

**ALAMANCE COUNTY
NORTH CAROLINA**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2013

PREPARED BY ALAMANCE COUNTY FINANCE DEPARTMENT

Alamance County, North Carolina
Financial Statements and Schedules

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INTRODUCTORY SECTION

Letter of Transmittal..... i–iv
GFOA Certificate of Achievement..... v
Principal Officials..... vi
Organizational Chart..... vii

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT 1-3
MANAGEMENT’S DISCUSSION AND ANALYSIS 4-11

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements:

A Statement of Net Position..... 12
B Statement of Activities 13-14

Fund Financial Statements:

C Balance Sheet – Governmental Funds 15
D Statement of Revenues, Expenditures and Changes in
Fund Balances – Governmental Funds..... 16
E Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances – Governmental Funds to
the Statement of Activities 17
F Statement of Revenues, Expenditures, and Changes in
Fund Balance – Budget and Actual – General Fund 18
G Statement of Net Position – Proprietary Funds 19
H Statement of Revenues, Expenses, and Changes in Fund
Net Position– Proprietary Funds 20

Exhibit	Page
I	Statement of Cash Flows – Proprietary Funds 21
J	Statement of Net Position – Fiduciary Funds..... 22
K	Statement of Changes in Fund Net Position – Fiduciary Funds 23
	Notes to the Financial Statements24-63

Schedule

REQUIRED SUPPLEMENTAL FINANCIAL DATA

A-1	Law Enforcement Officers’ Special Separation Allowance – Required Supplementary Information 64
A-2	Other Post-Employment Benefits – Retiree Health Plan – Required Supplementary Information 65

**COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS
AND SCHEDULES**

MAJOR GOVERNMENT FUNDS:

GENERAL FUND

B-1	Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual66-70
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MAJOR CAPITAL PROJECTS FUNDS

C-1	<i>Schools Capital Projects Fund</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual71-72
C-2	<i>Renovation and Repair Capital Projects Fund</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual73-77

NONMAJOR GOVERNMENT FUNDS

D-1	Combining Balance Sheet 78
D-2	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances 79

Schedule	Page
<i>NONMAJOR SPECIAL REVENUE FUNDS</i>	
E-1	<i>Emergency Telephone System Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual</i> 80
E-2	<i>Fire Districts Fund - Combining Balance Sheet</i>81-82
E-3	<i>Fire Districts Fund - Combining Statement of Revenues, Expenditures, and Changes in Fund Balances</i>83-84
E-4	<i>Fire Districts Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual</i> 85
E-5	<i>Community Development Block Grant Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual</i>86-87
<i>NONMAJOR CAPITAL PROJECT FUNDS</i>	
F-1	<i>Capital Reserve Funds - Combining Balance Sheet</i> 88
F-2	<i>Capital Reserve Funds - Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Capital Projects Funds</i> 89
F-3	<i>Capital Reserve Funds - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual</i> 90
F-4	<i>Facility Maintenance Capital Projects Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual</i> 91
F-5	<i>Jail Expansion Capital Projects Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual</i> 92
F-6	<i>Alamance Community College Capital Projects Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual</i> 93
F-7	<i>800 MHZ Emergency Communication Equipment Capital Projects Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual</i> 94
F-8	<i>Probation and Parole Capital Projects Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual</i> 95

<u>Schedule</u>	<u>Page</u>
<i>ENTERPRISE FUNDS</i>	
G-1	Landfill Enterprise Fund - Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP) 96-97
<i>INTERNAL SERVICE FUNDS</i>	
H-1	Combining Statement of Net Position 98
H-2	Combining Statement of Revenues, Expenses, and Changes in Net Position 99
H-3	Combining Statement of Cash Flows 100
H-4	Employee Insurance Fund – Schedule of Revenues and Expenditures – Financial Plan and Actual (Non-GAAP) 101
H-5	Workers’ Compensation Fund – Schedule of Revenues and Expenditures – Financial Plan and Actual (Non-GAAP) 102
H-6	Property Insurance Fund – Schedule of Revenues and Expenditures – Financial Plan and Actual (Non-GAAP) 103
<i>FIDUCIARY FUNDS</i>	
I-1	Combining Statement of Net Position 104
I-2	Combining Statement of Changes in Assets and Liabilities 105
<i>AGENCY FUNDS</i>	
J-1	Combining Statement of Assets and Liabilities 106
J-2	Combining Statement of Changes in Assets and Liabilities 107-108
SUPPLEMENTAL FINANCIAL DATA	
K-1	Schedule of Ad Valorem Taxes Receivable 109
K-2	Analysis of Current Tax Levy 110-111
STATISTICAL SCHEDULES (UNAUDITED)	
	Net Position by Component, Last Ten Fiscal Years 112
	Changes in Net Position, Last Ten Fiscal Years 113
	Fund Balances, Governmental Funds, Last Ten Fiscal Years 114
	Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years 115
	Program Revenues By Function/Program, Last Ten Fiscal Years 116

	<u>Page</u>
Tax Revenues By Source, Governmental Funds, Last Ten Fiscal Years	117
Government-Wide Expenses By Function, Last Ten Fiscal Years	118
Government-Wide Revenues, Last Ten Fiscal Years	118
General Government Expenditures By Function, Last Ten Fiscal Years.....	119
General Government Revenues By Source, Last Ten Fiscal Years	119
Assessed and Estimated Actual Value of Taxable Property, Last Ten Fiscal Years	120
Principal Property Taxpayers, Last Ten Fiscal Years	121
Property Tax Levies and Collections, Last Ten Fiscal Years.....	122
Direct and Overlapping Governments Property Tax Rates Last Ten Fiscal Year.....	123-124
Ratio of Outstanding Debt By Type, Last Ten Fiscal Years.....	125
Ratio of General Obligation Bonded Debt Outstanding And Legal Debt Margin, Last Ten Fiscal Years.....	126
Computation of Direct and Overlapping Bonded Debt... ..	127
Demographic and Economic Statistics, Last Ten Fiscal Years	128
Principal Employers, Last Ten Fiscal Years	129
Full-Time Equivalent County Government Employees By Function/Program, Last Ten Fiscal Years.....	130
Operating Indicators by Function/Program, Last Ten Fiscal Years.....	131
Capital Asset Statistics By Function/Program, Last Ten Fiscal Years.....	132

COMPLIANCE SECTION

Report On Internal Control Over Financial Reporting and On Compliance and Other Matters Based On An Audit of Financial Statements Performed in Accordance with Government Auditing Standard.....	133-134
Report on Compliance for Each Major Federal Program; Report On Internal Control Over Compliance; In Accordance With OMB Circular A-133 and the State Single Audit Implementation Act	135-136
Report On Compliance for Each Major State Program; Report On Internal Control Over Compliance; In Accordance With OMB Circular A-133 and the State Single Audit Implementation Act	137-138
Schedule of Findings, Responses and Questioned Costs.....	139-141
Summary Schedule of Prior Year's Audit Findings.....	142
Schedule of Expenditures of Federal and State Awards.....	143-149

INTRODUCTORY SECTION

- *Letter of Transmittal*
- *GFOA Certificate of Achievement*
- *Organizational Chart*

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY

Finance Department

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Amy W. Weaver

Finance Officer

November 22, 2013

Residents of Alamance County
The Honorable Board of County Commissioners
Alamance County, North Carolina

It is my pleasure to submit the Comprehensive Annual Financial Report for Alamance County, North Carolina for the fiscal year ended June 30, 2013. North Carolina State law requires all general-purpose local governments to publish within four months of the close of each fiscal year a complete set of financial statements. The financial statements must be presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This report complies with the requirements of GASB Statement No. 34.

The Comprehensive Annual Financial Report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed to protect County assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of the internal controls should not outweigh their benefits, the County's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As managements, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by Martin Starnes & Associates, CPAs, P.A., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2013, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended June 30, 2013 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County was part of a broader, federal and state mandated, "Single Audit" designed to meet the special needs of grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. These auditor reports are available in the Single Audit section of this report.

GAAP requirements specify that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Some information traditionally reported in the letter of transmittal is now included in the MD&A as required. The County's MD&A can be found immediately following the report of the independent auditors.

The County

Alamance County is a growing county located in central North Carolina. The County's geographic location places it at a point straddling the I-85/I-40 corridor with the Triad region immediately to the west and the Triangle immediately to the east. The I-85/I-40 corridor is considered one of the most dynamic business growth corridors stretching from the mid-Atlantic to the southeast region of the U.S. The County's position between two major metropolitan areas of the state provides the County with an enviable position for future growth.



Photo copyright by Alamance County

Alamance County was founded in 1849 by an act of the General Assembly and covers a land area of 431 square miles. The county seat is the City of Graham, founded in 1851. The county has 10 municipalities located within its borders. The City of Burlington is the largest municipality and the Town of Ossipee, formed in 2002, is the newest municipality. The County operates under the commissioner-manager form of government. The five members of the Board of Commissioners are elected at-large and serve staggered four year terms. The Commissioners are responsible for the legislative affairs of the County. They are also responsible for making appointments to various statutory and advisory boards, and they appoint the County Manager, County Attorney and Clerk to the Board. The County Manager is the chief executive officer of the County and is responsible for the enforcement of all laws, ordinances, and policies, the efficient delivery of County services, and the preparation of capital and operating budgets. The County employs approximately 890 full-time, regular staff.

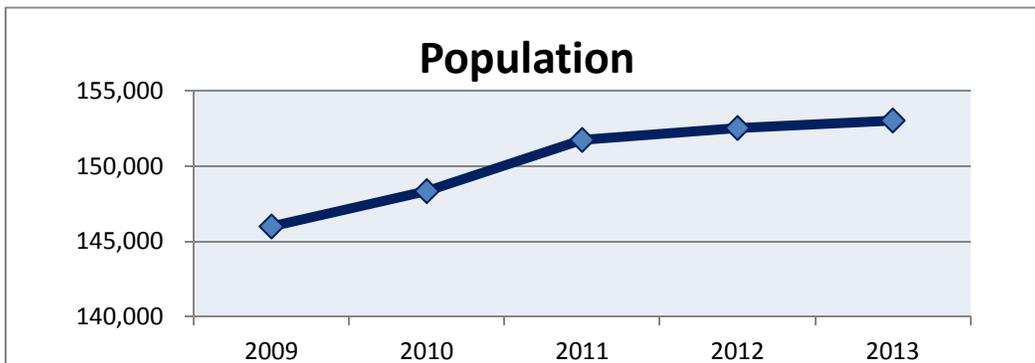
The County provides its citizens with a wide range of services including sheriff and fire protection, solid waste management, health and social services, cultural and recreational activities, general government administration, and others. In addition to the direct service provision provided, the County also extends significant financial support to other boards, agencies and commissions. These include the Alamance-Burlington School System, the Alamance Community College, the Alamance County Tourism Development Authority, the Alamance County Transportation Authority, the Piedmont Triad Council of Governments and the Burlington-Alamance Airport Authority.



County residents pride themselves on the quality of life they enjoy. Strong city centers, beautiful open space, a strong history dating back to the beginning of the country, and a "small town" character all contribute to a high level of pride citizens have in their community. The County warmly welcomes visitors, new residents, and new businesses alike.

Population

The estimated 2013 population for the County was 153,029, representing a 3.1% increase from the 2010 estimated population of 148,338. Projections indicate a constant level of growth for 2013-2014. Due to Alamance County's location in the Central Piedmont area between the cities of Greensboro and Raleigh, we continue to see more people moving into the county.



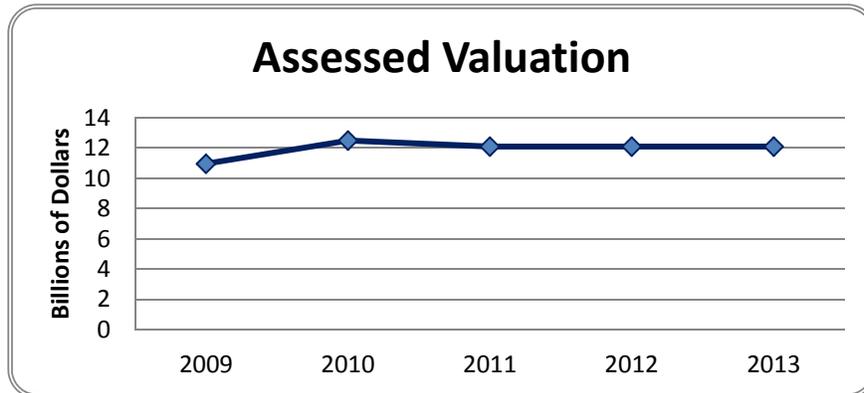
Economic Conditions and Outlook

The information presented in the financial statements may be better understood when it is viewed from the broader perspective of the economic and social environment within which the County operates.

The economy of the county has traditionally been driven by companies in the manufacturing sector, most notably the textile industry. This closely mirrors the State as a whole. This situation frequently results in the county's local economy being in a position at the leading edge of whatever direction the larger economy is trending. When the economy is strong, the county is one of the strongest. Unfortunately, when the economy weakens, the county tends to be hit harder than other locations. This has been true in recent years. During the economic boom of the late 90's, the county consistently saw unemployment rates lower than state or national averages. With the recent downturn though, the county has experienced higher unemployment rates. As a result, the June 2013 unemployment rate was 9.5 percent as compared to 9.3 percent statewide.

Although the county continues to experience the trends described above, the local economy is stabilizing to be more resistant to these swings. The county's top employers now represent industries in health care and education, both of which tend to survive economic downturns quite well. The county has continued to encourage a diversification of the economy and seek a wide variety of industries to create jobs in the community. For example, during the past decade the percentage of workers in the manufacturing sector has decreased drastically. There has also been noticeable growth in the commercial sector with the development of University Commons and the opening of Alamance Crossing. Mebane continues to grow with a variety of new businesses.

Expected growth in the county will result in the continued increase in the tax base and our largest revenue source, property taxes. The County completed the latest revaluation. Those values became effective January 1, 2009. The County saw the tax base grow by 12% to almost \$12.1 billion. Our second largest revenue, sales tax, was impacted by the economy. However, growth is slowly returning. Sales tax revenues have become a larger portion of the County's revenue stream with the implementation of a new ½-cent sales tax in December 2002.



Management Policies

The County closely monitors resources and has engaged in aggressive program efficiency and cost containment efforts, allowing the County to maintain a strong financial position and make progress toward improving that position. I believe the changes in the economic environment in the area and the diligent management of County costs and services will provide ongoing financial stability and fiscal capacity. Management works with departments to keep cost at a minimum without reducing services to our citizens. Fund Balance is also watched very closely to ensure the County has adequate reserves to fund projects and to keep the tax rate at a necessary funding level.

Major Initiatives

During the year, the County engaged in several initiatives to ensure our ability to continue to meet long-term expectations. From a budgetary standpoint, several actions were taken to counter the effects of the economic downturn and the State's actions to impound certain shared taxes. In adopting the budget for FY 2012-2013, the Board of Commissioners maintained the ad valorem tax rate of \$0.52, which was slightly below revenue neutral due to the revaluation.

County departments were diligent in monitoring departmental budgets to keep cost within or below budget appropriations. To reduce the County's debt service, a portion of the School Bonds issued January 2006 and School Bonds issues October 2006 were refunded.

The Future

The fiscal year 2013-2014 budget was adopted with a tax rate of \$0.54. Some major features of the 2013-2014 budget include:

- Capital Outlay – Allocation of \$265,000 for Ambulances and EMS equipment, \$13,700 for equipment for the Recreation Department and \$50,000 for roof replacement at Eli Whitney Recreation Center.
- Pay Raises – five percent across the board raises for all employees.
- Retention – four percent salary adjustment for sworn officers and detention officers.
- Fund Balance – In efforts to raise our fund balance, the budget dedicated funds of \$596,963 for fund balance.
- Transfer to Other Funds – an allocation of \$200,000 for the Revaluation Fund and \$100,000 for the County Buildings Capital Reserve Fund.

Awards and Acknowledgements

The County has participated in the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting Program since 1991. GFOA recognizes governmental units that issue their comprehensive annual financial report (CAFR) substantially in conformity with GAAP and all legal requirements. The County has received this award, the highest form of recognition awarded in the field of governmental financial accounting, for its comprehensive annual financial report for all years beginning with and since 1991, including the 2012 report. In order to be awarded a Certificate of Achievement a governmental unit must publish an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. I believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and I intend to submit it to the GFOA to determine its eligibility for another certificate.

The preparation of this report has been accomplished by the efficient, effective and dedicated staff of the Finance Department with assistance from the independent auditors, Martin Starnes & Associates, CPAs, P.A. The contributions of all are invaluable and reflect the high standards of service we have set for ourselves.

I would also like to thank the Board of Commissioners and the County Manager for making possible the excellent financial position of the County through their interest and support in planning and conducting the financial affairs of the County in a responsible and progressive manner.

Respectfully submitted,



Amy W. Weaver
Finance Officer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Alamance County
North Carolina**

**For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended**

June 30, 2012

Executive Director/CEO

ALAMANCE COUNTY, NORTH CAROLINA

PRINCIPAL OFFICIALS

Board of County Commissioners 2012-2013



**Seated from left: Vice Chair - William H. Lashley, Chair - Thomas K. Manning, Linda H. Massey
Standing from left: David I. Smith, Timothy D. Sutton**

County Administrative and Financial Staff

Craig F. Honeycutt, *County Manager*

J. Bryan Hagood, *Assistant County Manager*

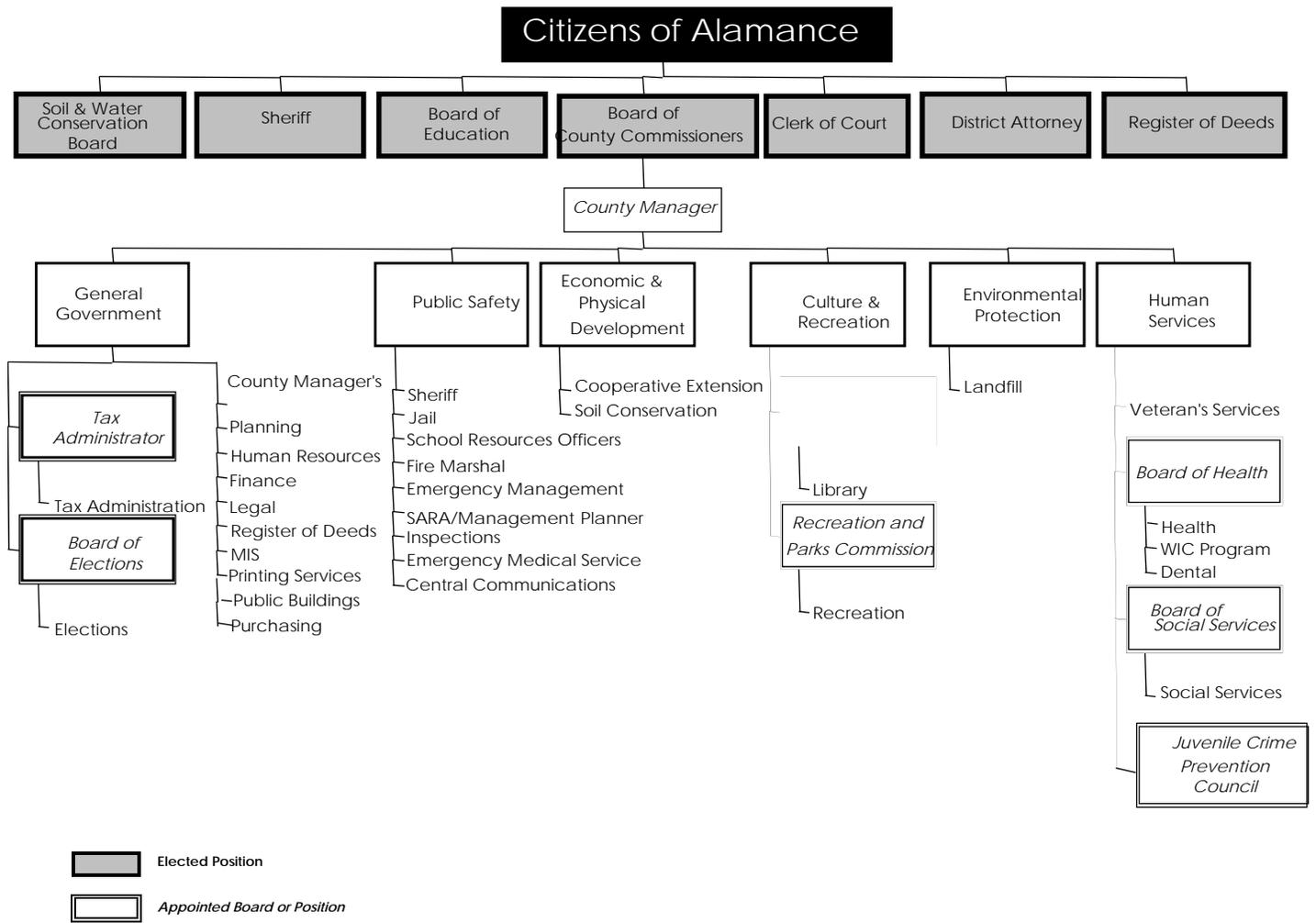
Clyde B. Albright, *County Attorney*

Tory M. Frink, *Clerk to the Board*

Amy W. Weaver, *Finance Officer*

ALAMANCE COUNTY, NORTH CAROLINA

Organization Chart - June 30, 2013



Elected Position
 Appointed Board or Position

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FINANCIAL SECTION

- *Independent Auditor's Report*
- *Management's Discussion and Analysis*
- *Basic Financial Statements*
- *Notes to Financial Statements*

Alamance County, North Carolina
Financial Statements and Schedules

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MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

INDEPENDENT AUDITOR'S REPORT

To The Board of Commissioners
Alamance County
Graham, North Carolina

Report On the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate discretely presented component units, and the aggregate remaining fund information of Alamance County, North Carolina, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Alamance County Tourism Development Authority were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, the aggregate discretely presented component units, and the aggregate remaining fund information of Alamance County, North Carolina, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Law Enforcement Officers' Special Separation Allowance and the Other Post-Employment Benefits' Schedules of Funding Progress and Employer Contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Alamance County's basic financial statements. The introductory section, combining and individual fund financial statements, budget and actual schedules, supplemental ad valorem tax schedules, other supplemental schedules, statistical tables as well as the accompanying schedule of expenditures of federal and state awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of State and Local Governments, and Non-Profit Organizations* and the State Single Audit Implementation Act are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements, budget and actual schedules, supplemental ad valorem tax schedules, other supplemental schedules, and the Schedule of Expenditures of Federal and State Awards are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, budget and actual schedules, supplemental ad valorem tax schedules, other supplemental schedules, and the Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory information and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and; accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2013 on our consideration of Alamance County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Alamance County's internal control over financial reporting and compliance.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
November 22, 2013

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Management's Discussion and Analysis

As management of Alamance County, we offer readers of Alamance County's financial statements this narrative overview and analysis of the financial activities of Alamance County for the fiscal year ended June 30, 2013. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

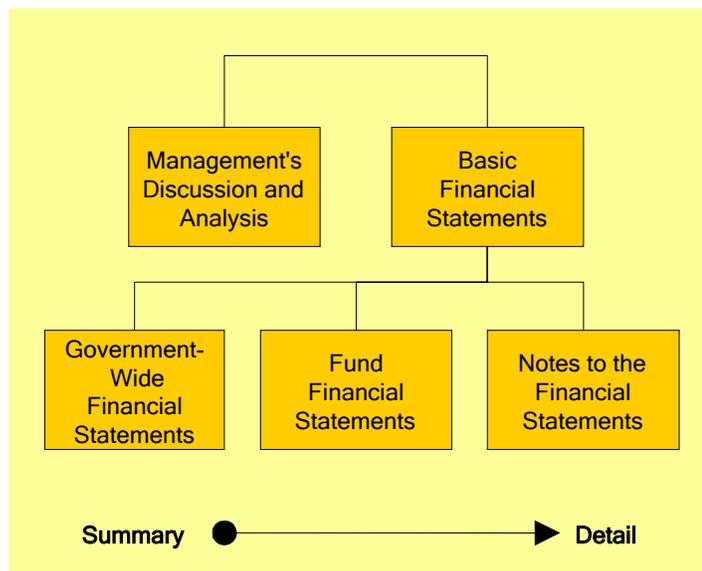
Financial Highlights

- The assets and deferred outflows of resources of Alamance County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$27,138,153 (net position).
- The government's total net position increased by \$4,049,857, primarily due to an increase in tax revenue, while expenses decreased in the General Fund.
- As of the close of the current fiscal year, Alamance County's governmental funds reported combined ending fund balances of \$30,314,883, an increase of \$3,820,784 in comparison with the prior year. Approximately 32 percent of this total amount, or \$9,667,552, is non-spendable or restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$17,398,129, or 14.26 percent of total General Fund expenditures for the fiscal year.
- Alamance County's total bond and financing debt decreased by \$2,707,996 during the current fiscal year.
- Alamance County maintained its AA-/Aa2 bond ratings.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Alamance County's basic financial statements. The County's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the County through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of Alamance County.

Required Components of Annual Financial Report
Figure 1



Basic Financial Statements

The first two statements (Exhibits A and B) in the basic financial statements are the **Government-Wide Financial Statements**. They provide both short and long-term information about the County's financial status.

The next statements (Exhibits C through J) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the County's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statement, 2) the budgetary comparison statements, 3) the proprietary fund statements, and 4) the fiduciary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the County's nonmajor governmental funds and internal service funds, all of which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statements.

Following the notes is the required supplemental information. This section contains funding information about the County's pension plans.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the County's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the County's financial status as a whole.

The two government-wide statements report the County's net position and how they have changed. Net position is the difference between the County's total assets and deferred outflows of resources and the total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the County's financial condition.

The government-wide statements are divided into three categories: 1) governmental activities, 2) business-type activities, and 3) component units. The governmental activities include most of the County's basic services such as public safety, parks and recreation, education, and general administration. Property taxes, sales taxes, and Federal and State grant funds finance most of these activities. The business-type activities are those that the County charges customers to provide. This includes the landfill services offered by Alamance County. The final category is the component units.

Alamance County Tourism Development Authority is a public authority promoting the development of travel, tourism, and conventions in the County. The County is responsible for appointing the governing body of the Authority and is required by State statute to distribute two-thirds of a three percent local occupancy tax to the Authority for its operations. Although the Authority is a legally separate entity from the County, it is important to the County because the County is financially accountable for the Authority.

The Alamance County Transportation Authority is a public authority providing public transportation services in the County. The Authority receives the majority of its funding from charges for services and grants from other governments. Although the Authority is a legally separate entity from the County, it is important to the County because the County is financially accountable for the Authority by appointing its members.

The Alamance County Industrial Facility and Pollution Control Financing Authority exists to issue and service revenue bond debt of private businesses for economic development purposes. The County is responsible for appointing the seven Board members of the Authority. The Authority has no financial transactions or account balances; therefore, it is not presented in the financial statements nor does the Authority issue separate financial statements.

The government-wide financial statements are on Exhibits A and B of this report.

Fund Financial Statements

The fund financial statements provide a more detailed look at the County's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Alamance County, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the County's budget ordinance. All of the funds of Alamance County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the County's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*. This method also has a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the County's programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Alamance County adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the County, the management of the County, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the County to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the County complied with the budget ordinance and whether or not the County succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the Board, 2) the final budget as amended by the Board, 3) the actual resources, charges to appropriations, and ending balances in the General Fund, and 4) the difference or variance between the final budget and the actual resources and charges. To account for the difference between the budgetary basis of accounting and the modified accrual basis, a reconciliation showing the differences in the reported activities is shown at the end of the budgetary statement.

Proprietary Funds. Alamance County has two kinds of proprietary funds. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Alamance County uses an Enterprise Fund for its landfill operations. Internal Service Funds are used to account for centralized services provided on a cost-reimbursement basis. The County maintains two such funds. These funds are the same as those separate activities shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Alamance County has three fiduciary funds, two of which are expendable trust funds and ten agency funds.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 24.

Other Information. In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Alamance County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information immediately follows the notes to the financial statements.

Government-Wide Financial Analysis

As noted earlier, net position may serve, over time, as one useful indicator of a government's financial condition. The assets and deferred outflows of resources of Alamance County exceeded liabilities and deferred inflows of resources by \$27,138,153 as of June 30, 2013. The County's net position for governmental activities increased by \$2,873,415 for the fiscal year ended June 30, 2013. One of the largest portions (230%) reflects the County's net investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt still outstanding that was issued to acquire those items. Alamance County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although Alamance County's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities.

Alamance County, along with many other counties in North Carolina, funds school facilities that become assets of the school district and community college facilities that become property of the community college, through the issuance of debt. General Obligation Bonds have been issued by the County to fund the majority of the cost of these assets. The County's liabilities at June 30, 2013 include outstanding general obligation debt of \$56.7 million related to funding these non-County assets. This represents 100.0% of the County's outstanding general obligation debt. Because the County does not retain the related assets, this debt liability (less any unspent proceeds) reduces the County's total net assets and presents a less favorable picture as compared to governments that do not extensively fund the capital assets of other governmental entities.

Alamance County's Net Position

Figure 2

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Current and other assets	\$ 41,718,083	\$ 40,254,930	\$ 16,723,382	\$ 15,576,178	\$ 58,441,465	\$ 55,831,108
Capital assets	68,098,184	67,661,660	13,081,014	13,339,920	81,179,198	81,001,580
Total assets	<u>109,816,267</u>	<u>107,916,590</u>	<u>29,804,396</u>	<u>28,916,098</u>	<u>139,620,663</u>	<u>136,832,688</u>
Total deferred outflows of resources	935,000	-	-	-	935,000	-
Long-term liabilities outstanding	101,709,374	100,980,999	9,622,145	9,925,965	111,331,519	110,906,964
Other liabilities	1,809,839	2,763,659	89,445	73,769	1,899,284	2,837,428
Total liabilities	<u>103,519,213</u>	<u>103,744,658</u>	<u>9,711,590</u>	<u>9,999,734</u>	<u>113,230,803</u>	<u>113,744,392</u>
Total deferred inflows of resources	186,707	231,695	-	-	186,707	231,695
Net position:						
Net investment in capital assets	49,370,854	46,438,987	13,081,014	13,339,920	62,451,868	59,778,907
Restricted	9,544,524	12,585,862	-	-	9,544,524	12,585,862
Unrestricted	<u>(51,870,031)</u>	<u>(54,852,917)</u>	<u>7,011,792</u>	<u>5,576,444</u>	<u>(44,858,239)</u>	<u>(49,276,473)</u>
Total net position	<u>\$ 7,045,347</u>	<u>\$ 4,171,932</u>	<u>\$ 20,092,806</u>	<u>\$ 18,916,364</u>	<u>\$ 27,138,153</u>	<u>\$ 23,088,296</u>

Several particular aspects of the County's financial operations influenced the total unrestricted governmental net position:

- Continued diligence in the collection of property taxes kept the collection percentage to 97.11%
- Slight decreases in revenue offset by slight decreases in expenditures due to continued diligence in managing the activity of the County.

Alamance County Changes in Net Position
Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program revenues:						
Charges for services	\$ 14,361,507	\$ 13,230,307	\$ 3,712,573	\$ 3,598,966	\$ 18,074,080	\$ 16,829,273
Operating grants and contributions	23,516,322	24,766,558	-	-	23,516,322	24,766,558
Capital grants and contributions	2,771,804	6,702,462	3,786	2,145	2,775,590	6,704,607
Total program revenues	40,649,633	44,699,327	3,716,359	3,601,111	44,365,992	48,300,438
General revenues:						
Taxes:						
Property taxes for general purposes	69,297,790	67,365,987	-	-	69,297,790	67,365,987
Sales taxes for general purposes	14,753,974	14,477,108	-	-	14,753,974	14,477,108
Sales taxes for school capital/debt	5,911,445	5,749,201	-	-	5,911,445	5,749,201
Occupancy taxes for tourism development	585,145	567,183	-	-	585,145	567,183
Other taxes	434,423	381,481	-	-	434,423	381,481
Unrestricted investment earnings	485,216	524,817	2,375	3,593	487,591	528,410
Other	25,250	25,250	-	-	25,250	25,250
Total revenues	132,142,876	133,790,354	3,718,734	3,604,704	135,861,610	137,395,058
Expenses:						
General government	12,643,801	14,519,496	-	-	12,643,801	14,519,496
Public Safety	35,211,427	35,159,335	-	-	35,211,427	35,159,335
Transportation	765,536	843,824	-	-	765,536	843,824
Economic and physical development	1,758,248	1,791,574	-	-	1,758,248	1,791,574
Environmental protection	393,867	502,453	-	-	393,867	502,453
Human services	33,431,752	33,790,288	-	-	33,431,752	33,790,288
Cultural and recreational	3,623,947	3,926,470	-	-	3,623,947	3,926,470
Education	34,963,364	42,430,285	-	-	34,963,364	42,430,285
Interest on long-term debt	6,477,519	3,655,325	-	-	6,477,519	3,655,325
Landfill	-	-	2,542,292	3,419,406	2,542,292	3,419,406
Total expenses	129,269,461	136,619,050	2,542,292	3,419,406	131,811,753	140,038,456
Increase (decrease) in net position before transfers	2,873,415	(2,826,295)	1,176,442	182,897	4,049,857	(2,643,398)
Increase (decrease) in net position after transfers	2,873,415	(2,826,295)	1,176,442	182,897	4,049,857	(2,643,398)
Net Position:						
Beginning of year - July 1	4,171,932	6,998,227	18,916,364	18,733,467	23,088,296	25,731,694
End of year - June 30	\$ 7,045,347	\$ 4,171,932	\$ 20,092,806	\$ 18,916,364	\$ 27,138,153	\$ 23,088,296

Governmental Activities. Governmental activities increased the County's net position by \$2,873,415. Key elements of the net increase are as follows:

- Increased in tax revenue
- Decrease in General Fund expenditures

Business-Type Activities. Business-type activities increased Alamance County's net position by \$1,176,442. This increase is due to revenues exceeding expenses for the current year.

Financial Analysis of the County's Funds

As noted earlier, Alamance County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of Alamance County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Alamance County's financing requirements. Specifically, fund balance available for appropriation can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of Alamance County. At the end of the current fiscal year, fund balance available in the General Fund was \$20,046,984, while total fund balance reached \$26,341,866, an increase of \$4,664,893 compared to the prior year. The County currently has an available fund balance of 16.44 percent of General Fund expenditures, while total fund balance represents 21.60 percent of the same amount.

At June 30, 2013, the governmental funds of Alamance County reported a combined fund balance of \$30,314,883, a 14.42 percent increase from last year. The reason for this increase of fund balance is the increase in the General Fund of \$4,664,893, a decrease in the Schools Capital Projects Fund of \$315,503, a decrease in the Renovation and Repair Capital Project of \$519,288, and a decrease in Other Governmental Funds of \$9,318. The increase in the General Fund is mainly due to the increase primarily in the Federal and State restricted intergovernmental funds received for the year. The decrease in the Schools Capital Projects, Renovation and Repair Capital Project, and Other Governmental Funds is due to the completion and progress of various projects in process.

General Fund Budgetary Highlights. During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund increased revenues by \$2,167,682 and expenditures by \$5,391,000. Other Financing Sources/Uses increased by \$3,223,318. The General Fund local option sales tax revenue, ad valorem taxes, and restricted governmental revenues were more than expected. The General Fund expenditures were slightly more than expected.

Proprietary Funds. Alamance County's proprietary funds provide the same type of information found in the government-wide statements, but in more detail. Unrestricted net position of the Landfill Fund at the end of the fiscal year amounted to \$7,011,792, an increase of \$1,435,348 compared to the prior year. The total increase in net position for the fund was \$1,176,442. Unrestricted net position of the Internal Service Funds at the end of the year amounted to \$4,684,865, a decrease of \$1,987,763 compared to the prior year. The County has improved the financial stability of both of the internal service funds.

Capital Asset and Debt Administration

Capital Assets. Alamance County's investment in capital assets for its governmental and business-type activities as of June 30, 2013, totals \$81,179,198 (net of accumulated depreciation). These assets include buildings, land, machinery and equipment, library books and audio-visual materials, park facilities, and vehicles.

Major capital asset transactions during the year include:

- Construction in progress related to the capital projects funds.
- The purchase of vehicles and equipment.

Alamance County's Capital Assets (net of accumulated depreciation)

Figure 4

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$ 2,559,179	\$ 2,559,179	\$ 2,765,112	\$ 2,765,112	\$ 5,324,291	\$ 5,324,291
Construction in progress	908,173	9,873,182	-	-	908,173	9,873,182
Library books and audio/ visual materials	3,951,562	4,053,341	-	-	3,951,562	4,053,341
Buildings	35,071,982	36,588,271	207,377	220,380	35,279,359	36,808,651
Other Improvements	11,351,779	1,848,466	26,921	35,042	11,378,700	1,883,508
Easements	301,067	312,609	-	-	301,067	312,609
Equipment	10,085,356	8,189,702	469,823	165,898	10,555,179	8,355,600
Vehicles and motor equipment	3,758,432	4,123,083	1,878,084	2,247,413	5,636,516	6,370,496
Infrastructure	110,654	113,827	-	-	110,654	113,827
Landfill	-	-	7,733,697	7,906,075	7,733,697	7,906,075
Total	\$ 68,098,184	\$ 67,661,660	\$ 13,081,014	\$ 13,339,920	\$ 81,179,198	\$ 81,001,580

Additional information on the County's capital assets can be found in Note 5 of the Basic Financial Statements.

Long-Term Debt. As of June 30, 2013, Alamance County had total debt outstanding of \$81,454,038, the majority of which is backed by the full faith and credit of the County.

Alamance County's Outstanding Debt

Figure 5

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
General obligation bonds, net	\$ 56,869,567	\$ 56,673,504	\$ -	\$ -	\$ 56,869,567	\$ 56,673,504
Installment financing agreements	11,577,403	13,903,697	-	-	11,577,403	13,903,697
Qualified School Construction Bonds	6,915,169	7,468,382	-	-	6,915,169	7,468,382
Capital leases	1,961,899	1,396,451	-	-	1,961,899	1,396,451
Recovery bonds	4,130,000	4,720,000	-	-	4,130,000	4,720,000
Total	\$ 81,454,038	\$ 84,162,034	\$ -	\$ -	\$ 81,454,038	\$ 84,162,034

Alamance County's total debt decreased by \$2,707,996 (3.2 percent) during the past fiscal year, due to payments made as scheduled on existing debt offset new financing.

As mentioned in the financial highlights section of this document, Alamance County maintained its Aa2 bond rating from Moody's Investors Service and AA- rating from Standard & Poor's Ratings Services. These bond ratings are a clear indication of the sound financial condition of Alamance County.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue up to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Alamance County is \$940,908,479.

Additional information regarding Alamance County's long-term debt can be found in footnote 12 of this audited financial report.

Economic Factors and Next Year's Budgets and Rates

The following key economic indicators reflect the economic situation for Alamance County:

- Growth in the tax base of the County is expected to continue growing at a slower rate and will yield a slight increase in property tax revenues.
- Sales tax revenues are expected to increase as the economy slowly recovers.
- Unemployment is expected to continue to be an issue for the County's citizens and drives demand for some services, particularly health and social services, higher.

Budget Highlights for the Fiscal Year Ending June 30, 2014

Governmental Activities. Property taxes and sales tax revenues are expected to be the primary sources of revenue. The property tax rate is set below revenue neutral rate of 0.54 cents per one hundred dollars (\$100) valuation. The budgeted revenues will experience an increase in the amount of \$4,225,385.

Budgeted expenditures in the General Fund are expected to increase by 3.5% to \$126,507,691. This increase in expenditures is spread throughout our departments for employee raises and capital outlay purchases.

Business-Type Activities. Rates for landfill services will remain the same. There is no expected change for landfill operations.

Requests for Information

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to:

Finance Officer
Alamance County
124 West Elm Street
Graham, NC 27253

BASIC FINANCIAL STATEMENTS

Alamance County, North Carolina
Financial Statements and Schedules

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GOVERNMENT- WIDE FINANCIAL STATEMENTS

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION
JUNE 30, 2013

	Component Units Alamance County					
	Governmental Activities	Business-Type Activities	Total Primary Government	Tourism Development Authority	Transportation Authority	Total Reporting Unit
Assets:						
Cash and cash equivalents	\$ 28,154,447	\$ 16,527,660	\$ 44,682,107	\$ 489,394	\$ 73,521	\$ 45,245,022
Receivables, net	10,913,003	195,722	11,108,725	33,209	116,019	11,257,953
Restricted cash and cash equivalents	2,650,633	-	2,650,633	-	-	2,650,633
Capital assets:						
Land and other assets not being depreciated	7,418,914	2,765,112	10,184,026	-	-	10,184,026
Other capital assets, net of depreciation	60,679,270	10,315,902	70,995,172	-	249,905	71,245,077
Total assets	<u>109,816,267</u>	<u>29,804,396</u>	<u>139,620,663</u>	<u>522,603</u>	<u>439,445</u>	<u>140,582,711</u>
Deferred Outflows of Resources:						
Unamortized bond refunding charges	935,000	-	935,000	-	-	935,000
Total deferred outflows of resources	<u>935,000</u>	<u>-</u>	<u>935,000</u>	<u>-</u>	<u>-</u>	<u>935,000</u>
Liabilities:						
Accounts payable and accrued expenses	1,809,839	89,445	1,899,284	-	64,073	1,963,357
Prepaid fees	-	-	-	-	12,916	12,916
Long-term liabilities:						
Due within one year	9,958,439	54,640	10,013,079	-	-	10,013,079
Due in more than one year	91,750,935	9,567,505	101,318,440	-	-	101,318,440
Total long-term liabilities	<u>101,709,374</u>	<u>9,622,145</u>	<u>111,331,519</u>	<u>-</u>	<u>-</u>	<u>111,331,519</u>
Total liabilities	<u>103,519,213</u>	<u>9,711,590</u>	<u>113,230,803</u>	<u>-</u>	<u>76,989</u>	<u>113,307,792</u>
Deferred Inflows of Resources						
Prepaid taxes	186,707	-	186,707	-	-	186,707
Total deferred inflows of resources	<u>186,707</u>	<u>-</u>	<u>186,707</u>	<u>-</u>	<u>-</u>	<u>186,707</u>
Net Position:						
Net investment in capital assets	49,370,854	13,081,014	62,451,868	-	249,905	62,701,773
Restricted for:						
Stabilization by State statute	6,408,953	-	6,408,953	33,209	-	6,442,162
General government	723,867	-	723,867	-	-	723,867
Public safety	1,173,688	-	1,173,688	-	-	1,173,688
Economic and physical development	78,709	-	78,709	-	-	78,709
Human services	604,108	-	604,108	-	-	604,108
Tourism	-	-	-	489,394	-	489,394
Cultural and recreation	555,199	-	555,199	-	-	555,199
Unrestricted	<u>(51,870,031)</u>	<u>7,011,792</u>	<u>(44,858,239)</u>	<u>-</u>	<u>112,551</u>	<u>(44,745,688)</u>
Total net position	<u>\$ 7,045,347</u>	<u>\$ 20,092,806</u>	<u>\$ 27,138,153</u>	<u>\$ 522,603</u>	<u>\$ 362,456</u>	<u>\$ 28,023,212</u>

The accompanying notes are an integral part of the financial statements.

ALAMANCE COUNTY, NORTH CAROLINA

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government:				
Governmental Activities:				
General government	\$ 12,643,801	\$ 1,598,325	\$ 652,369	\$ -
Public safety	35,211,427	9,293,779	1,211,870	-
Transportation	765,536	-	-	-
Economic and physical development	1,758,248	-	226,094	-
Environmental protection	393,867	236,956	117,563	418,449
Human services	33,431,752	2,599,851	21,305,786	-
Cultural and recreational	3,623,947	632,596	2,640	-
Education	34,963,364	-	-	2,353,355
Interest on long-term debt	6,477,519	-	-	-
Total governmental activities	<u>129,269,461</u>	<u>14,361,507</u>	<u>23,516,322</u>	<u>2,771,804</u>
Business-Type Activities:				
Landfill	<u>2,542,292</u>	<u>3,712,573</u>	-	<u>3,786</u>
Total business-type activities	<u>2,542,292</u>	<u>3,712,573</u>	-	<u>3,786</u>
Total primary government	<u>131,811,753</u>	<u>18,074,080</u>	<u>23,516,322</u>	<u>2,775,590</u>
Component Units:				
Tourism Development Authority	337,391	-	-	-
Transportation Authority	<u>1,596,855</u>	<u>491,666</u>	<u>1,016,660</u>	<u>63,000</u>
Total component units	<u>\$ 1,934,246</u>	<u>\$ 491,666</u>	<u>\$ 1,016,660</u>	<u>\$ 63,000</u>

General Revenues:

Taxes:

Property taxes, levied for general purposes

Local option sales tax

Other taxes and licenses

Investment earnings, unrestricted

Miscellaneous

Total general revenues

Total general revenues and transfers

Change in net position

Net Position:

Beginning of year - July 1

End of year - June 30

The accompanying notes are an integral part of the financial statements.

Net (Expense) Revenue and Changes in Net Position

Primary Government			Component Units Alamance County		Total Reporting Unit
Governmental Activities	Business-Type Activities	Total	Tourism Development Authority	Transportation Authority	
\$ (10,393,107)	\$ -	\$ (10,393,107)	\$ -	\$ -	\$ (10,393,107)
(24,705,778)	-	(24,705,778)	-	-	(24,705,778)
(765,536)	-	(765,536)	-	-	(765,536)
(1,532,154)	-	(1,532,154)	-	-	(1,532,154)
379,101	-	379,101	-	-	379,101
(9,526,115)	-	(9,526,115)	-	-	(9,526,115)
(2,988,711)	-	(2,988,711)	-	-	(2,988,711)
(32,610,009)	-	(32,610,009)	-	-	(32,610,009)
(6,477,519)	-	(6,477,519)	-	-	(6,477,519)
<u>(88,619,828)</u>	<u>-</u>	<u>(88,619,828)</u>	<u>-</u>	<u>-</u>	<u>(88,619,828)</u>
-	1,174,067	1,174,067	-	-	1,174,067
-	1,174,067	1,174,067	-	-	1,174,067
<u>(88,619,828)</u>	<u>1,174,067</u>	<u>(87,445,761)</u>	<u>-</u>	<u>-</u>	<u>(87,445,761)</u>
-	-	-	(337,391)	-	(337,391)
-	-	-	-	(25,529)	(25,529)
-	-	-	(337,391)	(25,529)	(362,920)
69,297,790	-	69,297,790	-	-	69,297,790
20,665,419	-	20,665,419	-	-	20,665,419
1,019,568	-	1,019,568	378,680	-	1,398,248
485,216	2,375	487,591	427	64	488,082
25,250	-	25,250	-	-	25,250
<u>91,493,243</u>	<u>2,375</u>	<u>91,495,618</u>	<u>379,107</u>	<u>64</u>	<u>91,874,789</u>
<u>91,493,243</u>	<u>2,375</u>	<u>91,495,618</u>	<u>379,107</u>	<u>64</u>	<u>91,874,789</u>
2,873,415	1,176,442	4,049,857	41,716	(25,465)	4,066,108
<u>4,171,932</u>	<u>18,916,364</u>	<u>23,088,296</u>	<u>480,887</u>	<u>387,921</u>	<u>23,957,104</u>
<u>\$ 7,045,347</u>	<u>\$ 20,092,806</u>	<u>\$ 27,138,153</u>	<u>\$ 522,603</u>	<u>\$ 362,456</u>	<u>\$ 28,023,212</u>

The accompanying notes are an integral part of the financial statements.

Alamance County, North Carolina
Financial Statements and Schedules

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FUND FINANCIAL STATEMENTS

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2013

	Major			Nonmajor	Total Governmental Funds
	General Fund	Schools Capital Projects Fund	Renovation and Repair Projects Fund	Other Governmental Funds	
Assets:					
Cash and cash equivalents	\$ 19,076,295	\$ 2,696,849	\$ 25,373	\$ 1,204,030	\$ 23,002,547
Taxes receivable, net	2,771,202	-	-	324,483	3,095,685
Receivables, net	1,416,538	-	-	114,071	1,530,609
Due from other governments	6,277,790	-	-	-	6,277,790
Due from other funds	190,334	-	-	-	190,334
Restricted cash and cash equivalents	2,527,605	-	80,209	42,819	2,650,633
Total assets	<u>\$ 32,259,764</u>	<u>\$ 2,696,849</u>	<u>\$ 105,582</u>	<u>\$ 1,685,403</u>	<u>\$ 36,747,598</u>
Liabilities:					
Accounts payable and accrued liabilities	\$ 1,333,885	\$ -	\$ -	\$ -	\$ 1,333,885
Due to other funds	-	-	-	190,334	190,334
Total liabilities	<u>1,333,885</u>	<u>-</u>	<u>-</u>	<u>190,334</u>	<u>1,524,219</u>
Deferred Inflows of Resources					
Taxes receivable	2,771,202	-	-	324,483	3,095,685
Prepaid taxes	186,707	-	-	-	186,707
EMS receivable	1,397,240	-	-	-	1,397,240
Other accounts receivable	228,864	-	-	-	228,864
Total deferred inflows of resources	<u>4,584,013</u>	<u>-</u>	<u>-</u>	<u>324,483</u>	<u>4,908,496</u>
Fund Balances:					
Restricted:					
Stabilization by State statute	6,294,882	-	-	114,071	6,408,953
Restricted, all other	2,326,236	-	80,209	852,154	3,258,599
Committed	322,619	2,696,849	25,373	394,695	3,439,536
Unassigned	17,398,129	-	-	(190,334)	17,207,795
Total fund balance	<u>26,341,866</u>	<u>2,696,849</u>	<u>105,582</u>	<u>1,170,586</u>	<u>30,314,883</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 32,259,764</u>	<u>\$ 2,696,849</u>	<u>\$ 105,582</u>	<u>\$ 1,685,403</u>	

Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position:

Amounts reported for governmental activities in the Statement of Net Position (Exhibit A) are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	68,098,184
Deferred charges on refunding reported in governmental activities are not reported in the funds	935,000
Assets and liabilities of the Internal Service Fund used by management to account for insurance costs are included in governmental activities in the Statement of Net Position	4,684,865
Other long-term assets are not available to pay for current expenditures and, therefore, are deferred inflows of resources in the funds.	4,721,789
Long-term liabilities and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds	<u>(101,709,374)</u>
Net position of governmental activities	<u>\$ 7,045,347</u>

The accompanying notes are an integral part of the financial statements.

ALAMANCE COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Major			Nonmajor	Total Governmental Funds
	General Fund	Schools Capital Projects Fund	Renovation and Repair Projects Fund	Other Governmental Funds	
Revenues:					
Ad valorem taxes	\$ 64,530,522	\$ -	\$ -	\$ 4,370,023	\$ 68,900,545
Local option sales taxes	20,665,419	-	-	-	20,665,419
Other taxes and licenses	1,019,568	-	-	-	1,019,568
Unrestricted intergovernmental	233,472	-	-	-	233,472
Restricted intergovernmental	22,478,664	2,353,355	-	917,455	25,749,474
Permits and fees	1,206,080	-	-	-	1,206,080
Sales and services	12,617,948	-	-	-	12,617,948
Investment earnings	467,587	1,394	13,638	372	482,991
Miscellaneous	505,727	-	-	-	505,727
Total revenues	<u>123,724,987</u>	<u>2,354,749</u>	<u>13,638</u>	<u>5,287,850</u>	<u>131,381,224</u>
Expenditures:					
Current:					
General government	11,480,948	-	558,299	-	12,039,247
Public safety	27,097,063	-	-	5,080,191	32,177,254
Transportation	437,093	-	-	-	437,093
Environmental protection	65,426	-	-	-	65,426
Economic and physical development	1,185,628	-	-	215,559	1,401,187
Human services	32,588,187	-	-	-	32,588,187
Cultural and recreation	3,628,056	-	-	-	3,628,056
Education	34,018,347	780,796	-	-	34,799,143
Debt service:					
Principal	8,628,892	-	-	-	8,628,892
Interest and other charges	2,838,814	4,573,705	-	-	7,412,519
Issuance costs	-	329,582	-	-	329,582
Total expenditures	<u>121,968,454</u>	<u>5,684,083</u>	<u>558,299</u>	<u>5,295,750</u>	<u>133,506,586</u>
Revenues over (under) expenditures	<u>1,756,533</u>	<u>(3,329,334)</u>	<u>(544,661)</u>	<u>(7,900)</u>	<u>(2,125,362)</u>
Other Financing Sources (Uses):					
Transfers from other funds	1,892,068	-	335,344	374,074	2,601,486
Transfers to other funds	(3,541)	(1,912,482)	(309,971)	(375,492)	(2,601,486)
Capital lease obligations issued	1,019,833	-	-	-	1,019,833
Refunding bonds issued	-	33,830,000	-	-	33,830,000
Premium	-	5,861,313	-	-	5,861,313
Payment to refunded bond escrow agent	-	(34,765,000)	-	-	(34,765,000)
Total other financing sources (uses)	<u>2,908,360</u>	<u>3,013,831</u>	<u>25,373</u>	<u>(1,418)</u>	<u>5,946,146</u>
Net change in fund balances	4,664,893	(315,503)	(519,288)	(9,318)	3,820,784
Fund Balances:					
Beginning of year - July 1	<u>21,676,973</u>	<u>3,012,352</u>	<u>624,870</u>	<u>1,179,904</u>	<u>26,494,099</u>
End of year - June 30	<u>\$ 26,341,866</u>	<u>\$ 2,696,849</u>	<u>\$ 105,582</u>	<u>\$ 1,170,586</u>	<u>\$ 30,314,883</u>

The accompanying notes are an integral part of the financial statements.

ALAMANCE COUNTY, NORTH CAROLINA

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013**

Amounts reported for governmental activities in the Statement of Activities (Exhibit B) are different due to the following items:

Net change in fund balances - total governmental funds (Exhibit D)	\$ 3,820,784
Capital outlays are reported as expenditures in the governmental funds statement. However, in the Statement of Activities, capital outlay is not an expense, rather it is an increase in capital assets.	4,803,036
Loss on the disposal of capital assets during the year, not recognized on the modified accrual basis	(1,504,720)
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.	(2,861,792)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	397,245
Expenses related to compensated absences, OPEB, and Law Enforcement Officers' Separation Allowance that do not require current financial resources are not reported as expenditures in the governmental funds statement.	(3,436,371)
Principal repayments are reported as expenditures in the governmental funds statement. However, in the Statement of Activities, these transactions are not an expense, rather they are a decrease in liabilities.	43,393,892
Proceeds from issuance of debt are reported as revenues in the governmental funds statement. However, in the Statement of Activities, they are not a revenue, rather they are an increase in liabilities.	(34,849,833)
Governmental funds report the effect of bond premiums when the debt is first issued; whereas, these amounts are deferred and amortized in the Statement of Activities.	(5,836,063)
Deferred charges on refunding reported in governmental activities are not reported in the funds	935,000
Net revenue (loss) of internal service funds determined to be governmental type	<u>(1,987,763)</u>
Change in net position of governmental activities (Exhibit B)	<u>\$ 2,873,415</u>

The accompanying notes are an integral part of the financial statements.

ALAMANCE COUNTY, NORTH CAROLINA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Ad valorem taxes	\$ 63,734,037	\$ 63,764,337	\$ 64,530,522	\$ 766,185
Local option sales taxes	20,400,000	20,400,000	20,665,419	265,419
Other taxes and licenses	852,000	889,780	1,019,568	129,788
Unrestricted intergovernmental	235,000	235,000	233,472	(1,528)
Restricted intergovernmental	21,761,191	23,749,210	22,478,664	(1,270,546)
Permits and fees	1,150,000	1,150,000	1,206,080	56,080
Sales and services	11,598,974	11,707,211	12,617,948	910,737
Investment earnings	531,084	531,084	467,587	(63,497)
Miscellaneous	282,100	285,446	505,727	220,281
Total revenues	<u>120,544,386</u>	<u>122,712,068</u>	<u>123,724,987</u>	<u>1,012,919</u>
Expenditures:				
Current:				
General government	10,995,205	12,676,938	11,923,276	753,662
Public safety	26,992,331	28,047,721	27,097,063	950,658
Transportation	377,007	437,733	437,093	640
Environmental protection	68,264	108,264	65,426	42,838
Economic and physical development	908,554	1,200,933	1,185,628	15,305
Human services	33,758,767	35,432,602	32,600,244	2,832,358
Cultural and recreational	3,784,236	4,329,556	3,628,056	701,500
Intergovernmental:				
Education	34,018,347	34,018,347	34,018,347	-
Debt service:				
Principal	8,771,841	8,395,297	8,174,507	220,790
Interest and other charges	<u>2,204,365</u>	<u>2,622,526</u>	<u>2,838,814</u>	<u>(216,288)</u>
Total expenditures	<u>121,878,917</u>	<u>127,269,917</u>	<u>121,968,454</u>	<u>5,301,463</u>
Revenues over (under) expenditures	<u>(1,334,531)</u>	<u>(4,557,849)</u>	<u>1,756,533</u>	<u>6,314,382</u>
Other Financing Sources (Uses):				
Transfers from other funds	1,567,194	1,595,894	1,892,068	296,174
Transfers to other funds	(100,000)	(3,541)	(3,541)	-
Capital lease obligations issued	-	1,019,833	1,019,833	-
Appropriated fund balances	170,726	2,180,259	-	(2,180,259)
Contingency	<u>(303,389)</u>	<u>(234,596)</u>	<u>-</u>	<u>234,596</u>
Total other financing sources (uses)	<u>1,334,531</u>	<u>4,557,849</u>	<u>2,908,360</u>	<u>(1,649,489)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>4,664,893</u>	<u>\$ 4,664,893</u>
Fund Balance:				
Beginning of year - July 1			<u>21,676,973</u>	
End of year - June 30			<u>\$ 26,341,866</u>	

The accompanying notes are an integral part of the financial statements.

ALAMANCE COUNTY, NORTH CAROLINA

STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2013

	Major Enterprise Fund	Nonmajor Governmental Activities
	Landfill Fund	Internal Service Funds
Assets:		
Current assets:		
Cash and cash equivalents	\$ 16,527,660	\$ 5,151,900
Receivables, net	195,722	8,919
Total current assets	<u>16,723,382</u>	<u>5,160,819</u>
Non-current assets:		
Capital assets:		
Land and other assets not depreciated	2,765,112	-
Other capital assets, net of depreciation	<u>10,315,902</u>	-
Total non-current assets	<u>13,081,014</u>	-
Total assets	<u>29,804,396</u>	<u>5,160,819</u>
Liabilities:		
Current liabilities:		
Accounts payable	89,445	475,954
Accrued landfill closure and post-closure care current costs	20,000	-
Compensated absences payable	<u>34,640</u>	-
Total current liabilities	<u>144,085</u>	<u>475,954</u>
Non-current liabilities:		
Accrued landfill closure and post-closure care costs	9,196,259	-
Compensated absences payable	28,342	-
Other post-employment benefits	<u>342,904</u>	-
Total non-current liabilities	<u>9,567,505</u>	-
Total liabilities	<u>9,711,590</u>	<u>475,954</u>
Net Position:		
Net investment in capital assets	13,081,014	-
Unrestricted	<u>7,011,792</u>	<u>4,684,865</u>
Total net position	<u>\$ 20,092,806</u>	<u>\$ 4,684,865</u>

The accompanying notes are an integral part of the financial statements.

ALAMANCE COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Major Enterprise Fund	Nonmajor Governmental Activities
	Landfill Fund	Internal Service Funds
Operating Revenues:		
Landfill user charges	\$ 3,313,368	\$ -
Insurance premiums	-	7,581,472
Miscellaneous	399,205	-
Total operating revenues	<u>3,712,573</u>	<u>7,581,472</u>
Operating Expenses:		
Administration	181,447	6,701
Operations:		
Personal services	914,103	9,295,754
Supplies and materials	37,281	-
Current obligations and services	496,161	-
State mandated MSW/C&D charges	170,584	-
Fixed charges and other expenses	513,260	454,308
Landfill closure and post-closure care costs	(374,377)	-
Depreciation	603,833	-
Total operating expenses	<u>2,542,292</u>	<u>9,756,763</u>
Operating income (loss)	<u>1,170,281</u>	<u>(2,175,291)</u>
Non-Operating Revenues (Expenses):		
Interest and investment revenue	2,375	2,225
Insurance recovery	-	185,303
Total non-operating revenue	<u>2,375</u>	<u>187,528</u>
Income (loss) before capital contributions and transfers	1,172,656	(1,987,763)
Capital Contributions and Transfers:		
Capital contributions	3,786	-
Total capital contributions and transfers	<u>3,786</u>	<u>-</u>
Change in net position	1,176,442	(1,987,763)
Net Position		
Beginning of year - July 1	<u>18,916,364</u>	<u>6,672,628</u>
End of year - June 30	<u>\$ 20,092,806</u>	<u>\$ 4,684,865</u>

The accompanying notes are an integral part of the financial statements.

ALAMANCE COUNTY, NORTH CAROLINA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Major Enterprise Fund</u>	<u>Nonmajor Governmental Activities</u>
	<u>Landfill Fund</u>	<u>Internal Service Funds</u>
Cash Flows from Operating Activities:		
Cash received from customers	\$ 3,741,517	\$ 7,581,472
Cash paid for goods and services	(1,375,591)	(10,013,428)
Cash paid to employees for services	(843,546)	-
Net cash provided (used) by operating activities	<u>1,522,380</u>	<u>(2,431,956)</u>
Cash Flows from Capital and Related Financing Activities:		
Insurance recovery	-	185,303
Net cash provided (used) by non-capital financing activities	<u>-</u>	<u>185,303</u>
Cash Flows from Capital and Related Financing Activities:		
Acquisition and construction of capital assets	(344,927)	-
Capital contributions	3,786	-
Net cash provided (used) by capital and related financing activities	<u>(341,141)</u>	<u>-</u>
Cash Flows from Investing Activities:		
Interest on investments	2,375	2,225
Net increase (decrease) in cash and cash equivalents	1,183,614	(2,244,428)
Cash and Cash Equivalents:		
Beginning of year - July 1	<u>15,344,046</u>	<u>7,396,328</u>
End of year - June 30	<u>\$ 16,527,660</u>	<u>\$ 5,151,900</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating income (loss)	<u>\$ 1,170,281</u>	<u>\$ (2,175,291)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	603,833	-
Landfill closure and post-closure care costs	(374,377)	-
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	28,944	-
(Increase) decrease in prepaid warranty	7,466	-
Increase (decrease) in accounts payable and accrued liabilities	15,676	(256,665)
Increase (decrease) in accrued vacation pay	3,528	-
Increase (decrease) in OPEB payable	67,029	-
Total adjustments	<u>352,099</u>	<u>(256,665)</u>
Net cash provided (used) by operating activities	<u>\$ 1,522,380</u>	<u>\$ (2,431,956)</u>

The accompanying notes are an integral part of the financial statements.

ALAMANCE COUNTY, NORTH CAROLINA

**FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2013**

	<u>Private Purpose Trust Funds</u>	<u>Agency Funds</u>
Assets:		
Cash and cash equivalents	\$ 129,958	\$ -
Receivables, net	<u>-</u>	<u>1,223,016</u>
Total assets	<u>\$ 129,958</u>	<u>\$ 1,223,016</u>
Liabilities:		
Intergovernmental payable	<u>\$ -</u>	<u>\$ 1,223,016</u>
Total liabilities	<u>-</u>	<u>1,223,016</u>
Net Position:		
Assets held in trust for beneficiaries	<u>129,958</u>	<u>-</u>
Total net assets	<u>129,958</u>	<u>-</u>
Total liabilities and net assets	<u>\$ 129,958</u>	<u>\$ 1,223,016</u>

The accompanying notes are an integral part of the financial statements.

ALAMANCE COUNTY, NORTH CAROLINA

**FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Private-Purpose Trust Funds</u>
Additions:	
Permits and fees	\$ 30,800
Miscellaneous	549,944
Investment earnings	<u>3</u>
Total additions	<u>580,747</u>
 Deductions:	
Benefits	<u>1,059,128</u>
Total deductions	<u>1,059,128</u>
 Change in net position	 <u>(478,381)</u>
 Net Position:	
Beginning of year - July 1	<u>608,339</u>
 End of year - June 30	 <u>\$ 129,958</u>

The accompanying notes are an integral part of the financial statements.

Alamance County, North Carolina
Financial Statements and Schedules

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NOTES TO FINANCIAL STATEMENTS

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Note 1. Summary of Significant Accounting Policies

The accounting policies of Alamance County and its discretely presented component units conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies.

REPORTING ENTITY

The County, which is governed by an elected Board of five commissioners, is one of the 100 counties established in the State of North Carolina under North Carolina General Statute 153A-10. As required by generally accepted accounting principles, these financial statements present the County and all its component units, legally separate entities for which the County is financially accountable. One component unit of the County, the Alamance County Industrial Facility and Pollution Control Financing Authority, has no financial transactions or account balances; therefore, it does not appear in the combined financial statements. The Alamance County Tourism Development Authority (Tourism) and the Alamance County Transportation Authority (Transportation), both have a June 30 year-end. Tourism is presented discretely as a governmental fund type and transportation is presented discretely as a proprietary fund type.

Component Units:

The County's three discretely presented component units described below are reported in separate combining government-wide financial statements.

- **Alamance County Tourism Development Authority**

The Alamance County Tourism Development Authority (Tourism) is a public authority under the local Government Budget and Fiscal Control Act and exists to further the development of travel, tourism, and conventions in the County, through the State, national and international advertising, and promotion. The County is responsible for appointing the governing board of Tourism and is required by State statute to distribute two-thirds of a three percent local occupancy tax to Tourism for its operations. The Authority, which has a June 30 year-end, is presented as if it were a governmental fund. Complete financial statements for Tourism may be obtained from Tourism's administrative offices:

- **Alamance County Transportation Authority**

The Alamance County Transportation Authority (Transportation) exists to provide transportation for the elderly, disabled, and general public residing in Alamance County. Transportation is governed by a five-member Board of Trustees; three appointed by the Alamance County Board of Commissioners; one by the City of Burlington; and one by the Burlington Metropolitan Planning Organization. Complete financial statements for Transportation may be obtained from Transportation's principal office:

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

- **Alamance County Industrial Facility and Pollution Control Financing Authority**

The Alamance County Industrial Facility and Pollution Control Financing Authority (Authority) exists to issue and service revenue bond debt of private business for economic development purposes. The Authority is governed by a seven-member Board of Commissioners, all of whom are appointed by the County Commissioners. The County can remove a Commissioner of the Authority with or without cause. The Authority has no financial transactions or account balances; therefore, it is not presented in the combined financial statements. The Authority does not issue separate financial statements.

Complete financial statements for each of the individual component units may be obtained at the administrative offices of those entities as follows:

Alamance County Tourism Development Authority
610 South Lexington Avenue
Burlington, NC 27215

Alamance County Transportation Authority
1946-C Martin Street
Burlington, North Carolina, 27217

BASIS OF PRESENTATION - MEASUREMENT FOCUS, BASIS OF ACCOUNTING

Basis of Presentation

Government-Wide Statements. The Statement of Net Position and the Statement of Activities display information about the primary government net position (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental activities* and *business-type activities* of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed, in whole or in part, by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the Statement of Activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Fund Financial Statements. The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category, *governmental, proprietary, and fiduciary*, are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies, result from non-exchange transactions. Other non-operating items, such as investment earnings, are ancillary activities.

Major Funds. The General Fund, School Capital Projects Fund, Renovation and Repair Capital Projects Fund, and Landfill Enterprise Fund are major funds of the County. The General Fund is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The School Capital Projects Fund accounts for all school capital projects and activities. The Renovation and Repair Capital Projects Fund accounts for funds used in major renovations and repairs to existing facilities. The Landfill Enterprise Fund accounts for the operation, maintenance, and development of various landfills and disposal sites.

The County has the following fund categories:

Governmental Funds. Governmental funds account for the County's general governmental activities. Governmental funds include the following fund types:

General Fund. The General Fund is the primary operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds. The Special Revenue Funds are used to account for the proceeds of specific revenue sources, other than major capital projects, that are legally restricted to expenditures for specific purposes. The County has three special revenue funds: Rural Fire Districts Fund, Emergency Telephone System Fund, and the CDBG Grant Fund.

Capital Projects Fund. The capital project funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The County has eight capital projects funds within the nonmajor Governmental Fund types: Schools Capital Reserve Fund, County Buildings Capital Reserve Fund, Alamance Community College Capital Reserve Fund, Facility Maintenance Fund, Jail Expansion Fund, Alamance Community College Fund, 800 MHZ Emergency Equipment Fund, and the Probation and Parole Fund.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Enterprise Funds include the following fund type:

Landfill Fund. This fund accounts for the operation, maintenance, and development of various landfills and disposal sites.

Internal Service Funds. Internal Service Funds account for employee health benefits, workers' compensation risk management, and property insurance provided to other departments or agencies of the government on a cost reimbursement basis.

Trust Funds. The County has two trust funds, the Indigent Trust Fund and the General Trust Fund, that account for assets held by the government in a trustee capacity.

Fiduciary Funds include the following fund type:

Agency Funds. Agency funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature and do not involve measurement of results of operations. The County has eleven agency funds: the Fines and Forfeitures Fund, which accounts for various legal fines and forfeitures that the County is required to remit to the Burlington-Alamance Board of Education and the three percent interest on the first month of delinquent motor vehicle taxes that the County is required to remit to the North Carolina Department of Motor Vehicles; and nine property tax funds, which account for property taxes that are billed and collected by the County for various municipalities and special districts within the County.

Measurement Focus, Basis of Accounting

In accordance with North Carolina General Statutes, all funds of the County are maintained during the year using the modified accrual basis of accounting.

Government-Wide, Proprietary, and Fiduciary Fund Financial Statements. The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus, except for the agency funds which have no measurement focus. The government-wide, proprietary fund, and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County enterprise funds are charges to customers for sales and services. The County also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the water and sewer system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of January 1, 1993, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, Alamance County is responsible for billing and collecting the property taxes on all registered motor vehicles on behalf of all municipalities and special tax districts in the County. For registered motor vehicles, property taxes are due the first day of the fourth month after the vehicles are registered. The billed taxes are applicable to the fiscal year in which they become due. Therefore, taxes for vehicles registered from March 2012 through February 2013 apply to the fiscal year ended June 30, 2013. Uncollected taxes that were billed during this period are shown as a receivable on these financial statements and are offset by deferred inflows of resources.

Sales taxes and certain intergovernmental revenues, such as the utilities franchise tax, collected and held by the State at year-end on behalf of the County are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

BUDGETARY DATA

Budgets are adopted as required by the North Carolina General Statutes. An annual budget ordinance is adopted at the departmental level for the General Fund, special revenue funds (excluding the CDBG Grant Fund), the capital reserve funds, enterprise funds, and the internal service funds. All annual appropriations lapse at fiscal year-end. Project ordinances are adopted for the capital project funds and the CDBG Grant Fund.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the departmental level for the General Fund, at the functional level for special revenue funds, enterprise funds, and internal service funds, and at the object level for capital projects funds. The County Manager is authorized by the budget ordinance to transfer appropriations between functional areas within departments of a fund; however, any amendments that alter total expenditures of any fund must be approved by the governing board. Transfers of appropriations between departments in a fund and from contingency must be approved by the governing board, or may be approved by the County Manager in conformance with County policy.

During the year, several amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

ASSETS, LIABILITIES, DEFERRED INFLOWS AND OUTFLOWS, AND FUND EQUITY

Deposits and Investments. All deposits of the County are made in Board-designated official depositories and are secured as required by G.S. 159-31. The County may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the County may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

State law [G.S. 159-30(c)] authorizes the County to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances and the North Carolina Capital Management Trust (NCCMT).

The County's investments are carried at fair value as determined by quoted market prices. The securities of the NCCMT Cash Portfolio, an SEC-registered (2a-7) money market mutual fund, are valued at fair value, which is the NCCMT's share price. The NCCMT Term Portfolio's securities are valued at fair value. Money market investments that have a remaining maturity at the time of purchase of one year or less are reported at amortized cost.

Cash and Cash Equivalents. The County pools monies from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Restricted Assets. The unexpended installment debt proceeds are restricted in the capital project funds because their use is completely restricted to the purpose for which the bonds and installment purchase notes were issued. Unspent grant proceeds and third-party donations are classified as restricted assets in the General Fund because their use is restricted by revenue source for specific expenditures. Money for future tax revaluation is classified as restricted assets in the General Fund because its use is restricted per North Carolina General Statute 153A-150.

Ad Valorem Taxes Receivable. In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the County levies ad valorem taxes on property other than motor vehicles on July 1, beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2012. As allowed by State law, the County has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the County's General Fund, ad valorem tax revenues are reported net of such discounts.

Allowance for Doubtful Accounts. Allowance for doubtful accounts are maintained on all types of receivables which historically experience uncollectible accounts. These receivable accounts are shown net of the allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.

Capital Assets. Purchased or constructed capital assets are recorded at cost. Donated capital assets are recorded at their estimated fair value at the date of donation. Minimum capitalization costs are as follows: furniture and equipment, \$2,500. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

From time to time, the County holds title to certain Burlington-Alamance Board of Education properties that are not included in capital assets. The properties are deeded to the County to permit installment purchase financing of acquisition and construction costs and to permit the County to receive refunds of sales tax paid for construction costs. Agreements between the County and the Board of Education give the Board of Education full use of the facilities, full responsibility for maintenance of the facilities, and provide that the County will convey title to the property back to the Board of Education, once all restrictions of the financing agreements and all sales tax reimbursement requirements are met. The properties are reflected as capital assets in the financial statements of the Burlington-Alamance Board of Education.

Capital assets of the County are depreciated using the straight-line method over the following estimated useful lives of the individual assets:

<u>Asset</u>	<u>Estimated Useful Lives</u>
Buildings	50 years
Improvements	25 years
Infrastructure	50 years
Furniture and equipment	10 years
Vehicles	10 years
Computer equipment	5 years
Computer software	5 years

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Deferred Outflows/Inflows of Resources. In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The County has one item that meets this criterion – unamortized bond refunding charges. In addition to liabilities, the Statement of Net Position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has only four items that meet the criterion for this category - prepaid taxes, taxes receivable, EMS receivable, and other accounts receivable.

Long-Term Obligations. In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term debt, and other long-term obligations are reported as liabilities on the Statements of Net Position.

In the fund financial statements for governmental fund types, the face amount of debt issued is reported as other financing sources.

Compensated Absences. The vacation policies of the County provide for the accumulation and carryover of up to thirty (30) days earned leave for all employees, with such leave being fully vested when earned. An expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned in the County's government-wide and proprietary fund statements.

The sick leave policy of the County provides for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the County has no obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

NET POSITION/FUND BALANCES

Net Position. Net position in government-wide and proprietary fund financial statements is classified as net investment in capital assets, restricted, and unrestricted. Restricted net position represents constraints on resources that are either a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through State statute.

Fund Balances. In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balances as follows:

Non-Spendable Fund Balance. This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained in tact.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Restricted Fund Balance. This classification includes revenue sources that are restricted to specific purposes externally imposed by creditors or imposed by law.

Restricted by Stabilization of State Statute – portion of fund balance that is restricted by State Statute G.S. 159-8(a).

Restricted for Public Safety – portion of fund balance restricted by revenue source for public safety related activities, such as police, fire, E-911, and capital outlay.

Restricted for General Government – portion of fund balance that is restricted by revenue source for the capital and construction related to the Renovation and Repair Projects Fund and other general government activities.

Restricted for Human Services – portion of fund balance that is restricted by revenue source for human service programs.

Restricted for Economic and Physical Development – portion of fund balance that is restricted by revenue source for economic development.

Restricted for Cultural and Recreation – portion of fund balance that is restricted by donations and grant proceeds for recreational purposes.

Restricted fund balance at June 30, 2013 is as follows:

<u>Purpose</u>	<u>General Fund</u>	<u>Renovation and Repair Projects Fund</u>	<u>Other Governmental Funds</u>
Restricted, All Other:			
Public safety	\$ 364,353	\$ -	\$ 852,154
General government	723,867	80,209	-
Human services	604,108	-	-
Economic and physical development	78,709	-	-
Cultural and recreation	555,199	-	-
Total	<u>\$ 2,326,236</u>	<u>\$ 80,209</u>	<u>\$ 852,154</u>

Committed Fund Balance. Portion of fund balance that can only be used for specific purpose imposed by majority vote of and adoption of an ordinance. Alamance County’s governing body (highest level of decision-making authority). Any changes or removal of specific purposes requires a similar action to be taken (the adoption of another ordinance) by the governing body.

Committed for Education – represents the portion of fund balance committed by the Board of Commissioners for education purposes.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Committed for General Government – represents the portion of fund balance committed by the Board of Commissioners for costs relating to the Facility Maintenance Fund.

Committed for Tax Revaluation – portion of fund balance committed by the Board of Commissioners that can only be used for Tax Revaluation.

Committed for Economic and Physical Development – represents the portion of fund balance committed by the Board of Commissioners for economic and physical development.

Committed for Capital Outlays – represents the portion of fund balance committed by the Board of Commissioners for future capital related purposes.

Committed fund balance at June 30, 2013 is as follows:

<u>Purpose</u>	<u>General Fund</u>	<u>Schools Capital Projects Fund</u>	<u>Renovation and Repair Projects Fund</u>	<u>Other Governmental Funds</u>
Education	\$ -	\$ 2,696,849	\$ -	\$ 281,915
General government	-	-	25,373	112,780
Tax revaluation	201,369	-	-	-
Economic and physical development	121,250	-	-	-
Total	<u>\$ 322,619</u>	<u>\$ 2,696,849</u>	<u>\$ 25,373</u>	<u>\$ 394,695</u>

Assigned Fund Balance - Portion of fund balance that the Alamance County governing board has budgeted.

Unassigned Fund Balance. This classification is a portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

Alamance County has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bond proceeds, Federal funds, State funds, local non-city funds, and County funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and, lastly, unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the County.

The County has not officially adopted a fund balance policy.

ALAMANCE COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

The following schedule provides management and citizens with information on the portion of General Fund balance that is available for appropriation:

Total fund balance - General Fund	\$ 26,341,866
Less:	
Stabilization by State statute	<u>6,294,882</u>
Total available fund balance	<u><u>\$ 20,046,984</u></u>

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end.

	General Fund	Other Governmental Funds
Encumbrances	<u><u>\$ 36,324</u></u>	<u><u>\$ -</u></u>

ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from these estimates.

Note 2. Detail Notes On All Funds

Assets

Deposits and Investments

Deposits. All of the County's deposits are either insured or collateralized by using one of two methods. Under the "Dedicated Method", all deposits over the federal depository insurance coverage are collateralized with securities held by the County's agents and the Authorities' agents in these units' names. Under the "Pooling Method", all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County and the authorities, these deposits are considered to be held by their agents in the entities' name. The amount of the pledged collateral is based on an approved averaging method for non-interest-bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County under the Pooling Method, the potential exists for undercollateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository using the Pooling Method.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

The State Treasurer enforces standards of minimum capitalization for all pooling method financial institutions. The County relies on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The County has no formal policy regarding custodial credit risk for deposits.

At June 30, 2013, the County's deposits had a carrying amount of \$29,355,636 and a bank balance of \$29,163,516. Of the bank balance, \$1,750,000 was covered by federal depository insurance, and \$27,413,516 in deposits was covered by collateral held under the Pooling Method.

At June 30, 2013, the County had \$4,922 cash on hand.

Investments. At June 30, 2013, the County had the following investments and maturities:

	Fair Value	Less Than 6 Months	6-12 Months	Greater Than One Year
NCCMT - Cash Portfolio	\$ 16,198,659	\$ -	\$ -	\$ -
NCCMT - Term Portfolio *	1,903,481	1,903,481	-	-
Total	\$ 18,102,140	\$ 1,903,481	\$ -	\$ -

* Because the NC Capital Management Trust Term Portfolio had a duration of 0.3 years, it was presented as an investment with a maturity less than 6 months.

Interest Rate Risk. This is the risk that changes; interest rates will adversely affect the fair value of an investment. The County has no policy in place to limit its exposure to fair value losses arising from rising interest rates. The County's investment policy requires purchases of securities to be laddered with staggered maturity dates and limits all securities to a final maturity of not more than three years.

Credit Risk The County limits investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs); however, the County had no formal policy on managing credit risk. The County's investments in the NC Capital Management Trust Cash Portfolio carried a credit rating of AAAM by Standard & Poor's as of June 30, 2013. The County's investment in the NC Capital Management Trust Term Portfolio is unrated. The Term Portfolio is authorized to invest in obligations of the US government and agencies and in high grade money market instruments as permitted under North Carolina General Statutes 159-30 as amended.

Note 3. Property Tax Use-Value Assessment On Certain Lands

In accordance with the General Statutes, agriculture, horticulture, and forestland may be taxed at present use-value as opposed to market value. When the property loses its eligibility for use-value taxation, the property tax is recomputed at market value for the current year and the three preceding fiscal years along with accrued interest from the original due date. This tax is immediately due and payable.

ALAMANCE COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Shown below are property taxes that could become due if present use-value eligibility is lost. These amounts have not been recorded in the financial statements.

<u>Year of Levy</u>	<u>Tax</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 1,965,334	\$ 319,367	\$ 2,284,701
2011	1,956,883	141,874	2,098,757
2012	2,019,666	-	2,019,666
2013	2,091,483	-	2,091,483
Total	<u>\$ 8,033,366</u>	<u>\$ 461,241</u>	<u>\$ 8,494,607</u>

Note 4. Receivables

At June 30, 2013, the County's government-wide receivable balances were as follows:

	<u>Government-Wide Financial Statements</u>		
	<u>Governmental</u>	<u>Business-Type</u>	<u>Total</u>
	<u>Activities</u>	<u>Activities</u>	
Receivables:			
Accounts	\$ 10,696,948	\$ 203,922	\$ 10,900,870
Taxes	3,816,676	-	3,816,676
Due from other governments	<u>6,277,790</u>	<u>-</u>	<u>6,277,790</u>
Gross receivables	20,791,414	203,922	20,995,336
Less: allowance for uncollectibles	<u>(9,878,411)</u>	<u>(8,200)</u>	<u>(9,886,611)</u>
Net total receivables	<u>\$ 10,913,003</u>	<u>\$ 195,722</u>	<u>\$ 11,108,725</u>

The due from other governments that is owed to the County consists of the following:

Local option sales tax	\$ 562,614
Other governments	<u>5,715,176</u>
Total	<u>\$ 6,277,790</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Note 5. Capital Assets

Capital asset activity for the governmental activities for the year ended June 30, 2013 was as follows:

	<u>June 30, 2012</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2013</u>
Governmental Activities:				
Non-Depreciable Capital Assets:				
Land	\$ 2,559,179	\$ -	\$ -	\$ 2,559,179
Construction in progress	9,873,182	75,486	(9,040,495)	908,173
Library books	3,587,901	109,339	(229,662)	3,467,578
Library audio-visual materials	465,440	43,803	(25,259)	483,984
Total non-depreciable capital assets	<u>16,485,702</u>	<u>228,628</u>	<u>(9,295,416)</u>	<u>7,418,914</u>
Depreciable Capital Assets:				
Buildings	52,704,453	-	(503,589)	52,200,864
Other improvements	2,580,026	9,590,905	-	12,170,931
Easements	346,275	-	-	346,275
Equipment	10,061,526	774,442	(675,419)	10,160,549
Computer software	1,523,339	-	-	1,523,339
Computer equipment	3,961,033	2,766,779	-	6,727,812
Vehicles and motor equipment	8,234,682	478,551	(774,811)	7,938,422
Infrastructure	158,649	-	-	158,649
Total depreciable capital assets	<u>79,569,983</u>	<u>13,610,677</u>	<u>(1,953,819)</u>	<u>91,226,841</u>
Less Accumulated Depreciation:				
Buildings	(16,116,182)	(1,052,987)	40,287	(17,128,882)
Other improvements	(731,560)	(87,592)	-	(819,152)
Easements	(33,666)	(11,542)	-	(45,208)
Equipment	(4,909,277)	(926,010)	173,074	(5,662,213)
Computer software	(717,716)	(114,322)	-	(832,038)
Computer equipment	(1,729,203)	(102,890)	-	(1,832,093)
Vehicles and motor equipment	(4,111,599)	(563,276)	494,885	(4,179,990)
Infrastructure	(44,822)	(3,173)	-	(47,995)
Total accumulated depreciation	<u>(28,394,025)</u>	<u>\$ (2,861,792)</u>	<u>\$ 708,246</u>	<u>(30,547,571)</u>
Total depreciable capital assets, net	<u>51,175,958</u>			<u>60,679,270</u>
Governmental activity capital assets, net	<u>\$ 67,661,660</u>			<u>\$ 68,098,184</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Depreciation was charged to functions/programs of the primary government as follows:

General government	\$ 515,122
Public safety	1,745,693
Economic and physical development	28,618
Human services	515,123
Cultural (parks and recreation)	<u>57,236</u>
Total depreciation expense	<u><u>\$ 2,861,792</u></u>

Capital asset activity for business-type activities for the year ended June 30, 2013 was as follows:

	<u>June 30, 2012</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2013</u>
Business-Type Activities:				
Landfill:				
Non-Depreciable Capital Assets:				
Land	\$ 2,765,112	\$ -	\$ -	\$ 2,765,112
Total non-depreciable capital assets	<u>2,765,112</u>	<u>-</u>	<u>-</u>	<u>2,765,112</u>
Depreciable Capital Assets:				
Landfill construction	13,429,788	-	-	13,429,788
Buildings	325,224	-	-	325,224
Other improvements	770,650	-	-	770,650
Fixtures and equipment	476,722	344,927	-	821,649
Vehicles and motor equipment	<u>3,679,077</u>	<u>-</u>	<u>-</u>	<u>3,679,077</u>
Total depreciable capital assets	<u>18,681,461</u>	<u>344,927</u>	<u>-</u>	<u>19,026,388</u>
Less Accumulated Depreciation:				
Landfill construction	(5,523,713)	(172,378)	-	(5,696,091)
Buildings	(104,844)	(13,003)	-	(117,847)
Other improvements	(735,608)	(8,121)	-	(743,729)
Fixtures and equipment	(310,824)	(41,002)	-	(351,826)
Vehicles and motor equipment	<u>(1,431,664)</u>	<u>(369,329)</u>	<u>-</u>	<u>(1,800,993)</u>
Total accumulated depreciation	<u>(8,106,653)</u>	<u>\$ (603,833)</u>	<u>\$ -</u>	<u>(8,710,486)</u>
Total capital assets being depreciated, net	<u>10,574,808</u>			<u>10,315,902</u>
Landfill capital assets, net	<u>\$ 13,339,920</u>			<u>\$ 13,081,014</u>

ALAMANCE COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Net Investment in Capital Assets

The total net investment in capital assets at June 30, 2013 is composed of the following elements:

	Governmental Activities	Business-Type Activities
Capital assets	<u>\$ 68,098,184</u>	<u>\$ 13,081,014</u>
Total debt, gross	81,454,038	-
Long-term debt for assets not owned by the County	63,784,736	-
Capital related unspent debt proceeds	123,028	-
Less unamortized bond refunding charges	<u>935,000</u>	<u>-</u>
Total capital debt	<u>18,727,330</u>	<u>-</u>
Net investment in capital assets	<u>\$ 49,370,854</u>	<u>\$ 13,081,014</u>

Note 6. Construction Commitments

The County does not have active construction projects as of June 30, 2013.

Note 7. Accounts Payable and Accrued Liabilities

Accounts payable and other accrued liabilities are disaggregated at June 30, 2013 as follows:

Governmental Activities:	
Vendors	\$ 1,668,512
Due to other governments	33,292
Salaries and benefits	<u>108,035</u>
Total governmental activities	<u>\$ 1,809,839</u>
 Business-Type Activities:	
Landfill vendors	<u>\$ 89,445</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Note 8. Pension Plan Obligations

Local Governmental Employees' Retirement System

Plan Description. Alamance County contributes to the State-wide Local Governmental Employees' Retirement System (LGERS); a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS provides retirement and disability benefits to plan members and beneficiaries. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The LGERS is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy. Plan members are required to contribute six percent of their annual covered salary. The County is required to contribute at an actuarially determined rate. For the County, the current rate for employees not engaged in law enforcement and for law enforcement officers is 6.74% and 6.77%, respectively, of annual covered payroll. The contribution requirements of members and of Alamance County are established and may be amended by the North Carolina General Assembly. The County's contributions to LGERS for the years ended June 30, 2013, 2012, and 2011 were \$1,937,612, \$2,355,737, \$2,202,583, respectively. The contributions made by the County equaled the required contributions for each year.

Law Enforcement Officers' Special Separation Allowance

Plan Description. Alamance County administers a public employee retirement system (the "Separation Allowance"); a single-employer defined benefit pension plan that provides retirement benefits to the County's qualified sworn law enforcement officers. The Separation Allowance is equal to .85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. These funds are locally administered and there is not a stand-alone financial report.

All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2012, the Separation Allowance's membership consisted of:

Reitrees receiving benefits	13
Terminated plan members entitled to, but not yet receiving, benefits	-
Active plan members	<u>121</u>
Total	<u><u>134</u></u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Summary of Significant Accounting Policies

Basis of Accounting. The County has chosen to fund the Separation Allowance on a pay-as-you-go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting.

Method Used to Value Investments. No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due.

Contributions. The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the benefit payments on a pay-as-you-go basis through appropriations made in the General Fund operating budget. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. There were no contributions made by employees.

The annual required contribution for the current year was determined as part of the December 31, 2011 actuarial valuation using the projected unit credit actuarial cost method and the level percent of pay, closed amortization method, over a 19-year period. The actuarial assumptions included (a) 5.00% investment rate of return (net of administrative expenses) and (b) projected salary increases of 4.25% to 7.85% per year. Both (a) and (b) included an inflation component of 3.00%. The assumptions did not include post-retirement benefit increases.

Annual Pension Cost and Net Pension Obligation. The County's annual pension cost and net pension obligation to the Separation Allowance for the current year were as follows:

Annual required contribution	\$	210,495
Interest on net pension obligation		33,633
Adjustment to annual required contribution		(41,860)
Annual pension cost		202,268
Contributions made		152,072
Increase (decrease) in net pension obligation		50,196
Net pension obligation:		
Beginning of year - July 1		672,654
End of year - June 30	\$	722,850

Three-Year Trend Information

Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2011	\$ 206,611	74.06%	\$ 635,825
2012	199,107	81.50%	672,654
2013	202,268	75.18%	722,850

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Funded Status and Funding Progress. As of December 31, 2012, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and the unfunded actuarial accrued liability (UAAL) was \$1,807,038. The covered payroll (annual payroll of active employees covered by the plan) was \$5,125,743, and the ratio of the UAAL to the covered payroll was 35.25 percent.

The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets are increasing or decreasing, over time, relative to the actuarial accrued liability for benefits.

A separate report was not issued for the plan.

Supplemental Retirement Income Plan for Law Enforcement Officers

Plan Description. The County contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the County. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy. Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to 5% of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. The County's contributions for the year ended June 30, 2013 were \$336,047, which consisted of \$250,763 from the County and \$85,284 from the law enforcement officers.

Registers of Deeds' Supplemental Pension Fund

Plan Description. Alamance County also contributes to the Registers of Deeds' Supplemental Pension Fund (Fund), a non-contributory, defined contribution plan administered by the North Carolina Department of State Treasurer. The Fund provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 161 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Fund is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for the Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Funding Policy. On a monthly basis, the County remits to the Department of State Treasurer an amount equal to one and one-half percent (1.5%) of the monthly receipts collected pursuant to Article 3 of G.S.161. Immediately following January 1 of each year, the Department of State Treasurer divides ninety-three percent (93%) of the amount in the Fund at the end of the preceding calendar year into equal shares to be disbursed as monthly benefits. The remaining seven percent (7%) of the Fund's assets may be used by the State Treasurer in administering the Fund. For the fiscal year ended June 30, 2013, the County's required and actual contributions were \$27,709.

Deferred Compensation Plan

The County offers its employees two deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans are administered by Lincoln National Life Insurance Company and by Public Employees Benefit Services Corporation. The plans, available to all County employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available until an employee is terminated, retires, dies, or experiences an unforeseeable emergency.

The County has complied with changes in the laws which govern the County's deferred compensation plans, requiring all assets of the plans to be held in trust for the exclusive benefit of the participants and their beneficiaries. Formerly, the undistributed amounts that had been deferred by the plan participants were required to be reported as assets of the County. Effective for the fiscal year ended June 30, 1999, and in accordance with GASB Statement No. 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans", this deferred compensation plan is no longer reported within the County's agency fund.

Other Employment Benefits – Alamance County

Death Benefits. The County has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death, are eligible for death benefits. Lump-sum death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to the employee's death, but the benefit will be a minimum of \$25,000 and will not exceed \$50,000. All death benefit payments are made from the Death Benefit Plan. The County has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. The County considers these contributions to be immaterial.

Other Post-Employment Benefits – Alamance County

Plan Description. According to a County resolution, the County administers a single-employer defined benefit plan to provide employees who were hired before July 1, 2008 that retire on disability retirement (Alamance County work related), retiree group health, dental, and life insurance (if approved by the life insurance company) to employees who are approved for disability retirement by the Medical Review Board of the North Carolina Local Government Employees Retirement System, a multiple employer, due to an Alamance County Workers' Compensation claim.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Employees who were hired prior to July 1, 2005 and retire on disability retirement (non-work related), the County will continue to provide retiree group health to employees who are approved for disability retirement by the Medical Review Board of the North Carolina Local Governmental Employees Retirement System and who have at least twenty (20) years of service with Alamance County. Employees who retire from the North Carolina Local Governmental Employees' Retirement System (NCLGERS), a multiple employer, are eligible to continue to be covered by Alamance County's Group Health Plan. The County obtains healthcare coverage through private insurers. The Board of Commissioners may amend the benefit provisions. A separate report was not issued for the plan.

Membership of the Plan consisted of the following at December 31, 2011, the date of the latest actuarial valuation:

	General Employees	Law Enforcement Officers
Retirees and dependents receiving benefits	290	n/a
Active plan members	796	127
Total	1,086	127

Eligible employees that retire due to work-related disability will have the full cost of health, dental, and life insurance paid for by the County. The retiree's life insurance will be a payment of no less than \$25,000 equal to the employee's highest 12 months' consecutive salary during the preceding twenty-four (24) months, not to exceed \$50,000.

Eligible retirees who were hired prior to July 1, 2005 will have the full cost of health insurance paid for by the County.

The County will contribute to the cost of retiree insurance premium based on the years of creditable service with Alamance County using the following schedule for employees who were hired between July 1, 2005 and June 30, 2008:

Years of Service At Retirement	County Contribution	Retiree Contribution
Less than 10	0.00%	100.00%
10-14	50.00%	50.00%
15-24	75.00%	25.00%
25 or more	100.00%	0.00%

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

The County will contribute to the cost of retiree insurance premium based on the years of creditable service with Alamance County using the following schedule for employees who were hired on or after July 1, 2008:

Years of Service	County	Retiree
<u>At Retirement</u>	<u>Contribution</u>	<u>Contribution</u>
Less than 15	0.00%	100.00%
15-19	50.00%	50.00%
20-24	75.00%	25.00%
25 or more	100.00%	0.00%

Healthcare and prescription drug coverage are provided in the group health insurance plan to eligible retirees. Coverage continues for the retirees' lifetime, with Medicare eligible retirees naming Medicare as the primary insurer and the County paying claims secondary to Medicare. In addition, if the employee retires because of disability retirement (work related), the retiree is also given dental and life insurance coverage at no cost to the retiree.

Dependent Coverage. The retiree may continue dependent coverage (and pay the full cost of this coverage) if enrolled in dependent coverage at the time of retirement. Dependent coverage terminates upon the retirees' death.

Funding Policy. The County's members pay the current active employee rate for dependent coverage, if the retiree elects to purchase the coverage. The County has chosen to fund the healthcare benefits on a pay-as-you-go basis.

The current ARC rate is 12.75% of annual covered payroll. For the current year, the County contributed \$1,096,484, or 3.16%, of the annual covered payroll. The County purchases insurance from a private carrier for healthcare coverage. The County's required contributions, under a County resolution, for employees not engaged in law enforcement and for law enforcement officers, represented 12.75% and 12.75% of covered payroll, respectively. There were no contributions made by employees. The County's obligation to contribute to the Plan is established and may be amended by the Board of Commissioners.

Summary of Significant Accounting Policies. Post-employment expenditures are made from the Employee Insurance Fund, which is maintained on the modified accrual basis of accounting. No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due.

Annual OPEB Cost and Net Obligation. The County's annual OPEB cost (expense) is calculated based on the *annual required contribution of the employer* (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation for the healthcare benefits:

Annual required contribution	\$	4,431,324
Interest on net OPEB obligation		371,768
Adjustments to annual required contribution		355,154
Annual OPEB cost (expense)		4,447,938
Contributions made		1,096,484
Increase (decrease) in net OPEB obligation		3,351,454
Net OPEB obligation:		
Beginning of year - July 1		13,793,762
End of year - June 30	\$	17,145,216

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2013 were as follows:

<u>Year Ended</u> <u>June 30</u>	<u>Annual</u> <u>OPEB Cost</u>	<u>Percentage of</u> <u>Annual OPEB</u> <u>Cost Contributed</u>	<u>Net OPEB</u> <u>Obligation</u>
2013	\$ 4,447,938	24.65%	\$ 17,145,216
2012	5,580,930	19.38%	13,793,762
2011	5,580,930	17.20%	9,294,210

Fund Status and Funding Progress. As of December 31, 2011, the most recent valuation date, the plan was not funded. The actuarial accrued liability for benefits and, thus, the unfunded actuarial accrued liability (UAAL) was \$55,005,750. The covered payroll (annual payroll of active employees covered by the plan) was \$34,748,308, and the ratio of the UAAL to the covered payroll was 158.30 percent. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare trends. Amounts determined regarding the funding status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing, over time, relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members at that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value assets, consistent with the long-term perspective of the calculations.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

In the December 31, 2011 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.00 percent investment rate of return (net of administrative expenses), which is the expected long-term investment returns on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual medical cost trend increase of 9.50 to 5.00 percent annually. The investment rate included a 3.00 percent inflation assumption. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2011 was 30 years.

As of June 30, 2013, management had not decided on the funding options for this outstanding obligation; therefore, OPEB will continue to be funded on a pay-as-you-go basis going into the next fiscal year. Management will continue their efforts to find a way to fund the annual required contribution while maintaining the level of service as prioritized by the County Commissioners.

Note 9. Closure and Post-Closure Costs – Austin Quarter Landfill Facility and Swepsonville Landfill Facility

Federal and State laws and regulations require the County to place a final cover on its Austin Quarter Landfill Facility when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

The \$7,168,818 reported for the Austin Quarter MSW Landfill Facility as landfill closure and post-closure care liability at June 30, 2013 represents a cumulative amount reported to date, based on the use of 76 percent of the total estimated capacity of the landfill. The County will recognize the remaining estimated cost of closure and post-closure care of \$2,875,600 as the remaining estimated capacity is filled.

The \$1,505,858 reported for the Austin Quarter C&D Landfill Facility as landfill closure and post-closure care liability at June 30, 2013 represents a cumulative amount reported to date based on the use of 89 percent of the total estimated capacity of the landfill. The County will recognize the remaining estimated cost of closure and post-closure care of \$251,334 as the remaining estimated capacity is filled.

These amounts are based on estimates of what it would cost to perform all closure and post-closure care in 2013. The County expects to close the Austin Quarter MSW Landfill Facility in the year 2077 and the Austin Quarter C&D Landfill Facility in the year 2020. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County closed its Swepsonville Landfill Facility on October 4, 1993. As of June 30, 2013, the estimated closure and post-closure care liability for this facility amounted to \$541,583. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

The total landfill closure and post-closure care liability for the County's landfills as of June 30, 2013 amounted to \$9,216,259.

The County has met the requirements of a local government financial test that is one option under State and federal laws and regulations that help determine if a unit is financially able to meet closure and postclosure care requirements.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Note 10. Deferred Outflows and Inflows of Resources

The amount of deferred outflows of resources is a deferred costs from the refunding of debt.

Deferred inflows of resources at year-end are comprised of the following:

	<u>Unavailable Revenue</u>	<u>Unearned Revenue</u>
Taxes receivable (General Fund)	\$ 2,771,202	\$ -
Prepaid property taxes (General Fund)	-	186,707
Taxes receivable (Nonmajor funds)	324,483	-
EMS receivable (General Fund)	1,397,240	-
Other receivables (General Fund)	228,864	-
Total	<u>\$ 4,721,789</u>	<u>\$ 186,707</u>

Note 11. Contingent Liabilities

At June 30, 2013, the County was a defendant to various lawsuits. In the opinion of the County's management and the County attorney, the ultimate effect of these legal matters will not have a material adverse effect on the County's financial position.

Note 12. Long-Term Obligations

Capital Leases

The County has entered into agreements to lease certain equipment. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

The following is a summary of the County's capital leases as of June 30, 2013:

<u>Date of Execution</u>	<u>Class of Property</u>	<u>Payment Duration (Years)</u>	<u>Annual Payment Amount</u>
October 1, 2010	Computer equipment	3	\$ 17,129
July 1, 2010	Computer equipment	3	73,353
October 1, 2010	Computer equipment	3	18,364
January 1, 2011	Computer equipment	3	45,321
April 1, 2011	Computer equipment	3	16,168
April 1, 2011	Computer equipment	3	27,323
July 1, 2011	Computer equipment	3	35,076
October 1, 2011	Computer equipment	3	25,798
January 1, 2012	Computer equipment	3	28,611
April 1, 2012	Computer equipment	3	19,860
July 1, 2012	Computer equipment	3	5,241
October 1, 2012	Computer equipment	3	31,493
January 1, 2013	Computer equipment	3	72,693
April 1, 2013	Computer equipment	3	134,247
July 1, 2013	Computer equipment	3	7,720
July 1, 2008	Computer equipment	5	11,427
July 1, 2009	Computer equipment	4	34,235
July 1, 2009	Computer equipment	4	12,057
January 1, 2010	Computer equipment	4	23,314
July 1, 2012	Computer equipment	2	1,639
January 1, 2011	Computer equipment	5	40,285
October 1, 2011	Computer equipment	5	35,167
October 1, 2011	Computer equipment	4	1,530
January 1, 2012	Computer equipment	5	2,544
November 1, 2012	Computer equipment	5	217,784
April 1, 2012	Computer equipment	5	4,223
April 1, 2012	Computer equipment	5	41,580
October 1, 2012	Computer equipment	5	22,838
January 1, 2013	Computer equipment	4	11,241
April 1, 2013	Computer equipment	4	10,886
October 1, 2012	Computer equipment	5	15,490
April 1, 2013	Computer equipment	5	18,960
Total			<u>\$ 1,063,597</u>

ALAMANCE COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Under the terms of the lease agreements, title does not pass to the County at the end of the lease term. However, the lease term duration periods are at least seventy-five percent of the property's estimated economic life which is a criteria for determining a capital lease.

<u>Class of Property</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Computer equipment	\$ 3,593,793	\$ 1,081,568	\$ 2,512,225
Equipment	47,000	15,635	31,365
Total	<u>\$ 3,640,793</u>	<u>\$ 1,097,203</u>	<u>\$ 2,543,590</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2013 were as follows:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>
2014	\$ 930,388
2015	737,318
2016	621,242
2017	348,286
2018	81,150
Total minimum lease payments	2,718,384
Less: amount representing interest	756,485
Total	<u>\$ 1,961,899</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Installment Loans. The County has obtained various installment loans to finance construction, renovations, and equipment purchases as follows:

	<u>Governmental Activities</u>
Installment note payable issued March 8, 1996 for renovations; due in semi-annual payments of \$206,919, which includes interest at 4.53% through March 8, 2016	\$ 1,148,750
Installment note payable issued August 20, 2004 for jail expansion; due in semi-annual principal payments of \$344,828 through August 20, 2019; interest rate of 4.28%	4,482,759
Installment note payable issued December 19, 2008 for equipment; due in semi-annual principal payments of \$339,361 through December 19, 2016; interest rate of 3.77%	2,206,084
Installment note payable issued September 24, 2009 for Human Services Center; due in semi-annual principal payments of \$175,000 through October 1, 2019; interest rate of 4.06%	2,275,000
Installment note payable issued May 12, 2011 for Probation Center; due in semi-annual principal payments of \$55,556 through October 1, 2020; interest rate of 2.95%	833,333
Installment note payable issued November 4, 2011, for Ambulance; due in semi-annual principal payments of \$128,941 through November 4, 2015; interest rate of 1.39%	<u>631,477</u>
Total governmental activities	<u>\$ 11,577,403</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Annual debt service requirements to maturity for the County's installment loans are as follows:

Year Ending June 30	Governmental Activities	
	Principal	Interest
2014	\$ 2,367,800	\$ 430,490
2015	2,410,928	340,355
2016	2,326,801	248,532
2017	1,483,849	162,334
2018	1,150,766	109,047
2019-2021	1,837,259	77,888
Totals	\$ 11,577,403	\$ 1,368,646

Qualified School Construction Bonds

On September 15, 2010, the County issued \$8,298,202 in Qualified School Construction Bonds to finance the renovation of certain qualifying school facilities. These bonds qualify as "Qualified School Construction" under Section 54F of the Internal Revenue Code. The interest rate charged is 5.47%, but the creditor also receives Federal tax credits in lieu of receiving interest payments from the issuer. The principal and interest are payable semi-annually through 2026. The outstanding amount at June 30, 2013 was \$6,915,169.

Annual debt service requirements to maturity for the County's Qualified School Construction Bonds are as follows:

Year Ending June 30	Governmental Activities	
	Principal	Interest
2014	\$ 553,213	\$ 370,695
2015	553,213	340,434
2016	553,213	310,173
2017	553,213	279,912
2018	553,213	249,651
2019-2023	2,766,065	794,346
2024-2026	1,383,039	113,478
Totals	\$ 6,915,169	\$ 2,458,689

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

General Obligation Indebtedness

All general obligation bonds serviced by the County's General Fund are collateralized by the full faith credit and taxing power of the County. Principal and interest requirements are appropriated when due.

Advance Refundings

On September 12, 2012, the County issued \$33,830,000 of general obligation advance refunding bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust for to be used for all future debt service payments of \$34,765,000 of general obligation bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the Statement of Net Position. The reacquisition price exceeded the net carrying amount of the old debt by \$935,000. This amount is being netted against the new debt and amortized over the life of the refunded debt, which is shorter than the life of the new debt issued. This advance refunding was undertaken to reduce total debt service payments over the next 12 years by \$7,843,527 and resulted in an economic gain of \$627,980.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

The County's general obligation bonds payable at June 30, 2013 are comprised of the following individual issues:

Serviced by the General Fund:

September 1, 2003 issue, Refunding Series 2003; due in annual installments of \$1,715,000 on March 1, 2013; \$1,685,000 on March 1, 2014; and \$1,125,000 on March 1, 2015; 3.5% on installments due 2011; 4.0% on installments due 2013; 5.0% on installments due 2014; and 4.0% on installments due 2015	\$ 2,810,000
January 1, 2006 issue, School Bonds; due in annual installments of \$600,000 on February 1, 2013 through 2016; \$800,000 on February 1, 2017 and 2018; and \$2,400,000 on February 1, 2019 through 2024; interest at 4.0% on installments due 2013 through 2018; interest at 5.0% on installments due 2019; interest at 4.0% on installments due 2020 through 2014 interest at 4.1% on installments due 2024	1,650,000
October 3, 2006 issue, School Bonds; due in annual installments of \$461,689 on April 1, 2013 through 2018; \$890,399 on April 1, 2019; \$989,332 on April 1, 2020; \$1,342,088 on April 1, 2021 through 2025; and \$811,253 on April 1, 2026; interest at 4.0% on installments due 2013 through 2018; interest at 4.375% on installments due 2019 through 2020; interest at 4.5% on installments due 2021; interest at 4.125% on installments due 2022 through 2025; interest at 4.2% on installments due 2026	1,296,026
October 3, 2006 issue, School Bonds; due in annual installments of \$238,311 on April 1, 2013 through 2018; \$459,601 on April 1, 2019; \$510,668 on April 1, 2020; \$697,912 on April 1, 2021 through 2025; and \$418,747 on April 1, 2026; interest at 4.0% on installments due 2013 through 2018; interest at 4.375% on installments due 2019 through 2020; interest at 4.5% on installments due 2021; interest at 4.125% on installments due 2022 through 2025; interest at 4.2% on installments due 2026	668,974
August 24, 2009 issue, Refunding Bonds; due in annual installments of \$1,060,000 on May 1, 2013; \$1,035,000 on May 1, 2014; \$2,170,000 on May 1, 2015; \$2,775,000 on May 1, 2016; \$2,735,000 on May 1, 2017; and \$2,140,000 on May 1, 2018; interest at 2.0% on installments due 2013; interest at 2.5% on installments due 2014 and 2015; interest at 3.0% on installments due 2016 through 2018	10,855,000
September 12, 2012 issue, Refunding Bonds Series 2012; due in annual installments, varying, on February 1 through 2026; interest at 2.0% through 2016, 3.0% through 2017, 4.0% through 2023, and 5.0% through 2026.	<u>33,400,000</u>
Total general obligation bonds	<u>\$ 50,680,000</u>

ALAMANCE COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Annual debt service requirements to maturity for the County's general obligation bonds are as follows:

Year Ending June 30	Government Activities	
	Principal	Interest
2014	\$ 4,155,000	\$ 1,826,025
2015	4,720,000	1,710,300
2016	4,195,000	1,606,650
2017	4,350,000	1,525,379
2018	4,230,000	1,388,600
2019-2023	21,570,000	4,477,000
2024-2027	7,460,000	589,500
Total	\$ 50,680,000	\$ 13,123,454

Recovery Zone Economic Development Bonds Indebtedness

As part of the American Recovery and Reinvestment Act of 2009 (ARRA), several new types of tax-exempt bonds and tax credit bonds were created under the Internal Revenue Code. At June 30, 2013, the County has issued the following of these types of bonds:

Original issue of \$3,000,000, Recovery Zone Economic Development Bonds (Direct Payment), due on September and March 18 in 20 installments of \$150,000 through March 18, 2020; plus interest at 5.41 percent. The County receives a subsidy of 45 percent of interest cost from the federal government, reducing the effective interest rate to 2.9755 percent	\$ 2,100,000
Original issue of \$2,900,000, Build America Bonds (Direct Payment), due on September and March 18 in 20 installments of \$145,000 through March 18, 2020; plus interest at 5.41 percent. The County receives a subsidy of 35 percent of interest cost from the federal government, reducing the effective interest rate to 3.5165 percent.	<u>2,030,000</u>
Total Recovery Zone Economic Development Bonds	<u>\$ 4,130,000</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Annual debt service requirements to maturity for the County's Recovery Zone Economic Development bonds are as follows:

Year Ending <u>June 30</u>	<u>Governmental Activities</u>		<u>Interest</u>	<u>Interest Cost</u>
	<u>Principal</u>	<u>Interest</u>	<u>Rebate</u>	<u>After Rebate</u>
2014	\$ 590,000	\$ 215,453	\$ 86,364	\$ 129,089
2015	590,000	183,534	73,569	109,965
2016	590,000	151,615	60,775	90,840
2017	590,000	119,696	47,980	71,716
2018	590,000	87,777	35,185	52,592
2019-2020	1,180,000	79,798	31,987	47,811
Totals	<u>\$ 4,130,000</u>	<u>\$ 837,873</u>	<u>\$ 335,860</u>	<u>\$ 502,013</u>

The following is a summary of changes in the County's long-term obligations as of June 30, 2013:

	<u>June 30, 2012</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2013</u>	<u>Due In Less Than One Year</u>
Governmental Activities:					
General obligation debt	\$ 56,320,000	\$33,830,000	\$ 39,470,000	\$ 50,680,000	\$ 4,155,000
Premium on general obligation bonds	353,504	5,861,313	25,250	6,189,567	-
Qualified School Construction Bonds	7,468,382	-	553,213	6,915,169	553,213
Recovery bonds	4,720,000	-	590,000	4,130,000	590,000
Capitalized leases	1,396,451	1,019,833	454,385	1,961,899	790,830
Installment loans	13,903,697	-	2,326,294	11,577,403	2,367,800
LEO separation allowance	672,654	50,196	-	722,850	-
Compensated absences	2,628,424	1,547,383	1,445,633	2,730,174	1,501,596
OPEB liability	13,517,887	3,284,425	-	16,802,312	-
Total governmental activities	<u>\$ 100,980,999</u>	<u>\$45,593,150</u>	<u>\$ 44,864,775</u>	<u>\$ 101,709,374</u>	<u>\$ 9,958,439</u>

	<u>June 30, 2012</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2013</u>	<u>Due In Less Than One Year</u>
Business-Type Activities:					
Accrued landfill closure and post-closure care cost	\$ 9,590,636	\$ -	\$ 374,377	\$ 9,216,259	\$ 20,000
Compensated absences	59,454	36,228	32,700	62,982	34,640
OPEB liability	275,875	67,029	-	342,904	-
Total business-type activities	<u>\$ 9,925,965</u>	<u>\$ 103,257</u>	<u>\$ 407,077</u>	<u>\$ 9,622,145</u>	<u>\$ 54,640</u>

ALAMANCE COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Compensated absences typically have been liquidated in the General Fund and are accounted for on a FIFO basis. The unfunded Special Separation Allowance has been liquidated in the General Fund. OPEB has been liquidated in the Employee Insurance Fund.

State statutes provide for a legal debt margin of 8% of the County's appraised valuation. The County had a legal debt limitation of \$940,908,479 at June 30, 2013.

Conduit Debt Obligation. Alamance County Industrial Facility and Pollution Control Financing Authority have issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed as well as by letters of credit and are payable solely from payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the County, the Authority, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2013, there were three series of industrial revenue bonds outstanding, with an aggregate principal amount payable of \$2,900,000.

Note 13. Interfund Balances and Activity

Due From/To Other Funds

Interfund balances are summarized below:

	Interfund Loans		Reason
	From	To	
General Fund	\$ 190,334	\$ -	
Nonmajor Governmental Funds:			
Grant Special Revenue Fund	\$ -	\$ 190,334	Cash advance for grant expenses

ALAMANCE COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Transfers To/From Other Funds

Transfers in (out) for the year ended June 30, 2013 are summarized below:

	<u>Interfund Transfers</u>	
	<u>From</u>	<u>To</u>
General Fund	\$ 3,541	\$ 1,892,068
Major Schools Capital Project Fund	1,912,482	-
Renovation and Repair Capital Project Fund	309,971	335,344
Nonmajor Special Revenue Funds:	-	3,541
Nonmajor Capital Project Funds:	<u>375,492</u>	<u>370,533</u>
Total interfund transfers	<u>\$ 2,601,486</u>	<u>\$ 2,601,486</u>

Transfers from the School Capital Project Fund to the General Fund were for payment of school bond interest. Other General Fund transfers to other funds were advancement or reimbursement for grant and fund related expenses. Transfers to the Property Insurance Internal Service Fund were to establish the new fund.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Note 14. Joint Ventures

Alamance-Caswell Local Management Now Known as PBH aka Cardinal Innovations. The County, in conjunction with the State of North Carolina, Rockingham County and Caswell County, participated by statute to operate the former Alamance-Caswell Local Management Entity (ACLME) now known as PBH. Rockingham County left the ACLME in 2007. PBH was working on substantial changes to North Carolina law that would enable it to merge with several LME's in central North Carolina. These PBH lobbying efforts resulted in a new law that allowed PBH to merge with LMEs through interlocal agreements or mergers. The North Carolina General Assembly passed a law in 2011 that provided PBH through its managed care model would provide mental health, developmental disability and substance abuse services through an interlocal agreement or through a merger with the ACLME. PBH elected to proceed with a merger model. PBH and the ACLME merged in accordance with the NC DHHS regulations which requires a "plan of transition and disposition of assets and satisfaction of any or all indebtedness". Alamance County has requested a copy of this "Plan" from NCDHHS and it has not yet been provided. The NC Division of Mental Health, Developmental Disabilities and Substance Abuse pursuant to Session Law 2011-264, House Bill 916, developed policies and procedures for the approval of mergers between ACLME and Managed Care Organizations such as PBH which requires PBH to satisfy all liabilities of ACLME. Specifically the law requires a "plan of transition and disposition of assets and satisfaction of any or all indebtedness". The ACLME has stated that its dissolution is governed by N.C. Gen. Stat. § 122C-115.3. Any ACLME Unobligated Fund balance was required by law to be distributed to Alamance County and Caswell County. There has been no accounting for transferred assets of the ACLME to PBH and Alamance County does not have sufficient information or knowledge to form a belief as to whether a final budget was approved by the ACLME Board and PBH. Upon information and belief, on or about early 2011, PBH, also now known as Cardinal Innovations, entered into an agreement with the ACLME to manage the ACLME until the PBH merger with the ACLME could be completed by the September 30, 2011 merger target date imposed by the NC Department of Health and Human Services. Alamance County and Caswell County originally were to designate one County Commissioner each to serve on the PBH's governing board, and according to State law the designated commissioners appoint the remainder of the PBH's governing board. The governing board was supposed to consist of no fewer than eleven members and no more than twenty-five members. Currently Alamance County and Caswell County have only advisory authority over the operations of PBH. Alamance County provides funding for mental health services according to state law and PBH is responsible for managing the provision of services and reporting quarterly to Alamance County Commissioners. Alamance County provided funding for mental health services to PBH in the amount of \$1,210,752 during the fiscal year ended June 30, 2013. Alamance County is currently in a lawsuit with PBH over issues of accounting for fund balance and assets of the ACLME that were taken by PBH. One may try and obtain complete financial statements for the PBH from the PBH's administrative offices at 319 N. Graham Hopedale Road, Suite A, Burlington, North Carolina 27217. To date Alamance County's requests for financial statements have been ignored by PBH.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Alamance Community College. The County, in conjunction with the State of North Carolina and the Alamance-Burlington Board of Education, participates in a joint venture to operate the Alamance Community College (Community College). Each of the three participants appoints four members of the 13-member Board of Trustees of the Community College. The President of the Community College's student government serves as an ex officio non-voting member of the Community College's Board of Trustees. The Community College is included as a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the Community College and also provides some financial support for the Community College's operations. In addition to providing annual appropriations for the facilities, the County periodically issues general obligation bonds to provide financing for new and restructured facilities. The County has an ongoing financial responsibility for the Community College because of the statutory responsibilities to provide funding for the Community College's facilities. The County contributed \$2,623,347 and \$240,000 to the Community College for operating and repair and maintenance, respectively, during the fiscal year ended June 30, 2013. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2013. Complete financial statements for the Community College may be obtained from the Community College's administrative offices at 1247 Jimmie Kerr Road, Graham, North Carolina 27253.

Jointly Governed Organizations

Piedmont Triad Council of Governments. The County, in conjunction with five other counties and 35 municipalities, established the Piedmont Triad Council of Governments (Council). The participating governments established the Council to coordinate various funding received from federal and State agencies. Each participating government appoints one member to the Council's governing board. The County paid membership fees of \$15,175 to the Council during the fiscal year ended June 30, 2013.

Burlington-Alamance Airport Authority. The County, in conjunction with the City of Burlington, jointly governs the Burlington-Alamance Airport Authority. Each participating government appoints three members of the seven-member Board. The seventh appointment is a joint appointment by both governments. The Airport was created in 1969 by the North Carolina General Assembly House Bill 951. This act enabled Alamance County and the City of Burlington to establish the Authority for the maintenance of its Airport facilities. The County has no ongoing responsibility for providing financial support for the Authority's operations and facilities. The County has contributed funds in the past to match federal and State grants. The County contributed \$252,321 to the Authority for capital improvements during the fiscal year ended June 30, 2013.

Note 15. Contingencies

Risk Management. The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The County has established the Workers' Compensation Fund (an Internal Service Fund) to account for and finance its risk of loss related to employee injuries while conducting County business. Under this program, the Workers' Compensation Fund provides coverage for up to a maximum of \$600,000 for each claim for Sheriff and EMS departments. For all other departments, maximum coverage is \$550,000. The County purchases commercial insurance for losses in excess of coverage provided by the fund. Settlement claims have not exceeded this commercial coverage during the past year since the fund's inception.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

The County has not been designated as being in a flood zone and thus carries no commercial flood insurance.

The County carries commercial insurance for other risks of loss, including general liability insurance, property insurance, professional liability, and vehicle liability insurance. The County carries vehicle collision insurance on all vehicles. The County currently reports all of its risk management activities in its General Fund except for health and accident claims reported in the Employee Insurance Fund and Workers' Compensation Fund. There have been no significant reductions in insurance coverage from the previous year, and settled claims have not exceeded coverage or the designated portions of fund balance in any of the past three fiscal years.

The County has established an Employee Insurance Fund (an Internal Service Fund) to account for and finance its risk of loss related to employee health and accident claims. Under this program, the Employee Insurance Fund provides coverage for up to a maximum of \$125,000 for each claim. The County purchases commercial insurance coverage for claims in excess of coverage provided by the Fund, and there have been no significant reductions in this coverage from last year. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

All funds participate in the program and make payments to the Employee Insurance Fund based on estimates of the amounts needed to pay prior and current-year claims and to maintain adequate reserves for catastrophe losses. The reserves amount to \$4,230,610 at June 30, 2013 and are reported as fund equity on the balance sheet. A claims liability is reported in the Fund when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The claims liability of \$271,573 reported in the Fund at June 30, 2013 includes an amount for claims that have been incurred, but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts and other economic and social factors. Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred, but not reported (IBNR's).

Changes in the Fund's claims liability amount for the past ten fiscal years were:

<u>Year Ended June 30</u>	<u>Claims Liability Beginning of Year</u>	<u>Current Year Claims (Including IBNR's)</u>	<u>Claims Payment</u>	<u>Claims Liability End of Year</u>
2004	\$ 362,391	\$ 6,016,198	\$ (5,922,144)	\$ 456,445
2005	456,445	6,834,814	(6,807,356)	483,903
2006	483,903	6,883,601	(6,776,659)	590,845
2007	590,845	5,523,707	(5,829,075)	285,477
2008	285,477	6,652,226	(6,617,194)	320,509
2009	320,509	6,225,489	(6,244,161)	301,837
2010	301,837	6,564,403	(6,574,292)	291,948
2011	291,948	6,624,563	(6,592,559)	323,952
2012	323,952	5,823,002	(5,875,381)	271,573
2013	271,573	6,807,016	(6,723,976)	354,613

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

In accordance with G.S. 159-29, the County's employees that have access to \$100 or more at any given time of the County's funds are performance bonded through a commercial surety bond. The Director of Finance and Tax Collector are individually bonded for \$100,000 each. The remaining employees that have access to funds are bonded under a blanket bond for \$250,000.

Note 16. Benefit Payments Issued By The State

The amounts listed below were paid directly to individual recipients by the State from Federal and State monies. County personnel are involved with certain functions, primarily eligibility determinations that cause benefit payments to be issued by the State. These amounts disclose this additional aid to County recipients that do not appear in the basic financial statements because they are not revenues and expenditures of the County.

	<u>Federal</u>	<u>State</u>
Temporary Assistance to Needy Families	\$ 935,073	\$ (168)
Medicaid	108,052,220	59,826,592
Adoption Assistance	820,808	218,093
WIC	3,669,743	-
Child Welfare Services - Adoption	-	322,529
Total	<u>\$ 113,477,844</u>	<u>\$ 60,367,046</u>

Note 17. Summary Disclosure of Significant Contingencies

Federal and State-Assisted Programs

The County has received proceeds from several Federal and State grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Note 18. Change in Accounting Principles

The County implemented Governmental Accounting Standards Board (GASB) Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and Statement 65, *Items Previously reported as Assets and Liabilities*, in the fiscal year ending June 30, 2013. In accordance with GASB Statement 63, the Statement of Net Assets has been replaced with the Statement of Net Position. Items on the Statement of Net Position are now classified into Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position. Additionally, GASB Statement 65 requires that deferred costs from the refunding of debt, which were previously deferred and amortized, be presented as deferred outflows of resources. Bond issuance costs, which were previously deferred and amortized must be included in current expenditures.

Note 19. Change in Accounting Estimate

Based on capacity and estimated cost, the County's most recent closure and post-closure financial assurance assessment, performed by an independent engineer, determined a decrease in the accrued closure and post-closure liability of \$374,377. The effect of this change in estimate, reduced landfill closure and post-closure care costs expense for the year ended June 30, 2013 by \$374,377 on the Proprietary Funds Statement of Revenues, Expenses, and Change in Fund Net Position and the Statement of Activities.

Note 20. Stewardship, Compliance, and Accountability

Deficit in Fund Balance or Net Position of Individual Funds

At June 30, 2013, the County has a fund balance deficit of \$190,334 in the Community Development Block Grant Fund. The deficit is a result of revenue timing and will be funded by future grant revenues.

REQUIRED SUPPLEMENTAL FINANCIAL DATA

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2013

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage Covered Payroll ((b-a)/c)
12/30/2012	\$ -	\$ 1,807,038	\$ 1,807,038	0.00%	\$ 5,125,743	35.25%
12/31/2011	-	1,788,657	1,788,657	0.00%	5,125,559	34.90%
12/31/2010	-	1,784,505	1,784,505	0.00%	5,245,894	34.02%
12/31/2009	-	1,867,861	1,867,861	0.00%	5,149,076	36.28%
12/31/2008	-	1,385,105	1,385,105	0.00%	4,884,168	28.36%
12/31/2007	-	1,287,151	1,287,151	0.00%	4,575,350	28.13%

Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution (ARC)	Percentage Contributed
2013	\$ 210,495	72.24%
2012	205,246	79.07%
2011	208,670	73.33%
2010	157,549	91.60%
2009	145,065	93.50%
2008	130,767	85.40%

Notes to the Required Schedules:

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	12/31/2011
Actuarial cost method	Projected unit credit
Amortization method	Level of percent of pay, closed
Remaining amortization period	19 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return	5.00%
Medical cost trend	4.25 - 7.85%
Includes inflation at	3.00%
Cost-of-living adjustments	None

ALAMANCE COUNTY, NORTH CAROLINA

OTHER POST-EMPLOYMENT BENEFITS
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2012

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
12/31/2011	\$ -	\$ 55,005,750	\$ 55,005,750	0.00%	\$ 34,748,308	158.30%
12/31/2010	-	48,687,657	48,687,657	0.00%	35,265,388	138.06%
12/31/2009	-	56,920,888	56,920,888	0.00%	35,242,477	161.51%
12/31/2008	-	59,875,594	59,875,594	0.00%	34,546,260	173.32%

Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution (ARC)	Percentage Contributed
2013	\$ 4,431,324	24.74%
2012	5,572,582	19.41%
2011	5,572,582	17.17%
2010	5,572,582	56.90%
2009	6,026,340	65.70%

Notes to the Required Schedules:

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows.

Valuation date	12/31/2011
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay, open
Remaining amortization period	30 years
Asset valuation method	Market value of assets
Actuarial assumptions:	
Investment rate of return	4.00%
Medical cost trend rate	9.50% - 5.00%
Includes inflation at	3.00%
Cost-of-living adjustments	None

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

- *General Fund*
- *Major Capital Project Funds*
- *Nonmajor Governmental Funds*
- *Nonmajor Special Revenue Funds*
- *Nonmajor Capital Project Funds*
- *Enterprise Fund*
- *Internal Service Funds*
- *Agency Funds*

Alamance County, North Carolina
Financial Statements and Schedules

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GENERAL FUND

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 Actual
	Budget	Actual	Variance Over/Under	
Revenues:				
Ad valorem taxes:				
Taxes, net of discounts	\$ 63,314,337	\$ 64,158,865	\$ 844,528	\$ 62,534,945
Penalties and interest	450,000	371,657	(78,343)	425,833
Total	<u>63,764,337</u>	<u>64,530,522</u>	<u>766,185</u>	<u>62,960,778</u>
Local option sales tax:				
Article 39 and 44	8,800,000	9,216,520	416,520	9,071,949
Article 40.5 percent	5,500,000	5,537,454	37,454	5,405,159
Article 42.5 percent	<u>6,100,000</u>	<u>5,911,445</u>	<u>(188,555)</u>	<u>5,749,201</u>
Total	<u>20,400,000</u>	<u>20,665,419</u>	<u>265,419</u>	<u>20,226,309</u>
Other taxes and licenses:				
Real estate transfer taxes	300,000	360,872	60,872	314,414
Privilege licenses	6,000	7,572	1,572	7,717
Local occupancy tax	533,780	585,145	51,365	567,183
Rental vehicle tax	<u>50,000</u>	<u>65,979</u>	<u>15,979</u>	<u>59,350</u>
Total	<u>889,780</u>	<u>1,019,568</u>	<u>129,788</u>	<u>948,664</u>
Unrestricted intergovernmental revenues:				
Beer and wine tax	<u>235,000</u>	<u>233,472</u>	<u>(1,528)</u>	<u>252,116</u>
Total	<u>235,000</u>	<u>233,472</u>	<u>(1,528)</u>	<u>252,116</u>
Restricted intergovernmental revenues:				
State	4,968,917	4,950,746	(18,171)	4,477,881
Federal	16,857,494	16,085,168	(772,326)	17,221,032
Court facilities fees	220,000	236,097	16,097	231,477
ABC bottle tax	31,195	33,775	2,580	32,947
Other	<u>1,671,604</u>	<u>1,172,878</u>	<u>(498,726)</u>	<u>1,746,545</u>
Total	<u>23,749,210</u>	<u>22,478,664</u>	<u>(1,270,546)</u>	<u>23,709,882</u>
Permits and fees:				
Building permits and inspection fees	350,000	451,105	101,105	355,396
Register of Deeds	<u>800,000</u>	<u>754,975</u>	<u>(45,025)</u>	<u>650,260</u>
Total	<u>1,150,000</u>	<u>1,206,080</u>	<u>56,080</u>	<u>1,005,656</u>

ALAMANCE COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 Actual
	Budget	Actual	Variance Over/Under	
Sales and services:				
Rents, concessions and fees	3,825,908	4,458,706	632,798	4,094,296
Nuisance abatement	10,000	1,300	(8,700)	-
Jail and Sheriff fees	3,573,066	3,488,857	(84,209)	3,804,677
Ambulance fees	4,298,237	4,669,085	370,848	4,300,350
Total	11,707,211	12,617,948	910,737	12,199,323
Investment Earnings	531,084	467,587	(63,497)	507,369
Miscellaneous	285,446	505,727	220,281	2,026,872
Total revenues	122,712,068	123,724,987	1,012,919	123,836,969
Expenditures:				
Current:				
General government:				
Governing body	210,857	207,304	3,553	132,021
County Manager	1,928,593	1,813,718	114,875	1,725,644
Administrative services/planning	140,839	138,215	2,624	141,384
Human Resources	307,858	287,478	20,380	288,305
Finance	578,975	577,598	1,377	570,935
Purchasing	106,685	99,706	6,979	104,176
Tax administration	1,703,660	1,475,909	227,751	1,570,009
GIS Mapping	294,893	283,370	11,523	233,161
Legal	333,193	280,057	53,136	364,367
Facility fees	222,950	222,878	72	373,633
Elections	695,553	592,140	103,413	415,469
Register of Deeds	652,218	586,394	65,824	544,615
Central services:				
Management information systems	3,779,923	3,739,963	39,960	2,915,980
Central permitting	10,000	377	9,623	2,486
Printing	215,058	147,030	68,028	139,760
Central garage	45,310	38,085	7,225	37,710
Public buildings	1,450,373	1,433,054	17,319	1,143,291
Total	12,676,938	11,923,276	753,662	10,702,946

ALAMANCE COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 Actual
	Budget	Actual	Variance Over/Under	
Public safety:				
Judicial services	33,840	22,132	11,708	537,901
Sheriff	9,467,580	9,122,783	344,797	9,322,113
School Resource Officers	394,829	349,145	45,684	379,304
County jail	8,736,528	8,459,759	276,769	8,108,478
Emergency management	12,807	9,737	3,070	65,140
Emergency service	295,223	294,952	271	291,314
Fire service	67,424	42,954	24,470	16,672
SARA management	161,373	143,015	18,358	148,299
Cops Grant	149,286	137,938	11,348	-
Inspections	624,790	602,265	22,525	613,914
Emergency Medical Service	5,991,703	5,948,019	43,684	6,428,394
Animal Shelter	287,854	287,854	-	279,762
Central Communications	1,691,103	1,578,730	112,373	1,588,278
Other	133,381	97,780	35,601	89,300
Total	<u>28,047,721</u>	<u>27,097,063</u>	<u>950,658</u>	<u>27,868,869</u>
Transportation:				
Transportation services	185,412	184,772	640	131,555
Airport	252,321	252,321	-	271,313
Total	<u>437,733</u>	<u>437,093</u>	<u>640</u>	<u>402,868</u>
Environmental Protection	<u>108,264</u>	<u>65,426</u>	<u>42,838</u>	<u>61,497</u>
Economic and Physical Development:				
Industrial development	312,096	292,096	20,000	120,050
Cooperative Extension	288,845	261,877	26,968	291,995
Soil Conservation	207,689	206,143	1,546	203,060
Tourism Development Authority	377,128	410,337	(33,209)	335,140
Other	15,175	15,175	-	14,834
Total	<u>1,200,933</u>	<u>1,185,628</u>	<u>15,305</u>	<u>965,079</u>

ALAMANCE COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 Actual
	Budget	Actual	Variance Over/Under	
Human services:				
Health	7,699,812	6,829,289	870,523	6,476,620
WIC Program	868,904	766,185	102,719	779,969
Dental Clinic Program	914,390	913,484	906	882,088
Social Services	22,720,076	20,943,167	1,776,909	21,223,285
Home and Community Care	1,172,262	1,095,321	76,941	1,206,939
Veterans Service Office	122,158	118,014	4,144	143,523
Office of Juvenile Justice Programs	396,219	396,217	2	484,925
Mental Health Authority	1,210,751	1,210,751	-	1,345,790
Other	328,030	327,816	214	322,524
Total	<u>35,432,602</u>	<u>32,600,244</u>	<u>2,832,358</u>	<u>32,865,663</u>
Cultural and recreational:				
Recreation	1,588,931	1,408,221	180,710	1,573,260
Historic Properties Commission	1,396	559	837	13,542
Library	2,232,189	2,076,786	155,403	2,166,286
Other	507,040	142,490	364,550	146,872
Total	<u>4,329,556</u>	<u>3,628,056</u>	<u>701,500</u>	<u>3,899,960</u>
Education:				
Alamance-Burlington School System:				
Current expense	31,155,000	31,155,000	-	33,500,000
Alamance Community College:				
Current expense	2,623,347	2,623,347	-	2,839,718
Repair and maintenance	240,000	240,000	-	239,150
Total	<u>34,018,347</u>	<u>34,018,347</u>	<u>-</u>	<u>36,578,868</u>
Debt Service:				
Principal retirement	8,395,297	8,174,507	220,790	7,542,854
Interest and fees	2,622,526	2,838,814	(216,288)	3,655,325
Total	<u>11,017,823</u>	<u>11,013,321</u>	<u>4,502</u>	<u>11,198,179</u>
Total expenditures	<u>127,269,917</u>	<u>121,968,454</u>	<u>5,301,463</u>	<u>124,543,929</u>
Revenues over (under) expenditures	<u>(4,557,849)</u>	<u>1,756,533</u>	<u>6,314,382</u>	<u>(706,960)</u>

ALAMANCE COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 Actual
	Budget	Actual	Variance Over/Under	
Other Financing Sources (Uses):				
Transfers from other funds:				
Capital project funds	1,567,194	1,892,068	324,874	2,078,016
Special revenue funds	-	-	-	89,826
Other funds	28,700	-	(28,700)	-
Transfers to other funds:				
Special revenue funds	(3,541)	(3,541)	-	-
Internal Service Fund	-	-	-	(458,972)
Total net transfers	1,592,353	1,888,527	296,174	1,708,870
Long-term debt issued	-	-	-	1,000,000
Capital lease obligations issued	1,019,833	1,019,833	-	564,213
Appropriated fund balance	2,180,259	-	(2,180,259)	-
Contingency	(234,596)	-	234,596	-
Total other financing sources (uses)	<u>4,557,849</u>	<u>2,908,360</u>	<u>(1,649,489)</u>	<u>3,273,083</u>
Net change in fund balance	<u>\$ -</u>	4,664,893	<u>\$ 4,664,893</u>	2,566,123
Fund Balance:				
Beginning of year - July 1		<u>21,676,973</u>		<u>19,110,850</u>
End of year - June 30		<u>\$ 26,341,866</u>		<u>\$ 21,676,973</u>

Alamance County, North Carolina
Financial Statements and Schedules

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MAJOR CAPITAL PROJECT FUNDS

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

SCHOOLS CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Revenues:					
Restricted intergovernmental:					
Public School Building Capital Fund Lottery	\$ 10,202,934	\$ 8,014,119	\$ 2,188,815	\$ 10,202,934	\$ -
Public School Capital Building Fund	32,815,966	32,512,273	164,540	32,676,813	(139,153)
Local funds	3,055,373	3,055,373	-	3,055,373	-
Total restricted intergovernmental	46,074,273	43,581,765	2,353,355	45,935,120	(139,153)
Investment earnings	3,867,289	3,946,756	1,394	3,948,150	80,861
Sales tax refund	577,254	577,254	-	577,254	-
Total revenues	50,518,816	48,105,775	2,354,749	50,460,524	(58,292)
Expenditures:					
AO Elementary	580,742	580,742	-	580,742	-
Alexander Wilson	2,107,337	2,107,337	-	2,107,337	-
Andrews Elementary	3,010,558	3,010,558	-	3,010,558	-
B. Everett Jordan Elementary	3,916,365	3,916,365	-	3,916,365	-
Broadview Middle	1,305,330	1,305,330	-	1,305,330	-
Cummings High School	611,023	611,023	-	611,023	-
Eastern High School	1,118,659	1,118,659	-	1,118,659	-
East lawn Elementary	156,600	156,600	-	156,600	-
Elon Elementary	209,302	209,302	-	209,302	-
E.M. Holt Elementary	2,222,070	2,222,070	-	2,222,070	-
E.M. Yoder Elementary	1,922,974	1,922,974	-	1,922,974	-
Graham High School	118,165	118,165	-	118,165	-
Graham Middle School	318,291	318,291	-	318,291	-
Grove Park Elementary	18,851	18,851	-	18,851	-
Haw River Elementary	1,937,770	1,937,770	-	1,937,770	-
Newlin Elementary	2,191,189	2,191,189	-	2,191,189	-
North Graham Elementary	2,867,732	2,867,732	-	2,867,732	-
Pleasant Grove Elementary	2,888	2,888	-	2,888	-
Sellers-Gunn Center	842,300	654,776	-	654,776	187,524
South Graham Elementary	3,254,886	3,254,886	-	3,254,886	-
South Mebane Elementary	7,562	7,562	-	7,562	-
Southern High School	1,327,377	1,327,377	-	1,327,377	-
Southern Middle School	3,613,750	3,613,750	-	3,613,750	-
Sylvan Elementary	35,204	35,204	-	35,204	-
Turrentine Middle School	50,580	50,580	-	50,580	-
Western High School	1,087,024	1,087,024	-	1,087,024	-
Western Middle School	2,272,167	2,272,167	-	2,272,167	-
Williams High School	1,649,666	1,649,666	-	1,649,666	-
Woodlawn Middle School	5,583,228	5,578,257	-	5,578,257	4,971
Garrett/Hawfields Middle School	25,602,255	25,602,255	-	25,602,255	-
Highland Elementary School	14,341,745	14,341,745	-	14,341,745	-
Eastern, Graham, and Western	12,410,007	12,410,007	-	12,410,007	-
Five Year Capital Improvement Plan	11,735,575	11,383,248	173,415	11,556,663	178,912
Central Office Chiller Unit	275,350	275,350	-	275,350	-

ALAMANCE COUNTY, NORTH CAROLINA

SCHOOLS CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Ray Street Facility	275,944	275,944	-	275,944	-
B. Everett Jordan Elementary - lottery	1,289,914	1,270,414	19,500	1,289,914	-
Sylvan Elementary - lottery	1,036,962	1,036,962	-	1,036,962	-
2002 Facility Improvement Plan	944,804	944,803	-	944,803	1
Career Tech Center	8,298,202	7,865,854	310,634	8,176,488	121,714
AO Elementary School	1,076,431	1,076,431	-	1,076,431	-
Andrews Elementary	70,740	-	70,740	70,740	-
East Lawn Elementary	7,500	1,550	5,950	7,500	-
Grove Park Elementary	29,000	-	29,000	29,000	-
Haw River Elementary	28,342	7,500	20,842	28,342	-
Hillcrest Elementary	102,947	62,993	39,954	102,947	-
Newlin Elementary	70,754	-	70,754	70,754	-
Smith Elementary	103,000	62,993	40,007	103,000	-
North Graham Elementary	55,819	55,819	-	55,819	-
Western Middle School	938,228	938,228	-	938,228	-
2006 Bond Reallocation - other	275,863	275,863	-	275,863	-
Completed projects	49,368,412	49,368,412	-	49,368,412	-
Contingency	2,471,953	-	-	-	2,471,953
School Bond interest costs	5,083,734	510,029	4,573,705	5,083,734	-
School debt issue costs	1,029,938	746,694	329,582	1,076,276	(46,338)
Total expenditures	181,263,009	172,660,189	5,684,083	178,344,272	2,918,737
Revenues over (under) expenditures	(130,744,193)	(124,554,414)	(3,329,334)	(127,883,748)	2,860,445
Other Financing Sources (Uses):					
Transfers in:					
From General Fund	8,636,991	8,636,989	-	8,636,989	(2)
From County Buildings Capital Projects Fund	92,332	92,332	-	92,332	-
From Schools Capital Reserve Fund	28,218,539	28,218,539	-	28,218,539	-
Transfers out:					
To General Fund	(13,330,672)	(11,438,604)	(1,892,068)	(13,330,672)	-
To Schools Capital Reserve Fund	(3,785,784)	(3,765,370)	(20,414)	(3,785,784)	-
Long-term debt issued	143,557,914	143,394,320	-	143,394,320	(163,594)
Refunding bonds issued	33,830,000	-	33,830,000	33,830,000	-
Premium	5,861,313	-	5,861,313	5,861,313	-
Payment to refunded bond escrow agent	(72,336,440)	(37,571,440)	(34,765,000)	(72,336,440)	-
Total other financing sources (uses)	130,744,193	127,566,766	3,013,831	130,580,597	(163,596)
Net change in fund balance	\$ -	\$ 3,012,352	(315,503)	\$ 2,696,849	\$ 2,696,849
Fund Balance:					
Beginning of year - July 1			3,012,352		
End of year - June 30			\$ 2,696,849		

ALAMANCE COUNTY, NORTH CAROLINA

RENOVATION AND REPAIR CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Revenues:					
Investment earnings - Group A	\$ 20,859	\$ 16,720	\$ 5,857	\$ 22,577	\$ 1,718
Investment earnings - Group B	17,757	13,040	7,781	20,821	3,064
Total revenues	38,616	29,760	13,638	43,398	4,782
Expenditures:					
Renovation/repair:					
Professional services	14,235	14,235	-	14,235	-
Architect	25,375	25,375	-	25,375	-
Capital outlay - other improvements	596	596	-	596	-
Total renovation/repair	40,206	40,206	-	40,206	-
HSC Chiller:					
Architect	26,359	26,359	-	26,359	-
Construction	192,418	192,418	-	192,418	-
Total HSC Chiller	218,777	218,777	-	218,777	-
Family Justice Center/Fire Marshal:					
Professional services	3,850	3,850	-	3,850	-
Architect	140,118	140,118	-	140,118	-
Supplies - small tools, equipment	32,769	32,769	-	32,769	-
Maintenance and repair - building and grounds	19,493	19,493	-	19,493	-
Capital outlay - equipment and furniture	2,838	2,838	-	2,838	-
Construction	1,082,944	1,082,944	-	1,082,944	-
Total Family Justice Center/Fire Marshal	1,282,012	1,282,012	-	1,282,012	-
County office building/court annex:					
Professional services	686	686	-	686	-
Architect	54,707	54,707	-	54,707	-
Supplies - small tools, equipment	37,743	37,743	-	37,743	-
Capital outlay - equipment and furniture	4,039	4,039	-	4,039	-
Construction	389,362	389,362	-	389,362	-
Total County office building/court annex	486,537	486,537	-	486,537	-
Generator:					
Architect	26,648	26,648	-	26,648	-
Total generator	26,648	26,648	-	26,648	-
Maintenance building renovations:					
Professional services	3,415	3,415	-	3,415	-
Architect	38,955	38,955	-	38,955	-
Construction	182,208	182,208	-	182,208	-
Total maintenance building renovations	224,578	224,578	-	224,578	-

ALAMANCE COUNTY, NORTH CAROLINA

RENOVATION AND REPAIR CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Criminal courts renovations:					
Professional services	2,520	120	2,400	2,520	-
Architect	19,943	19,943	-	19,943	-
Construction	145,007	145,007	-	145,007	-
Total criminal courts renovations	167,470	165,070	2,400	167,470	-
Roofing - Group A:					
Architect	42,152	42,152	-	42,152	-
Construction	392,998	392,998	-	392,998	-
Total roofing - Group A	435,150	435,150	-	435,150	-
Paving - Group A:					
Professional services	895	895	-	895	-
Architect	25,058	25,058	-	25,058	-
Parking lot rental	2,200	2,200	-	2,200	-
Construction	265,419	265,419	-	265,419	-
Total paving - Group A	293,572	293,572	-	293,572	-
Human Service Center/wall repair:					
Architect	354	354	-	354	-
Construction	98,183	98,183	-	98,183	-
Total Human Service Center/wall repair	98,537	98,537	-	98,537	-
Old courthouse:					
Professional services	72,762	72,762	-	72,762	-
Architect	420,868	423,415	(2,547)	420,868	-
Capital outlay - computer equipment	33,895	33,895	-	33,895	-
Construction	2,370,563	2,368,016	2,547	2,370,563	-
Supplies - small tools, equipment	85,162	85,162	-	85,162	-
Maintenance and repair - building and grounds	28,830	28,830	-	28,830	-
Total old courthouse	3,012,080	3,012,080	-	3,012,080	-
County office building restrooms:					
Architect	8,523	8,523	-	8,523	-
Construction	71,176	71,176	-	71,176	-
Total County office building restrooms	79,699	79,699	-	79,699	-
Cedarock Park:					
Professional services	9,664	9,664	-	9,664	-
Architect	51,557	51,557	-	51,557	-
Construction	386,112	386,112	-	386,112	-
Total Cedarock Park	447,333	447,333	-	447,333	-

ALAMANCE COUNTY, NORTH CAROLINA

RENOVATION AND REPAIR CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Repair/renovation/ADA:					
Architect	38,101	38,101	-	38,101	-
Construction	222,511	222,511	-	222,511	-
Total repair/renovation/ADA	260,612	260,612	-	260,612	-
AG building HVAC upgrade:					
Professional services	500	500	-	500	-
Architect	1,216	1,216	-	1,216	-
Construction	17,242	17,242	-	17,242	-
Total AG building HVAC upgrade	18,958	18,958	-	18,958	-
Roofing bundle - HSC - Group B:					
Architect	52,132	52,132	-	52,132	-
Construction	556,942	556,942	-	556,942	-
Total roofing bundle - HSC - Group B	609,074	609,074	-	609,074	-
Roofing bundle - Register of Deeds - Group B:					
Construction	132,750	132,750	-	132,750	-
Total roofing bundle - Register of Deeds - Group B	132,750	132,750	-	132,750	-
Paving - Group B:					
Professional services	6,563	6,563	-	6,563	-
Architect	48,053	48,053	-	48,053	-
Construction	724,074	724,074	-	724,074	-
Total paving - Group B	778,690	778,690	-	778,690	-
Eli Whitney Project:					
Construction	88,683	88,683	-	88,683	-
Total Eli Whitney Project	88,683	88,683	-	88,683	-
Youth services building:					
Professional services	2,600	2,600	-	2,600	-
Construction	167,450	17,764	149,686	167,450	-
Total youth services building	170,050	20,364	149,686	170,050	-
Family Justice Center:					
Construction	21,566	21,566	-	21,566	-
Total Family Justice Center	21,566	21,566	-	21,566	-
Environmental Services:					
Construction	9,473	9,473	-	9,473	-
Total environmental services	9,473	9,473	-	9,473	-

ALAMANCE COUNTY, NORTH CAROLINA

RENOVATION AND REPAIR CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Civil courts building:					
Construction	25,814	25,814	-	25,814	-
Total civil courts building	25,814	25,814	-	25,814	-
Criminal courts building:					
Construction	19,872	5,743	14,129	19,872	-
Total criminal courts building	19,872	5,743	14,129	19,872	-
Mebane Tower Site:					
Construction	81,323	-	50,868	50,868	30,455
Total Mebane Tower Site	81,323	-	50,868	50,868	30,455
Human Service Center - Canopy Chiller:					
Construction	16,494	-	16,494	16,494	-
Total Human Service Center - Canopy Chiller	16,494	-	16,494	16,494	-
Register of Deeds:					
Construction	6,109	-	6,109	6,109	-
Total Register of Deeds	6,109	-	6,109	6,109	-
Board of Elections HVAC Fence Repairs:					
Construction	15,000	-	15,011	15,011	(11)
Total Board of Elections HVAC Fence Repairs	15,000	-	15,011	15,011	(11)
Criminal Court HVAC:					
Construction	35,000	-	35,000	35,000	-
Total Criminal Court HVAC	35,000	-	35,000	35,000	-
Rescue:					
Construction	40,000	-	22,436	22,436	17,564
Total Rescue	40,000	-	22,436	22,436	17,564
Fire Alarm System:					
Construction	74,500	-	22,528	22,528	51,972
Total Alarm System	74,500	-	22,528	22,528	51,972
Graham Manor					
Contracted services	224,458	-	223,638	223,638	820
Total Graham Manor	224,458	-	223,638	223,638	820
Issuance costs	22,964	22,964	-	22,964	-
Total expenditures	9,463,989	8,804,890	558,299	9,363,189	100,800

ALAMANCE COUNTY, NORTH CAROLINA

RENOVATION AND REPAIR CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	<u>Project Authorization</u>	<u>Actual</u>		<u>Total to Date</u>	<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>		
Revenues over (under) expenditures	<u>(9,425,373)</u>	<u>(8,775,130)</u>	<u>(544,661)</u>	<u>(9,319,791)</u>	<u>105,582</u>
Other Financing Sources (Uses):					
Long-term debt issued:					
Group A	3,500,000	3,500,000	-	3,500,000	-
Group B	5,900,000	5,900,000	-	5,900,000	-
Transfers out	(809,971)	(500,000)	(309,971)	(809,971)	-
Transfers in	<u>835,344</u>	<u>500,000</u>	<u>335,344</u>	<u>835,344</u>	<u>-</u>
Total other financing sources (uses)	<u>9,425,373</u>	<u>9,400,000</u>	<u>25,373</u>	<u>9,425,373</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 624,870</u>	<u>(519,288)</u>	<u>\$ 105,582</u>	<u>\$ 105,582</u>
Fund Balance:					
Beginning of year - July 1			<u>624,870</u>		
End of year - June 30			<u>\$ 105,582</u>		

Alamance County, North Carolina
Financial Statements and Schedules

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NONMAJOR GOVERNMENTAL FUNDS

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

Schedule D-1

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2013

	Special Revenue Funds				Capital Projects Funds				Total Nonmajor Governmental Funds
	Emergency Telephone System Fund	Fire Districts Funds	CDBG Grant Fund	Total	Capital Reserve Funds	Alamance Community College Fund	800 MHZ Emergency Equipment Fund	Total	
Assets:									
Cash and cash equivalents	\$ 809,335	\$ -	\$ -	\$ 809,335	\$ 112,780	\$ 281,915	\$ -	\$ 394,695	\$ 1,204,030
Taxes receivable, net	-	324,483	-	324,483	-	-	-	-	324,483
Accounts receivable, net	112,006	-	-	112,006	-	-	2,065	2,065	114,071
Restricted cash and cash equivalents	-	-	-	-	-	-	42,819	42,819	42,819
Total assets	\$ 921,341	\$ 324,483	\$ -	\$ 1,245,824	\$ 112,780	\$ 281,915	\$ 44,884	\$ 439,579	\$ 1,685,403
Liabilities:									
Due to other funds	\$ -	\$ -	\$ 190,334	\$ 190,334	\$ -	\$ -	\$ -	\$ -	\$ 190,334
Total liabilities	-	-	190,334	190,334	-	-	-	-	190,334
Deferred Inflows of Resources:									
Taxes receivable	-	324,483	-	324,483	-	-	-	-	324,483
Total deferred Inflows of resources:	-	324,483	-	324,483	-	-	-	-	324,483
Fund Balances:									
Restricted:									
Stabilization by State statute	112,006	-	-	112,006	-	-	2,065	2,065	114,071
Restricted, all other	809,335	-	-	809,335	-	-	42,819	42,819	852,154
Committed	-	-	-	-	112,780	281,915	-	394,695	394,695
Unassigned	-	-	(190,334)	(190,334)	-	-	-	-	(190,334)
Total fund balances	921,341	-	(190,334)	731,007	112,780	281,915	44,884	439,579	1,170,586
Total liabilities, deferred inflows of resources and fund balances	\$ 921,341	\$ 324,483	\$ -	\$ 1,245,824	\$ 112,780	\$ 281,915	\$ 44,884	\$ 439,579	\$ 1,685,403

ALAMANCE COUNTY, NORTH CAROLINA

Schedule D-2

NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2013

	Special Revenue Funds				Capital Projects Funds							Total Nonmajor Governmental Funds
	Emergency Telephone System Fund	Fire Districts Funds	CDBG Grant Fund	Total	Capital Reserve Funds	Facility Maintenance Fund	Jail Expansion Fund	Alamance Community College Fund	Emergency Equipment Fund	Probation and Parole Fund	Total	
Revenues:												
Ad valorem taxes	\$ -	\$4,370,023	\$ -	\$ 4,370,023	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,370,023
Restricted intergovernmental	669,862	21,499	226,094	917,455	-	-	-	-	-	-	-	917,455
Investment earnings	283	-	-	283	53	-	-	-	-	36	-	372
Total revenues	670,145	4,391,522	226,094	5,287,761	53	-	-	-	-	36	-	5,287,850
Expenditures:												
Current:												
Public safety	593,430	4,391,522	-	4,984,952	-	-	-	19,753	75,486	75,486	95,239	5,080,191
Economic and physical development	-	-	215,559	215,559	-	-	-	-	-	-	-	215,559
Total expenditures	593,430	4,391,522	215,559	5,200,511	-	-	-	19,753	75,486	75,486	95,239	5,295,750
Revenues over (under) expenditures	76,715	-	10,535	87,250	53	-	-	(19,753)	(75,450)	(75,450)	(95,150)	(7,900)
Other Financing Sources (Uses):												
Transfers in	3,541	-	-	3,541	370,533	-	-	-	-	-	370,533	374,074
Transfers out	-	-	-	-	(335,344)	(1,977)	(17,699)	-	-	(20,472)	(375,492)	(375,492)
Total other financing sources (uses)	3,541	-	-	3,541	35,189	(1,977)	(17,699)	-	-	(20,472)	(4,959)	(1,418)
Net change in fund balances	80,256	-	10,535	90,791	35,242	(1,977)	(17,699)	-	(19,753)	(95,922)	(100,109)	(9,318)
Fund Balances:												
Beginning of year - July 1-	841,085	-	(200,869)	640,216	77,538	1,977	17,699	281,915	64,637	95,922	539,688	1,179,904
End of year - June 30	\$921,341	\$ -	\$(190,334)	\$ 731,007	\$ 112,780	\$ -	\$ -	\$ 281,915	\$ 44,884	\$ -	\$ 439,579	\$ 1,170,586

NONMAJOR SPECIAL REVENUE FUNDS

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

EMERGENCY TELEPHONE SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 Actual
	Budget	Actual	Variance Over/Under	
Revenues:				
Restricted intergovernmental	\$ 669,862	\$ 669,862	\$ -	\$ 640,782
Investment earnings	1,000	283	(717)	534
Total revenues	<u>670,862</u>	<u>670,145</u>	<u>(717)</u>	<u>641,316</u>
Expenditures:				
Implemental functions	50,000	50,000	-	-
Telephone	256,235	182,272	73,963	230,055
Software maintenance	114,819	114,820	(1)	175,054
Hardware maintenance	245,889	245,889	-	36,824
Training	8,225	449	7,776	5,324
Capital outlay	4,700	-	4,700	-
S.L. 2010-158 expenditures	-	-	-	363,920
Total expenditures	<u>679,868</u>	<u>593,430</u>	<u>86,438</u>	<u>811,177</u>
Revenues over (under) expenditures	<u>(9,006)</u>	<u>76,715</u>	<u>85,721</u>	<u>(169,861)</u>
Other Financing Sources (Uses):				
Transfer from General Fund	3,541	3,541	-	-
Transfer to General Fund	-	-	-	(89,826)
Appropriated fund balance	5,465	-	(5,465)	-
Total other financing sources (uses)	<u>9,006</u>	<u>3,541</u>	<u>(5,465)</u>	<u>(89,826)</u>
Net change in fund balance	<u>\$ -</u>	<u>80,256</u>	<u>\$ 80,256</u>	<u>(259,687)</u>
Fund Balance:				
Beginning of year - July 1		<u>841,085</u>		<u>1,100,772</u>
End of year - June 30		<u>\$ 921,341</u>		<u>\$ 841,085</u>

ALAMANCE COUNTY, NORTH CAROLINA

**FIRE DISTRICT FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2013**

	<u>Sweptsonville Fund</u>	<u>54 East Fund</u>	<u>Elon Fire / Rescue Fund</u>	<u>Faucette Fund</u>	<u>North Eastern Alamance Fund</u>	<u>North Central Alamance Fund</u>
Assets:						
Taxes receivable, net	\$ 37,825	\$ 19,236	\$ 13,756	\$ 27,802	\$ 27,601	\$ 6,938
Total assets	<u>\$ 37,825</u>	<u>\$ 19,236</u>	<u>\$ 13,756</u>	<u>\$ 27,802</u>	<u>\$ 27,601</u>	<u>\$ 6,938</u>
Deferred Inflows of Resources:						
Taxes receivable	\$ 37,825	\$ 19,236	\$ 13,756	\$ 27,802	\$ 27,601	\$ 6,938
Total deferred Inflows of resources:	<u>37,825</u>	<u>19,236</u>	<u>13,756</u>	<u>27,802</u>	<u>27,601</u>	<u>6,938</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 37,825</u>	<u>\$ 19,236</u>	<u>\$ 13,756</u>	<u>\$ 27,802</u>	<u>\$ 27,601</u>	<u>\$ 6,938</u>

Schedule E-2

<u>Eli Whitney/87 South Fund</u>	<u>E.M. Holt Fund</u>	<u>Altamahaw- Ossipee Fund</u>	<u>East Alamance Fund</u>	<u>Haw River Fund</u>	<u>Snow Camp Fund</u>	<u>Total</u>
\$ 25,256	\$ 44,663	\$ 23,869	\$ 24,121	\$ 39,767	\$ 33,649	\$ 324,483
<u>\$ 25,256</u>	<u>\$ 44,663</u>	<u>\$ 23,869</u>	<u>\$ 24,121</u>	<u>\$ 39,767</u>	<u>\$ 33,649</u>	<u>\$ 324,483</u>
\$ 25,256	\$ 44,663	\$ 23,869	\$ 24,121	\$ 39,767	\$ 33,649	\$ 324,483
<u>25,256</u>	<u>44,663</u>	<u>23,869</u>	<u>24,121</u>	<u>39,767</u>	<u>33,649</u>	<u>324,483</u>
<u>\$ 25,256</u>	<u>\$ 44,663</u>	<u>\$ 23,869</u>	<u>\$ 24,121</u>	<u>\$ 39,767</u>	<u>\$ 33,649</u>	<u>\$ 324,483</u>

ALAMANCE COUNTY, NORTH CAROLINA

**FIRE DISTRICT FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Sweptsonville Fund</u>	<u>54 East Fund</u>	<u>Elon Fire / Rescue Fund</u>	<u>Faucette Fund</u>	<u>North Eastern Alamance Fund</u>
Revenues:					
Ad valorem taxes:					
Taxes	\$ 657,459	\$ 310,371	\$ 262,198	\$ 378,074	\$ 216,016
Penalties and interest	<u>3,754</u>	<u>1,610</u>	<u>1,635</u>	<u>2,296</u>	<u>2,877</u>
Total ad valorem taxes	<u>661,213</u>	<u>311,981</u>	<u>263,833</u>	<u>380,370</u>	<u>218,893</u>
Restricted intergovernmental:					
Fireman's Relief Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,088</u>	<u>2,291</u>
Total revenues	<u>661,213</u>	<u>311,981</u>	<u>263,833</u>	<u>383,458</u>	<u>221,184</u>
Expenditures:					
Current:					
Public safety	<u>661,213</u>	<u>311,981</u>	<u>263,833</u>	<u>383,458</u>	<u>221,184</u>
Total expenditures	<u>661,213</u>	<u>311,981</u>	<u>263,833</u>	<u>383,458</u>	<u>221,184</u>
Net change in fund balance	-	-	-	-	-
Fund Balances:					
Beginning of year - July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of year - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>North Central Alamance Fund</u>	<u>Eli Whitney/87 South Fund</u>	<u>E.M. Holt Fund</u>	<u>Altamahaw- Ossipee Fund</u>	<u>East Alamance Fund</u>	<u>Haw River Fund</u>	<u>Snow Camp Fund</u>	<u>Total</u>
\$ 126,463	\$ 353,607	\$ 622,141	\$ 426,908	\$ 332,812	\$ 267,450	\$ 386,531	\$ 4,340,030
572	2,573	3,058	3,413	2,129	2,690	3,386	29,993
<u>127,035</u>	<u>356,180</u>	<u>625,199</u>	<u>430,321</u>	<u>334,941</u>	<u>270,140</u>	<u>389,917</u>	<u>4,370,023</u>
902	3,262	5,623	2,919	-	-	3,414	21,499
<u>127,937</u>	<u>359,442</u>	<u>630,822</u>	<u>433,240</u>	<u>334,941</u>	<u>270,140</u>	<u>393,331</u>	<u>4,391,522</u>
<u>127,937</u>	<u>359,442</u>	<u>630,822</u>	<u>433,240</u>	<u>334,941</u>	<u>270,140</u>	<u>393,331</u>	<u>4,391,522</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ALAMANCE COUNTY, NORTH CAROLINA

FIRE DISTRICT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 Actual
	Budget	Actual	Variance Over/Under	
Revenues:				
Ad valorem taxes:				
Swepsonville	\$ 661,213	\$ 661,213	\$ -	\$ 650,623
54 East	311,981	311,981	-	296,455
Elon Fire / Rescue	263,833	263,833	-	289,717
Faucette	380,370	380,370	-	358,689
North Eastern Alamance	218,893	218,893	-	218,520
North Central Alamance	127,035	127,035	-	124,767
Eli Whitney/87 South	356,180	356,180	-	346,423
E.M. Holt	625,199	625,199	-	712,457
Altamahaw-Ossipee	430,321	430,321	-	414,498
East Alamance	334,941	334,941	-	336,731
Haw River	270,140	270,140	-	274,988
Snow Camp	389,917	389,917	-	387,375
Total ad valorem taxes	<u>4,370,023</u>	<u>4,370,023</u>	<u>-</u>	<u>4,411,243</u>
Restricted intergovernmental:				
Fireman's Relief Fund:				
Faucette	3,088	3,088	-	2,991
North Eastern Alamance	2,291	2,291	-	2,223
North Central Alamance	902	902	-	873
Eli Whitney/87 South	3,262	3,262	-	3,176
E.M. Holt	5,623	5,623	-	5,578
Altamahaw-Ossipee	2,919	2,919	-	2,834
Snow Camp	3,414	3,414	-	3,308
Total Fireman's Relief Fund	<u>21,499</u>	<u>21,499</u>	<u>-</u>	<u>20,983</u>
Total revenues	<u>4,391,522</u>	<u>4,391,522</u>	<u>-</u>	<u>4,432,226</u>
Expenditures:				
Current:				
Public safety:				
Swepsonville	661,213	661,213	-	650,623
54 East	311,981	311,981	-	296,455
Elon Fire / Rescue	263,833	263,833	-	289,717
Faucette	383,458	383,458	-	361,680
North Eastern Alamance	221,184	221,184	-	220,743
North Central Alamance	127,937	127,937	-	125,640
Eli Whitney/87 South	359,442	359,442	-	349,599
E.M. Holt	630,822	630,822	-	718,035
Altamahaw-Ossipee	433,240	433,240	-	417,332
East Alamance	334,941	334,941	-	336,731
Haw River	270,140	270,140	-	274,988
Snow Camp	393,331	393,331	-	390,683
Total expenditures	<u>4,391,522</u>	<u>4,391,522</u>	<u>-</u>	<u>4,432,226</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
Fund Balance:				
Beginning of year - July 1		-		-
End of year - June 30		<u>\$ -</u>		<u>\$ -</u>

ALAMANCE COUNTY, NORTH CAROLINA

COMMUNITY DEVELOPMENT BLOCK GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Revenues:					
Restricted Intergovernmental:					
Scattered Sites Housing - 2007	\$ 400,000	\$ 400,000	\$ -	\$ 400,000	\$ -
Urgent Repair Program Grant - 2007	75,000	75,000	-	75,000	-
EPA Brownsfields Grant	81,602	81,602	-	81,602	-
Urgent Repair Program Grant - 2009	75,000	75,000	-	75,000	-
Single Family Rehabilitation - 2009	400,000	400,000	-	400,000	-
Urgent Repair Program Grant - 2012	75,000	-	37,500	37,500	(37,500)
Scattered Sites Housing - 2010	400,000	27,283	112,575	139,858	(260,142)
Economic Recovery Grant -2010	500,000	75,742	66,019	141,761	(358,239)
Single Family Rehabilitation - 2012	160,000	-	-	-	(160,000)
Duke Help	271,988	271,988	10,000	281,988	10,000
Miscellaneous	12,812	12,812	-	12,812	-
Investment earnings	1,964	1,997	-	1,997	33
Total revenues	<u>2,453,366</u>	<u>1,421,424</u>	<u>226,094</u>	<u>1,647,518</u>	<u>(805,848)</u>
Expenditures:					
CDBG Scattered Sites Housing Grant - 2007:					
Rehabilitation	372,812	364,220	8,592	372,812	-
Administration	40,000	40,000	-	40,000	-
Total Scattered Sites Housing - 2007 expenditures	<u>412,812</u>	<u>404,220</u>	<u>8,592</u>	<u>412,812</u>	<u>-</u>
CDBG Scattered Sites Housing Grant - 2010:					
Rehabilitation	360,000	166,796	18,870	185,666	174,334
Administration	40,000	16,699	17,500	34,199	5,801
Total Scattered Sites Housing - 2010 expenditures	<u>400,000</u>	<u>183,495</u>	<u>36,370</u>	<u>219,865</u>	<u>180,135</u>
CDBG Economic Recovery Grant - 2010:					
Rehabilitation	450,000	75,653	130,365	206,018	243,982
Administration	50,000	12,500	7,500	20,000	30,000
Total Economic Recovery Grant - 2010 expenditures	<u>500,000</u>	<u>88,153</u>	<u>137,865</u>	<u>226,018</u>	<u>273,982</u>
Urgent Repair Program Grant - 2007:					
Program costs	76,964	76,964	-	76,964	-
EPA Brownfields Grant:					
Travel and training	678	678	-	678	-
Contracted services	80,924	80,924	-	80,924	-
Total EPA Brownfields expenditures	<u>81,602</u>	<u>81,602</u>	<u>-</u>	<u>81,602</u>	<u>-</u>
Single Family Rehabilitation - 2009:					
Soft cost	48,000	48,000	-	48,000	-
Hard cost	320,000	320,000	-	320,000	-
Administration	32,000	32,000	-	32,000	-
Total Single Family Rehabilitation -2009 expenditures	<u>400,000</u>	<u>400,000</u>	<u>-</u>	<u>400,000</u>	<u>-</u>
Urgent Repair Program Grant - 2009:					
Program cost	75,000	75,000	-	75,000	-

ALAMANCE COUNTY, NORTH CAROLINA

COMMUNITY DEVELOPMENT BLOCK GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
Single Family Rehabilitation - 2012:					
Rehabilitation	145,000	-	-	-	145,000
Administration	15,000	-	-	-	15,000
Total Single Family Rehabilitation -2012 expenditures	160,000	-	-	-	160,000
Urgent Repair Program Grant - 2012:					
Program cost	75,000	-	-	-	75,000
Duke Help:					
Rehabilitation	262,249	311,622	22,355	333,977	(71,728)
Administration	9,739	1,237	10,377	11,614	(1,875)
Total Single Family Rehabilitation -2012 expenditures	271,988	312,859	32,732	345,591	(73,603)
Total expenditures	2,453,366	1,622,293	215,559	1,837,852	615,514
Net change in fund balance	\$ -	\$ (200,869)	10,535	\$ (190,334)	\$ (190,334)
Fund Balance:					
Beginning of year - July 1			(200,869)		
End of year - June 30			\$ (190,334)		

NONMAJOR CAPITAL PROJECT FUNDS

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

**CAPITAL RESERVE FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 2013**

	<u>Schools Fund</u>	<u>County Buildings Fund</u>	<u>Alamance Community College Fund</u>	<u>Total</u>
Assets:				
Cash and cash equivalents	\$ 34,678	\$ 72,983	\$ 5,119	\$ 112,780
Total assets	<u>\$ 34,678</u>	<u>\$ 72,983</u>	<u>\$ 5,119</u>	<u>\$ 112,780</u>
Liabilities and Fund Balances:				
Fund Balance:				
Committed	\$ 34,678	\$ 72,983	\$ 5,119	\$ 112,780
Total fund balances	<u>34,678</u>	<u>72,983</u>	<u>5,119</u>	<u>112,780</u>
Total liabilities and fund balances	<u>\$ 34,678</u>	<u>\$ 72,983</u>	<u>\$ 5,119</u>	<u>\$ 112,780</u>

ALAMANCE COUNTY, NORTH CAROLINA

CAPITAL RESERVE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Schools Fund</u>	<u>County Buildings Fund</u>	<u>Alamance Community College Fund</u>	<u>Total</u>
Revenues:				
Investment earnings	\$ 5	\$ 46	\$ 2	\$ 53
Total revenues	<u>5</u>	<u>46</u>	<u>2</u>	<u>53</u>
Other Financing Sources (Uses):				
Transfers in	20,414	350,119	-	370,533
Transfers out	<u>-</u>	<u>(335,344)</u>	<u>-</u>	<u>(335,344)</u>
Total other financing sources (uses)	<u>20,414</u>	<u>14,775</u>	<u>-</u>	<u>35,189</u>
Net change in fund balances	20,419	14,821	2	35,242
Fund Balances:				
Beginning of year - July 1	<u>14,259</u>	<u>58,162</u>	<u>5,117</u>	<u>77,538</u>
End of year - June 30	<u>\$ 34,678</u>	<u>\$ 72,983</u>	<u>\$ 5,119</u>	<u>\$ 112,780</u>

ALAMANCE COUNTY, NORTH CAROLINA

CAPITAL RESERVE FUNDS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2013

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 Actual
	Budget	Actual	Variance Over/Under	
Revenues:				
Investment earnings:				
Schools	\$ 1,000	\$ 5	\$ (995)	\$ 6
County buildings	1,000	46	(954)	25
Alamance Community College	1,000	2	(998)	2
Total revenues	<u>3,000</u>	<u>53</u>	<u>(2,947)</u>	<u>33</u>
Other Financing Sources (Uses):				
Schools:				
Transfer from Schools Capital Project Fund	20,414	20,414	-	1,413
County Building:				
Transfers in from other funds	350,119	350,119	-	-
Transfers out to other funds	(335,344)	(335,344)	-	-
Contingency:				
Schools	(21,414)	-	21,414	-
County buildings	(15,775)	-	15,775	-
Alamance Community College	(1,000)	-	1,000	-
Total other financing sources (uses)	<u>(3,000)</u>	<u>35,189</u>	<u>38,189</u>	<u>1,413</u>
Net change in fund balance	<u>\$ -</u>	<u>35,242</u>	<u>\$ 35,242</u>	<u>1,446</u>
Fund Balance:				
Beginning of year - July 1		<u>77,538</u>		<u>76,092</u>
End of year - June 30		<u>\$ 112,780</u>		<u>\$ 77,538</u>

ALAMANCE COUNTY, NORTH CAROLINA

FACILITY MAINTENANCE CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Expenditures:					
Capital outlay - other:					
Board of Elections	\$ 8,201	\$ 8,201	\$ -	\$ 8,201	\$ -
County jail	53,631	53,631	-	53,631	-
County office building	45,948	45,948	-	45,948	-
Court annex	18,471	18,471	-	18,471	-
Criminal courts	4,942	4,942	-	4,942	-
Dental clinic	15,000	15,000	-	15,000	-
Human Services Center - Chiller	21,864	21,864	-	21,864	-
Human Services Center	18,966	18,966	-	18,966	-
Maintenance shop	19,761	19,761	-	19,761	-
Mental health	63,165	63,165	-	63,165	-
Parking lots	33,946	33,946	-	33,946	-
Pleasant Grove	457	457	-	457	-
Old courthouse	94,184	94,184	-	94,184	-
Recreation College Street	274,992	274,992	-	274,992	-
South annex	1,750	1,750	-	1,750	-
Veterans service	371	371	-	371	-
Crossroads building	100,793	100,793	-	100,793	-
McQueen building	69,723	69,723	-	69,723	-
Miscellaneous	68,456	68,456	-	68,456	-
Total expenditures	<u>914,621</u>	<u>914,621</u>	<u>-</u>	<u>914,621</u>	<u>-</u>
Revenues over (under) expenditures	<u>(914,621)</u>	<u>(914,621)</u>	<u>-</u>	<u>(914,621)</u>	<u>-</u>
Other Financing Sources (Uses):					
Transfers in:					
From General Fund	529,134	529,134	-	529,134	-
From County Building Fund	500,000	500,000	-	500,000	-
Transfers out:					
To General Fund	<u>(114,513)</u>	<u>(112,536)</u>	<u>(1,977)</u>	<u>(114,513)</u>	<u>-</u>
Total other financing sources (uses)	<u>914,621</u>	<u>916,598</u>	<u>(1,977)</u>	<u>914,621</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,977</u>	<u>(1,977)</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year - July 1			<u>1,977</u>		
End of year - June 30			<u>\$ -</u>		

ALAMANCE COUNTY, NORTH CAROLINA

**JAIL EXPANSION CAPITAL PROJECTS FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013**

	Project Authorization	Actual		Total to Date	Variance Over/Under
		Prior Years	Current Year		
Revenues:					
Investment earnings	\$ 38,919	\$ 38,919	\$ -	\$ 38,919	\$ -
Miscellaneous	2,428	2,428	-	2,428	-
Total revenues	<u>41,347</u>	<u>41,347</u>	<u>-</u>	<u>41,347</u>	<u>-</u>
Expenditures:					
Jail expansion:					
Professional service	57,221	57,221	-	57,221	-
Architect	679,453	679,453	-	679,453	-
Supplies - small tools and equipment	125,523	125,523	-	125,523	-
Capital outlay - furniture and fixtures	63,610	63,610	-	63,610	-
Construction	11,622,072	11,622,072	-	11,622,072	-
Capital outlay - other improvements	4,505	4,505	-	4,505	-
Miscellaneous	<u>200</u>	<u>200</u>	<u>-</u>	<u>200</u>	<u>-</u>
Total jail expansion	<u>12,552,584</u>	<u>12,552,584</u>	<u>-</u>	<u>12,552,584</u>	<u>-</u>
Graham prison unit:					
Professional service	408	408	-	408	-
Architect	71,235	71,235	-	71,235	-
Supplies - small tools, equipment	24,466	24,466	-	24,466	-
Capital outlay - equipment	26,713	26,713	-	26,713	-
Construction	512,103	512,103	-	512,103	-
Capital outlay - safety vestibule	<u>15,543</u>	<u>15,543</u>	<u>-</u>	<u>15,543</u>	<u>-</u>
Total Graham prison unit	<u>650,468</u>	<u>650,468</u>	<u>-</u>	<u>650,468</u>	<u>-</u>
Jail chiller/fire alarm:					
Architect	20,620	20,620	-	20,620	-
Chiller replacement	<u>74,250</u>	<u>74,250</u>	<u>-</u>	<u>74,250</u>	<u>-</u>
Total jail chiller/fire alarm	<u>94,870</u>	<u>94,870</u>	<u>-</u>	<u>94,870</u>	<u>-</u>
Total expenditures	<u>13,297,922</u>	<u>13,297,922</u>	<u>-</u>	<u>13,297,922</u>	<u>-</u>
Revenues over (under) expenditures	<u>(13,256,575)</u>	<u>(13,256,575)</u>	<u>-</u>	<u>(13,256,575)</u>	<u>-</u>
Other Financing Sources (Uses):					
Transfers in:					
From General Fund	3,118,680	3,118,680	-	3,118,680	-
From County Building Capital Reserve Fund	200,000	200,000	-	200,000	-
Transfer to General Fund	(62,105)	(44,406)	(17,699)	(62,105)	-
Issuance of installment loan	<u>10,000,000</u>	<u>10,000,000</u>	<u>-</u>	<u>10,000,000</u>	<u>-</u>
Total other financing sources (uses)	<u>13,256,575</u>	<u>13,274,274</u>	<u>(17,699)</u>	<u>13,256,575</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 17,699</u>	<u>(17,699)</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year - July 1			<u>17,699</u>		
End of year - June 30			<u>\$ -</u>		

ALAMANCE COUNTY, NORTH CAROLINA

ALAMANCE COMMUNITY COLLEGE CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Revenues:					
Investment earnings	\$ 533,000	\$ 540,717	\$ -	\$ 540,717	\$ 7,717
Total revenues	<u>533,000</u>	<u>540,717</u>	<u>-</u>	<u>540,717</u>	<u>7,717</u>
Expenditures:					
General construction - ACC	4,500,000	4,500,000	-	4,500,000	-
Bond issuance cost	45,529	43,849	-	43,849	1,680
Glass replacement	300,000	300,000	-	300,000	-
General construction - Allied Health Building	6,481,843	6,481,843	-	6,481,843	-
General construction - Literacy Building	<u>1,921,157</u>	<u>1,648,639</u>	<u>-</u>	<u>1,648,639</u>	<u>272,518</u>
Total expenditures	<u>13,248,529</u>	<u>12,974,331</u>	<u>-</u>	<u>12,974,331</u>	<u>274,198</u>
Revenues over (under) expenditures	<u>(12,715,529)</u>	<u>(12,433,614)</u>	<u>-</u>	<u>(12,433,614)</u>	<u>281,915</u>
Other Financing Sources (Uses):					
Transfers in:					
From General Fund	1,744,500	1,744,500	-	1,744,500	-
From ACC Capital Reserve Fund	670,000	670,000	-	670,000	-
Transfers out:					
To General Fund	(1,744,500)	(1,744,500)	-	(1,744,500)	-
Bonds issued	<u>12,045,529</u>	<u>12,045,529</u>	<u>-</u>	<u>12,045,529</u>	<u>-</u>
Total other financing sources (uses)	<u>12,715,529</u>	<u>12,715,529</u>	<u>-</u>	<u>12,715,529</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 281,915</u>	<u>-</u>	<u>\$ 281,915</u>	<u>\$ 281,915</u>
Fund Balance:					
Beginning of year - July 1			<u>281,915</u>		
End of year - June 30			<u>\$ 281,915</u>		

ALAMANCE COUNTY, NORTH CAROLINA

800 MHZ EMERGENCY COMMUNICATION EQUIPMENT CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
Revenues:					
Investment earnings	\$ 10,920	\$ 14,258	\$ -	\$ 14,258	\$ 3,338
Total revenues	<u>10,920</u>	<u>14,258</u>	<u>-</u>	<u>14,258</u>	<u>3,338</u>
Expenditures:					
Contracted services	447,784	442,914	2,170	445,084	2,700
Capital outlay - equipment	3,853,594	3,845,514	7,581	3,853,095	499
Capital outlay - other improvements	348,622	333,033	10,002	343,035	5,587
Principal payments on lease	<u>10,920</u>	<u>10,920</u>	<u>-</u>	<u>10,920</u>	<u>-</u>
Total expenditures	<u>4,660,920</u>	<u>4,632,381</u>	<u>19,753</u>	<u>4,652,134</u>	<u>8,786</u>
Revenues over (under) expenditures	<u>(4,650,000)</u>	<u>(4,618,123)</u>	<u>(19,753)</u>	<u>(4,637,876)</u>	<u>12,124</u>
Other Financing Sources (Uses):					
Installment debt issued	4,650,000	4,650,000	-	4,650,000	-
Capital lease issued	<u>-</u>	<u>32,760</u>	<u>-</u>	<u>32,760</u>	<u>32,760</u>
Total other financing sources (uses)	<u>4,650,000</u>	<u>4,682,760</u>	<u>-</u>	<u>4,682,760</u>	<u>32,760</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 64,637</u>	<u>(19,753)</u>	<u>\$ 44,884</u>	<u>\$ 44,884</u>
Fund Balance:					
Beginning of year - July 1			<u>64,637</u>		
End of year - June 30			<u>\$ 44,884</u>		

ALAMANCE COUNTY, NORTH CAROLINA

PROBATION AND PAROLE CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	Project Authorization	Actual		Total to Date	Variance Over/Under
		Prior Years	Current Year		
Revenues:					
Investment earnings	\$ 419	\$ 383	\$ 36	\$ 419	\$ -
Total revenues	<u>419</u>	<u>383</u>	<u>36</u>	<u>419</u>	<u>-</u>
Expenditures:					
Design and construction	978,090	902,604	75,486	978,090	-
Loan issuance costs	<u>1,857</u>	<u>1,857</u>	<u>-</u>	<u>1,857</u>	<u>-</u>
Total expenditures	<u>979,947</u>	<u>904,461</u>	<u>75,486</u>	<u>979,947</u>	<u>-</u>
Revenues over (under) expenditures	<u>(979,528)</u>	<u>(904,078)</u>	<u>(75,450)</u>	<u>(979,528)</u>	<u>-</u>
Other Financing Sources (Uses):					
Long-term debt issued	1,000,000	1,000,000	-	1,000,000	-
Transfer from General Fund	200,000	200,000	-	200,000	-
Transfer to General Fund	<u>(220,472)</u>	<u>(200,000)</u>	<u>(20,472)</u>	<u>(220,472)</u>	<u>-</u>
Total other financing sources (uses)	<u>979,528</u>	<u>1,000,000</u>	<u>(20,472)</u>	<u>979,528</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 95,922</u>	<u>(95,922)</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year - July 1			<u>95,922</u>		
End of year - June 30			<u>\$ -</u>		

ENTERPRISE FUND

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

LANDFILL ENTERPRISE FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 Actual
	Budget	Actual	Variance Over/Under	
Revenues:				
Operating revenues:				
Landfill user charges	\$ 2,818,193	\$ 3,313,368	\$ 495,175	\$ 3,130,268
Miscellaneous	285,000	399,205	114,205	468,698
Total operating revenues	<u>3,103,193</u>	<u>3,712,573</u>	<u>609,380</u>	<u>3,598,966</u>
Non-operating revenues:				
Interest on investments	2,000	2,375	375	3,593
Scrap tire disposal grant	-	3,786	3,786	2,145
Total non-operating revenues	<u>2,000</u>	<u>6,161</u>	<u>4,161</u>	<u>5,738</u>
Total revenues	<u>3,105,193</u>	<u>3,718,734</u>	<u>613,541</u>	<u>3,604,704</u>
Expenditures:				
Environmental protection:				
Landfill:				
Administration:				
Fixed charges and other expenditures	<u>110,890</u>	<u>110,890</u>	<u>-</u>	<u>150,623</u>
Operations:				
Salaries and benefits	1,001,212	914,103	87,109	894,627
Supplies and materials	38,500	34,861	3,639	33,979
Current obligations and services	819,869	496,161	323,708	491,245
State mandated MSW/C&D charges	165,000	170,584	(5,584)	164,840
Fixed charges and other expenditures	<u>658,751</u>	<u>513,260</u>	<u>145,491</u>	<u>385,978</u>
Total operations expenditures	<u>2,683,332</u>	<u>2,128,969</u>	<u>554,363</u>	<u>1,970,669</u>
Total environmental protection	<u>2,794,222</u>	<u>2,239,859</u>	<u>554,363</u>	<u>2,121,292</u>
Budgetary appropriations:				
Other capital outlay	<u>652,535</u>	<u>347,347</u>	<u>305,188</u>	<u>964,933</u>
Total budgetary appropriations	<u>652,535</u>	<u>347,347</u>	<u>305,188</u>	<u>964,933</u>
Total expenditures	<u>3,446,757</u>	<u>2,587,206</u>	<u>859,551</u>	<u>3,086,225</u>
Revenues over (under) expenditures	<u>(341,564)</u>	<u>1,131,528</u>	<u>1,473,092</u>	<u>518,479</u>

ALAMANCE COUNTY, NORTH CAROLINA

LANDFILL ENTERPRISE FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 Actual
	Budget	Actual	Variance Over/Under	
Other Financing Sources (Uses):				
Transfer to other funds	-	-	-	(2,401)
Appropriated fund balance	341,564	-	(341,564)	-
Total other financing sources (uses)	<u>341,564</u>	<u>-</u>	<u>(341,564)</u>	<u>(2,401)</u>
Total other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	1,131,528	<u>\$ 1,131,528</u>	516,078
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual Basis:				
Revenues and other financing sources over (under) expenditures and other financing uses		\$ 1,131,528		\$ 516,078
Reconciling items:				
Capital outlay		344,927		881,417
Loss on disposal of capital assets		-		(19,000)
Change in accrued landfill closure and post-closure care costs		374,377		(535,467)
Change in compensated absences payable		(3,528)		(3,109)
Change in other post-employment benefits		(67,029)		(89,991)
Depreciation		<u>(603,833)</u>		<u>(567,031)</u>
Change in net position		<u>\$ 1,176,442</u>		<u>\$ 182,897</u>

INTERNAL SERVICE FUNDS

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

ALL INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF FUND NET POSITION
 JUNE 30, 2013

	2013			
	Employee Insurance Fund	Workers' Compensation Fund	Property Insurance Fund	Total
Assets:				
Current assets:				
Cash and cash equivalents	\$ 2,541,261	\$ 2,463,500	\$ 147,139	\$ 5,151,900
Accounts receivable, net	7,460	1,459	-	8,919
Total assets	<u>2,548,721</u>	<u>2,464,959</u>	<u>147,139</u>	<u>5,160,819</u>
Liabilities:				
Current liabilities:				
Accounts payable	475,954	-	-	475,954
Total current liabilities	<u>475,954</u>	<u>-</u>	<u>-</u>	<u>475,954</u>
Net Position:				
Unrestricted	<u>\$ 2,072,767</u>	<u>\$ 2,464,959</u>	<u>\$ 147,139</u>	<u>\$ 4,684,865</u>

ALAMANCE COUNTY, NORTH CAROLINA

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Employee Insurance Fund</u>	<u>Workers' Compensation Fund</u>	<u>Property Insurance Fund</u>	<u>Total</u>
Operating Revenues:				
Charges for services	\$ 6,228,098	\$ 892,001	\$ 461,373	\$ 7,581,472
Total operating revenues	<u>6,228,098</u>	<u>892,001</u>	<u>461,373</u>	<u>7,581,472</u>
Operating Expenditures:				
Administration	6,243	458	-	6,701
Personal services	8,556,637	739,117	-	9,295,754
Fixed charges and other expenditures	<u>9,727</u>	<u>1,284</u>	<u>443,297</u>	<u>454,308</u>
Total operating expenditures	<u>8,572,607</u>	<u>740,859</u>	<u>443,297</u>	<u>9,756,763</u>
Operating income (loss)	<u>(2,344,509)</u>	<u>151,142</u>	<u>18,076</u>	<u>(2,175,291)</u>
Non-Operating Revenue (Expense):				
Insurance recovery	185,303	-	-	185,303
Investment earnings	<u>1,363</u>	<u>787</u>	<u>75</u>	<u>2,225</u>
Total non-operating revenue (expense)	<u>186,666</u>	<u>787</u>	<u>75</u>	<u>187,528</u>
Change in net position	(2,157,843)	151,929	18,151	(1,987,763)
Net Position:				
Beginning of year- July 1	<u>4,230,610</u>	<u>2,313,030</u>	<u>128,988</u>	<u>6,672,628</u>
End of year - June 30	<u>\$ 2,072,767</u>	<u>\$ 2,464,959</u>	<u>\$ 147,139</u>	<u>\$ 4,684,865</u>

ALAMANCE COUNTY, NORTH CAROLINA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Employee Insurance Fund</u>	<u>Workers' Compensation Fund</u>	<u>Property Insurance Fund</u>	<u>Total</u>
Cash Flows from Operating Activities:				
Cash received from customers	\$ 6,228,098	\$ 892,001	\$ 461,373	\$ 7,581,472
Cash paid for goods and services	<u>(8,801,820)</u>	<u>(763,311)</u>	<u>(448,297)</u>	<u>(10,013,428)</u>
Net cash provided (used) by operating activities	<u>(2,573,722)</u>	<u>128,690</u>	<u>13,076</u>	<u>(2,431,956)</u>
Cash Flows from Capital and Related Financing Activities:				
Insurance recovery	<u>185,303</u>	<u>-</u>	<u>-</u>	<u>185,303</u>
Net cash provided (used) by non-capital financing activities	<u>185,303</u>	<u>-</u>	<u>-</u>	<u>185,303</u>
Cash Flows from Investing Activities:				
Investment earnings	<u>1,363</u>	<u>787</u>	<u>75</u>	<u>2,225</u>
Net cash provided (used) in investing activities	<u>1,363</u>	<u>787</u>	<u>75</u>	<u>2,225</u>
Net increase (decrease) in cash and cash equivalents	(2,387,056)	129,477	13,151	(2,244,428)
Cash and Cash Equivalents/Investments:				
Beginning of year - July 1	<u>4,928,317</u>	<u>2,334,023</u>	<u>133,988</u>	<u>7,396,328</u>
End of year - June 30	<u>\$ 2,541,261</u>	<u>\$ 2,463,500</u>	<u>\$ 147,139</u>	<u>\$ 5,151,900</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ (2,344,509)	\$ 151,142	\$ 18,076	\$ (2,175,291)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Changes in assets and liabilities:				
Increase (decrease) in accounts payable	<u>(229,213)</u>	<u>(22,452)</u>	<u>(5,000)</u>	<u>(256,665)</u>
Net cash provided (used) by operating activities	<u>\$ (2,573,722)</u>	<u>\$ 128,690</u>	<u>\$ 13,076</u>	<u>\$ (2,431,956)</u>

ALAMANCE COUNTY, NORTH CAROLINA

**INTERNAL SERVICE FUNDS -
EMPLOYEE INSURANCE FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
FINANCIAL PLAN AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	2013			2012 Actual
	Financial Plan	Actual	Variance Over/Under	
Operating Revenues:				
Charges for services	\$ 5,905,917	\$ 6,228,098	\$ 322,181	\$ 5,846,834
Excess claims reimbursements	-	-	-	763
Total operating revenues	<u>5,905,917</u>	<u>6,228,098</u>	<u>322,181</u>	<u>5,847,597</u>
Non-Operating Revenue (Expense):				
Insurance recovery	-	185,303	185,303	-
Investment earnings	30,000	1,363	(28,637)	2,454
Total non-operating revenue (expense)	<u>30,000</u>	<u>186,666</u>	<u>156,666</u>	<u>2,454</u>
Total revenues	<u>5,935,917</u>	<u>6,414,764</u>	<u>478,847</u>	<u>5,850,051</u>
Operating Expenditures:				
Administration	6,243	6,243	-	39,000
Personal services	8,753,435	8,556,637	196,798	7,375,703
Fixed charges and other expenditures	13,700	9,727	3,973	13,956
Total operating expenditures	<u>8,773,378</u>	<u>8,572,607</u>	<u>200,771</u>	<u>7,428,659</u>
Revenues over (under) expenditures	<u>(2,837,461)</u>	<u>(2,157,843)</u>	<u>679,618</u>	<u>(1,578,608)</u>
Other Financing Sources (Uses):				
Appropriated fund balance	2,837,461	-	(2,837,461)	-
Total other financing sources (uses)	<u>2,837,461</u>	<u>-</u>	<u>(2,837,461)</u>	<u>-</u>
Change in net position	<u>\$ -</u>	<u>(2,157,843)</u>	<u>\$ (2,157,843)</u>	<u>(1,578,608)</u>
Reconciliation of Financial Plan Basis (Modified Accrual) to Full Accrual:				
Change in net position		<u>\$ (2,157,843)</u>		<u>\$ (1,578,608)</u>

ALAMANCE COUNTY, NORTH CAROLINA

INTERNAL SERVICE FUNDS

WORKERS' COMPENSATION FUND

SCHEDULE OF REVENUES AND EXPENDITURES -

FINANCIAL PLAN AND ACTUAL (NON-GAAP)

FOR THE YEAR ENDED JUNE 30, 2013

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 Actual
	Financial Plan	Actual	Variance Over/Under	
Operating Revenues:				
Charges for services	\$ 890,000	\$ 892,001	\$ 2,001	\$ 900,000
Total operating revenues	<u>890,000</u>	<u>892,001</u>	<u>2,001</u>	<u>900,000</u>
Non-Operating Revenue:				
Investment earnings	<u>10,000</u>	<u>787</u>	<u>(9,213)</u>	<u>1,013</u>
Total revenues	<u>900,000</u>	<u>892,788</u>	<u>(7,212)</u>	<u>901,013</u>
Operating Expenditures:				
Administration	458	458	-	17,000
Personal services	895,542	739,117	156,425	655,699
Fixed charges and other expenditures	<u>4,000</u>	<u>1,284</u>	<u>2,716</u>	<u>3,423</u>
Total operating expenditures	<u>900,000</u>	<u>740,859</u>	<u>159,141</u>	<u>676,122</u>
Change in net position	<u>\$ -</u>	<u>\$ 151,929</u>	<u>\$ 151,929</u>	<u>\$ 224,891</u>
Reconciliation of Financial Plan Basis (Modified Accrual) to Full Accrual:				
Change in net position		<u>\$ 151,929</u>		<u>\$ 224,891</u>

ALAMANCE COUNTY, NORTH CAROLINA

INTERNAL SERVICE FUNDS

PROPERTY INSURANCE FUND

SCHEDULE OF REVENUES AND EXPENDITURES -

FINANCIAL PLAN AND ACTUAL (NON-GAAP)

FOR THE YEAR ENDED JUNE 30, 2013

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 Actual
	Financial Plan	Actual	Variance Over/Under	
Operating Revenues:				
Charges for services	\$ 461,373	\$ 461,373	\$ -	\$ -
Total operating revenues	<u>461,373</u>	<u>461,373</u>	<u>-</u>	<u>-</u>
Non-Operating Revenue (Expense):				
Investment earnings	-	75	75	48
Total revenues	<u>461,373</u>	<u>461,448</u>	<u>75</u>	<u>48</u>
Operating Expenditures:				
Administration	5,000	-	5,000	20,000
Fixed charges and other expenditures	456,373	443,297	13,076	312,433
Total operating expenditures	<u>461,373</u>	<u>443,297</u>	<u>18,076</u>	<u>332,433</u>
Revenues over (under) expenditures	<u>-</u>	<u>18,151</u>	<u>18,151</u>	<u>(332,385)</u>
Other Financing Sources (Uses):				
Transfers from other funds	-	-	-	461,373
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>461,373</u>
Change in net position	<u>\$ -</u>	<u>\$ 18,151</u>	<u>\$ 18,151</u>	<u>\$ 128,988</u>

ALAMANCE COUNTY, NORTH CAROLINA

FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2013

	<u>Private-Purpose Trust Funds</u>		
	<u>Indigent Trust Fund</u>	<u>General Trust Fund</u>	<u>Total</u>
Assets:			
Cash and cash equivalents	\$ 87,074	\$ 42,884	\$ 129,958
Total assets	<u>\$ 87,074</u>	<u>\$ 42,884</u>	<u>\$ 129,958</u>
Net Position:			
Assets held in trust for beneficiaries	\$ 87,074	\$ 42,884	\$ 129,958
Total net position	<u>\$ 87,074</u>	<u>\$ 42,884</u>	<u>\$ 129,958</u>

ALAMANCE COUNTY, NORTH CAROLINA

PRIVATE-PURPOSE TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Indigent Trust Fund</u>	<u>General Trust Fund</u>	<u>Total</u>
Additions:			
Restricted intergovernmental	\$ -	\$ -	\$ -
Permits and fees	-	30,800	30,800
Investment earnings	-	3	3
Inmate and health deposits	-	549,944	549,944
Total additions	<u>-</u>	<u>580,747</u>	<u>580,747</u>
Deductions:			
Current:			
Human services	<u>478,355</u>	<u>580,773</u>	<u>1,059,128</u>
Total deductions	<u>478,355</u>	<u>580,773</u>	<u>1,059,128</u>
Change in net position	(478,355)	(26)	(478,381)
Net position:			
Beginning of year - July 1	<u>565,429</u>	<u>42,910</u>	<u>608,339</u>
End of year - June 30	<u>\$ 87,074</u>	<u>\$ 42,884</u>	<u>\$ 129,958</u>

AGENCY FUNDS

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

Schedule J-1

AGENCY FUNDS
 COMBINING STATEMENT OF ASSETS AND LIABILITIES
 JUNE 30, 2013

	Village of Alamance Fund	Town of Haw River Fund	Altamahaw- Ossipee Sanitary District Fund	Town of Green Level Fund	City of Graham Fund	City of Burlington Fund	Town of Elon Fund	City of Mebane Fund	Town of Gibsonville Fund	Total
Assets:										
Taxes receivable, net	\$ 6,474	\$ 58,504	\$ 2,225	\$ 73,456	\$ 164,924	\$ 720,278	\$ 42,218	\$ 121,441	\$ 33,496	\$ 1,223,016
Total assets	\$ 6,474	\$ 58,504	\$ 2,225	\$ 73,456	\$ 164,924	\$ 720,278	\$ 42,218	\$ 121,441	\$ 33,496	\$ 1,223,016
Liabilities:										
Intergovernmental payable	\$ 6,474	\$ 58,504	\$ 2,225	\$ 73,456	\$ 164,924	\$ 720,278	\$ 42,218	\$ 121,441	\$ 33,496	\$ 1,223,016
Total liabilities	\$ 6,474	\$ 58,504	\$ 2,225	\$ 73,456	\$ 164,924	\$ 720,278	\$ 42,218	\$ 121,441	\$ 33,496	\$ 1,223,016

ALAMANCE COUNTY, NORTH CAROLINA

AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Balance June 30, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2013</u>
Village of Alamance Fund:				
Assets:				
Taxes receivable (net)	\$ 5,172	\$ 181,048	\$ 179,746	\$ 6,474
Liabilities:				
Intergovernmental payable	\$ 5,172	\$ 181,048	\$ 179,746	\$ 6,474
Town of Haw River Fund:				
Assets:				
Taxes receivable (net)	\$ 48,020	\$ 679,679	\$ 669,195	\$ 58,504
Liabilities:				
Intergovernmental payable	\$ 48,020	\$ 679,679	\$ 669,195	\$ 58,504
Altamahaw-Ossipee Sanitary District Fund:				
Assets:				
Taxes receivable (net)	\$ 1,881	\$ 17,824	\$ 17,480	\$ 2,225
Liabilities:				
Intergovernmental payable	\$ 1,881	\$ 17,824	\$ 17,480	\$ 2,225
Town of Green Level Fund:				
Assets:				
Taxes receivable (net)	\$ 64,124	\$ 228,056	\$ 218,724	\$ 73,456
Liabilities:				
Intergovernmental payable	\$ 64,124	\$ 228,056	\$ 218,724	\$ 73,456
City of Graham Fund:				
Assets:				
Taxes receivable (net)	\$ 157,147	\$ 406,325	\$ 398,548	\$ 164,924
Liabilities:				
Intergovernmental payable	\$ 157,147	\$ 406,325	\$ 398,548	\$ 164,924
City of Burlington Fund:				
Assets:				
Taxes receivable (net)	\$ 694,319	\$ 1,847,763	\$ 1,821,804	\$ 720,278
Liabilities:				
Intergovernmental payable	\$ 694,319	\$ 1,847,763	\$ 1,821,804	\$ 720,278

ALAMANCE COUNTY, NORTH CAROLINA

AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Balance June 30, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2013</u>
Town of Elon Fund:				
Assets:				
Taxes receivable (net)	\$ 35,075	\$ 177,897	\$ 170,754	\$ 42,218
Liabilities:				
Intergovernmental payable	\$ 35,075	\$ 177,897	\$ 170,754	\$ 42,218
City of Mebane Fund:				
Assets:				
Taxes receivable (net)	\$ 113,341	\$ 358,859	\$ 350,759	\$ 121,441
Liabilities:				
Intergovernmental payable	\$ 113,341	\$ 358,859	\$ 350,759	\$ 121,441
Town of Gibsonville Fund:				
Assets:				
Taxes receivable (net)	\$ 30,164	\$ 128,018	\$ 124,686	\$ 33,496
Liabilities:				
Intergovernmental payable	\$ 30,164	\$ 128,018	\$ 124,686	\$ 33,496
Fines and Forfeitures Fund:				
Assets:				
Cash and cash equivalents	\$ -	\$ 869,365	\$ 869,365	\$ -
Liabilities:				
Intergovernmental payable	\$ -	\$ -	\$ -	\$ -
3% DMV Interest Fund				
Assets:				
Cash and cash equivalents	\$ -	\$ 81,953	\$ 81,953	\$ -
Liabilities:				
Intergovernmental payable	\$ -	\$ -	\$ -	\$ -
Total - All Agency Funds:				
Assets:				
Cash and cash equivalents	\$ -	\$ 951,318	\$ 951,318	\$ -
Taxes receivable (net)	1,149,243	4,025,469	3,951,696	1,223,016
Total assets	<u>\$ 1,149,243</u>	<u>\$ 4,976,787</u>	<u>\$ 4,903,014</u>	<u>\$ 1,223,016</u>
Liabilities:				
Intergovernmental payable	\$ 1,149,243	\$ 4,025,469	\$ 3,951,696	\$ 1,223,016
Total liabilities	<u>\$ 1,149,243</u>	<u>\$ 4,025,469</u>	<u>\$ 3,951,696</u>	<u>\$ 1,223,016</u>

Alamance County, North Carolina
Financial Statements and Schedules

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SUPPLEMENTAL FINANCIAL DATA

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

**SCHEDULE OF AD VALOREM TAXES RECEIVABLE
JUNE 30, 2013**

<u>Fiscal Year</u>	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Collections and Credits</u>	<u>Balance June 30, 2013</u>
2012-2013	\$ -	\$ 64,918,186	\$ 63,040,855	\$ 1,877,331
2011-2012	1,765,140	-	1,287,306	477,834
2010-2011	414,484	-	182,183	232,301
2009-2010	238,755	-	61,501	177,254
2008-2009	212,642	-	31,578	181,064
2007-2008	143,823	-	16,114	127,709
2006-2007	129,315	-	10,665	118,650
2005-2006	124,686	-	7,512	117,174
2004-2005	101,997	-	5,522	96,475
2003-2004	91,983	-	5,582	86,401
2002-2003	<u>97,885</u>	<u>-</u>	<u>97,885</u>	<u>-</u>
 Total	 <u>\$ 3,320,710</u>	 <u>\$ 64,918,186</u>	 <u>\$ 64,746,703</u>	 3,492,193
 Less: Allowance for uncollectible accounts - General Fund				 <u>(720,991)</u>
 Ad valorem taxes receivable, net - General Fund				 <u>\$ 2,771,202</u>
 Reconciliation with revenues: Ad valorem taxes - General Fund				 \$ 64,530,522
 Reconciling Items: Releases and adjustments				 118,296
Amount written off per Statute of Limitations				<u>97,885</u>
 Total collections and credits				 <u>\$ 64,746,703</u>

ALAMANCE COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT YEAR LEVY
FOR THE YEAR ENDED JUNE 30, 2013

	County-Wide			Total Levy	
				Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
	Property Valuation	Rate	Total Levy		
Original Levy:					
Property taxed at current year's rate	\$ 11,736,880,192	\$ 0.52	\$ 61,031,777	\$ 57,496,156	\$ 3,535,621
Motor vehicles taxed at prior year's rate	378,476,538	0.52	1,968,078	-	1,968,078
Penalties	6,060,000		31,512	31,512	-
Total original levy	<u>12,121,416,731</u>		<u>63,031,367</u>	<u>57,527,668</u>	<u>5,503,699</u>
Discoveries:					
Current year taxes	90,370,577	0.52	469,927	452,644	17,283
Prior year taxes	317,218,846	0.52	1,649,538	1,565,814	83,724
Penalties	-		62,613	62,613	-
Total discoveries	<u>407,589,423</u>		<u>2,182,078</u>	<u>2,081,071</u>	<u>101,007</u>
Abatements	<u>(56,780,577)</u>	0.52	<u>(295,259)</u>	<u>(210,123)</u>	<u>(85,136)</u>
Total property valuation	<u>\$ 12,472,225,577</u>				
Net Levy			64,918,186	59,398,616	5,519,570
Uncollected taxes at June 30, 2013			<u>1,877,331</u>	<u>1,115,685</u>	<u>761,646</u>
Current Year's Taxes Collected			<u>\$ 63,040,855</u>	<u>\$ 58,282,931</u>	<u>\$ 4,757,924</u>
Current Levy Collection Percentage			<u>97.11%</u>	<u>98.12%</u>	<u>86.20%</u>

ALAMANCE COUNTY, NORTH CAROLINA

**ANALYSIS OF CURRENT YEAR LEVY
FOR THE YEAR ENDED JUNE 30, 2013**

Secondary Market Disclosures:

Assessed valuation:

Assessment ratio (1)	<u>100.00%</u>
Real property	\$ 9,990,067,664
Personal property	2,176,338,001
Public service companies (2)	<u>305,819,912</u>
Total assessed valuation	<u>\$ 12,472,225,577</u>
Tax rate per \$100	<u>\$ 0.52</u>
Levy (includes discoveries, releases, and abatements) (3)	<u>\$ 64,692,602</u>

In addition to the County-wide, this amount represents the levies by the County on behalf of fire protection districts for the fiscal year ended June 30:

Fire Protection Districts	<u>\$ 4,688,132,478</u>
---------------------------	-------------------------

- (1) Percentage of appraised value has been established by statute.
- (2) Valuation of railroads, telephone companies, and other utilities as determined by the North Carolina Property Tax Commission.
- (3) The levy includes late listing penalties.

Alamance County, North Carolina
Financial Statements and Schedules

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STATISTICAL SECTION (UNAUDITED)

This part of the County'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 says about the government's overall financial health.

<u>Contents</u>	<u>Pages</u>
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.	108
Revenue Capacity These schedules contain information to help the reader assess the government's most significant local revenue source, the property taxes.	113
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.	116
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.	124
Operating Information These schedules contain service 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.	127

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

Net Position by Component
Last Ten Fiscal Years

Table 1

	Fiscal Year Ended June 30									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental activities:										
Net investment in capital assets	\$ 49,370,854	\$ 46,438,987	\$ 41,915,038	\$ 42,936,097	\$ 45,627,654	\$ 44,518,107	\$ 42,349,248	\$ 38,078,444	\$ 33,685,006	\$ 36,732,024
Restricted	9,544,524	12,585,862	6,422,378	6,174,216	6,765,314	7,776,693	15,891,473	12,145,448	13,491,567	2,513,457
Unrestricted	(51,870,031)	(54,852,917)	(41,339,189)	(28,046,387)	(33,568,454)	(34,556,646)	(42,963,227)	(28,465,970)	(20,739,961)	(12,415,763)
Total governmental activities net position	\$ 7,045,347	\$ 4,171,932	\$ 6,998,227	\$ 21,063,926	\$ 18,824,514	\$ 17,738,154	\$ 15,277,494	\$ 21,757,922	\$ 26,436,612	\$ 26,829,718
Business-type activities										
Net investment in capital assets	\$ 13,081,014	\$ 13,339,920	\$ 13,044,534	\$ 13,413,380	\$ 13,689,738	\$ 13,101,255	\$ 12,734,656	\$ 11,998,474	\$ 9,526,454	\$ 7,504,701
Restricted	-	5,576,444	-	314,014	313,701	312,844	304,791	291,524	281,639	-
Unrestricted	7,011,792	-	5,668,933	4,847,249	4,342,635	3,865,929	2,396,761	3,094,109	3,840,144	5,025,859
Total business-type activities net position	\$ 20,092,806	\$ 18,916,364	\$ 18,733,467	\$ 18,574,643	\$ 18,346,074	\$ 17,280,028	\$ 15,436,208	\$ 15,374,107	\$ 13,648,237	\$ 12,530,560
Primary government										
Net investment in capital assets	\$ 62,451,868	\$ 59,778,907	\$ 54,959,572	\$ 56,349,477	\$ 59,317,392	\$ 57,619,362	\$ 55,083,904	\$ 50,076,918	\$ 43,211,460	\$ 44,236,725
Restricted	9,544,524	18,162,306	6,422,378	6,488,230	7,079,015	8,089,537	16,196,264	12,436,972	13,773,206	2,513,457
Unrestricted	(44,858,239)	(54,852,917)	(35,650,256)	(23,199,138)	(29,225,819)	(30,690,717)	(40,566,466)	(25,381,861)	(16,899,817)	(7,389,904)
Total primary government	\$ 27,138,153	\$ 23,088,296	\$ 25,731,694	\$ 39,638,569	\$ 37,170,588	\$ 35,018,182	\$ 30,713,702	\$ 37,132,029	\$ 40,084,849	\$ 39,360,278

ALAMANCE COUNTY, NORTH CAROLINA

Changes in Net Position
Last Ten Fiscal Years
(amount in Thousands)

Table 2

	Fiscal Year Ended June 30									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Revenues										
Function/Programs:										
Charges for services:										
Public safety	9,294	8,012	8,252	7,863	6,629	6,996	3,332	6,878	5,255	4,570
Human services	2,600	3,067	5,616	5,542	5,596	4,380	3,459	2,674	2,765	2,042
Other	2,468	2,151	2,353	1,760	1,623	2,223	5,699	5,053	6,556	7,345
Subtotal	14,362	13,230	16,221	15,165	13,848	13,599	12,490	14,605	14,576	13,957
Operating grants and contributions	23,516	24,767	22,637	25,896	24,421	23,249	22,719	17,275	16,788	15,829
Capital grants and contributions	2,772	6,702	2,777	1,785	2,060	1,631	1,836	581	59	90
General revenues:										
Taxes:										
Property taxes, levied for general purpose	69,298	67,366	66,146	67,177	66,813	64,602	61,819	58,821	52,209	52,099
Local option sales tax	20,665	20,226	18,720	16,658	22,776	27,477	26,378	23,952	22,478	20,788
Other taxes and licenses	1,020	949	900	1,242	1,392	1,924	1,722	1,819	1,512	1,438
Grants and contributions not restricted to specific programs	-	-	-	-	-	-	243	235	286	620
Investment earnings	485	525	407	47	241	949	1,645	1,006	628	279
Miscellaneous, unrestricted	25	25	25	65	282	280	314	989	430	554
Special items	-	-	-	-	-	-	-	752	-	898
Subtotal	132,143	133,790	127,833	128,035	131,833	133,711	129,166	120,035	108,966	106,552
Landfill:										
Charges for services	3,713	3,599	3,543	3,531	3,287	3,280	-	-	-	-
Operating grants and contributions	-	-	-	-	138	55	-	-	-	-
Investment earnings	4	4	16	19	129	387	-	-	-	-
Miscellaneous, unrestricted	-	-	-	172	445	398	-	-	-	-
Subtotal	3,717	3,603	3,559	3,722	3,999	4,120	-	-	-	-
Total revenues	135,860	137,393	131,392	131,757	135,832	137,831	129,166	120,035	108,966	106,552
Expenses										
General government	12,644	14,519	13,475	10,946	11,764	10,355	10,670	10,122	11,901	10,618
Public Safety	35,211	35,159	35,567	33,617	34,194	30,194	27,401	25,158	21,625	19,892
Economic and physical development	1,758	1,792	2,116	1,297	1,697	1,403	1,137	2,280	1,313	1,654
Human services	33,432	33,790	33,229	33,615	34,698	35,889	34,844	33,137	31,492	28,736
Cultural and recreational	3,624	3,926	4,327	3,677	3,588	3,753	3,375	3,549	3,201	2,928
Education	34,963	42,430	45,992	38,763	40,787	44,977	51,742	43,205	33,909	30,824
Interest on long-term debt	6,478	3,655	3,659	3,415	3,611	4,173	3,709	2,746	2,011	1,960
Other expenses	1,158	1,347	1,376	465	457	487	239	208	152	240
Subtotal	129,288	136,618	139,741	125,795	130,796	131,251	133,117	120,405	105,604	96,852
Landfill	2,542	3,419	3,399	3,494	2,933	2,276	2,467	2,583	2,830	3,504
Total expenses	131,810	140,037	143,140	129,289	133,729	133,527	135,584	122,988	108,434	100,356
Change in net position	4,050	(2,644)	(11,748)	2,466	2,103	4,304	(6,418)	(2,953)	532	6,196
Net position - beginning, as restated	23,088	25,732	37,480	37,171	35,068	30,714	37,132	40,085	39,553	33,357
Net position - ending	27,138	23,088	25,732	39,639	37,171	35,018	30,714	37,132	40,085	39,553

ALAMANCE COUNTY, NORTH CAROLINA
Fund Balances, Governmental Funds
Last Ten Fiscal Years

Table 3

	Fiscal Year Ended June 30									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General Fund	-	-	-	\$ 7,634,322	\$ 9,381,210	\$ 11,710,491	\$ 8,666,071	\$ 7,359,832	\$ 6,625,462	\$ 6,735,869
Reserved	-	-	-	15,942,207	18,142,118	18,922,786	17,555,501	17,600,028	18,235,884	18,661,471
Unreserved	-	172,530	-	-	-	-	-	-	-	-
Nonspendable	8,621,118	11,742,712	5,317,002	-	-	-	-	-	-	-
Restricted	322,619	202,619	-	-	-	-	-	-	-	-
Committed	17,398,129	9,559,112	13,793,848	-	-	-	-	-	-	-
Unassigned	26,341,866	21,676,973	19,110,850	23,576,529	27,523,328	30,633,277	26,221,572	24,959,860	24,861,346	25,397,340
Total General Fund										
All Other Governmental Funds										
Reserved	-	-	-	68,965	99,216	101,870	220,033	147,504	57,898	65,933
Unreserved, reported in:										
Special revenue funds	-	-	-	508,679	131,241	897,871	1,505,756	1,273,485	1,391,103	1,720,877
Capital project funds	-	-	-	9,881,154	6,725,216	6,935,964	15,877,376	13,179,794	4,441,128	3,844,130
Restricted in Capital Project	1,046,434	2,045,675	6,669,885	-	-	-	-	-	-	-
Committed in Capital Project	3,116,917	2,972,320	3,123,354	-	-	-	-	-	-	-
Unassigned in Capital Project	(190,334)	(200,869)	(24,455)	-	-	-	-	-	-	-
Total all other government funds	3,973,017	4,817,126	9,768,784	10,458,798	6,955,673	7,935,705	17,603,165	14,600,783	5,890,129	5,630,940
Total fund balances, governmental funds	\$ 30,314,883	\$ 26,494,099	\$ 28,879,634	\$ 34,035,327	\$ 34,479,001	\$ 38,568,982	\$ 43,824,737	\$ 39,560,643	\$ 30,751,475	\$ 31,028,280

ALAMANCE COUNTY, NORTH CAROLINA

Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

Table 4

	Fiscal Year Ended June 30									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Revenues										
Property taxes	\$ 68,900,545	\$ 67,372,021	\$ 66,865,439	\$ 67,503,880	\$ 66,005,309	\$ 64,483,325	\$ 61,903,922	\$ 58,910,219	\$ 51,445,421	\$ 52,009,924
Sales taxes	20,665,419	20,226,309	18,720,105	16,657,521	22,775,557	27,476,577	26,378,154	23,962,357	22,478,029	20,789,214
Other taxes and licenses	1,019,568	948,664	900,150	951,964	919,807	1,432,330	1,721,703	1,819,199	1,511,823	1,437,547
Unrestricted intergovernmental	233,472	252,116	240,992	78,741	244,604	247,751	1,544,894	235,207	285,806	619,886
Restricted intergovernmental	25,749,474	29,080,408	24,775,193	26,900,059	25,749,397	22,981,577	21,731,612	20,877,304	19,008,228	17,497,429
Permits and fees	1,206,080	1,005,656	1,154,369	997,942	901,010	1,385,950	1,619,467	1,632,639	1,455,544	1,543,931
Sales and services	12,617,948	12,199,323	14,720,391	13,224,156	13,689,379	11,710,584	6,718,823	6,145,967	4,711,692	4,362,817
Investment earnings	482,991	521,302	384,203	73,260	384,227	1,597,120	2,689,474	1,544,345	633,794	234,722
Miscellaneous	505,727	2,026,872	609,518	925,362	825,343	1,434,271	570,922	587,965	562,609	463,646
Total revenues	131,381,224	133,632,671	128,370,360	127,312,885	131,494,633	132,749,485	124,878,971	115,685,202	102,092,946	98,958,118
Expenditures										
Current										
General government	10,118,033	10,791,109	14,724,143	11,227,165	11,407,839	11,880,730	11,040,856	9,821,915	11,777,569	8,816,303
Public Safety	31,696,950	33,952,059	32,592,726	33,340,099	34,374,297	31,010,741	28,860,371	25,385,859	21,059,208	20,556,523
Transportation	(43,211)	402,868	425,755	407,971	397,369	410,587	182,881	156,232	106,956	197,250
Environmental protection	(414,878)	61,497	55,086	56,204	58,983	84,821	84,218	51,942	44,218	42,921
Economic and physical development	920,883	1,321,691	1,641,723	1,636,530	1,673,011	1,415,778	1,182,425	2,465,746	1,287,836	1,653,377
Human services	32,107,883	32,853,606	32,319,100	33,347,288	34,756,916	36,238,804	35,346,669	32,675,372	30,802,569	28,227,420
Cultural and recreational	3,387,904	3,899,960	4,476,382	3,933,773	4,049,983	4,006,226	4,054,430	3,866,501	3,458,263	3,194,494
Intergovernmental (education)	34,558,991	38,785,016	38,162,037	37,806,040	37,076,480	34,107,514	31,041,238	29,691,242	28,338,588	27,326,838
Capital outlay	4,803,036	3,424,791	7,605,633	5,410,607	8,097,505	10,869,659	23,327,420	16,030,506	11,698,824	5,275,502
Debt service:										
Principal	8,628,892	7,973,727	7,777,175	6,813,657	6,112,057	5,838,999	5,331,643	4,833,534	3,858,141	3,299,968
Interest and other charges	7,412,519	3,655,325	3,659,128	3,468,926	3,765,592	4,277,181	3,621,578	2,606,156	2,032,257	1,913,377
Issuance costs	329,582	1,798	127,978	22,964	-	-	-	-	-	-
Total expenditures	133,506,586	137,123,447	143,566,866	137,471,224	141,770,032	140,141,040	144,047,559	127,585,005	114,464,429	100,503,973
Revenues over (under) expenditures	(2,125,362)	(3,490,776)	(15,196,506)	(10,158,339)	(10,275,399)	(7,391,555)	(19,168,588)	(11,899,803)	(12,371,483)	(1,545,855)
Other financing sources (uses)	5,946,146	1,105,241	10,040,813	9,714,664	6,136,218	110,800	23,432,681	19,966,827	12,094,678	5,495,577
Special items	-	-	-	-	(4,139,181)	(7,280,755)	4,264,093	752,144	-	1,349,975
Increase (decrease) in fund balance	3,820,784	(2,385,535)	(5,155,693)	(443,674)	(4,139,181)	(7,280,755)	4,264,093	8,809,168	(276,805)	5,299,697
Beginning fund balance-as restated	26,494,099	28,879,634	34,035,327	34,479,001	38,618,182	45,849,737	39,560,644	30,751,475	31,028,280	25,728,583
Ending fund balance	\$ 30,314,883	\$ 26,494,099	\$ 28,879,634	\$ 34,035,327	\$ 34,479,001	\$ 38,568,982	\$ 43,824,737	\$ 39,560,643	\$ 30,751,475	\$ 31,028,280

Debt service expenditures / non-capital expenditures ratio:

14.28% 9.53% 9.19% 7.94% 7.38% 7.39% 6.45% 6.04% 5.64% 5.38%

ALAMANCE COUNTY, NORTH CAROLINA

Program Revenues by Function/Program
Last Ten Fiscal Years

Table 5

Function/Program	Program Revenues									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental activities:										
General government	\$ 1,598,325	\$ 1,417,480	\$ 1,618,964	\$ 1,031,103	\$ 916,305	\$ 1,247,077	\$ 1,394,269	\$ 1,722,028	\$ 3,018,899	\$ 3,251,756
Public safety	9,293,779	8,011,526	8,252,339	7,862,739	6,628,568	6,995,888	3,331,904	6,878,312	5,254,549	4,570,488
Transportation	-	-	-	-	-	1,050	897	-	-	-
Economic and physical development	-	-	-	-	-	-	-	-	6,828	8,515
Environmental protection	236,956	201,365	201,365	183,395	164,495	437,515	486,800	-	-	-
Human services	2,599,851	3,067,300	5,616,314	5,542,325	5,595,702	4,379,508	3,459,190	2,674,707	2,765,245	2,041,936
Cultural and recreational	632,596	532,636	532,636	545,080	542,612	537,577	507,899	404,248	277,897	352,791
Subtotal government activities	14,361,507	13,230,307	16,221,618	15,164,642	13,847,682	13,598,615	9,180,959	11,679,295	11,323,418	10,225,486
Business-type activities										
Landfill	3,712,573	3,598,966	3,542,594	3,531,411	3,286,645	3,279,974	3,309,942	2,925,392	3,253,012	3,731,987
Subtotal business-type activities	3,712,573	3,598,966	3,542,594	3,531,411	3,286,645	3,279,974	3,309,942	2,925,392	3,253,012	3,731,987
Total primary government	\$ 18,074,080	\$ 16,829,273	\$ 19,764,212	\$ 18,696,053	\$ 17,134,327	\$ 16,878,589	\$ 12,490,901	\$ 14,604,687	\$ 14,576,430	\$ 13,957,473

ALAMANCE COUNTY, NORTH CAROLINA

Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years

Table 6

Fiscal Year Ended June 30	Property	Sales & Use	Occupancy	Emergency Telephone ^a	Real Estate Transfer	Other	Total
2013	\$ 68,900,545	\$ 20,665,419	\$ 585,145	\$ -	\$ 360,872	\$ 73,551	\$ 90,585,532
2012	67,372,021	20,226,309	567,183	-	314,414	67,067	88,546,994
2011	66,868,894	18,720,105	535,288	-	303,200	61,662	86,489,149
2010	67,503,880	16,657,521	498,488	-	400,013	53,463	85,113,365
2009	66,005,309	22,775,557	523,692	2,949	336,088	57,078	89,700,673
2008	64,483,325	27,476,577	617,406	196,641	563,097	55,186	93,392,232
2007	61,903,922	26,378,154	572,772	408,082	683,365	57,484	90,003,779
2006	58,910,215	23,952,357	510,947	441,269	812,938	54,045	84,681,771
2005	51,445,409	22,478,029	485,246	415,296	561,463	49,818	75,435,261
2004	52,009,822	20,788,214	470,698	432,092	489,536	45,221	74,235,583

^a Emergency Telephone tax began in 2002. State implemented tax in 2010.

ALAMANCE COUNTY, NORTH CAROLINA
Government-Wide Expenses By Function
Last Ten Fiscal Years

Table 7

Function	Fiscal Year Ended June 30									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General government	\$ 12,643,801	\$ 14,519,496	\$ 13,474,940	\$ 10,946,351	\$ 11,763,998	\$ 10,355,242	\$ 10,670,206	\$ 10,122,531	\$ 11,900,709	\$ 10,618,540
Public safety	35,211,427	35,159,335	35,566,586	33,616,740	34,194,067	30,194,461	27,401,149	25,157,763	21,624,691	19,891,690
Transportation	765,536	843,824	873,491	407,971	397,369	410,587	182,881	156,232	106,956	197,250
Environmental protection	393,867	1,791,574	502,822	56,204	58,983	84,821	58,048	51,942	44,218	42,921
Economic and physical development	1,758,248	502,453	2,116,442	1,296,911	1,697,341	1,403,236	1,136,582	2,280,204	1,312,633	1,663,840
Human services	33,431,752	33,790,288	33,228,854	33,614,557	34,698,043	35,898,520	34,843,773	33,137,113	31,492,265	28,735,757
Cultural and recreational	3,623,947	3,926,470	4,326,665	3,677,349	3,588,464	3,752,811	3,375,087	3,548,534	3,201,194	2,928,633
Education	34,963,364	42,430,285	45,991,536	38,763,325	40,786,993	44,977,170	51,741,478	43,204,775	33,909,453	30,824,201
Debt service:										
Interest and fees	6,477,519	3,655,325	3,659,128	3,415,131	3,611,084	4,172,523	3,708,893	2,746,103	2,011,053	1,960,007
Total governmental activities	129,269,461	136,619,050	139,740,464	125,794,539	130,796,342	131,249,371	133,118,097	120,405,197	105,603,172	96,852,839
Landfill	2,542,292	3,419,406	3,399,423	3,494,302	2,933,060	2,276,015	2,466,688	2,582,589	2,830,205	3,503,994
Total business-type activities	2,542,292	3,419,406	3,399,423	3,494,302	2,933,060	2,276,015	2,466,688	2,582,589	2,830,205	3,503,994
Total primary government	\$ 131,811,753	\$ 140,038,456	\$ 143,139,887	\$ 129,288,841	\$ 133,729,402	\$ 133,525,386	\$ 135,584,785	\$ 122,987,786	\$ 108,433,377	\$ 100,356,833

ALAMANCE COUNTY, NORTH CAROLINA
Government-wide Revenues
Last Ten Fiscal Years

Table 8

	Fiscal Year Ended June 30									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Program Revenues										
Charges for services	\$ 18,074,080	\$ 16,829,273	\$ 19,764,212	\$ 18,696,053	\$ 17,134,327	\$ 16,878,589	\$ 12,490,901	\$ 14,604,687	\$ 14,576,430	\$ 13,957,473
Operating grants and contributions	23,516,322	24,766,558	22,637,081	25,895,644	24,559,464	23,303,489	22,719,164	17,274,594	16,787,512	15,828,841
Capital grants and contributions	2,775,590	6,704,607	2,776,724	1,784,940	2,059,872	1,631,005	1,835,891	581,093	59,316	89,480
General Revenues										
Taxes										
Property tax	69,297,790	67,365,987	66,145,512	67,177,058	66,813,041	64,601,642	61,819,265	58,820,906	52,208,675	52,099,058
Local option sales tax	20,665,419	20,226,309	18,720,105	16,657,521	22,775,556	27,476,578	26,378,154	23,952,357	22,478,029	20,788,214
Other taxes and licenses	1,019,568	948,664	900,150	1,242,480	1,392,318	1,924,156	1,721,703	1,819,199	1,511,823	1,437,547
Grants and contributions not restricted to unrestricted investment earnings	487,591	524,817	422,907	65,781	370,787	1,335,549	243,412	235,207	285,806	619,886
Miscellaneous	25,250	25,250	25,250	237,345	726,759	678,858	1,644,841	1,005,643	627,713	279,273
Special Items	--	--	--	--	--	--	313,127	989,136	430,394	564,400
Total	\$ 135,861,610	\$ 137,391,465	\$ 131,391,941	\$ 131,756,822	\$ 135,832,124	\$ 137,829,866	\$ 129,166,458	\$ 120,034,966	\$ 108,965,698	\$ 106,552,184

ALAMANCE COUNTY, NORTH CAROLINA
General Government Expenditures by Function
Last Ten Fiscal Years

Table 9

Function	Fiscal Year Ended June 30									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General government	\$ 12,039,247	\$ 10,791,109	\$ 14,724,143	\$ 11,227,165	\$ 11,407,839	\$ 11,880,730	\$ 11,040,856	\$ 9,821,915	\$ 11,777,569	\$ 8,816,303
Public safety	32,177,254	33,952,059	32,592,726	33,340,099	34,374,297	31,010,741	28,860,371	25,385,859	21,059,208	20,556,523
Transportation	437,093	402,868	425,755	407,971	397,369	410,587	182,881	156,232	106,956	197,250
Environmental protection	65,426	61,497	55,086	56,204	58,983	84,821	58,048	51,942	44,218	42,921
Economic and physical development	1,401,187	1,321,691	1,641,723	1,636,530	1,673,011	1,415,778	1,182,425	2,465,746	1,287,836	1,653,377
Human services	32,588,187	32,853,606	32,319,100	33,347,288	34,756,916	36,238,804	35,346,669	32,675,372	30,802,569	28,227,420
Cultural and recreational	3,628,056	3,899,960	4,476,382	3,933,773	4,049,983	4,006,226	4,054,430	3,866,501	3,458,263	3,194,494
Education	34,799,143	42,209,807	45,767,670	38,763,325	37,076,480	34,107,514	31,041,238	29,691,242	28,338,588	27,326,838
Debt service:										
Principal retirement	8,628,892	7,973,727	7,777,175	6,813,657	6,112,057	5,838,999	5,331,643	4,833,534	3,858,141	3,478,147
Interest and fees	7,412,519	3,655,325	3,659,128	3,468,926	3,770,370	4,277,181	3,621,578	2,606,156	2,032,257	1,735,198
Issuance costs	329,582	1,798	-	22,964	-	-	-	-	-	-
Total	\$ 133,506,586	\$ 137,123,447	\$ 143,566,866	\$ 133,017,902	\$ 133,677,305	\$ 129,271,381	\$ 120,720,139	\$ 111,554,499	\$ 102,765,605	\$ 95,228,471

ALAMANCE COUNTY, NORTH CAROLINA
General Government Revenues by Source
Last Ten Fiscal Years

Table 10

Source	Fiscal Year Ended June 30									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Taxes:										
Property	\$ 68,900,545	\$ 67,372,021	\$ 66,865,439	\$ 67,503,880	\$ 66,005,309	\$ 64,483,325	\$ 61,903,922	\$ 58,910,219	\$ 51,445,421	\$ 52,009,924
Sales	20,665,419	20,226,309	18,720,105	16,657,521	22,775,557	27,476,577	26,378,154	23,952,357	22,893,325	20,788,214
Other taxes and licenses	1,019,568	948,664	900,150	951,964	919,807	1,432,330	1,721,703	1,819,199	1,096,527	1,437,547
Total taxes	90,585,532	88,546,994	86,485,694	85,113,365	89,700,673	93,392,232	90,003,779	84,681,775	75,435,273	74,235,685
Intergovernmental	25,982,946	29,332,524	25,016,185	26,978,800	25,994,001	23,229,328	21,975,024	20,582,799	18,342,931	16,673,604
Permits and fees	1,206,080	1,005,656	1,154,369	997,942	901,010	1,385,950	1,619,467	1,632,639	1,455,544	1,543,931
Sales and services	12,617,948	12,199,323	14,720,391	13,224,156	13,689,379	11,710,584	6,718,823	6,145,967	4,711,692	4,410,817
Investment earnings	482,991	521,302	384,203	73,260	384,227	1,597,120	1,334,564	1,137,835	555,793	207,637
Miscellaneous	505,727	2,026,872	609,518	925,362	825,343	1,434,271	570,922	567,965	560,181	424,536
Total	\$ 131,381,224	\$ 133,632,671	\$ 128,370,360	\$ 127,312,885	\$ 131,494,633	\$ 132,749,485	\$ 122,222,579	\$ 114,748,980	\$ 101,061,414	\$ 97,496,210

ALAMANCE COUNTY, NORTH CAROLINA
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Table 11

(dollars in thousands)

Fiscal Year Ended June 30	Assessed Value					Less: Abatements	Total Taxable Assessed Value	Ratio of Assessed Value to Estimated Actual Value	
	Real Property	Personal Property	Public Service Companies	Public	Companies			Estimated Actual Value	Actual Value
2013	\$ 10,046,849	\$ 2,176,338	\$ 305,820	\$ 56,781	\$ 12,472,226	\$ 11,586,981	107.6%	0.5200	
2012	9,993,751	1,997,173	254,990	68,119	12,177,795	11,276,780	108.0%	0.5200	
2011	9,945,448	1,946,452	260,006	43,910	12,107,996	11,747,352	103.1%	0.5200	
2010	10,650,203	2,019,524	267,795	722,808	12,214,714	12,191,335	100.2%	0.5200	
2009	8,627,921	2,073,735	237,552	163,973	10,775,235	10,809,885	99.7%	0.5800	
2008	8,177,942	2,131,762	264,996	23,622	10,551,078	11,773,069	89.6%	0.5800	
2007	8,025,629	2,094,996	266,550	49,835	10,337,340	11,180,789	92.5%	0.5750	
2006	8,775,567	1,047,163	296,337	90,797	10,028,270	10,853,980	92.4%	0.5625	
2005	7,714,600	1,931,071	260,084	91,894	9,813,862	10,227,594	96.0%	0.5100	
2004	7,333,313	1,959,567	263,590	97,107	9,459,363	9,821,834	96.3%	0.5200	

Source: Alamance County Tax Department

Note: Assessed valuations are established by the Board of County Commissioners at 100 percent of estimated market value. A revaluation of real property is required by the North Carolina General Statutes at least every eight years. The last revaluation became effective January 1, 2009. Tax rates are per \$100 of assessed value.

ALAMANCE COUNTY, NORTH CAROLINA

Property Tax Levies and Collections
Last Ten Fiscal Years

Table 13

Table 13

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year		County-wide Levies Collected within the Fiscal Year of the Levy		Collections in Subsequent Years		Total Collections to Date	
	Amount Collected	Percentage of Levy	Amount Collected	Percentage of Levy	Amount Collected	Percentage of Levy	Amount Collected	Percentage of Levy
2013	\$ 63,031,367	100.0%	\$ 63,040,855	100.0%	\$ -		\$ 63,040,855	100.0%
2012	62,007,230	99.3%	61,580,609	99.3%	437,306		62,017,915	100.0%
2011	61,822,468	99.3%	61,408,792	99.3%	420,133		61,828,925	100.0%
2010	63,081,835	98.1%	61,863,460	98.1%	1,208,675		63,072,135	100.0%
2009	63,439,042	96.2%	61,050,563	96.2%	2,207,415		63,257,978	99.7%
2008	61,198,987	96.7%	59,202,640	96.7%	1,868,638		61,071,278	99.8%
2007	58,367,071	97.0%	56,639,425	97.0%	1,608,996		58,248,421	99.8%
2006	55,635,067	96.7%	53,796,607	96.7%	1,721,286		55,517,893	99.8%
2005	49,414,718	96.8%	47,817,467	96.8%	1,500,776		49,318,243	99.8%
2004	49,253,815	97.9%	48,212,757	97.9%	954,657		49,167,414	99.8%

Source: Alamance County Tax Department

Note: This schedule includes data from only the General Fund County-wide property tax levy.

ALAMANCE COUNTY, NORTH CAROLINA

Direct and Overlapping Governments Property Tax Rates
(Per \$100.00 of Assessed Value)
Last Ten Fiscal Years

Table 14

	Year Taxes Are Payable									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
County Direct Rates										
Alamance County	0.5200	0.5200	0.5200	0.5200	0.5800	0.5800	0.5750	0.5625	0.5100	0.5200
City and Town Rates										
City of Alamance	0.2000	0.2000	0.2000	0.2200	0.2400	0.2400	0.2400	0.2400	0.2400	0.2400
Total Direct and Overlapping	0.7200	0.7200	0.7200	0.7400	0.8200	0.8200	0.8150	0.8025	0.7500	0.7600
City of Burlington	0.5800	0.5800	0.5900	0.5900	0.6250	0.6250	0.6250	0.5550	0.5550	0.5000
Total Direct and Overlapping	1.1000	1.1000	1.1100	1.1100	1.2050	1.2050	1.2000	1.1175	1.0650	1.0200
City of Burlington - Downtown	0.6800	0.6800	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600	0.0000	0.1600
Total Direct and Overlapping	1.2000	1.2000	0.6800	0.6800	0.7400	0.7400	0.7350	0.7225	0.5100	0.6800
City of Graham	0.4400	0.4400	0.4450	0.4450	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800
Total Direct and Overlapping	0.9600	0.9600	0.9650	0.9650	1.0600	1.0600	1.0550	1.0425	0.9900	1.0000
Town of Elon	0.3700	0.3700	0.3700	0.3700	0.3700	0.3700	0.3700	0.3700	0.3700	0.3700
Total Direct and Overlapping	0.8900	0.8900	0.8900	0.8900	0.9500	0.9500	0.9450	0.9325	0.8800	0.8900
Town of Gibsonville	0.5150	0.5150	0.5100	0.5100	0.5150	0.5150	0.5150	0.5150	0.4950	0.5150
Total Direct and Overlapping	1.0350	1.0350	1.0300	1.0300	1.0950	1.0950	1.0900	1.0775	1.0050	1.0350
Town of Green Level	0.3400	0.3400	0.3400	0.3400	0.3400	0.3400	0.3000	0.2500	0.2500	0.2500
Total Direct and Overlapping	0.8600	0.8600	0.8600	0.8600	0.9200	0.9200	0.8750	0.8125	0.7600	0.7700
Town of Haw River	0.4500	0.4500	0.4500	0.4500	0.4800	0.4800	0.4500	0.4500	0.4500	0.4500
Total Direct and Overlapping	0.9700	0.9700	0.9700	0.9700	1.0600	1.0600	1.0250	1.0125	0.9600	0.9700
Town of Mebane	0.4700	0.4700	0.4700	0.4700	0.5000	0.5000	0.5000	0.5000	0.5000	0.4700
Total Direct and Overlapping	0.9900	0.9900	0.9900	0.9900	1.0800	1.0800	1.0750	1.0625	1.0100	0.9900
Town of Ossipee	0.0750	0.0750	0.0750	0.0750	0.0750	0.1500	0.1500	0.1500	0.0500	0.0500
Total Direct and Overlapping	0.5950	0.5950	0.5950	0.5950	0.7300	0.7300	0.7250	0.7125	0.5600	0.5700
Fire District Rates										
54 East	0.0900	0.0900	0.0900	0.0900	0.1000	0.1000	0.1000	0.1000	0.0900	0.0900
Total Direct and Overlapping	0.6100	0.6100	0.6100	0.6100	0.6800	0.6800	0.6750	0.6625	0.6000	0.6100
Altamahaw-Ossipee	0.1075	0.1075	0.1025	0.1025	0.1000	0.0950	0.0950	0.0950	0.0950	0.0950
Total Direct and Overlapping	0.6275	0.6275	0.6225	0.6225	0.6800	0.6750	0.6700	0.6575	0.6050	0.6150
E.M. Holt	0.0975	0.0975	0.0800	0.0800	0.0800	0.0500	0.0700	0.0700	0.0700	0.0700
Total Direct and Overlapping	0.6175	0.6175	0.6000	0.6000	0.6600	0.6300	0.6450	0.6325	0.5800	0.5900
East Alamance	0.0850	0.0850	0.0850	0.0850	0.0850	0.0850	0.0850	0.0850	0.0850	0.0850
Total Direct and Overlapping	0.6050	0.6050	0.6050	0.6050	0.6650	0.6650	0.6600	0.6475	0.5950	0.6050

ALAMANCE COUNTY, NORTH CAROLINA

Direct and Overlapping Governments Property Tax Rates
(Per \$100.00 of Assessed Value)
Last Ten Fiscal Years

Table 14

	Year Taxes Are Payable									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Eli Whitney/87 South	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800
Total Direct and Overlapping	0.6000	0.6000	0.6000	0.6000	0.6600	0.6600	0.6550	0.6425	0.5900	0.6000
Elon	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.0900
Total Direct and Overlapping	0.6250	0.6250	0.6250	0.6250	0.6850	0.6850	0.6800	0.6675	0.6150	0.6100
Faucette	0.0875	0.0875	0.0875	0.0875	0.0875	0.0875	0.0650	0.0650	0.0650	0.0650
Total Direct and Overlapping	0.6075	0.6075	0.6075	0.6075	0.6675	0.6675	0.6400	0.6275	0.5750	0.5850
Haw River	0.1350	0.1350	0.1350	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050
Total Direct and Overlapping	0.6550	0.6550	0.6550	0.6250	0.6850	0.6850	0.6800	0.6675	0.6150	0.6250
North Central Alamance	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.0950	0.0950	0.0950	0.0950
Total Direct and Overlapping	0.6250	0.6250	0.6250	0.6250	0.6850	0.6850	0.6700	0.6575	0.6050	0.6150
North Eastern Alamance	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700
Total Direct and Overlapping	0.5900	0.5900	0.5900	0.5900	0.6500	0.6500	0.6450	0.6325	0.5800	0.5900
Snow Camp	0.0850	0.0850	0.0850	0.0850	0.8500	0.0850	0.0850	0.0850	0.0850	0.0850
Total Direct and Overlapping	0.6050	0.6050	0.6050	0.6050	1.4300	0.6650	0.6600	0.6475	0.5950	0.6050
Sweptonville	0.0900	0.0900	0.0900	0.0900	0.1000	0.1000	0.1000	0.1000	0.0900	0.0900
Total Direct and Overlapping	0.6100	0.6100	0.6100	0.6100	0.6800	0.6800	0.6750	0.6625	0.6000	0.6100

Source: Alamance County Tax Department

Note: (1) Property was revalued January 1, 2009, affecting the fiscal 2010 tax rate (see Table 11 note).

ALAMANCE COUNTY, NORTH CAROLINA

Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

Table 15

Fiscal Year Ended June 30	General Fund Activities					Business-Type Activities		Total ^c	Percentage of Personal Income	Per Capita ^b
	General Obligation Bonded Debt	Revolving and Installment Loan Debt	Capital Leases	Percentage of Actual Property Value ^a	Per Capita ^b	Landfill Bonds	Per Capita ^b			
2013	\$ 56,869,567	\$ 22,622,571	\$ 1,961,899	0.67%	\$ 532.28	-	\$ 81,454,037	1.56%	\$ 532.28	
2012	56,673,504	26,092,079	1,396,451	0.69%	551.77	-	84,162,034	1.62%	551.77	
2011	60,988,754	27,344,933	1,263,111	0.74%	590.44	-	89,596,798	1.94%	590.44	
2010	65,359,004	15,910,324	1,206,667	0.66%	556.00	-	82,475,995	1.71%	556.00	
2009	69,110,000	14,208,563	1,674,730	0.77%	582.17	-	84,993,293	1.85%	582.17	
2008	73,410,000	11,281,125	461,974	0.78%	594.84	-	85,153,099	1.83%	594.84	
2007	77,745,000	12,071,302	-	0.87%	634.90	-	89,816,302	2.04%	634.90	
2006	59,390,000	14,262,990	-	0.73%	524.24	376,107.00	74,029,097	1.83%	526.92	
2005	40,460,000	15,960,970	-	0.57%	406.53	733,845.98	57,154,816	1.82%	411.81	
2004	43,545,000	4,308,210	-	0.51%	344.88	1,074,115.03	48,927,325	1.24%	352.62	

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

^a See Table 11 for taxable property value data.

^b Population and personal income data can be found in Table 18.

^c Includes general bonded debt and business-type activities debt.

ALAMANCE COUNTY, NORTH CAROLINA

Ratio of General Obligation Bonded Debt Outstanding and Legal Debt Margin
Last Ten Fiscal Years

Table 16

	Fiscal Year Ended June 30									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General bonded debt outstanding										
General obligation bonds	\$ 56,869,567	\$ 56,673,504	\$ 60,988,754	\$ 68,995,004	\$ 69,110,000	\$ 73,410,000	\$ 77,745,000	\$ 59,390,000	\$ 40,460,000	\$ 43,545,000
Percentage of estimated actual property value ^a	0.46%	0.46%	0.50%	0.53%	0.64%	0.70%	0.75%	0.59%	0.41%	0.46%
Per capita ^b	371.63	371.55	401.92	437.89	473.37	512.80	549.57	422.72	291.52	313.83
Total net debt applicable to debt limit	56,869,567	82,413,079	87,954,933	86,765,327	83,298,221	92,304,573	86,610,355	59,390,000	40,460,000	43,545,000
Legal debt limit ^c	997,778,046	975,472,955	968,639,659	977,177,155	862,018,736	828,201,911	850,373,188	802,261,600	785,108,960	756,749,040
Legal debt margin ^d	\$ 940,908,479	\$ 893,059,876	\$ 880,684,726	\$ 890,411,828	\$ 778,720,515	\$ 735,897,338	\$ 763,762,833	\$ 742,871,600	\$ 744,648,960	\$ 713,204,040
Legal debt margin as a percentage of the debt limit	94.30%	91.55%	90.92%	91.12%	90.34%	88.85%	89.82%	92.60%	94.85%	94.25%

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

^a Property value can be found in Table 11

^b Population data can be found in Table 18

^c State statutes limit the county's outstanding general debt to no more than 8% of the total assessed value of taxable property.

^d The legal debt margin is the county's available borrowing authority under state statutes and is calculated by subtracting the net debt applicable to the legal debt limit from the legal debt limit.

ALAMANCE COUNTY, NORTH CAROLINA
Computation of Direct and Overlapping Bonded Debt

June 30, 2013

Table 17

<u>Government Unit:</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Amount Applicable to County</u>
City of Burlington	\$ 15,835,000	100.00%	\$ 15,835,000
City of Mebane	570,000	70.00%	<u>399,000</u>
Subtotal overlapping debt			16,234,000
Alamance County direct debt			<u>81,454,038</u>
Total direct and overlapping debt			<u>\$ 97,688,038</u>

Note: Overlapping governments are those that coincide, at least in part, with geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of Alamance 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 property taxpayers 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.

ALAMANCE COUNTY, NORTH CAROLINA

**Demographic and Economic Statistics
Last Ten Fiscal Years**

Table 18

Fiscal Year Ended June 30	Population^a	Personal Income	Per Capita Personal Income^b	Median Age^b	School Enrollment^c	Unemployment Rate^d
2013	153,029	\$ 5,220,278,277	\$ 34,113	39.2	21,977	9.5%
2012	152,531	5,195,663,453	34,063	38.7	22,434	10.0%
2011	151,745	4,625,187,600	30,480	37.8	22,411	10.9%
2010	148,338	4,722,043,554	31,833	37.6	22,384	11.1%
2009	145,995	4,493,580,105	30,779	37.6	22,518	12.4%
2008	143,154	4,640,336,910	32,415	36.7	22,628	6.6%
2007	141,466	4,399,734,066	31,101	36.6	22,227	5.7%
2006	140,494	4,042,433,862	28,773	36.1	21,707	5.5%
2005	138,788	3,134,804,556	22,587	37.6	21,600	6.2%
2004	138,754	3,946,025,006	28,439	36.4	21,605	6.7%

Sources:

^a N. C. State Demographics Website

^b State Data Center

^c Alamance-Burlington School System with 2009 being estimated

^d N.C. Employment Security Commission

ALAMANCE COUNTY, NORTH CAROLINA

Principal Employers
Last Ten Fiscal Years

Table 19

Taxpayer	Fiscal Year Ended June 30														
	2013 ^a			2012 ^a			2011 ^a			2010 ^a			2009 ^a		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Alamance-Burlington School System	3,260	1	2.14%	3,260	1	2.14%	3,260	2	2.15%	3,260	2	2.20%	3,260	1	2.28%
Laboratory Corp. of America	3,200	2	2.10%	3,200	2	2.10%	3,300	1	2.17%	3,300	1	2.22%	3,230	2	2.26%
Alamance Regional Medical Center	2,057	3	1.35%	2,057	3	1.35%	2,300	3	1.52%	2,300	3	1.52%	2,030	3	1.42%
Elon University	1,290	4	0.85%	1,290	4	0.85%	1,290	4	0.85%	1,290	4	0.87%	1,250	4	0.87%
Alamance County Government	1,100	5	0.72%	1,100	5	0.72%	1,100	5	0.72%	1,100	5	0.74%	1,140	5	0.80%
Wal-Mart	1,000	6	0.66%	1,000	6	0.66%	1,100	5	0.72%	1,100	5	0.74%	1,100	6	0.77%
City of Burlington	875	7	0.57%	875	7	0.57%	875	7	0.58%	875	7	0.59%	875	7	0.61%
Alamance Community College	664	8	0.44%	664	9	0.44%	600	8	0.40%	600	8	0.40%	600	8	0.42%
Honda Power Equipment	600	9	0.39%	675	8	0.44%	510	9	0.34%	510	9	0.34%	575	9	0.40%
GKN Automotive	500	10	0.33%	500	10	0.33%	500	10	0.33%	500	10	0.34%	500	10	0.35%
General Electric Co.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gold Toe Moretz	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Engineered Controls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	14,546		9.51%	14,621		9.59%	14,835		9.76%	14,835		10.00%	14,560		9.97%
	2008 ^a			2007 ^a			2006 ^a			2005 ^b			2004 ^b		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Alamance-Burlington School System	2,780	2	1.94%	2,700	2	1.92%	2,700	2	1.95%	-	-	-	-	-	-
Laboratory Corp. of America	3,200	1	2.24%	3,200	1	2.24%	3,200	1	2.26%	-	-	-	-	-	-
Alamance Regional Medical Center	1,700	3	1.19%	1,700	3	1.20%	1,700	3	1.21%	-	-	-	-	-	-
Elon University	1,083	5	0.76%	1,083	5	0.77%	1,000	5	0.71%	-	-	-	-	-	-
Alamance County Government	1,020	6	0.71%	1,000	6	0.71%	900	7	0.64%	-	-	-	-	-	-
Wal-Mart	1,100	4	0.77%	1,100	4	0.78%	1,100	4	0.78%	-	-	-	-	-	-
City of Burlington	875	7	0.61%	875	7	0.62%	1,000	6	0.71%	-	-	-	-	-	-
Alamance Community College	600	8	0.42%	596	9	0.42%	500	9	0.35%	-	-	-	-	-	-
Honda Power Equipment	575	9	0.40%	590	10	0.41%	600	8	0.42%	-	-	-	-	-	-
GKN Automotive	500	10	0.35%	-	-	-	-	-	-	-	-	-	-	-	-
General Electric Co.	500	10	0.35%	-	-	-	-	-	-	-	-	-	-	-	-
Gold Toe Moretz	-	-	-	725	8	0.53%	-	-	-	-	-	-	-	-	-
Engineered Controls	-	-	-	-	-	-	500	10	0.36%	-	-	-	-	-	-
	13,933		9.73%	13,569		9.55%	13,200		9.40%	-	-	-	-	-	-

Source:
^a Alamance County Chamber of Commerce
^b Information not available for this year.

ALAMANCE COUNTY, NORTH CAROLINA

Full-Time Equivalent County Employees by Function/Program
Last Ten Fiscal Years

Table 20

Function/Program	Fiscal Year Ended June 30										
	2013 ^a	2012 ^a	2011	2010	2009	2008 ^b	2007	2006	2005	2004 ^c	
General Government											
County Commissioners	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	
Administration	3.00	3.00	3.00	3.00	3.00	4.00	4.00	4.00	4.00	4.00	
Planning	2.00	2.50	2.50	2.50	2.50	2.50	2.50	2.50	3.00	3.00	
Human Resources	4.00	4.00	4.00	4.00	4.00	5.00	5.00	5.00	5.00	5.00	
Finance	7.00	7.00	7.00	7.00	7.00	7.00	10.00	10.00	10.00	10.00	
Legal	3.00	5.00	5.00	5.00	5.00	5.00	5.00	4.00	5.00	5.00	
Register of Deeds	10.50	10.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	
Revaluation	0.00	0.00	0.00	5.00	5.00	3.00	0.00	0.00	0.00	0.00	
MIS	18.00	19.00	19.00	20.00	20.00	19.00	19.00	19.00	19.00	17.00	
Printing Services	1.75	1.75	1.75	1.75	1.75	0.75	0.75	0.50	0.50	0.63	
Purchasing	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	
Tax Administration	27.00	30.50	30.50	26.00	26.00	29.00	29.00	28.00	27.00	25.00	
GIS/Mapping	3.00	3.00	3.00	3.00	3.00	0.00	0.00	0.00	0.00	0.00	
Maintenance	12.00	14.00	14.00	13.50	13.50	13.50	13.50	13.50	13.50	13.50	
Elections	19.68	27.00	4.50	4.50	4.50	3.50	3.00	3.50	3.50	3.60	
Culture & Recreation											
Library	43.56	42.47	43.85	45.51	44.51	46.63	46.63	43.00	43.00	37.00	
Recreation	27.22	34.50	16.00	16.00	15.00	15.00	15.00	38.00	36.00	14.00	
Economic & Physical Development											
Cooperative Extension	3.97	8.00	8.00	8.00	8.00	7.50	7.50	7.50	7.58	8.50	
Soil Conservation	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	2.70	
Public Safety											
Judicial Services	0.00	7.00	7.00	7.00	7.00	7.00	6.00	6.00	0.00	0.00	
Sheriff's Office	137.55	140.00	129.00	130.00	130.00	128.00	124.00	116.00	112.50	101.00	
School Resource Officers	7.00	7.00	7.00	7.00	7.00	6.00	6.00	5.00	6.00	3.00	
Jail	134.83	133.50	132.00	135.50	135.50	135.00	135.50	134.00	134.00	56.00	
Fire Marshal	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	
SARA Management	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	2.00	1.50	
Inspections	12.00	13.50	11.00	12.50	12.50	12.00	12.00	11.00	12.00	9.60	
Emergency Medical Service	98.02	102.50	84.50	84.50	84.50	84.00	83.50	82.50	78.50	78.00	
Central Communications	33.61	35.00	28.00	29.00	29.00	28.00	25.00	26.00	27.00	24.00	
Human Services											
Health	87.83	88.38	89.00	90.50	90.50	89.50	88.50	85.00	83.00	81.00	
WIC Program	16.80	15.00	15.25	11.00	11.00	10.00	10.00	9.50	9.00	8.00	
Dental	11.50	11.30	10.80	10.75	10.00	11.00	11.00	10.00	9.50	6.00	
Social Services	201.62	193.70	188.50	186.00	186.00	188.00	185.50	178.50	177.00	167.00	
Social Services-Family Assessment	2.00	2.00	2.00	3.00	3.00	0.00	0.00	0.00	0.00	0.00	
Social Services-SAMHSA	2.48	2.50	2.50	2.00	2.00	0.00	0.00	0.00	0.00	0.00	
Veteran's Services	2.00	2.00	2.00	3.00	3.00	2.50	2.50	2.50	2.50	2.00	
Landfill	19.00	18.00	17.50	17.50	17.50	18.00	18.00	16.50	16.50	9.00	
Total	968.42	1000.10	916.15	922.01	919.26	908.38	894.38	887.00	871.08	715.53	

Source: Alamance County Payroll Department.

- ^aNotes:
- ^bAs budgeted.
- ^cPurchasing was separated from the Finance Department.
- ^dAdditional Deputies were approved for Sheriff's Department.

ALAMANCE COUNTY, NORTH CAROLINA

Operating Indicators by Function/Program
Last Ten Fiscal Years

Table 21

Function/Program	Fiscal Year Ended June 30									
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Fire protection:										
Number of stations	20	20	20	20	20	20	20	20	19	19
Number of fire personnel and officers	430	450	460	450	440	440	486	486	450	430
Number of calls answered	10,048	8,899	8,736	8,280	8,256	8,217	8,009	7,497	7,006	6,844
Number of inspections conducted	1,443	1,178	1,512	943	1,175	1,018	915	749	850	1,300
Sheriff protection:										
Number of Sheriff personnel and officers	283.4	271.5	268	272.5	272.5	269	265	256	197	179
Number of sworn officers	123	126	126	123	122	120	112	101	97	88
Number of law violations:										
Major offenses	1,639	1,155	1,565	2,599	2,256	1,797	2,118	2,172	2,541	1,835
Civil papers served	9,242	9,897	10,528	10,625	10,557	8,434	10,149	12,616	12,120	26,635
Traffic violations	1,831	1,283	1,381	1,424	1,021	3,600	3,400	3,200	2,500	495
Inspections:										
Building Permits-Residential ^a		196	215	247	219	396	495	523	615	654
Building Permits-Non-Residential ^a		8	11	8	9	31	54	71	31	23

Source: Various County Departments

Note:

^a Building permits are accounted for the calendar year. Calendar 2013 information is not available.

ALAMANCE COUNTY, NORTH CAROLINA

Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Table 22

<u>Function/Program</u>	<u>Fiscal Year Ended June 30</u>									
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Sheriff protection										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of patrol cars	109	114	114	102	102	100	100	100	87	82
Parks and recreation										
Acres	454	454	469	470	468	468	487	430	430	430
Acres-Leased*	258	412	410	406	219	219				
Baseball/Softball diamonds	1	1	1	1	1	1				
Baseball/Softball diamonds-leased*	8	8	7	9	9	9	9	1	1	1
Library										
Branches	5	5	5	5	5	5	5	4	4	4
Emergency Medical Services										
Number of stations	3	3	3	3	3	3	3	3	3	2
Number of ambulances	13	13	13	15	15	18	15	16	16	14
Number of medic trucks	6	6	6	5	5	5	5	6	4	3

*Leased information added in FY2007-2008.

Source: Various County Departments

Alamance County, North Carolina
Financial Statements and Schedules

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COMPLIANCE SECTION

Alamance County, North Carolina
Financial Statements and Schedules

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MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit of Financial Statements Performed In Accordance With *Government Auditing Standards*

Independent Auditor's Report

To the Board of County Commissioners
Alamance County
Graham, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Alamance County, North Carolina, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprises Alamance County's basic financial statements, and have issued our report thereon dated November 22, 2013. The financial statements of the Alamance County Tourism Development Authority were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Alamance County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Alamance County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Alamance County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and; accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
November 22, 2013

MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

Report on Compliance For Each Major Federal Program; Report On Internal Control Over Compliance; In Accordance With OMB Circular A-133 And The State Single Audit Implementation Act

Independent Auditor's Report

To the Board of Commissioners
Alamance County
Graham, North Carolina

Report On Compliance for Each Major Federal Program

We have audited Alamance County, North Carolina, compliance with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of Alamance County's major Federal programs for the year ended June 30, 2013. Alamance County's major Federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings, Responses, and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its Federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Alamance County's major Federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about Alamance County's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major Federal program. However, our audit does not provide a legal determination of Alamance County's compliance.

Opinion On Each Major Federal Program

In our opinion, Alamance County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2013.

Report On Internal Control Over Compliance

Management of Alamance County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Alamance County's internal control over compliance with the types of requirements that could have a direct and material effect on a major Federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major Federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a Federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P. A.
Hickory, North Carolina
November 22, 2013

MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

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Report on Compliance For Each Major State Program; Report on Internal Control Over Compliance; in Accordance with OMB Circular A-133 and the State Single Audit Implementation Act

Independent Auditor's Report

To the Board of Commissioners
Alamance County
Graham, North Carolina

Report on Compliance for Each Major State Program

We have audited Alamance County, North Carolina, compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of Alamance County's major State programs for the year ended June 30, 2013. Alamance County's major State programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings, Responses, and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its State programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Alamance County's major State programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and applicable sections of OMB Circular A 133, *Audits of States, Local Governments, and Non-Profit Organizations*, as described in the *Audit Manual for Governmental Auditors in North Carolina*, as described in the Audit Manual for Governmental Auditors in North Carolina, and the State Single Audit Implementation Act. Those standards, OMB Circular A 133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State program occurred. An audit includes examining, on a test basis, evidence about Alamance County's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major State program. However, our audit does not provide a legal determination of Alamance County's compliance.

Opinion On Each Major State Program

In our opinion, Alamance County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major State programs for the year ended June 30, 2013.

Report On Internal Control Over Compliance

Management of Alamance County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Alamance County's internal control over compliance with the types of requirements that could have a direct and material effect on a major State program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major State program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a State program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a State program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a State program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
November 22, 2013

ALAMANCE COUNTY, NORTH CAROLINA

**SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013**

Section I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weaknesses identified? _____ Yes X No
- Significant deficiencies identified that are not considered to be material weaknesses? _____ Yes X None reported

Non-compliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major Federal programs:

- Material weaknesses identified? _____ Yes X No
- Significant deficiencies identified that are not considered to be material weaknesses? _____ Yes X None reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? _____ Yes X No

Identification of major Federal programs:

Federal Program/Cluster Name	CFDA#
Medicaid Cluster	93.778, 93.775, 93.777, 93.720
Child Care Development Fund Cluster:	
Child Care Development Fund-Administration	93.596
Child Care and Development Fund-Discretionary	93.575
Child Care and Development Fund-Mandatory and Match	93.596
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557

ALAMANCE COUNTY, NORTH CAROLINA

**SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013**

Section I. Summary of Auditor's Results (continued):

Dollar threshold used to distinguish between
Type A and Type B Programs: \$3,000,000

Auditee qualified as low-risk auditee? _____ Yes X No

State Awards

Internal control over major State programs:

• Material weaknesses identified? _____ Yes X No

• Significant deficiencies identified that
that are not considered to be material
weaknesses? _____ Yes X None reported

Type of auditor's report issued on compliance
for major State programs: Unmodified

Any findings disclosed that are required to be
reported in accordance with the State Single
Audit Implementation Act? _____ Yes X No

Identification of major State programs:

Program Name:

Medicaid Cluster
Subsidized Child Care Cluster

ALAMANCE COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

Section II. Financial Statements Findings

None reported.

Section III. Findings and Questioned Costs Related to the Audit of Federal Awards

None reported.

Section IV. Findings and Questioned Costs Related to the Audit of State Awards

None reported.

ALAMANCE COUNTY, NORTH CAROLINA
SUMMARY SCHEDULE OF PRIOR YEAR'S AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2013

Not applicable - no findings in the prior year

ALAMANCE COUNTY, NORTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2013**

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State/ Pass-Through Grantors Number	Federal	State
<u>FEDERAL AWARDS</u>				
<u>U.S. Department of Housing and Urban Development</u>				
Passed-through City of Burlington:				
CDBG - Entitlement Grants Cluster:				
Community Development Block Grants/ Entitlement Grants				
	14.218		\$ 10,000	\$ -
Total CDBG - Entitlement Grants Cluster			<u>10,000</u>	<u>-</u>
Passed-Through N.C. Department of Commerce:				
CDBG - State- Administered CDBG Cluster				
CDBG Econ Recovery/Scattered Sites Housing Rehab				
	14.228	10-C-2135	120,153	-
	14.228	10-C-2113	<u>167,822</u>	<u>-</u>
Total CDBG - State - Administered CDBG Cluster			<u>287,975</u>	<u>-</u>
Total US Department of Housing and Urban Development			<u>297,975</u>	<u>-</u>
<u>U.S. Department of Agriculture Food and Nutrition Service</u>				
Passed-through N.C. Department of Health and Human Services:				
Division of Social Services:				
Administration:				
Supplemental Nutrition Assistance Program Cluster:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program				
	10.561		<u>798,000</u>	<u>-</u>
Total Supplemental Nutrition Assistance Program Cluster			<u>798,000</u>	<u>-</u>
Child Nutrition Cluster:				
	10.559		<u>3,230</u>	<u>-</u>
Total Child Nutrition Cluster			<u>3,230</u>	<u>-</u>
Passed-through N.C. Department of Health and Human Services:				
Division of Public Health				
Direct Benefit Payments:				
Special Supplemental Nutrition Program for Women, Infants and Children				
	10.557		3,669,743	-
Administration:				
Special Supplemental Nutrition Program for Women, Infants and Children				
	10.557		<u>761,103</u>	<u>-</u>
Total U.S. Department of Agriculture Food and Nutrition Service			<u>5,232,076</u>	<u>-</u>

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

<u>Grantor/Pass-Through</u> <u>Grantor/Program Title</u>	<u>Federal</u> <u>CFDA</u> <u>Number</u>	<u>State/</u> <u>Pass-Through</u> <u>Grantors</u> <u>Number</u>	<u>Federal</u>	<u>State</u>
<u>U.S. Department of Justice</u>				
Office of Community Oriented Policing Services Public Safety Partnership and Community Policing Grant	16.710	2009CKWX0342	137,938	-
JAG Program Cluster: Justice Assistance Grant	16.738		11,759	-
Total JAG Program Cluster			<u>11,759</u>	<u>-</u>
Direct Program: State Crime Alien Assistance Program	16.606		23,890	-
Total U.S. Department of Justice			<u>173,587</u>	<u>-</u>
<u>Department of Homeland Security</u>				
Passed-through N.C. Department of Public Safety: Division Emergency Management	97.042	EMPG-2012-37001	-	8,211
Emergency Management Performance Grant	97.042	EMPG-2012-37001	-	35,000
Passed-through N.C. State Board of Elections HAVA Title I	39.011		7,649	-
Total Department of Homeland Security			<u>7,649</u>	<u>43,211</u>
<u>U.S. Department of Health and Human Services</u>				
<u>Division of Aging</u>				
Passed-through Piedmont Triad Council of Governments: Aging Cluster: Special Program for the Aging - Title III B Grants for Supportive Services and Senior Centers	93.044		169,917	143,699
Title III B In-Home Services	93.044		33,441	1,958
Special Programs for the Aging - Title III C - Nutrition Services	93.045		122,228	7,196
NSIP Supplement	93.053		54,451	-
Home Delivered Nutrition Services	93.045		79,492	61,776
Total Aging Cluster			<u>459,529</u>	<u>214,629</u>
Social Services Block Grant (SSBG) - In Home Services	93.667		17,179	16,361
State Funds	N/A		-	178,955
Total Division of Aging			<u>476,708</u>	<u>409,945</u>
<u>Administration for Children and Families</u>				
Passed-through N.C. Department of Health and Human Services				
Division of Social Services:				
Foster Care and Adoption Cluster:				
Title IV-E Foster Care Administration	93.658		464,833	66,509
Title IV-E Foster Care Administration-Direct Benefit	93.658		167,013	46,478
Adoption Assistance	93.659		36,130	-
Adoption Assistance - Direct Benefit Payments	93.659		820,808	218,093
Total Foster Care and Adoption Cluster			<u>1,488,784</u>	<u>331,080</u>

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State/ Pass-Through Grantors Number	Federal	State
<u>Temporary Assistance for Needy Families Cluster</u>				
Work First/Temporary Assistance for Needy Families (TANF)	93.558		12,065	-
Work First/TANF - Administration	93.558		975,975	-
Work First/TANF - Direct Benefits Payments	93.558		935,073	(168)
Total TANF Cluster			<u>1,923,113</u>	<u>(168)</u>
<u>Division of Social Services:</u>				
Family Preservation	93.556		5,796	-
Low Income Energy Assistance - Administration	93.568		1,296,121	-
Permanency Planning - Families for Kids	93.645		74,156	731
Social Service Block Grant	93.667		-	12,500
IV-D Administration	93.563		1,066,342	-
Adoption/Foster Care	93.658		548,329	-
Independent Living- LINKS	93.674		15,297	3,824
Independent Living- Direct Benefit Payments	93.674		8,537	-
Refugee Assistance Payments	93.566		2,534	-
AFDC Payments & Penalties	93.560		(1,818)	(498)
State County Special Assistance			38,025	-
SSBG - State In Home Service Fund	93.667		413,844	64,249
Total Division of Social Services			<u>3,467,163</u>	<u>80,806</u>
<u>Administration for Children and Families</u>				
Subsidized Child Care Cluster:				
Child Care Development Fund Cluster:				
Division of Social Services				
Child Care Development Fund - Administration	93.596		200,726	-
Division of Social Services:				
Child Care and Development Fund - Discretionary	93.575		1,553,969	-
Child Care and Development Fund - Mandatory	93.596		721,608	-
Child Care and Development - Match	93.596		1,155,429	522,401
Total Child Care Development Fund Cluster			<u>3,631,732</u>	<u>522,401</u>
Social Services Block Grant				
Temporary Assistance for Needy Families	93.558		893,292	-
Foster Care Title IV-E	93.658		41,276	20,290
Smart Start	N/A	N/A	-	43,127
State Appropriations	N/A	N/A	-	299,456
TANF - MOE	N/A	N/A	-	317,215
Total Subsidized Child Care			<u>4,578,646</u>	<u>1,202,489</u>
Passed-through N.C. Department of Health and Human Services				
Division of Mental Health, Development Disabilities and Substance Abuse Services:				
Substance Abuse and Mental Health Services				
Projects of Regional and National Significance	93.243		800,027	-
Total Substance Abuse			<u>800,027</u>	<u>-</u>

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State/ Pass-Through Grantors Number	Federal	State
<u>Centers for Medicare and Medicaid Services</u>				
Passed-through N.C. Department of Health and Human Services:				
Division of Medical Assistance:				
Direct Benefit Payments:				
Medical Assistance Program	93.778		108,052,220	59,826,592
Division of Social Services:				
Administration:				
Medical Assistance Program	93.778		1,554,145	62,464
Total Medicaid Cluster			<u>109,606,365</u>	<u>59,889,056</u>
State Children's Insurance Program - N.C. Health Choice	93.767		75,648	5,437
Total Centers for Medicare and Medicaid Services			<u>109,682,013</u>	<u>59,894,493</u>
<u>Division of Public Health:</u>				
<u>Health Resources and Services Administration</u>				
Passed-through N.C. Department of Health and Human Services:				
Division of Public Health:				
Immunization Cluster				
Immunization Program/Aid to County Funding	93.268		34,251	-
Total Immunization Cluster			<u>34,251</u>	<u>-</u>
Maternal and Child Health Services Block Grant	93.994		158,241	118,695
Total Health Resources and Services Administration				
<u>Office of Population Affairs</u>				
Passed-through NC Dept of Health and Human Services:				
Office of Population Affairs				
Family Planning Services	93.217		90,432	-
<u>Centers for Disease Control and Prevention</u>				
Passed-through NC Dept of Health and Human Services:				
Division of Public Health:				
Centers for Disease Control and Prevention Investigation And Technical Assistance	93.283		494	-
Public Health Emergency Preparedness	93.069		56,048	-
Statewide Health Promotion Program	93.991		9,641	-
Environmental Public Health and Emergency Response	93.070		9,407	-
Total Centers for Disease Control and Prevention			<u>75,590</u>	<u>-</u>
Total Division of Public Health			<u>358,514</u>	<u>118,695</u>
Total Federal Awards			<u>\$ 128,486,255</u>	<u>\$ 62,080,551</u>

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State/ Pass-Through Grantors Number	Federal	State
STATE AWARDS:				
<u>N.C. Department of Cultural Resources</u>				
State Aid to Public Libraries	N/A	N/A	\$	172,002
<u>N.C. Department of Health and Human Services</u>				
Division of Aging and Adult Services				
Division of Social Services:				
Foster Care at Risk Maximization	N/A	N/A		7,551
SFHF Maximization	N/A	N/A		42,814
State Foster Home	N/A	N/A		69,339
Smart Start	N/A	N/A		66,878
AFDC Incent/Prog Integrity	N/A	N/A		6,535
CWS Adopt Subsidy & Vendor-				
Direct Benefit Payments	N/A	N/A		322,529
SC/SA Domiciliary Care	N/A	N/A		1,262,719
Energy Assistance Private Grants	N/A	N/A		700
Total Division of Social Services				<u>1,779,065</u>
Division of Public Health:				
General Aid to Counties	N/A	N/A		133,282
General Communicable Disease Control	N/A	N/A		3,708
Tuberculosis	N/A	N/A		30,395
Food and Lodging Fees	N/A	N/A		18,824
Environmental Health	N/A	N/A		4,000
HIV/STD Non-Traditional Test Site (NTS)	N/A	N/A		16,999
School Nurse Funding Initiative	N/A	N/A		100,000
Healthy Communities	N/A	N/A		2,839
Risk Reduction/Health Promotion	N/A	N/A		6,206
Tuberculosis Medical Services	N/A	N/A		787
Total Division of Public Health				<u>317,040</u>
Total N.C. Department of Health and Human Services				<u>2,096,105</u>
<u>NC Department of Public Instruction</u>				
Schools Lottery Distribution	N/A	N/A		2,188,815
Public School Building Capital Fund	N/A	N/A		166,545
Total NC Department of Public Instruction				<u>2,355,360</u>
<u>N.C. Department of Transportation</u>				
Rural Operating Assistance Program (ROAP)				
ROAP Elderly and Handicapped Transportation Assistance	N/A	N/A		94,129
ROAP Work First	N/A	N/A		55,283
ROAP Rural General Public	N/A	N/A		134,263
Total NC Department of Transportation				<u>283,675</u>
<u>N. C. Division of Parks and Recreation</u>				
NC Parks and Recreation Trust Fund	N/A	N/A		117,200
Trail Paddle Access	N/A	N/A		4,860
Land Easements	N/A	N/A		10,450
Total Division of Parks And Recreation				<u>132,510</u>
<u>N.C. Department of Environment and Natural Resources</u>				
Scrap Tire Disposal	N/A	N/A		692
Total State Awards				<u>5,040,344</u>
Total Federal and State Awards			\$ 128,486,255	\$ <u>67,120,895</u>

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State/ Pass-Through Grantors Number	Federal	State
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Notes to the Schedule of Expenditures of Federal and State Awards:

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal and State Awards includes the Federal and State grant activity of Alamance County and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, Non-Profit Organizations, and the State Single Audit Implementation Act. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements. Benefit payments are paid directly to recipients and are not included in the County's basic financial statements. However, due to the County's involvement in determining eligibility, they are considered Federal awards to the County and are included on this schedule.

2. Sub-recipients

Of the Federal and State expenditures presented in the schedule, Alamance County provided Federal and State awards to sub-recipients as presented below:

<u>Sub-recipient</u>	<u>Program Title</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>	<u>State Expenditures</u>
Alamance County Community Services Agency, Inc.	Special Program for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	\$ 31,639	\$ 26,757
	Special Program for the Aging - Title III, Part C - Nutrition Services	93.045	122,228	7,196
	NSIP Supplement	93.053	17,898	-
Alamance Eldercare, Inc.	Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	73,963	62,550
Alamance County Meals on Wheels	NSIP Supplement	93.053	36,553	-
	Special Program for the Aging - Title III, Part C - Nutrition Services	93.045	79,492	61,776

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State/ Pass-Through Grantors Number	Federal	State
Homecare Providers	In Home Services	N/A	-	101,625
	Special Program for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers SSBG	93.044 93.667	18,990 9,756	1,112 9,291
	Special Program for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers SSBG	93.044 93.667	14,451 7,423	846 7,070
Alamance County Transportation Authority	Special Program for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	64,315	54,392
Alamance-Burlington School System	Schools Lottery Distribution	N/A	-	2,188,815
	Public School Building Capital Fund	N/A	-	166,545

3. Clustered Programs

The following are clustered by the NC Department of Health and Human Services and are treated separately for state audit requirement purposes: Subsidized Child Care, Foster Care and Adoption, Mental Health Services, Development Disability Waiting List Services, Substance Abuse Services, and Infants and Toddlers with Disabilities.

Alamance County, North Carolina
Financial Statements and Schedules

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