

Legal Debt Margin

Last Ten Fiscal Years
(amounts expressed in thousands)

	<u>Fiscal Year</u>									
	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Debt limit	\$807,395	\$1,002,296	\$1,040,022	\$1,073,560	\$1,102,233	\$1,367,612	\$1,399,720	\$1,442,790	\$1,528,444	\$2,094,488
Total net debt applicable to limit	<u>137,922</u>	<u>132,770</u>	<u>122,926</u>	<u>147,257</u>	<u>140,026</u>	<u>148,337</u>	<u>151,832</u>	<u>168,109</u>	<u>210,082</u>	<u>177,555</u>
Legal debt margin	<u>\$669,473</u>	<u>\$869,526</u>	<u>\$917,096</u>	<u>\$926,303</u>	<u>\$962,207</u>	<u>\$1,219,275</u>	<u>\$1,247,888</u>	<u>\$1,274,681</u>	<u>\$1,318,362</u>	<u>\$1,916,933</u>
Total net debt applicable to the limit as a percentage of debt limit	17.08%	13.25%	11.82%	13.72%	12.70%	10.85%	10.85%	11.65%	13.74%	8.48%

Legal Debt Margin Calculation for Fiscal Year 2007

Assessed value of taxable property	<u>\$26,181,099</u>
Debt Limit - Eight Percent (8%) of assessed value	2,094,488
Gross Debt:	
Total Bonded Debt	85,470
Authorized and Unissued Bonds	915
Installment Purchase Agreements	<u>92,085</u>
Gross Debt	178,470
Less: Authorized and unissued bonds	<u>915</u>
Total amount of debt applicable to debt limit (net debt)	<u>177,555</u>
Legal debt margin	<u>\$1,916,933</u>

NOTE: Under state finance law, Buncombe County's outstanding general obligation debt should not exceed 8 percent of total assessed property value.