $ 158,561 | $ - | $ 490,672 | $ 13,365,373 | $ 0.57 | $13,410,165 | 99.67% |
| 1998 | 1,611,601 | 1,186,459 | 154,126 | 349,803 | 525,998 | 3,827,987 | 0.57 | 3,857,401 | 99.24% |
| 1999 | 2,135,848 | 1,509,340 | 170,444 | 374,234 | 572,756 | 4,762,622 | 0.52 | 4,800,568 | 99.21% |
| 2000 | 2,175,538 | 1,529,673 | 186,662 | 390,207 | 605,106 | 4,887,186 | 0.56 | 4,927,444 | 99.18% |
| 2001 | 2,227,298 | 1,588,834 | 187,891 | 460,054 | 578,729 | 5,042,806 | 0.56 | 5,082,879 | 99.21% |
| 2002 | 2,274,653 | 1,682,987 | 170,125 | 496,826 | 586,792 | 5,211,383 | 0.53 | 5,253,913 | 99.19% |
| 2003 | 2,940,284 | 2,155,124 | 158,102 | 496,247 | 579,976 | 6,329,733 | 0.53 | 6,410,366 | 98.74% |
| 2004 | 3,083,292 | 2,197,518 | 158,730 | 531,994 | 565,156 | 6,536,690 | 0.53 | 6,624,790 | 98.67% |
| 2005 | 3,169,846 | 2,280,227 | 162,514 | 486,374 | 580,056 | 6,679,017 | 0.53 | 6,768,622 | 98.68% |
| 2006 | 3,284,605 | 2,309,749 | 165,360 | 509,456 | 597,418 | 6,866,588 | 0.53 | 6,934,935 | 99.01% |

(a) Source: Buncombe County Tax Assessor

Note: The levy of property taxes each year is based on the assessed value of taxable property as of January 1 preceding the beginning of the fiscal year on July 1. All taxable property was assessed at one hundred percent (100%) of its estimated actual value at time of revaluation. Revaluation of real property is required by statute at least once every eight years, but is done every four years in Buncombe County. The most recent revaluation was completed for the 2006 levy which will be reflected in the 2007 calculations. Tax rates are per $100 of assessed value.

**CITY OF ASHEVILLE**
**PROPERTY TAX RATES**
**DIRECT AND OVERLAPPING GOVERNMENTS**
**Last Ten Fiscal Years**

| Fiscal Year | City of Asheville | County of Buncombe | Asheville School District | Maximum Combined Rate |
|---|---|---|---|---|
| **1997** | $ 0.57 | $ 0.73 | $ 0.21 | $ 1.51 |
| **1998** | 0.57 | 0.73 | 0.21 | 1.51 |
| **1999** | 0.52 | 0.63 | 0.20 | 1.35 |
| **2000** | 0.56 | 0.63 | 0.20 | 1.39 |
| **2001** | 0.56 | 0.63 | 0.20 | 1.39 |
| **2002** | 0.53 | 0.59 | 0.20 | 1.32 |
| **2003** | 0.53 | 0.59 | 0.20 | 1.32 |
| **2004** | 0.53 | 0.59 | 0.20 | 1.32 |
| **2005** | 0.53 | 0.59 | 0.20 | 1.32 |
| **2006** | 0.53 | 0.59 | 0.20 | 1.32 |

Source: Buncombe County Tax Collector

**CITY OF ASHEVILLE**
**PRINCIPAL PROPERTY TAXPAYERS**
**JUNE 30, 2006**
**(amounts expressed in thousands)**

| | 2005 Assessed Valuation | Rank | Percentage of Total Taxable Assessed Value | 1996 Assessed Valuation | Rank | Percentage of Total Taxable Assessed Value |
|---|---|---|---|---|---|---|
| **Jack Tar Hotel** | $ 80,365 | 1 | 1.17% | $ - | | - |
| **Carolina Power and Light** | 63,387 | 2 | 0.92% | 41,623 | 5 | 1.20% |
| **Asheville LLC** | 56,921 | 3 | 0.83% | - | | - |
| **Bell South** | 51,592 | 4 | 0.75% | 62,423 | 2 | 1.90% |
| **Ingles Markets** | 44,302 | 5 | 0.65% | 41,733 | 4 | 1.20% |
| **Biltmore Square** | 27,000 | 6 | 0.39% | 26,144 | 8 | 0.80% |
| **Day International** | 25,597 | 7 | 0.37% | - | | - |
| **Pechiney Plastic Packaging, Inc.** | 24,526 | 8 | 0.36% | - | | - |
| **NCI Inc.** | 19,481 | 9 | 0.28% | - | | - |
| **Simpson Financing Limited Partnership** | 18,111 | 10 | 0.26% | - | | - |
| **BASF Corporation** | - | | - | 71,370 | 1 | 2.10% |
| **Gove Park Inn** | - | | - | 58,964 | 3 | 1.80% |
| **R B R & S T** | - | | - | 39,234 | 6 | 1.20% |
| **Square D Company** | - | | - | 19,635 | 9 | 0.60% |
| **American National Can** | - | | - | 17,348 | 10 | 0.50% |
| **Gerber Products Company** | - | | - | 34,863 | 7 | 1.00% |
| **Akzo Nobel/Nonwovens** | - | | - | - | | - |
| | $411,282 | | 5.99% | $413,337 | | 12.30% |

Source: Buncombe County Tax Collector

**CITY OF ASHEVILLE**
**PROPERTY TAX LEVIES AND COLLECTIONS**
**Last Ten Fiscal Years**
**(amounts expressed in thousands)**

| Fiscal Year Ended June 30 | Total Tax Levy for Fiscal Year | Collected within the Fiscal Year of the Levy | | Current Outstanding Balance | Collections in Subsequent Years | Total Collections to Date | |
|---|---|---|---|---|---|---|---|
| | | Amount | Percentage of Levy | | | Amount | Percentage of Levy |
| **1997** | $ 21,881 | $ 21,083 | 96.4% | $ 73 | $ 725 | $ 21,808 | 99.7% |
| **1998** | 22,146 | 21,770 | 98.3% | 58 | 318 | 22,088 | 99.7% |
| **1999** | 25,099 | 24,761 | 98.7% | 47 | 291 | 25,052 | 99.8% |
| **2000** | 25,628 | 25,272 | 98.6% | 53 | 303 | 25,575 | 99.8% |
| **2001** | 28,033 | 27,696 | 98.8% | 71 | 266 | 27,962 | 99.7% |
| **2002** | 28,936 | 28,571 | 98.7% | 71 | 294 | 28,865 | 99.8% |
| **2003** | 33,118 | 32,641 | 98.6% | 109 | 368 | 33,009 | 99.7% |
| **2004** | 34,273 | 33,921 | 99.0% | 87 | 265 | 34,186 | 99.7% |
| **2005** | 35,443 | 35,091 | 99.0% | 125 | 227 | 35,318 | 99.6% |
| **2006** | 36,870 | 36,557 | 99.2% | 313 | - | 36,557 | 99.2% |

# CITY OF ASHEVILLE
## RATIOS OF OUTSTANDING DEBT BY TYPE
### Last Four Fiscal Years
### (amounts expressed in thousands, except per capita amount)

| | Government Activities | | | Business-Type Activities | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Fiscal Year | General Obligation Bonds | Installment Contracts | Capital Leases | Revenue Bonds | General Obligation Bonds | State Water Bond Loan | Installment Contract | Unamortized Bond Proceeds | Total Primary Government | Personal Income (amounts expressed in thousands) | Percentage of Personal Income | Per Capita Personal Income | Per Capita |
| **2003** | $ 10,488 | $ 19,760 | $ 87 | $ 45,110 | $ 10,877 | $ 2,100 | $ 2,617 | $ - | $ 91,039 | $ 1,875,581 | 4.85% | $ 26,251 | $1,274 |
| **2004** | 9,101 | 18,020 | 67 | 44,090 | 9,289 | 1,950 | 2,113 | 26 | 84,656 | 1,999,706 | 4.23% | 27,518 | 1,165 |
| **2005** | 7,676 | 15,878 | 46 | 42,960 | 7,719 | 1,800 | 1,610 | 22 | 77,711 | 2,096,547 | 3.71% | 28,432 | 1,054 |
| **2006** | 6,057 | 21,916 | 24 | 41,800 | 6,413 | 1,650 | 1,320 | 19 | 79,199 | (a) | (a) | (a) | (a) |

(a) Not available.

**CITY OF ASHEVILLE**
**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**
**Last Ten Fiscal Years**
**(amounts expressed in thousands, except per capita amount)**

| Fiscal Year | General Obligation Bonds | Percentage of Estimated Actual Taxable Value of Property | Per Capita |
|---|---|---|---|
| **1997** | $ 14,630 | 0.11% | $ 214 |
| **1998** | 13,375 | 0.35% | 195 |
| **1999** | 12,749 | 0.27% | 187 |
| **2000** | 11,738 | 0.24% | 171 |
| **2001** | 12,808 | 0.25% | 186 |
| **2002** | 11,818 | 0.22% | 169 |
| **2003** | 10,488 | 0.16% | 147 |
| **2004** | 9,101 | 0.14% | 125 |
| **2005** | 7,676 | 0.11% | 104 |
| **2006** | 6,057 | 0.09% | 81 |

**CITY OF ASHEVILLE**
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**
**AS OF JUNE 30, 2006**
**(amounts expressed in thousands)**

| Governmental Unit | Debt Outstanding | Estimated Percentage Applicable (1) | Estimated Share of Overlapping Debt |
|---|---|---|---|
| Debt repaid with property taxes: County | | | |
| Subtotal, overlapping debt | $ 94,354 | 35 94% | $ 33,911 |
| City of Asheville direct debt | 6,057 | 100 00% | 6,057 |
| Total direct and overlapping debt | $ 100,412 | | $ 39,968 |

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Asheville. 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) The percentage of overlapping debt applicable is estimated using taxable assessed property values Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county's total taxable assessed value.

**CITY OF ASHEVILLE**
**LEGAL DEBT MARGIN INFORMATION**
**Last Ten Fiscal Years**
**(amounts expressed in thousands)**

| | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
| Debt Limit | 269,230 | 306,239 | 381,010 | 390,975 | 403,425 | 416,911 | 506,379 | 522,935 | 534,321 | 549,327 |
| Total net debt applicable to limit | 14,630 | 13,375 | 12,749 | 11,738 | 12,808 | 11,818 | 10,489 | 18,391 | 15,421 | 12,489 |
| Legal debt margin | 254,600 | 292,864 | 368,261 | 379,237 | 390,617 | 405,093 | 495,890 | 504,544 | 518,900 | 536,838 |
| Total net debt applicable to the limit as a percentage of debt limit | 5.43% | 4.37% | 3.35% | 3.00% | 3.17% | 2.83% | 2.07% | 3.52% | 2.89% | 2.27% |

**Legal Debt Margin Calculation for Fiscal Year 2006**

| | |
|---|---|
| Total assessed value | $ 6,866,588 |
| Debt limit (8% of total assessed value) | 549,327 |
| Debt applicable to limit: | |
| Total bonded debt | 54,289 |
| Less: Revenue bonds | 41,800 |
| Total debt applicable to limit | 12,489 |
| Legal debt margin | $ 536,838 |

Note: Under state finance law, the City of Asheville's outstanding general obligation debt should not exceed 8 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

**CITY OF ASHEVILLE**
**DEMOGRAPHIC AND ECONOMIC STATISTICS**
**Last Ten Fiscal Years**

| Fiscal Year | Population (a) | Personal Income (amounts expressed in thousands) | Per Capita Personal Income (b) | School Enrollment (c) | Unemployment Rate (d) |
|---|---|---|---|---|---|
| **1997** | 68,339 | $ 1,587,310 | $ 23,227 | 4,409 | 3.1% |
| **1998** | 68,500 | 1,672,839 | 24,421 | 4,217 | 3.3% |
| **1999** | 68,133 | 1,703,938 | 25,009 | 4,216 | 2.3% |
| **2000** | 68,570 | 1,792,557 | 26,142 | 4,030 | 3.3% |
| **2001** | 68,899 | 1,821,276 | 26,434 | 3,937 | 4.4% |
| **2002** | 69,726 | 1,833,097 | 26,290 | 3,904 | 5.4% |
| **2003** | 71,448 | 1,875,581 | 26,251 | 3,864 | 5.2% |
| **2004** | 72,669 | 1,999,706 | 27,518 | 3,826 | 4.5% |
| **2005** | 73,739 | 2,096,547 | 28,432 | 3,859 | 4.6% |
| **2006** | 74,599 | (e) | (e) | 3,850 | 3.6% |

**(a)** City of Asheville Planning Department
**(b)** US Department of Commerce, Bureau of Economic Analysis
**(c)** Asheville Area Chamber of Commerce
**(d)** Department of Labor statistics
**(e)** Not available

**CITY OF ASHEVILLE**
**PRINCIPAL EMPLOYERS**

| | 2006 | | |
|---|---|---|---|
| **Employer** | **Rank** | **Employment Range** | **Industry** |
| Mission Health & Hospitals | 1 | 1,000 + | Education and Health Services |
| Buncombe County Schools | 2 | 1,000 + | Education and Health Services |
| State of North Carolina | 3 | 1,000 + | Public Administration |
| Ingles Market Inc | 4 | 1,000 + | Trade, Transportation, and Utilities |
| Buncombe County Government | 5 | 1,000 + | Public Administration |
| Asheville VA Medical Center | 6 | 1,000 + | Education and Health Services |
| City of Asheville | 7 | 1,000 + | Public Administration |
| Wal-Mart Stores Inc | 8 | 1,000 + | Trade, Transportation, and Utilities |
| Asheville-Buncombe Technical Community College | 9 | 500-999 | Education and Health Services |
| The Grove Park Inn Resort & Spa | 10 | 500-999 | Leisure and Hospitality |
| The Biltmore Company | 11 | 500-999 | Leisure and Hospitality |
| Community Carepartners Inc | 12 | 500-999 | Education and Health Services |
| Asheville City Schools | 13 | 500-999 | Education and Health Services |
| Eaton Corporation-Cutler Hammer Inc | 14 | 500-999 | Manufacturing |
| U S Postal Service | 15 | 500-999 | Trade, Transportation, and Utilities |
| Borg-Warner Turbo Systems | 16 | 500-999 | Manufacturing |
| Sonopress Inc | 17 | 500-999 | Manufacturing |
| Advantage Home and Community Care Inc | 18 | 500-999 | Education and Health Services |
| Owen Manufacturing | 19 | 500-999 | Manufacturing |

Source: Employment Security Commission of North Carolina, Labor Market Information Division, Buncombe as of 12-31-05

## CITY OF ASHEVILLE
## FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION

| Function | Full-time Equivalent Employees as of June 30, 2006 |
|---|---|
| **General government** | 196 |
| **Public Safety** | |
| **Police** | |
| **Officers** | 197 |
| **Civilians** | 52 |
| **Fire** | |
| **Firefighters and officers** | 214 |
| **Civilians** | 2 |
| **Highway and streets** | |
| **Engineering** | 41 |
| **Maintenance** | 119 |
| **Sanitation** | 36 |
| **Culture and recreation** | 146 |
| **Water** | 136 |
| **Total** | 1,139 |

Source: City of Asheville, Human Resources Department

**CITY OF ASHEVILLE**
**OPERATING INDICATORS BY FUNCTION**
**Last Ten Fiscal Years**

| Function | Fiscal Year 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Police** | | | | | | | | | | |
| Number of police personnel and officers | 219 | 218 | 211 | 222 | 218 | 218 | 171 | 235 | 239 | 249 |
| Number of calls for service | (a) | (a) | 95,989 | 101,368 | 94,296 | 109,953 | 93,771 | 87,343 | 96,775 | 98,097 |
| Number of law violations: | | | | | | | | | | |
| Uniform Crime Report Part I crimes reported | (a) | (a) | 5,213 | 5,338 | 5,044 | 4,903 | 5,337 | 5,892 | 6,238 | 5,117 |
| Uniform Crime Report Part II crimes reporte | (a) | (a) | 4,138 | 3,168 | 3,472 | 3,425 | 3,405 | 3,978 | 4,222 | 4,495 |
| Part I Crime cases cleared by arrest | (a) | (a) | 9,326 | 803 | 841 | 1,104 | 1,367 | 1,230 | 814 | 783 |
| Accidents investigated | 6,982 | 4,090 | 3,113 | 2,732 | 2,254 | 2,278 | 2,325 | 6,840 | 7,081 | 3,270 |
| Number of physical arrests | (a) | (a) | (a) | (a) | (a) | (a) | (a) | (a) | (a) | 5,862 |
| Number of traffic violations | (a) | (a) | (a) | (a) | (a) | (a) | (a) | (a) | (a) | 9,315 |
| Number of incident reports | (a) | (a) | (a) | (a) | (a) | (a) | (a) | (a) | (a) | 9,612 |
| **Fire** | | | | | | | | | | |
| Number of fire personnel and officers | 176 | 191 | 205 | 202 | 204 | 204 | 198 | 207 | 207 | 216 |
| Number of calls answered | 10,760 | 11,395 | 11,690 | 12,110 | 11,852 | 11,163 | 10,963 | 12,049 | 13,820 | 13,067 |
| Inspections | 3,262 | 3,211 | 2,857 | 2,980 | 3,989 | 3,159 | 4,656 | 4,474 | 6,292 | 5,508 |
| **Water** | | | | | | | | | | |
| Number of service connections | 41,400 | 42,360 | 43,049 | 43,463 | 44,316 | 45,333 | 46,377 | 47,290 | 48,332 | 50,415 |
| Maximum daily capacity of plants in gallons | 36,000,000 | 36,000,000 | 36,000,000 | 40,000,000 | 41,000,000 | 41,000,000 | 41,000,000 | 41,000,000 | 43,000,000 | 44,000,000 |
| Daily average consumption in gallons (thousands of gallons) | 22,500,000 | 23,200,000 | 22,100,000 | 20,660,000 | 21,800,000 | 21,500,000 | 21,700,000 | 21,400,000 | 20,900,000 | 21,200,000 |
| **Education** | | | | | | | | | | |
| Number of elementary school instructors | 189 | 190 | 190 | 190 | 190 | 190 | 159 | 153 | 155 | 150 |
| Number of middle school instructors | 69 | 70 | 73 | 73 | 73 | 73 | 73 | 61 | 57 | 60 |
| Numbers of secondary school instructors | 94 | 107 | 107 | 107 | 107 | 107 | 92 | 98 | 99 | 95 |
| **Miscellaneous** | | | | | | | | | | |
| Number of Employees | 862 | 861 | 906 | 1,263 | 1,215 | 911 | 899 | 919 | 928 | 1,139 |
| Area in square miles | 40.30 | 40.30 | 40.30 | 40.40 | 41.60 | 42.26 | 42.73 | 43.13 | 43.15 | 43.64 |

Sources: Various city departments.

(a) Not available

**City of Asheville**
**Capital Asset Statistics by Function**
**Last Ten Fiscal Years**

| Function | Fiscal Year 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Public safety** | | | | | | | | | | |
| **Police:** | | | | | | | | | | |
| **Stations/Resource Centers** | 1/5 | 1/6 | 1/5 | 2/4 | 2/5 | 1/5 | 1/5 | 1/6 | 1/5 | 1/3 |
| **Patrol Districts** | (a) | (a) | (a) | 4 | 5 | 5 | 5 | 5 | 5 | 3 |
| **Patrol Units (Beats)** | (a) | (a) | (a) | (a) | (a) | (a) | (a) | (a) | (a) | 12 |
| **Fire stations** | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |
| **Highways and streets** | | | | | | | | | | |
| **Streets (miles)** | 344 | 369 | 373 | 373 | 373 | 378 | 385 | 281 | 390 | 394 |
| **Street lights** | 11,000 | 11,000 | 11,000 | 11,010 | 11,019 | 9,854 | 12,531 | 12,531 | 12,581 | 12,585 |
| **Traffic lights** | 108 | 150 | 150 | 150 | 150 | 218 | 218 | 218 | 218 | 270 |
| **Culture and recreation** | | | | | | | | | | |
| **Parks acreage** | 547 | 547 | 547 | 585 | 740 | 727 | 727 | 728 | 755 | 942 |
| **Parks and playgrounds** | 43 | 40 | 40 | 42 | 43 | 44 | 46 | 55 | 56 | 43 |
| **Swimming pools** | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 3 |
| **Tennis courts** | 22 | 22 | 22 | 22 | 22 | 22 | 22 | 22 | 34 | 29 |
| **Community centers** | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 |
| **Water** | | | | | | | | | | |
| **Water mains (miles)** | 1,000 | 1,100 | 1,100 | 1,150 | 1,500 | 1,550 | 1,550 | 1,550 | 1,550 | 1,600 |
| **Fire hydrants** | 5,000 | 5,500 | 5,500 | 5,800 | 6,000 | 6,000 | 6,000 | 6,000 | 6,130 | 6,355 |
| **Number of Treatment Plants** | 2 | 2 | 2 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| **Schools** | | | | | | | | | | |
| **Number of elementary schools** | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 5 | 5 | 5 |
| **Number of middle schools** | 2 | 2 | 2 | 2 | 1 | 1 | 1 | 1 | 1 | 1 |
| **Number of secondary schools** | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| **Number of community colleges** | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| **Number of universities** | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| **Hospitals** | | | | | | | | | | |
| **Number of hospitals** | 3 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| **Number of patient beds (include VA nursing home)** | 11283 | 1094 | 1094 | 1094 | 1094 | 1094 | 1050 | 1032 | 1032 | 1032 |

Sources: Various city departments.
(a) Not available

**CITY OF ASHEVILLE**
**WATER SYSTEMS STATISTICS (a)**
**HISTORICAL DEMAND**
**Last Ten Fiscal Years**

| | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|---|---|---|---|---|---|---|---|---|---|---|
| Residential Single Family | | | | | | | | | | |
| Total # of Accounts | 36,475 | 37,418 | 37,734 | 38,114 | 38,936 | 39,808 | 40,726 | 41,575 | 42,525 | 43,660 |
| Total # of Bills | 218,850 | 224,508 | 241,369 | 228,684 | 233,616 | 234,717 | 238,335 | 246,672 | 251,782 | 253,411 |
| Annual Usage Volume | 2,652,607 | 2,802,462 | 2,684,919 | 2,656,970 | 2,651,286 | 2,574,760 | 2,672,756 | 2,570,229 | 2,572,856 | 2,642,539 |
| Residential Multi Family | | | | | | | | | | |
| Total # of Accounts | 1,130 | 1,162 | 1,414 | 1,422 | 1,419 | 1,439 | 1,475 | 1,488 | 1,494 | 1,509 |
| Total # of Bills | 7,255 | 7,460 | 9,356 | 8,901 | 8,788 | 8,981 | 9,152 | 9,746 | 9,930 | 9,456 |
| Annual Usage Volume | 788,362 | 823,317 | 911,812 | 945,709 | 938,554 | 919,895 | 967,081 | 958,236 | 971,231 | 975,238 |
| Non-Residential | | | | | | | | | | |
| Total # of Accounts | 3,710 | 3,771 | 3,901 | 3,927 | 3,961 | 4,086 | 4,006 | 4,057 | 4,172 | 4,377 |
| Total # of Bills | 24,178 | 24,575 | 25,387 | 24,528 | 23,984 | 23,722 | 24,355 | 26,109 | 26,649 | 25,826 |
| Annual Usage Volume | 4,019,775 | 4,170,457 | 3,867,642 | 3,264,883 | 3,090,454 | 3,116,198 | 3,355,708 | 3,389,719 | 3,326,140 | 3,274,229 |

(a) City of Asheville Water Resources Department.

**CITY OF ASHEVILLE**
**WATER SYSTEM STATISTICS (a)**
**WATER CUSTOMERS**
**Last Ten Fiscal Years**

| Fiscal Year Ended June 30, | Single Family Residential | Multi-Family Residential | Commercial/ Industrial | Total |
|---|---|---|---|---|
| 1997 | 36,475 | 1,130 | 3,710 | 41,315 |
| 1998 | 37,418 | 1,162 | 3,771 | 42,351 |
| 1999 | 37,734 | 1,414 | 3,901 | 43,049 |
| 2000 | 38,114 | 1,422 | 3,927 | 43,463 |
| 2001 | 38,936 | 1,419 | 3,961 | 44,316 |
| 2002 | 39,808 | 1,439 | 4,086 | 45,333 |
| 2003 | 40,726 | 1,475 | 4,006 | 46,207 |
| 2004 | 41,575 | 1,488 | 4,057 | 47,120 |
| 2005 | 42,525 | 1,494 | 4,172 | 48,191 |
| 2006 | 43,660 | 1,509 | 4,377 | 49,546 |

(a) City of Asheville Water Resources Department

## CITY OF ASHEVILLE
## WATER SYSTEM NET INCOME PROJECTIONS AND INCOME AVAILABLE FOR DEBT SERVICE
### Last Six Fiscal Years

| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|---|---|---|---|---|---|---|
| **Net Income Projections** | | | | | | |
| Operating Revenues: | | | | | | |
| Billing charge revenues | $ 1,285,978 | $ 1,281,639 | $ 1,312,997 | $ 1,364,605 | $ 1,392,784 | $ 1,394,387 |
| Volume charge revenues | 17,663,735 | 18,102,462 | 18,880,139 | 18,650,881 | 18,514,311 | 18,983,499 |
| Other operating revenues | 1,771,851 | 2,018,651 | 2,449,492 | 2,779,049 | 3,016,370 | 3,614,925 |
| Subtotal Operating Revenues | 20,721,564 | 21,402,752 | 22,642,628 | 22,794,535 | 22,923,465 | 23,992,811 |
| Operating expenses before depreciation | | | | | | |
| Operation and maintenance expenses | (12,616,388) | (13,273,751) | (13,649,164) | (14,689,600) | (15,172,216) | (14,617,311) |
| Operating income before depreciation | 8,105,176 | 8,129,001 | 8,993,464 | 8,104,935 | 7,751,249 | 9,375,500 |
| Depreciation | (3,300,023) | (3,453,808) | (3,456,256) | (3,662,517) | (3,832,185) | (3,971,962) |
| Operating Income | 4,805,153 | 4,675,193 | 5,537,208 | 4,442,418 | 3,919,064 | 5,403,538 |
| Nonoperating revenues: | | | | | | |
| Investment income | 1,135,322 | 561,319 | 189,961 | 115,296 | 250,971 | 427,548 |
| Nonoperating expenses: | | | | | | |
| Bond interest expense | (2,938,684) | (3,461,924) | (3,116,929) | (3,085,313) | (2,896,086) | (4,322,374) |
| Net income | $ 3,001,791 | $1,774,588 | $ 2,610,240 | $ 1,472,401 | $ 1,273,949 | $ 1,508,712 |
| **Income Available for Debt Service** | | | | | | |
| Net income | $ 3,001,791 | $1,774,588 | $ 2,610,240 | $ 1,472,401 | $ 1,273,949 | $ 1,508,712 |
| Adjustments: | | | | | | |
| Depreciation | 3,300,023 | 3,453,808 | 3,456,256 | 3,662,517 | 3,832,185 | 3,971,962 |
| Nonoperating expenses | 2,938,684 | 3,461,924 | 3,116,929 | 3,085,313 | 2,896,086 | 4,322,374 |
| Payment in lieu of taxes (a) | 1,554,117 | 1,624,234 | 1,709,937 | 1,708,805 | 1,739,273 | - |
| Income available for debt service | $ 10,794,615 | $ 10,314,554 | $ 10,893,362 | $ 9,929,036 | $ 9,741,493 | $ 9,803,048 |

(a) Included in operating expenses and transfers from the Authority to the City and County at the end of the year for payment in liue of taxes. City in lieu of taxes is determined as approximately 5.0% of total revenues, and County in lieu of taxes is determined as 2.5% of revenues. These payments would be subordinate to debt service payments on senior and existing debt. As a result, these funds would be made available for debt service coverage should they be needed. Due to the dissolution of the water agreement in 2005 the City no longer remits 2.5% of total revenue to the County.

**CITY OF ASHEVILLE**
**PRINCIPAL WATER CUSTOMERS (a)**
**FOR THE YEAR ENDED JUNE 30, 2006**

| Customer | Type of Business | Consumption | Revenue | Percentage of Total Water Revenues |
|---|---|---|---|---|
| Anvil Knitwear | Dyeing/Finishing | 427,885 | $ 548,995 | 2.29 % |
| Colbond | Textile | 212,998 | 282,535 | 1.18 |
| Mission Hospital | Hospital | 139,784 | 264,744 | 1.10 |
| Grove Park Inn | Resort | 83,052 | 170,088 | .71 |
| Town of Biltmore Forest | Wholesale - Township | 75,225 | 138,328 | .58 |
| Town of Black Mountain | Wholesale - Township | 88,911 | 128,918 | .54 |
| Woodfin Water / Sewer District | Wholesale - Township | 84,250 | 119,074 | .50 |
| Milkco | Food Processing | 69,528 | 105,188 | .44 |
| Biltmore Estate | Leisure and Hospitality | 58,434 | 90,876 | .38 |
| V A Hospital | Hospital | 48,306 | 82,211 | .34 |

(a) City of Asheville Water Resources Department