

ALAMANCE COUNTY
NORTH CAROLINA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2011

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ALAMANCE COUNTY, NORTH CAROLINA

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ALAMANCE COUNTY

Finance Department

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Amy W. Weaver

Finance Officer

December 14, 2011

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, 2011. 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, 2011, 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 unqualified opinion that the County's financial statements for the fiscal year ended June 30, 2011 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

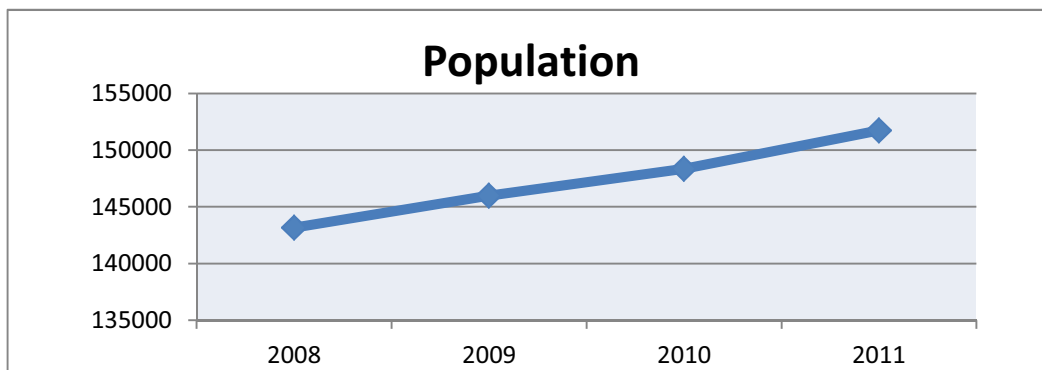


the direct service provision provided, the County also extends significant financial support to other boards, agencies and commissions. These include the Alamance-Burlington School System, the Alamance Community College, the Alamance County Tourism Development Authority, the Alamance County Transportation Authority, the Alamance-Caswell Local Management Entity, 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 2011 population for the County was 151,745, representing a 2.3% increase from the 2010 estimated population of 148,338. Projections indicate a constant level of growth for 2011-2012. 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.



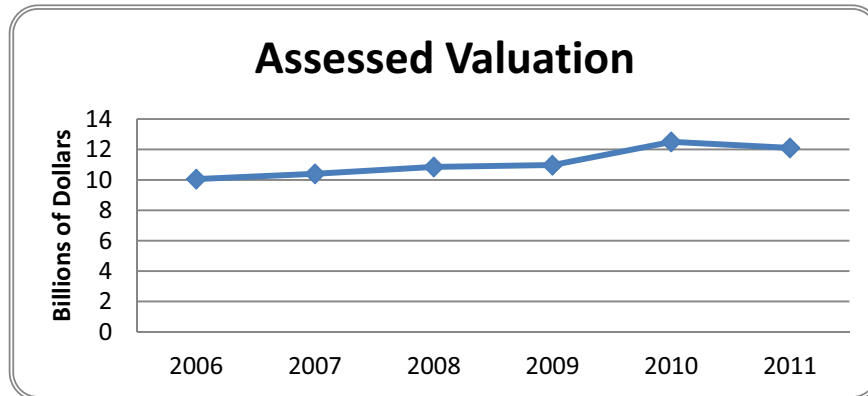
Economic Conditions and Outlook

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 2011 unemployment rate was 10.9 percent as compared to 10.4 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, albeit at a more moderate rate than was experienced in the late 90's. 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 2010-2011, the Board of Commissioners maintained the ad valorem tax rate of \$0.52, which was slightly below revenue neutral due to the revaluation.

During FY 2009-2010, the County funded a Facilities Improvement project to renovate several county buildings needing repair. Also, part of the capital project is to repair and restore the County Courthouse Building. These repairs will ensure our buildings are safe for employees and the public.

A financing agreement was entered into by the County for the expansion of the Central Communications Department. The department underwent renovations as well as the implementation of a new 800 MHz radio system. These enhancements will allow emergency personnel to have better communication throughout the County.

The Future

The fiscal year 2011-2012 budget was recommended and adopted with a tax rate of \$0.52. Some major features of the 2011-2012 budget include:

- New grant programs for Social Services;
- Increases to debt service for bond repayments;
- Capital improvement projects for several county buildings

Awards and Acknowledgements

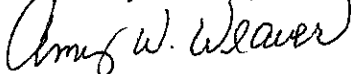
The County has participated in the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting Program since 1991. GFOA recognizes governmental units that issue their comprehensive annual financial report (CAFR) substantially in conformity with GAAP 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 2010 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

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, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Dandson

President

Jeffrey R. Emer

Executive Director

ALAMANCE COUNTY, NORTH CAROLINA

PRINCIPAL OFFICIALS

Board of County Commissioners 2010-2011



**Seated from left: Vice Chair - William H. Lashley, Chair - Linda H. Massey, Tom Manning
Standing from left: Eddie Boswell, Timothy D. Sutton**

County Administrative and Financial Staff

Craig F. Honeycutt, *County Manager*

Timothy C. Burgess, *Assistant County Manager*

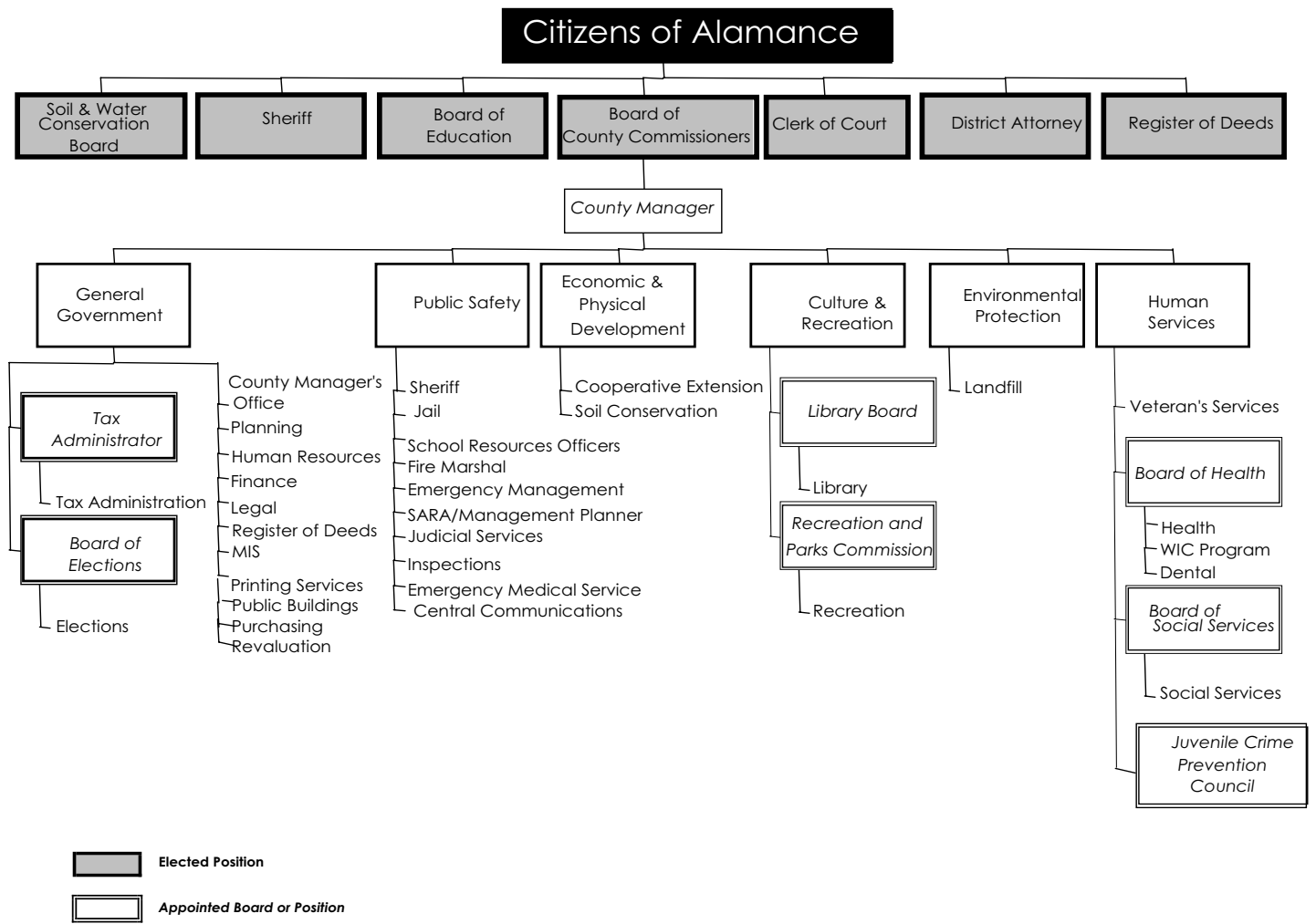
Clyde B. Albright, *County Attorney*

Tory M. Frink, *Clerk to the Board*

Amy W. Weaver, *Finance Officer*

ALAMANCE COUNTY, NORTH CAROLINA

Organization Chart - June 30, 2011



Elected Position
 Appointed Board or Position

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FINANCIAL SECTION

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

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

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

INDEPENDENT AUDITORS' REPORT

To The Board of Commissioners
Alamance County, North Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the discretely presented component units, and the aggregate remaining fund information of Alamance County, North Carolina, as of and for the year ended June 30, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these basic financial statements based on our audit. We did not audit the financial statements of the Alamance Tourism Development Authority or the Alamance Transportation Authority. Those financial statements were audited by other auditors whose report thereon has been furnished to us and; our opinion, insofar as it relates to the amounts included for the Alamance Tourism Development Authority and the Alamance Transportation Authority is based solely on the report of the other auditors.

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 basic financial statements are free of material misstatement. The financial statements of Alamance Tourism Development Authority were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, the discretely presented component units, and the aggregate remaining fund information of Alamance County, North Carolina, as of June 30, 2011 and the respective changes in financial position and cash flows, where applicable thereof, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards* we have also issued our report dated December 14, 2011 on our consideration of Alamance County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grants, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit prepared in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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 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 assurance.

Our audit was performed for the purpose of forming opinions on the basic financial statements that collectively comprise the basic financial statements of Alamance County, North Carolina, as a whole. The introductory section, combining and individual fund financial statements, budget and actual schedules, supplemental ad valorem tax schedules, other supplemental schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal and State Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and the State Single Audit Implementation Act and is also 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, 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subject 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.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
December 14, 2011

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, 2011. 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

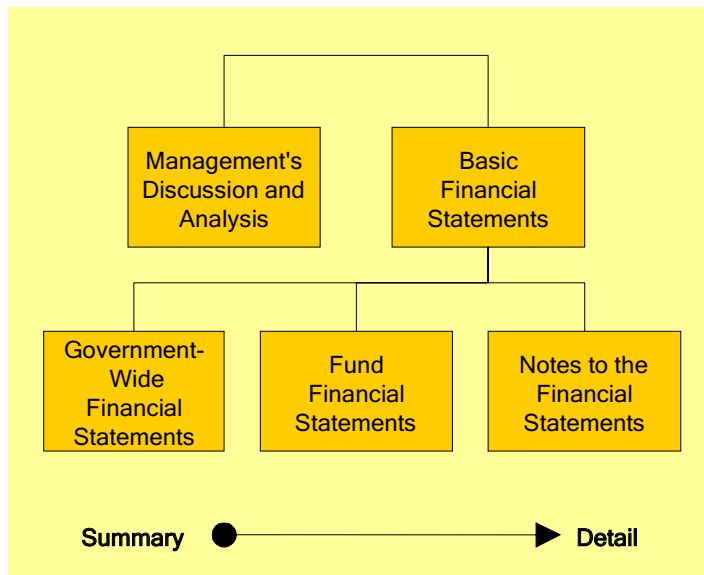
- The assets of Alamance County exceeded its liabilities at the close of the fiscal year by \$25,731,694 (net assets).
- The government's total net assets decreased by \$11,747,946, primarily due to an increase in the governmental activities other post-employment benefits.
- As of the close of the current fiscal year, Alamance County's governmental funds reported combined ending fund balances of \$28,879,634, a decrease of \$5,155,693 in comparison with the prior year. Approximately 42 percent of this total amount, or \$11,986,887, is non-spendable or restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$13,793,848, or 10.9 percent of total General Fund expenditures for the fiscal year.
- Alamance County's total bond and financing debt increased by \$1,014,133 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 assets and how they have changed. Net assets are the difference between the County's total assets and total liabilities. Measuring net assets 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 two categories: governmental funds and proprietary 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 government activities (reported in the Statement of Net Assets 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 Assets 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 23.

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 assets may serve, over time, as one useful indicator of a government's financial condition. The assets of Alamance County exceeded liabilities by \$25,731,694 as of June 30, 2011. The County's net assets for governmental activities decreased by \$11,906,770 for the fiscal year ended June 30, 2011. One of the largest portions (214%) reflects the County's 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, 2011 include outstanding general obligation debt of \$60.9 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 Assets

Figure 2

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and other assets	\$ 42,761,755	\$ 53,810,534	\$ 15,111,925	\$ 13,855,712	\$ 57,873,680	\$ 67,666,246
Capital assets	69,065,996	65,953,089	13,044,534	13,413,380	82,110,530	79,366,469
Total assets	<u>111,827,751</u>	<u>119,763,623</u>	<u>28,156,459</u>	<u>27,269,092</u>	<u>139,984,210</u>	<u>147,032,715</u>
Long-term liabilities outstanding	103,175,338	93,532,292	9,297,398	8,636,332	112,472,736	102,168,624
Other liabilities	1,654,186	5,167,405	125,594	58,117	1,779,780	5,225,522
Total liabilities	<u>104,829,524</u>	<u>98,699,697</u>	<u>9,422,992</u>	<u>8,694,449</u>	<u>114,252,516</u>	<u>107,394,146</u>
Net assets:						
Invested in capital assets, net of related debt	41,915,038	42,936,097	13,044,534	13,413,380	54,959,572	56,349,477
Restricted	6,422,378	6,174,216	-	314,014	6,422,378	6,488,230
Unrestricted	<u>(41,339,189)</u>	<u>(28,046,387)</u>	<u>5,688,933</u>	<u>4,847,249</u>	<u>(35,650,256)</u>	<u>(23,199,138)</u>
Total net assets	<u>\$ 6,998,227</u>	<u>\$ 21,063,926</u>	<u>\$ 18,733,467</u>	<u>\$ 18,574,643</u>	<u>\$ 25,731,694</u>	<u>\$ 39,638,569</u>

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

- Continued diligence in the collection of property taxes kept the collection percentage to 98.10%.
- 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 Assets

Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program revenues:						
Charges for services	\$ 16,221,618	\$ 15,164,642	\$ 3,542,594	\$ 3,531,411	\$ 19,764,212	\$ 18,696,053
Operating grants and contributions	22,637,081	25,895,644	-	-	22,637,081	25,895,644
Capital grants and contributions	2,776,724	1,784,940	-	-	2,776,724	1,784,940
	<u>41,635,423</u>	<u>42,845,226</u>	<u>3,542,594</u>	<u>3,531,411</u>	<u>45,178,017</u>	<u>46,376,637</u>
General revenues:						
Taxes:						
Property taxes for general purposes	66,145,512	67,177,058	-	-	66,145,512	67,177,058
Sales taxes for general purposes	13,294,040	12,085,183	-	-	13,294,040	12,085,183
Sales taxes for school capital/debt	5,426,065	4,572,338	-	-	5,426,065	4,572,338
Occupancy taxes for tourism development	535,288	498,488	-	-	535,288	498,488
Other taxes	364,862	743,992	-	-	364,862	743,992
Unrestricted investment earnings	407,254	46,711	15,653	9,070	422,907	65,781
Other	25,250	64,955	-	172,390	25,250	237,345
Total revenues	<u>127,833,694</u>	<u>128,033,951</u>	<u>3,558,247</u>	<u>3,712,871</u>	<u>131,391,941</u>	<u>131,756,822</u>
Expenses:						
General government	13,474,940	10,946,351	-	-	13,474,940	10,946,351
Public safety	35,566,586	33,616,740	-	-	35,566,586	33,616,740
Transportation	873,491	407,971	-	-	873,491	407,971
Economic and physical development	2,116,442	1,296,911	-	-	2,116,442	1,296,911
Environmental protection	502,822	56,204	-	-	502,822	56,204
Human services	33,228,854	33,614,557	-	-	33,228,854	33,614,557
Cultural and recreational	4,326,665	3,677,349	-	-	4,326,665	3,677,349
Education	45,991,536	38,763,325	-	-	45,991,536	38,763,325
Interest on long-term debt	3,659,128	3,415,131	-	-	3,659,128	3,415,131
Landfill	-	-	3,399,423	3,494,302	3,399,423	3,494,302
Total expenses	<u>139,740,464</u>	<u>125,794,539</u>	<u>3,399,423</u>	<u>3,494,302</u>	<u>143,139,887</u>	<u>129,288,841</u>
Increase (decrease) in net assets before transfers	<u>(11,906,770)</u>	<u>2,239,412</u>	<u>158,824</u>	<u>228,569</u>	<u>(11,747,946)</u>	<u>2,467,981</u>
Increase in net assets	<u>(11,906,770)</u>	<u>2,239,412</u>	<u>158,824</u>	<u>228,569</u>	<u>(11,747,946)</u>	<u>2,467,981</u>
Net Assets:						
Beginning of year - July 1	21,063,926	18,824,514	18,574,643	18,346,074	39,638,569	37,170,588
Prior period adjustment	(2,158,929)	-	-	-	(2,158,929)	-
Beginning of year, as restated	<u>18,904,997</u>	<u>18,824,514</u>	<u>18,574,643</u>	<u>18,346,074</u>	<u>37,479,640</u>	<u>37,170,588</u>
End of year - June 30	<u>\$ 6,998,227</u>	<u>\$ 21,063,926</u>	<u>\$ 18,733,467</u>	<u>\$ 18,574,643</u>	<u>\$ 25,731,694</u>	<u>\$ 39,638,569</u>

Governmental Activities. Governmental activities decreased the County's net assets by \$11,906,770. Key elements of the net decrease are as follows:

- Increased Other Post-Employment Benefits liability
- Decrease in Federal and State Restricted Intergovernmental Revenues

Business-Type Activities. Business-type activities increased Alamance County's net assets by \$158,824. 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 \$13,793,848, while total fund balance reached \$19,110,850, a decrease of \$4,465,679 compared to the prior year. The County currently has an available fund balance of 10.9 percent of General Fund expenditures, while total fund balance represents 15.1 percent of the same amount.

At June 30, 2011, the governmental funds of Alamance County reported a combined fund balance of \$28,879,634, a 15.1 percent decrease from last year. The reason for this reduction of fund balance is the decrease in the General Fund of \$4,465,679, an increase in the Schools Capital Projects Fund of \$2,799,947, a decrease in the Renovation and Repair Capital Project of \$3,862,260, and a decrease in Other Governmental Funds of \$372,299. The decrease in the General Fund is mainly due to the decrease primarily in the federal and State restricted intergovernmental funds received for the year. Although the full affect could not be anticipated, a decrease in this funding was expected due to the state of the economy. The increase in the Schools Capital Projects Fund is due to Qualified School Capital Building Bond proceeds which will be used for the construction of the Career Tech Center. The decrease in the 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 \$1,617,948 and expenditures by \$3,068,155. Other Financing Sources/Uses increased by \$1,450,207. The General Fund local option sales tax revenue, ad valorem taxes, and restricted governmental revenues were less than expected. The General Fund expenditures were less than expected due to cost saving measures put in place by the Commissioners.

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 assets of the Landfill Fund at the end of the fiscal year amounted to \$5,688,933, an increase of \$853,508 compared to the prior year. The total increase in net assets for the fund was \$158,824. Unrestricted net assets of the Internal Service Funds at the end of the year amounted to \$7,897,357, a decrease of \$1,779,571 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, 2011, totals \$82,110,530 (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	
	2011	2010	2011	2010	2011	2010
Land	\$ 2,651,249	\$ 2,651,249	\$ 2,765,112	\$ 2,765,112	\$ 5,416,361	\$ 5,416,361
Construction in progress	9,028,684	5,601,435	-	4,217,180	9,028,684	9,818,615
Library books and audio/visual materials	4,052,527	3,922,870	-	-	4,052,527	3,922,870
Buildings	38,309,261	39,477,199	233,383	246,997	38,542,644	39,724,196
Other improvements	1,711,557	1,803,855	31,769	45,570	1,743,326	1,849,425
Easements	324,151	335,694	-	-	324,151	335,694
Equipment	9,191,295	8,152,707	195,806	166,461	9,387,101	8,319,168
Vehicles and motor equipment	3,672,030	3,887,590	1,740,011	1,980,846	5,412,041	5,868,436
Infrastructure	125,242	120,490	-	-	125,242	120,490
Landfill	-	-	8,078,453	3,991,214	8,078,453	3,991,214
Total	\$ 69,065,996	\$ 65,953,089	\$ 13,044,534	\$ 13,413,380	\$ 82,110,530	\$ 79,366,469

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, 2011, Alamance County had total debt outstanding of \$90,596,798, 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	
	2011	2010	2011	2010	2011	2010
General obligation bonds, net	\$ 60,988,754	\$ 65,359,006	\$ -	\$ -	\$ 60,988,754	\$ 65,359,006
Installment financing agreements	15,013,338	17,116,992	-	-	15,013,338	17,116,992
Qualified School Construction Bonds	8,021,595	-	-	-	8,021,595	-
Capital assets	1,263,111	1,206,667	-	-	1,263,111	1,206,667
Recovery bonds	5,310,000	5,900,000	-	-	5,310,000	5,900,000
Total	\$ 90,596,798	\$ 89,582,665	\$ -	\$ -	\$ 90,596,798	\$ 89,582,665

Alamance County's total debt increased by \$1,014,133 (1.1 percent) during the past fiscal year, due to payments made as scheduled on existing debt offset by 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 \$908,029,659.

Additional information regarding Alamance County's long-term debt can be found in footnote 11 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, 2012

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 0.52 cents per one hundred dollars (\$100) valuation. Due to the current economic situation, sales tax revenues have been on the decline. The budgeted revenues will experience a decrease in the amount of \$3,671,127.

Budgeted expenditures in the General Fund are expected to decrease by 2.8% to \$127,081,293. This decrease in expenditures is Alamance County's reaction to the economic difficulties faced by all.

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 St.
Graham, NC 27253

BASIC FINANCIAL STATEMENTS

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GOVERNMENT- WIDE FINANCIAL STATEMENTS

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ALAMANCE COUNTY, NORTH CAROLINA

STATEMENT OF NET ASSETS
JUNE 30, 2011

	Governmental Activities	Business-Type Activities	Total Primary Government	Component Units Alamance County		Total Reporting Unit
				Tourism Development Authority	Transportation Authority	
Assets:						
Cash and cash equivalents	\$ 27,773,344	\$ 14,856,705	\$ 42,630,049	\$ 414,134	\$ 16,945	\$ 43,061,128
Receivables, net	9,423,902	247,754	9,671,656	32,165	128,230	9,832,051
Prepaid items	-	7,466	7,466	-	-	7,466
Restricted cash and cash equivalents	5,564,509	-	5,564,509	-	-	5,564,509
Capital assets:						
Land and other assets not being depreciated	15,732,460	2,765,112	18,497,572	-	-	18,497,572
Other capital assets, net of depreciation	53,333,536	10,279,422	63,612,958	-	577,493	64,190,451
Total capital assets	69,065,996	13,044,534	82,110,530	-	577,493	82,688,023
Total assets	111,827,751	28,156,459	139,984,210	446,299	722,668	141,153,177
Liabilities:						
Accounts payable and accrued expenses	1,463,262	125,594	1,588,856	-	86,174	1,675,030
Unearned revenue	190,924	-	190,924	-	15,333	206,257
Long-term liabilities:						
Due within one year	9,703,012	33,051	9,736,063	-	-	9,736,063
Due in more than one year	93,472,326	9,264,347	102,736,673	-	-	102,736,673
Total long-term liabilities	103,175,338	9,297,398	112,472,736	-	-	112,472,736
Total liabilities	104,829,524	9,422,992	114,252,516	-	101,507	114,354,023
Net Assets:						
Invested in capital assets, net of related debt	41,915,038	13,044,534	54,959,572	-	577,493	55,537,065
Restricted for:						
Stabilization by State statute	5,378,925	-	5,378,925	32,165	-	5,411,090
Public safety	1,043,453	-	1,043,453	-	-	1,043,453
Unrestricted	(41,339,189)	5,688,933	(35,650,256)	414,134	43,668	(35,192,454)
Total net assets	\$ 6,998,227	\$ 18,733,467	\$ 25,731,694	\$ 446,299	\$ 621,161	\$ 26,799,154

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

ALAMANCE COUNTY, NORTH CAROLINA

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General government	\$ 13,474,940	\$ 1,618,964	\$ 652,369	\$ -
Public safety	35,566,586	8,252,339	1,834,169	-
Transportation	873,491	-	-	-
Economic and physical development	2,116,442	-	634,465	-
Environmental protection	502,822	201,365	114,652	421,360
Human services	33,228,854	5,616,314	19,298,826	-
Cultural and recreational	4,326,665	532,636	102,600	-
Education	45,991,536	-	-	2,355,364
Interest on long-term debt	3,659,128	-	-	-
Total governmental activities	<u>139,740,464</u>	<u>16,221,618</u>	<u>22,637,081</u>	<u>2,776,724</u>
Business-Type Activities:				
Landfill	3,399,423	3,542,594	-	-
Total business-type activities	<u>3,399,423</u>	<u>3,542,594</u>	<u>-</u>	<u>-</u>
Total primary government	<u>143,139,887</u>	<u>19,764,212</u>	<u>22,637,081</u>	<u>2,776,724</u>
Component Units:				
Tourism Development Authority	320,927	-	-	-
Transportation Authority	1,743,095	700,026	763,986	285,742
Total component units	<u>\$ 2,064,022</u>	<u>\$ 700,026</u>	<u>\$ 763,986</u>	<u>\$ 285,742</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

Change in net assets

Net Assets:

Beginning of year - July 1

Prior period adjustment

Beginning of year, as restated

End of year - June 30

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

Exhibit B

Net (Expense) Revenue and Changes in Net Assets

Primary Government			Component Units Alamance County		Total Reporting Unit
Governmental Activities	Business-Type Activities	Total	Tourism Development Authority	Transportation Authority	
\$ (11,203,607)	\$ -	\$ (11,203,607)	\$ -	\$ -	\$ (11,203,607)
(25,480,078)	-	(25,480,078)	-	-	(25,480,078)
(873,491)	-	(873,491)	-	-	(873,491)
(1,481,977)	-	(1,481,977)	-	-	(1,481,977)
234,555	-	234,555	-	-	234,555
(8,313,714)	-	(8,313,714)	-	-	(8,313,714)
(3,691,429)	-	(3,691,429)	-	-	(3,691,429)
(43,636,172)	-	(43,636,172)	-	-	(43,636,172)
(3,659,128)	-	(3,659,128)	-	-	(3,659,128)
(98,105,041)	-	(98,105,041)	-	-	(98,105,041)
-	143,171	143,171	-	-	143,171
-	143,171	143,171	-	-	143,171
(98,105,041)	143,171	(97,961,870)	-	-	(97,961,870)
-	-	-	(320,927)	-	(320,927)
-	-	-	-	6,659	6,659
-	-	-	(320,927)	6,659	(314,268)
66,145,512	-	66,145,512	-	-	66,145,512
18,720,105	-	18,720,105	-	-	18,720,105
900,150	-	900,150	344,199	-	1,244,349
407,254	15,653	422,907	657	1,030	424,594
25,250	-	25,250	-	50,768	76,018
86,198,271	15,653	86,213,924	344,856	51,798	86,610,578
(11,906,770)	158,824	(11,747,946)	23,929	58,457	(11,665,560)
21,063,926	18,574,643	39,638,569	422,370	562,704	40,623,643
(2,158,929)	-	(2,158,929)	-	-	(2,158,929)
18,904,997	18,574,643	37,479,640	422,370	562,704	38,464,714
\$ 6,998,227	\$ 18,733,467	\$ 25,731,694	\$ 446,299	\$ 621,161	\$ 26,799,154

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

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FUND FINANCIAL STATEMENTS

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ALAMANCE COUNTY, NORTH CAROLINA

**BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2011**

	<u>Major</u>			<u>Nonmajor</u>	<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Schools Capital Projects Fund</u>	<u>Renovation and Repair Projects Fund</u>	<u>Other Governmental Funds</u>	
Assets:					
Cash and cash equivalents	\$ 15,349,820	2,733,478	\$ -	\$ 1,433,490	\$ 19,516,788
Taxes receivable, net	2,695,018	-	-	314,752	3,009,770
Receivables, net	1,343,632	-	-	61,923	1,405,555
Due from other governments	4,999,658	-	-	-	4,999,658
Due from other funds	24,455	-	-	-	24,455
Restricted cash and cash equivalents	-	3,456,621	1,122,082	985,806	5,564,509
Total assets	<u>\$ 24,412,583</u>	<u>\$ 6,190,099</u>	<u>\$ 1,122,082</u>	<u>\$ 2,795,971</u>	<u>\$ 34,520,735</u>
Liabilities and Fund Balances:					
Liabilities:					
Accounts payable and accrued liabilities	\$ 1,094,983	\$ -	\$ -	\$ 161	\$ 1,095,144
Due to other funds	-	-	-	24,455	24,455
Deferred revenues	4,206,750	-	-	314,752	4,521,502
Total liabilities	<u>5,301,733</u>	<u>-</u>	<u>-</u>	<u>339,368</u>	<u>5,641,101</u>
Fund Balances:					
Restricted:					
Stabilization by State statute	5,317,002	-	-	61,923	5,378,925
Restricted, all other	-	3,456,621	1,122,082	2,029,259	6,607,962
Committed	-	2,733,478	-	389,876	3,123,354
Unassigned	13,793,848	-	-	(24,455)	13,769,393
Total fund balance	<u>19,110,850</u>	<u>6,190,099</u>	<u>1,122,082</u>	<u>2,456,603</u>	<u>28,879,634</u>
Total liabilities and fund balances	<u>\$ 24,412,583</u>	<u>\$ 6,190,099</u>	<u>\$ 1,122,082</u>	<u>\$ 2,795,971</u>	

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

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	69,065,996
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 Assets	7,897,357
Liabilities for earned, but deferred, revenues in fund statements	4,330,578
Long-term liabilities and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds	(103,175,338)
Net assets of governmental activities	<u>\$ 6,998,227</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, 2011

	Major			Nonmajor	Total Governmental Funds
	General Fund	Schools Capital Projects Fund	Renovation and Repair Projects Fund	Other Governmental Funds	
Revenues:					
Ad valorem taxes	\$ 62,655,329	\$ -	\$ -	\$ 4,210,110	\$ 66,865,439
Local option sales taxes	18,720,105	-	-	-	18,720,105
Other taxes and licenses	900,150	-	-	-	900,150
Unrestricted intergovernmental	240,992	-	-	-	240,992
Restricted intergovernmental	21,082,817	2,355,364	-	1,337,012	24,775,193
Permits and fees	1,154,369	-	-	-	1,154,369
Sales and services	14,720,391	-	-	-	14,720,391
Investment earnings	361,964	8,573	7,544	6,122	384,203
Miscellaneous	609,518	-	-	-	609,518
Total revenues	<u>120,445,635</u>	<u>2,363,937</u>	<u>7,544</u>	<u>5,553,244</u>	<u>128,370,360</u>
Expenditures:					
Current:					
General government	10,854,339	-	3,869,804	-	14,724,143
Public safety	27,513,016	-	-	5,079,710	32,592,726
Transportation	425,755	-	-	-	425,755
Environmental protection	55,086	-	-	-	55,086
Economic and physical development	945,471	-	-	696,252	1,641,723
Human services	32,319,100	-	-	-	32,319,100
Cultural and recreation	4,476,382	-	-	-	4,476,382
Education	38,162,037	6,698,736	-	906,897	45,767,670
Debt service:					
Principal	7,777,175	-	-	-	7,777,175
Interest and other charges	3,659,128	-	-	-	3,659,128
Issuance costs	-	126,121	-	1,857	127,978
Total expenditures	<u>126,187,489</u>	<u>6,824,857</u>	<u>3,869,804</u>	<u>6,684,716</u>	<u>143,566,866</u>
Revenues over (under) expenditures	<u>(5,741,854)</u>	<u>(4,460,920)</u>	<u>(3,862,260)</u>	<u>(1,131,472)</u>	<u>(15,196,506)</u>
Other Financing Sources (Uses):					
Transfers from other funds	1,623,213	398,225	-	703,771	2,725,209
Transfers to other funds	(1,089,649)	(1,435,560)	-	(200,000)	(2,725,209)
Long-term debt issued	-	8,298,202	-	1,000,000	9,298,202
Capital lease obligations issued	725,023	-	-	-	725,023
Sale of equipment and vehicles	17,588	-	-	-	17,588
Total other financing sources (uses)	<u>1,276,175</u>	<u>7,260,867</u>	<u>-</u>	<u>1,503,771</u>	<u>10,040,813</u>
Net change in fund balances	(4,465,679)	2,799,947	(3,862,260)	372,299	(5,155,693)
Fund Balances:					
Beginning of year - July 1	<u>23,576,529</u>	<u>3,390,152</u>	<u>4,984,342</u>	<u>2,084,304</u>	<u>34,035,327</u>
End of year - June 30	<u>\$ 19,110,850</u>	<u>\$ 6,190,099</u>	<u>\$ 1,122,082</u>	<u>\$ 2,456,603</u>	<u>\$ 28,879,634</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, 2011**

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)	\$ (5,155,693)
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.	5,634,588
Loss on the disposal of capital assets during the year, not recognized on the modified accrual basis	(280,371)
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.	(2,788,317)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	(719,927)
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.	(4,716,309)
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.	7,777,175
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.	(10,023,225)
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.	25,250
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	119,630
Net revenue (loss) of internal service funds determined to be governmental type	<u>(1,779,571)</u>
Change in net assets of governmental activities (Exhibit B)	<u>\$ (11,906,770)</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Over/Under
	Original	Final		
Revenues:				
Ad valorem taxes	\$ 63,104,141	\$ 63,233,452	\$ 62,655,329	\$ (578,123)
Local option sales taxes	20,500,000	20,500,000	18,720,105	(1,779,895)
Other taxes and licenses	938,500	938,500	900,150	(38,350)
Unrestricted intergovernmental	225,000	225,000	240,992	15,992
Restricted intergovernmental	23,348,993	24,792,742	21,082,817	(3,709,925)
Permits and fees	900,000	900,000	1,154,369	254,369
Sales and services	16,611,909	16,648,909	14,720,391	(1,928,518)
Investment earnings	200,000	200,000	361,964	161,964
Miscellaneous	15,100	22,988	609,518	586,530
Total revenues	<u>125,843,643</u>	<u>127,461,591</u>	<u>120,445,635</u>	<u>(7,015,956)</u>
Expenditures:				
Current:				
General government	11,926,599	12,030,866	11,510,861	520,005
Public safety	29,084,098	29,599,780	27,513,016	2,086,764
Transportation	399,800	421,636	425,755	(4,119)
Environmental protection	65,815	65,815	55,086	10,729
Economic and physical development	978,660	1,043,260	945,471	97,789
Human services	35,175,676	36,770,299	32,331,157	4,439,142
Cultural and recreational	4,612,322	5,204,469	4,476,382	728,087
Intergovernmental:				
Education	38,162,037	38,162,037	38,162,037	-
Debt service:				
Principal	7,782,937	7,957,937	7,108,596	849,341
Interest and other charges	<u>2,501,876</u>	<u>2,501,876</u>	<u>3,659,128</u>	<u>(1,157,252)</u>
Total expenditures	<u>130,689,820</u>	<u>133,757,975</u>	<u>126,187,489</u>	<u>7,570,486</u>
Revenues over (under) expenditures	<u>(4,846,177)</u>	<u>(6,296,384)</u>	<u>(5,741,854)</u>	<u>554,530</u>
Other Financing Sources (Uses):				
Transfers from other funds	2,700,000	2,928,700	1,623,213	(1,305,487)
Transfers to other funds	-	(1,089,649)	(1,089,649)	-
Capital lease obligations issued	-	-	725,023	725,023
Sale of equipment and vehicles	25,000	25,000	17,588	(7,412)
Appropriated fund balances	2,183,777	4,494,933	-	(4,494,933)
Contingency	<u>(62,600)</u>	<u>(62,600)</u>	<u>-</u>	<u>62,600</u>
Total other financing sources (uses)	<u>4,846,177</u>	<u>6,296,384</u>	<u>1,276,175</u>	<u>(5,020,209)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(4,465,679)</u>	<u>\$ (4,465,679)</u>
Fund Balance:				
Beginning of year - July 1			<u>23,576,529</u>	
End of year - June 30			<u>\$ 19,110,850</u>	

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

ALAMANCE COUNTY, NORTH CAROLINA

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2011

	Major Enterprise Fund	Nonmajor Governmental Activities
	Landfill Fund	Internal Service Funds
Assets:		
Current assets:		
Cash and cash equivalents	\$ 14,856,705	\$ 8,256,556
Receivables, net	247,754	8,919
Prepaid warranty	7,466	-
Total current assets	<u>15,111,925</u>	<u>8,265,475</u>
Capital assets:		
Land and other assets not depreciated	2,765,112	-
Other capital assets, net of depreciation	<u>10,279,422</u>	<u>-</u>
Total capital assets	<u>13,044,534</u>	<u>-</u>
Total non-current assets	<u>13,044,534</u>	<u>-</u>
Total assets	<u>28,156,459</u>	<u>8,265,475</u>
Liabilities and Net Assets:		
Liabilities:		
Current liabilities:		
Accounts payable	125,594	368,118
Accrued landfill closure and post-closure care current costs	1,000	-
Compensated absences payable	<u>32,051</u>	<u>-</u>
Total current liabilities	<u>158,645</u>	<u>368,118</u>
Non-current liabilities:		
Accrued landfill closure and post-closure care costs	9,054,169	-
Compensated absences payable	24,294	-
Other post-employment benefits	<u>185,884</u>	<u>-</u>
Total non-current liabilities	<u>9,264,347</u>	<u>-</u>
Total liabilities	<u>9,422,992</u>	<u>368,118</u>
Net Assets:		
Invested in capital assets	13,044,534	-
Unrestricted	<u>5,688,933</u>	<u>7,897,357</u>
Total net assets	<u>\$ 18,733,467</u>	<u>\$ 7,897,357</u>

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

ALAMANCE COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
FUND NET ASSETS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	Major Enterprise Fund	Nonmajor Governmental Activities
	Landfill Fund	Internal Service Funds
Operating Revenues:		
Landfill user charges	\$ 3,182,257	\$ -
Insurance premiums	-	6,722,282
Miscellaneous	360,337	25,734
Total operating revenues	<u>3,542,594</u>	<u>6,748,016</u>
Operating Expenses:		
Administration	299,537	56,000
Operations:		
Personal services	899,490	8,482,811
Supplies and materials	33,645	-
Current obligations and services	528,735	-
State mandated MSW/C&D charges	164,012	-
Fixed charges and other expenses	426,012	11,827
Landfill closure and post-closure care costs	512,152	-
Depreciation	535,840	-
Total operating expenses	<u>3,399,423</u>	<u>8,550,638</u>
Operating income (loss)	<u>143,171</u>	<u>(1,802,622)</u>
Non-Operating Revenues (Expenses):		
Interest and investment revenue	<u>15,653</u>	<u>23,051</u>
Total non-operating revenue	<u>15,653</u>	<u>23,051</u>
Change in net assets	158,824	(1,779,571)
Net Assets:		
Beginning of year - July 1	<u>18,574,643</u>	<u>9,676,928</u>
End of year - June 30	<u>\$ 18,733,467</u>	<u>\$ 7,897,357</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, 2011

	<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	\$ 3,644,935	\$ 6,799,129
Cash paid for goods and services	(1,328,392)	(8,505,936)
Cash paid to employees for services	(750,576)	-
Net cash provided (used) by operating activities	<u>1,565,967</u>	<u>(1,706,807)</u>
Cash Flows from Capital and Related Financing Activities:		
Acquisition and construction of capital assets	(166,994)	-
Net cash provided (used) by capital and related financing activities	<u>(166,994)</u>	<u>-</u>
Cash Flows from Investing Activities:		
Interest on investments	15,653	23,051
Net increase (decrease) in cash and cash equivalents	1,414,626	(1,683,756)
Cash and Cash Equivalents:		
Beginning of year - July 1	<u>13,442,079</u>	<u>9,940,312</u>
End of year - June 30	<u>\$ 14,856,705</u>	<u>\$ 8,256,556</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating income (loss)	\$ 143,171	\$ (1,802,622)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	535,840	-
Landfill closure and post-closure care costs	512,152	-
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	102,341	51,113
Increase (decrease) in accounts payable and accrued liabilities	123,549	44,702
Increase (decrease) in accrued vacation pay	2,316	-
Increase (decrease) in OPEB payable	146,598	-
Total adjustments	<u>1,422,796</u>	<u>95,815</u>
Net cash provided (used) by operating activities	<u>\$ 1,565,967</u>	<u>\$ (1,706,807)</u>

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

ALAMANCE COUNTY, NORTH CAROLINA

**FIDUCIARY FUNDS
STATEMENT OF NET ASSETS
JUNE 30, 2011**

	<u>Private Purpose Trust Funds</u>	<u>Agency Funds</u>
Assets:		
Cash and cash equivalents	\$ 591,494	\$ -
Receivables, net	<u>-</u>	<u>1,138,607</u>
Total assets	<u>\$ 591,494</u>	<u>\$ 1,138,607</u>
Liabilities and Net Assets:		
Liabilities:		
Intergovernmental payable	\$ -	\$ 1,138,607
Total liabilities	<u>-</u>	<u>1,138,607</u>
Net Assets:		
Assets held in trust for beneficiaries	<u>591,494</u>	<u>-</u>
Total net assets	<u>591,494</u>	<u>-</u>
Total liabilities and net assets	<u>\$ 591,494</u>	<u>\$ 1,138,607</u>

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

ALAMANCE COUNTY, NORTH CAROLINA

**FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>Private-Purpose Trust Funds</u>
Additions:	
Restricted intergovernmental	\$ 504,804
Permits and fees	32,620
Miscellaneous	912,951
Investment earnings	<u>31</u>
Total additions	<u>1,450,406</u>
Deductions:	
Benefits	<u>1,388,316</u>
Total deductions	<u>1,388,316</u>
Change in net assets	<u>62,090</u>
Net Assets:	
Beginning of year - July 1	<u>529,404</u>
End of year - June 30	<u>\$ 591,494</u>

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

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NOTES TO FINANCIAL STATEMENTS

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ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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), 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, 2011

- **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 Assets and the Statement of Activities display information about the primary government (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. Interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the *governmental* 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, 2011

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.

Enterprise Funds include the following fund type:

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

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Internal Service Funds. Internal Service Funds account for employee health benefits and workers' compensation risk management 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 ten 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.

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.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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 2010 through February 2011 apply to the fiscal year ended June 30, 2011. Uncollected taxes that were billed during this period are shown as a receivable on these financial statements.

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 assets 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.

All governmental and business-type activities and enterprise funds of the County follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

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.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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 the following guidelines:

1. The County Manager finds that they are consistent with operational needs and any Board approved goals;
2. Inter-departmental transfers do not exceed \$50,000 each;
3. Transfers from contingency appropriations do not exceed \$20,000 each, except this limit may be exceeded when the County Manager determines an emergency exists;
4. All such transfers are reported to the Board of Commissioners no later than its next regular meeting following the date of the transfer.

During the year, several amendments to the original budget were necessary.

As required by G.S. 159-26(d), the County maintains encumbrance accounts which are considered to be "budgetary accounts". Encumbrances outstanding at year-end represent the estimated amounts of the expenditures ultimately to result if unperformed contracts in process at year-end are completed. Encumbrances outstanding at year-end do not constitute expenditures or liabilities.

ASSETS, LIABILITIES, 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 with a maturity of more than one year at acquisition and non-money market investments are carried at fair value as determined by quoted market prices. The securities of the NCCMT Cash Portfolio, a 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. Non-participating interest earnings and investment contracts are reported at cost.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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.

Restricted Assets. The unexpended bond and installment debt proceeds are restricted in the governmental activities because their use is completely restricted to the purpose for which the bonds and installment purchase notes were issued.

Ad Valorem Taxes Receivable. In accordance with State law [G.S. 105-347 and G.S. 159-133(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, 2010. 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.

Prepaid Items. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

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.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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

<u>Description</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

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 in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Assets.

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. The County's liability for accumulated earned vacation and the salary-related payments as of June 30, 2011 are recorded in the governmental activities of the government-wide financial statements. For the County's proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded within those funds as the benefits accrue to the employees.

The sick leave policies of the County provide 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 the accumulated sick leave until it is actually taken, no accrual for sick leave has been made by the County.

NET ASSETS/FUND BALANCES

Net Assets. Net assets in government-wide and proprietary fund financial statements are classified as invested in capital assets, net of related debt; restricted and unrestricted. Restricted net assets represent constraints on resources that are either externally imposed by creditors, grantors, contributors, laws or regulations of other governments, or 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.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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.

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

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

Restricted for Education – portion of fund balance that is restricted by revenue sources for school capital.

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.

Restricted fund balance at June 30, 2011 is as follows:

<u>Purpose</u>	<u>Schools Capital Projects Fund</u>	<u>Renovation and Repair Projects Fund</u>	<u>Other Governmental Funds</u>
Restricted, all other:			
Education	\$ 3,456,621	\$ -	\$ -
Public safety	-	-	2,029,259
General government	-	1,122,082	-
Total	<u>\$ 3,456,621</u>	<u>\$ 1,122,082</u>	<u>\$ 2,029,259</u>

Committed Fund Balance. portion of fund balance that can only be used for specific purpose imposed by majority vote of County's governing body (highest level of decision-making authority). Any changes or removal of specific purposes requires majority action by the governing body.

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

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 Public Safety – represents the portion of fund balance committed by the Board of Commissioners for future costs relating to the Jail Expansion Fund and the 800 MHZ Emergency Equipment Fund.

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

ALAMANCE COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

Committed fund balance at June 30, 2011 is as follows:

<u>Purpose</u>	<u>Schools Capital Projects Fund</u>	<u>Other Governmental Funds</u>
Education	\$ 2,733,478	\$ 281,915
General government	-	1,977
Public safety	-	29,892
Capital outlays	-	76,092
Total	<u>\$ 2,733,478</u>	<u>\$ 389,876</u>

Assigned Fund Balance – portion of fund balance that the County governing board has budgeted. The County's governing body approves the appropriation; however the budget ordinance authorizes the manager modify the appropriations by resource or appropriation within funds up to \$50,000.

Unassigned Fund Balance – 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-County 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's in the best interest of the County.

The County has not officially adopted a fund balance policy.

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	\$ 19,110,850
Less:	
Stabilization by State statute	<u>5,317,002</u>
Total available fund balance	<u>\$ 13,793,848</u>

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

	<u>General Fund</u>	<u>Other Governmental Funds</u>
Encumbrances	<u>\$ 270,065</u>	<u>\$ -</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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. 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. The County does not have policies regarding custodial credit risk for deposits. 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.

At June 30, 2011, the County's deposits had a carrying amount of \$35,883,771 and a bank balance of \$38,280,817. Of the bank balance, \$11,015,084 was covered by federal depository insurance, and \$27,265,733 in deposits was covered by collateral held under the Pooling Method.

At June 30, 2010, the County had \$4,972 cash on hand.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Investments. At June 30, 2011, the County had the following investments and maturities:

	Fair Value	Less Than 6 Months	6-12 Months	Greater Than One Year
U.S. Government Agencies	\$ 314,204	\$ 314,204	\$ -	\$ -
Commercial Paper	1,993,600	1,993,600	-	-
NCCMT - Cash Portfolio	9,963,981	n/a	n/a	n/a
NCCMT - Term Portfolio	625,524	n/a	n/a	n/a
Total	\$ 12,897,309	\$ 2,307,804	\$ -	\$ -

Interest Rate Risk. This is the risk that changes; interest rates will adversely affect the fair value of an investment. The County had 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. As of June 30, 2011, the County's investments in commercial paper were rated P1 by Standard & Poor's and A1 by Moody's Investors Service. 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, 2011. 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. The County's investments in US Agencies (Federal Home Loan Bank) are rated AAA by Standard & Poor's and Aaa by Moody's Investors Service.

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County had no investments in repurchase agreements. The County's policy on custodial credit risk provides that the seller of repos transfer the underlying securities to the unit's custodian who shall place them in an account in the name of the County.

Concentration of Credit Risk. The County places no limit on the amount that the County may invest in any one issuer.

ALAMANCE COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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. 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>
2008	\$ 2,036,777	\$ 483,734	\$ 2,520,511
2009	2,036,777	300,425	2,337,202
2010	1,826,076	104,999	1,931,075
2011	1,942,876	-	1,942,876
Total	<u>\$ 7,842,506</u>	<u>\$ 889,158</u>	<u>\$ 8,731,664</u>

Note 4. Receivables

At June 30, 2011, 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	\$ 1,414,474	\$ 255,954	\$ 1,670,428
Taxes	3,764,558	-	3,764,558
Due from other governments	4,999,658	-	4,999,658
Gross receivables	10,178,690	255,954	10,434,644
Less: allowance for uncollectibles	(754,788)	(8,200)	(762,988)
Net total receivables	<u>\$ 9,423,902</u>	<u>\$ 247,754</u>	<u>\$ 9,671,656</u>

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

Local option sales tax	\$ 1,761,818
Other governments	3,237,840
Total	<u>\$ 4,999,658</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Note 5. Capital Assets

Capital asset activity for the governmental activities for the year ended June 30, 2011 was as follows:

	<u>July 1, 2010</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2011</u>
Governmental Activities:				
Non-depreciable capital assets:				
Land	\$ 2,651,249	\$ -	\$ -	\$ 2,651,249
Construction in progress	5,601,435	3,982,596	(555,347)	9,028,684
Library books	3,524,787	253,146	(180,696)	3,597,237
Library audio-visual materials	398,083	96,260	(39,053)	455,290
Total non-depreciable capital assets	<u>12,175,554</u>	<u>4,332,002</u>	<u>(775,096)</u>	<u>15,732,460</u>
Depreciable capital assets:				
Buildings	53,822,784	28,240	-	53,851,024
Other improvements	2,334,647	17,185	-	2,351,832
Easements	346,275	-	-	346,275
Equipment	9,785,944	401,995	-	10,187,939
Computer software	953,577	569,762	-	1,523,339
Computer equipment	3,288,460	732,123	-	4,020,583
Vehicles and motor equipment	7,222,215	100,386	(199,543)	7,123,058
Infrastructure	158,649	8,242	-	166,891
Total depreciable capital assets	<u>77,912,551</u>	<u>1,857,933</u>	<u>(199,543)</u>	<u>79,570,941</u>
Less accumulated depreciation:				
Buildings	(14,465,307)	(1,076,456)	-	(15,541,763)
Other improvements	(546,889)	(93,386)	-	(640,275)
Easements	(10,581)	(11,543)	-	(22,124)
Equipment	(3,269,961)	(852,111)	-	(4,122,072)
Computer software	(505,029)	(105,285)	-	(610,314)
Computer equipment	(1,712,723)	(95,457)	-	(1,808,180)
Vehicles and motor equipment	(3,039,043)	(550,906)	138,921	(3,451,028)
Infrastructure	(38,476)	(3,173)	-	(41,649)
Total accumulated depreciation	<u>(23,588,009)</u>	<u>\$ (2,788,317)</u>	<u>\$ 138,921</u>	<u>(26,237,405)</u>
Total depreciable capital assets, net	<u>54,324,542</u>			<u>53,333,536</u>
 Governmental activity capital assets, net	 <u>\$ 66,500,096</u>			 <u>\$ 69,065,996</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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

General government	\$ 503,629
Public safety	1,690,774
Economic and physical development	26,983
Human services	501,563
Cultural (parks and recreation)	<u>65,368</u>
Total depreciation expense	<u>\$ 2,788,317</u>

Capital asset activity for business-type activities for the year ended June 30, 2011 was as follows:

	July 1, 2010	Additions	Retirements	June 30, 2011
Business-Type Activities:				
Landfill:				
Non-depreciable capital assets:				
Land	\$ 2,765,112	\$ -	\$ -	\$ 2,765,112
Construction in progress	<u>4,217,180</u>	-	<u>(4,217,180)</u>	-
Total non-depreciable capital assets	<u>6,982,292</u>	-	<u>(4,217,180)</u>	<u>2,765,112</u>
Depreciable capital assets:				
Landfill construction	9,171,458	4,258,330	-	13,429,788
Buildings	325,224	-	-	325,224
Other improvements	751,650	-	-	751,650
Fixtures and equipment	394,614	71,014	-	465,628
Vehicles and motor equipment	<u>2,791,924</u>	<u>54,830</u>	-	<u>2,846,754</u>
Total depreciable capital assets	<u>13,434,870</u>	<u>4,384,174</u>	-	<u>17,819,044</u>
Less accumulated depreciation:				
Landfill construction	(5,180,244)	(171,091)	-	(5,351,335)
Buildings	(78,227)	(13,614)	-	(91,841)
Other improvements	(706,080)	(13,801)	-	(719,881)
Fixtures and equipment	(228,153)	(41,669)	-	(269,822)
Vehicles and motor equipment	<u>(811,078)</u>	<u>(295,665)</u>	-	<u>(1,106,743)</u>
Total accumulated depreciation	<u>(7,003,782)</u>	<u>\$ (535,840)</u>	<u>\$ -</u>	<u>(7,539,622)</u>
Total capital assets being depreciated, net	<u>6,431,088</u>			<u>10,279,422</u>
Landfill capital assets, net	<u>\$ 13,413,380</u>			<u>\$ 13,044,534</u>

ALAMANCE COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

Invested in Capital Assets, Net of Related Debt

The total invested in capital assets, net of related debt, at June 30, 2011 is composed of the following elements:

	Governmental Activities	Business-Type Activities
Capital assets	\$ 69,065,996	\$ 13,044,534
Total debt, gross	90,596,798	-
Long-term debt for assets not owned by the County	69,010,349	-
Capital related unspent debt proceeds	5,564,509	-
Total capital debt	27,150,958	-
Invested in capital assets, net of related debt	\$ 41,915,038	\$ 13,044,534

Note 6. Construction Commitments

The County has active construction projects as of June 30, 2011. The projects include school construction and community college improvements. At June 30, 2011, the County's commitments with contractors are as follows:

Project	Spent-to-Date	Remaining Commitment
School construction	\$ 25,308,889	\$ 9,412,630
Renovation and repair	6,925,708	576,676
Community college improvements	8,130,482	272,518
Total construction commitments	\$ 40,365,079	\$ 10,261,824

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Note 7. Accounts Payable and Accrued Liabilities

Accounts payable and other accrued liabilities are disaggregated at June 30, 2011, as follows:

Government-Wide Financial Statements

Governmental Activities:

Vendors	\$ 1,334,596
Salaries and benefits	101,207
Other governmental agencies	27,459
Total governmental activities	<u>\$ 1,463,262</u>

Business-Type Activities:

Landfill vendors	<u>\$ 125,594</u>
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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 Local Governmental Employees' Retirement System 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 6.41% and 6.44%, 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, 2011, 2010, and 2009 were \$1,749,425, \$1,707,434, and \$1,687,131, respectively. The contributions made by the County equaled the required contributions for each year.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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, 2010, the Separation Allowance's membership consisted of:

Retirees receiving benefits	15
Terminated plan members entitled to, but not yet receiving, benefits	-
Active plan members	<u>126</u>
Total	<u>141</u>

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, 2009 actuarial valuation using the projected unit credit actuarial cost method and the level percent of pay, closed amortization method, over a 21-year period. The actuarial assumptions included (a) 5.00% investment rate of return (net of administrative expenses) and (b) projected salary increases of 4.5% to 12.3% per year. Both (a) and (b) included an inflation component of 3.75%. The assumptions did not include post-retirement benefit increases.

ALAMANCE COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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	\$ 208,670
Interest on net pension obligation	29,112
Adjustment to annual required contribution	<u>(31,171)</u>
Annual pension cost	206,611
Contributions made	<u>153,025</u>
Increase (decrease) in net pension obligation	53,586
Net pension obligation:	
Beginning of year - July 1	<u>582,239</u>
End of year - June 30	<u><u>\$ 635,825</u></u>

Three-Year Trend Information

Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2009	\$ 150,861	93.45%	\$ 477,524
2010	162,955	91.64%	530,852
2011	206,611	74.06%	635,825

Funded Status and Funding Progress. As of December 31, 2010, 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 \$1,784,505. The covered payroll (annual payroll of active employees covered by the plan) was \$5,245,894, and the ratio of the UAAL to the covered payroll was 34.02 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.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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, 2011 were \$355,626, which consisted of \$253,452 from the County and \$82,174 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.

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 1 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, 2011, the County's required and actual contributions were \$13,713.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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 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 Trust Plan for members of the Local Governmental Employees' Retirement System (Death Trust 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 month's 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 Trust Plan. The County has no liability beyond the payment of monthly contributions. Contributions are determined as a percentage of monthly payroll, based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. Because the benefit payments are made by the Death Trust Plan and not by the County, the County does not determine the number of eligible participants.

For the fiscal year ended June 30, 2011, the County made contributions to the State for death benefits of \$33,337. The County's required contributions for employees not engaged in law enforcement and for law enforcement officers represented .09% and .14% of covered payroll, respectively. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount.

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, 2011

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 health care 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, 2010, the date of the latest actuarial valuation:

	General Employees	Law Enforcement Officers
Retirees and dependents receiving benefits	279	n/a
Active plan members	796	126
Total	1,075	126

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 twelve 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%	100%
10-14	50%	50%
15-24	75%	25%
25 or more	100%	0%

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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:

<u>Years of Service At Retirement</u>	<u>County Contribution</u>	<u>Retiree Contribution</u>
Less than 15	0%	100%
15-19	50%	50%
20-24	75%	25%
25 or more	100%	0%

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.

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.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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 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. 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	\$ 5,572,582
Interest on net OPEB obligation	186,810
Adjustments to annual required contribution	<u>(178,462)</u>
Annual OPEB cost (expense)	5,580,930
Contributions made	<u>956,975</u>
Increase (decrease) in net OPEB obligation	4,623,955
Net OPEB obligation:	
Beginning of year - July 1	<u>4,670,255</u>
End of year - June 30	<u><u>\$ 9,294,210</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2011 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>
2011	\$ 5,580,930	17.15%	\$ 9,294,210
2010	2,149,966	13.11%	3,767,749
2009	2,149,966	12.00%	1,899,690

Fund Status and Funding Progress. As of December 31, 2010, 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 \$48,687,657. The covered payroll (annual payroll of active employees covered by the plan) was \$35,265,388, and the ratio of the UAAL to the covered payroll was 138.1 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.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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.

In the December 31, 2010 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 10.50 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, 2010 was 30 years.

As of June 30, 2011, 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 \$6,996,990 reported for the Austin Quarter MSW Landfill Facility as landfill closure and post-closure care liability at June 30, 2011 represents a cumulative amount reported to date, based on the use of 69 percent of the total estimated capacity of the landfill. The County will recognize the remaining estimated cost of closure and post-closure care of \$3,143,575 as the remaining estimated capacity is filled.

The \$1,501,926 reported for the Austin Quarter C&D Landfill Facility as landfill closure and post-closure care liability at June 30, 2011 represents a cumulative amount reported to-date based on the use of 83 percent of the total estimated capacity of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care of \$307,623 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 2011. 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.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

The County closed its Swepsonville Landfill Facility on October 4, 1993. As of June 30, 2011, the estimated closure and post-closure care liability for this facility amounted to \$556,253. 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, 2011, amounted to \$9,055,169.

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. However, the County has also elected to establish a Reserve Fund to accumulate resources for the payment of closure and post-closure care costs. The balance in the Reserve Fund at June 30, 2011 amounted to \$3,706,836 and these funds are held in investments with a cost of \$3,706,836 (market value, \$3,706,836) at year-end. The County expects that future inflation costs will be paid from the interest earnings on annual contributions to the fund. However, if interest earnings are inadequate or additional post-closure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or by future tax revenues.

Note 10. Deferred Revenues/Unearned Revenues

The balance of deferred revenues on the fund statements and unearned revenues on the government-wide financial statements at year-end is composed of the following elements:

	<u>Deferred Revenues</u>	<u>Unearned Revenues</u>
Prepaid taxes not yet earned (General Fund)	\$ 190,924	\$ 190,924
Taxes receivable, net (General Fund)	4,015,826	-
Taxes receivable, net (Fire District Fund)	<u>314,752</u>	<u>-</u>
Total	<u>\$ 4,521,502</u>	<u>\$ 190,924</u>

Note 11. 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, 2011

The following is a summary of the County's capital leases as of June 30, 2011:

<u>Date of Execution</u>	<u>Class of Property</u>	<u>Payment Duration</u>	<u>Annual Payment Amount</u>
October 1, 2007	Equipment	4 years	\$ 111,242
April 1, 2008	Computer equipment	4 years	6,752
April 1, 2008	Equipment	4 years	38,360
July 1, 2008	Computer equipment	3 years	15,383
July 1, 2008	Computer equipment	4 years	25,706
July 1, 2008	Computer equipment	5 years	11,427
October 1, 2008	Computer equipment	3 years	30,529
January 1, 2009	Computer equipment	3 years	20,485
January 1, 2009	Computer equipment	4 years	3,323
July 1, 2009	Computer equipment	3 years	36,175
July 1, 2009	Computer equipment	4 years	34,235
July 1, 2009	Computer equipment	4 years	12,057
October 1, 2009	Computer equipment	3 years	98,382
January 1, 2010	Computer equipment	3 years	55,459
January 1, 2010	Computer equipment	4 years	23,314
March 31, 2010	Computer equipment	4 years	81,648
July 1, 2010	Computer equipment	3 years	73,353
October 1, 2010	Computer equipment	3 years	17,129
October 1, 2010	Computer equipment	3 years	18,364
January 1, 2011	Computer equipment	3 years	45,321
January 1, 2011	Computer equipment	5 years	40,285
April 1, 2011	Computer equipment	3 years	16,168
April 1, 2011	Computer equipment	3 years	27,324
Total			<u>\$ 842,421</u>

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	\$ 2,716,404	\$ 814,921	\$ 1,901,483
Equipment	90,260	27,078	63,182
Total	<u>\$ 2,806,664</u>	<u>\$ 841,999</u>	<u>\$ 1,964,665</u>

ALAMANCE COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2011 were as follows:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>
2012	\$ 842,421
2013	568,985
2014	326,215
2015	51,158
2016	<u>30,214</u>
Total minimum lease payments	1,818,993
Less: amount representing interest	<u>555,882</u>
Total	<u>\$ 1,263,111</u>

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	\$ 1,833,162
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%	5,862,069
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%	3,343,107
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%	2,975,000
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%	<u>1,000,000</u>
Total governmental activities	<u>\$ 15,013,338</u>

ALAMANCE COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

Year Ending June 30	Governmental Activities	
	Principal	Interest
2012	\$ 1,987,650	\$ 587,123
2013	2,079,763	507,654
2014	2,117,830	422,578
2015	2,157,470	335,929
2016	2,198,749	247,642
2017-2021	4,471,876	349,269
Totals	<u>\$ 15,013,338</u>	<u>\$ 2,450,195</u>

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 on March and September 1, beginning March 1, 2011.

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
2012	\$ 553,214	\$ 431,216
2013	553,214	400,955
2014	553,214	370,695
2015	553,214	340,434
2016	553,214	310,173
2017-2021	2,766,070	1,096,953
2022-2026	2,489,455	340,434
Totals	<u>\$ 8,021,595</u>	<u>\$ 3,290,860</u>

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.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

The County's general obligation bonds payable at June 30, 2011 are comprised of the following individual issues:

Serviced by the General Fund:

December 1, 1998 issue, Refunding Bonds; due in annual installments of \$690,000 on May 1, 2011 and \$475,000 on May 1, 2012; interest at 4.1% on installments due 2010 through 2012	\$ 475,000
September 1, 2003 issue, Refunding Series 2003; due in annual installments of \$1,050,000 on March 1, 2011; \$1,230,000 on March 1, 2012, \$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 2012 through 2013; 5.0% on installments due 2014; and 4.0% on installments due 2015	5,755,000
September 1, 2003 issue, Community College; due in annual installments of \$200,000 on March 1, 2011 through 2017; \$700,000 on March 1, 2018 and 2019; and \$550,000 on March 1, 2020; 4.0% on installments due 2011 through 2015; 4.125% on installments due 2016 and 2017; 4.25% on installments due 2018; and 4.375% on installments due 2019 and 2020	3,150,000
January 1, 2006 issue, School Bonds; due in annual installments of \$600,000 on February 1, 2011 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 2011 through 2018; interest at 5.0% on installments due 2019; interest at 4.0% on installments due 2020 through 2024; interest at 4.1% on installments due 2024	19,000,000
October 3, 2006 issue, School Bonds; due in annual installments of \$461,689 on April 1, 2011 through 2018; \$890,399 on April 1, 2019; \$989,332 on April 1, 2020; \$1,352,088 on April 1, 2021 through 2025; and \$811,253 on April 1, 2026; interest at 4.0% on installments due 2011 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	12,683,243
October 3, 2006 issue, School Bonds; due in annual installments of \$238,311 on April 1, 2011 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 2011 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	6,546,757
August 24, 2009 issue, Refunding Bonds; due in annual installments of \$1,230,000 on May 1, 2010; \$1,105,000 on May 1, 2011; \$1,085,000 on May 1, 2012; \$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 4.0% on installments due 2010; interest at 2.0% on installments due 2011 through 2013; interest at 2.5% on installments due 2014 and 2015; interest at 3.0% on installments due 2016 through 2018	13,000,000
Total General Obligation Bonds	\$ <u>60,610,000</u>

ALAMANCE COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

<u>Year Ending</u> <u>June 30</u>	<u>Government Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2012	\$ 4,290,000	\$ 2,351,735
2013	4,275,000	2,201,361
2014	4,220,000	2,051,561
2015	4,795,000	1,881,436
2016	4,275,000	1,722,185
2017-2021	22,125,000	6,176,313
2022-2026	16,630,000	1,687,126
Total	<u>\$ 60,610,000</u>	<u>\$ 18,071,717</u>

Recover 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, 2011, the County has issued the following of these types of bonds:

Serviced by the General Fund:

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	\$ 2,700,000
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>2,610,000</u>
Total Recovery Zone Economic Development Bonds	<u>\$ 5,310,000</u>

ALAMANCE COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

Year Ending June 30	Governmental Activities		Interest Rebate	Interest Cost After Rebate
	Principal	Interest		
2012	\$ 590,000	\$ 279,291	\$ 111,953	\$ 167,338
2013	590,000	247,372	99,159	148,214
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
2017-2020	2,360,000	287,724	115,153	172,571
Totals	\$ 5,310,000	\$ 1,364,989	\$ 546,973	\$ 818,017

The following is a summary of changes in the County's long-term obligations as of June 30, 2011:

	July 1, 2010	Additions	Retirements	June 30, 2011	Due In Less Than One Year
Governmental Activities:					
General Obligation debt	\$ 64,955,002	\$ -	\$ 4,345,002	\$ 60,610,000	\$ 4,290,000
Premium On General Obligation Bonds	404,004	-	25,250	378,754	-
Qualified School Construction Bonds	-	8,298,202	276,607	8,021,595	553,214
Recovery Bonds	5,900,000	-	590,000	5,310,000	590,000
Capitalized leases	1,206,667	725,023	668,579	1,263,111	716,058
Installment loans	15,910,325	1,000,000	1,896,987	15,013,338	1,987,650
LEO separation allowance	582,239	53,586	-	635,825	-
Compensated absences	2,649,023	1,553,731	1,368,365	2,834,389	1,566,090
OPEB liability	4,630,969	4,477,357	-	9,108,326	-
Total governmental activities	\$ 96,238,229	\$ 16,107,899	\$ 7,802,425	\$ 103,175,338	\$ 9,703,012

ALAMANCE COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>July 1, 2010</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2011</u>	<u>Due in Less Than One Year</u>
Business-Type Activities:					
Accrued landfill closure and post-closure care cost	\$ 8,543,017	\$ 528,153	\$ 16,001	\$ 9,055,169	\$ 1,000
Compensated absences	54,029	34,635	32,319	56,345	32,051
OPEB liability	39,286	146,598	-	185,884	-
Total business-type activities	<u>\$ 8,636,332</u>	<u>\$ 709,386</u>	<u>\$ 48,320</u>	<u>\$ 9,297,398</u>	<u>\$ 33,051</u>

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 \$908,029,659 at June 30, 2011.

Conduit Debt Obligation. Alamance County Industrial Facility and Pollution Control Financing Authority has 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, 2011, there were three series of industrial revenue bonds outstanding, with an aggregate principal amount payable of \$3,620,000.

Note 12. Interfund Balances and Activity

Due From/To Other Funds

Interfund balances are summarized below:

	<u>Interfund Loans</u>		<u>Reason</u>
	<u>From</u>	<u>To</u>	
General Fund	\$ 24,455	\$ -	
Nonmajor Governmental Funds:			
Grant Special Revenue Fund	-	24,555	Cash advance for grant expenses

ALAMANCE COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

Transfers To/From Other Funds

Transfers in (out) for the year ended June 30, 2011 are summarized below:

	Interfund Transfers	
	From	To
General Fund	\$ 1,089,649	\$ 1,623,213
Schools Major Capital Project Fund	\$ 1,435,560	\$ 398,225
Nonmajor Capital Project Funds:		
Emergency Telephone System Fund	\$ -	\$ 491,424
Schools Capital Reserve Fund	-	12,347
Probation and Parol Fund	200,000	200,000
Total Nonmajor Governmental Funds	\$ 200,000	\$ 703,771
Total Interfund Transfers	\$ 2,725,209	\$ 2,725,209

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

Note 13. Joint Ventures

Alamance-Caswell Local Management Entity. The County, in conjunction with the State of North Carolina and Caswell County, participates in a joint venture to operate the Alamance-Caswell Local Management Entity (Entity). Alamance County and Caswell County designate one County Commissioner each to serve on the Entity's governing board and; according to State Statute, the designated commissioners appoint the remainder of the Entity's governing board. The governing board shall consist of no fewer than eleven members and no more than twenty-five members. Of the current thirteen-member Board, Alamance County appoints eleven members (including the Commissioner) and Caswell County appoints two members (including the Commissioner), The Counties have the basic responsibility for providing financial support for the Entity's operations and facilities. The counties have an ongoing financial responsibility for the Entity because of the statutory responsibilities to provide funding for the Entity's operations and facilities. The County contributed \$1,348,948 to the Entity for operating and capital purposes during the fiscal year ended June 30, 2011. The participating governments do not have an equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2011. Complete financial statements for the Entity may be obtained from the Entity's administrative offices at 319 N. Graham Hopedale Road, Suite A, Burlington, North Carolina 27217.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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 thirteen-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 \$2,656,655 and \$234,475 to the Community College for operating and repair and maintenance, respectively, during the fiscal year ended June 30, 2011. 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, 2011. 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 thirty-five 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 \$14,600 to the Council during the fiscal year ended June 30, 2011.

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 \$282,500 to the Authority for capital improvements during the fiscal year ended June 30, 2011.

Note 14. 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, 2011

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 \$5,809,218 at June 30, 2011 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 \$323,952 reported in the Fund at June 30, 2011 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).

ALAMANCE COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

<u>Yer 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>
2002	\$ 388,564	\$ 4,739,802	\$ (4,768,414)	\$ 359,952
2003	359,952	4,867,699	(4,865,260)	362,391
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

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 15. 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	\$ 648,838	\$ (106)
Medicaid	108,657,754	44,756,951
Energy Assistance	879,890	-
Adoption Assistance	735,139	164,406
Adult Assistance	-	1,363,196
AGRI-SFP Food Program Meal	3,327	-
WIC	3,515,326	-
Child Welfare Services - Adoption	-	347,362
Total	<u>\$ 114,440,274</u>	<u>\$ 46,631,809</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Note 16. 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.

Note 17. Prior Period Adjustment

Errors were discovered with regards to amounts to capital assets capitalized and depreciated in prior years. The effect of such errors resulted in an understatement of capital assets in the prior year by \$547,007. In addition, the OPEB liability for governmental activities was understated in the prior year by \$2,705,936. As of June 30, 2011, net assets for governmental activities have been restated by \$2,158,929, which is the net effect of the understatement of capital assets and the OPEB liability.

REQUIRED SUPPLEMENTAL FINANCIAL DATA

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ALAMANCE COUNTY, NORTH CAROLINA

LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2011

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 Percentage Covered Payroll ((b-a)/c)
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%
12/31/2006	-	1,123,476	1,123,476	0.00%	4,184,243	26.85%
12/31/2005	-	992,678	992,678	0.00%	3,853,191	25.76%

Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution (ARC)	Percentage Contributed
2011	\$ 208,670	73.33%
2010	157,549	91.60%
2009	145,065	93.50%
2008	130,767	85.40%
2007	117,422	81.20%
2006	119,861	76.00%

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	12/31/2009
Actuarial cost method	Projected unit credit
Amortization method	Level of percent of pay, closed
Remaining amortization period	21 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return	5.00%
Medical cost trend	4.5 - 12.3%
Includes inflation at	3.75%
Cost-of-living adjustments	None

ALAMANCE COUNTY, NORTH CAROLINA

OTHER POST-EMPLOYMENT BENEFITS
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2011

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)
12/31/2010	\$ -	\$ 48,687,657	\$ 48,687,657	0.00%	\$ 35,265,388	138.1%
12/31/2009	-	56,920,888	56,920,888	0.00%	35,242,477	161.5%
12/31/2008	-	59,875,594	59,875,594	0.00%	34,546,260	173.3%

Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution (ARC)	Percentage Contributed
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	12/31/2010
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	10.50% - 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*

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GENERAL FUND

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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, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	2011			2010 Actual
	Budget	Actual	Variance Over/Under	
Revenues:				
Ad Valorem Taxes:				
Taxes, net of discounts	\$ 62,863,452	\$ 62,190,323	\$ (673,129)	\$ 62,740,724
Penalties and interest	370,000	465,006	95,006	496,962
Total	<u>63,233,452</u>	<u>62,655,329</u>	<u>(578,123)</u>	<u>63,237,686</u>
Local option sales tax:				
Article 39 and 44	8,500,000	8,363,090	(136,910)	7,208,131
Article 40.5 percent	6,000,000	4,930,950	(1,069,050)	4,877,052
Article 42.5 percent	6,000,000	5,426,065	(573,935)	4,572,338
Total	<u>20,500,000</u>	<u>18,720,105</u>	<u>(1,779,895)</u>	<u>16,657,521</u>
Other Taxes and Licenses:				
Real estate transfer taxes	390,000	303,200	(86,800)	400,013
Privilege licenses	5,000	8,109	3,109	8,451
Local occupancy tax	496,000	535,288	39,288	498,488
Rental vehicle tax	47,500	53,553	6,053	45,012
Total	<u>938,500</u>	<u>900,150</u>	<u>(38,350)</u>	<u>951,964</u>
Unrestricted Intergovernmental Revenues:				
Beer and wine tax	225,000	240,992	15,992	78,741
Total	<u>225,000</u>	<u>240,992</u>	<u>15,992</u>	<u>78,741</u>
Restricted Intergovernmental Revenues:				
State	3,701,333	3,557,514	(143,819)	3,775,597
Federal	17,472,256	15,472,060	(2,000,196)	15,738,656
Court facilities fees	312,000	238,200	(73,800)	267,560
ABC bottle tax	30,849	31,052	203	29,404
Other	3,276,304	1,783,991	(1,492,313)	4,393,436
Total	<u>24,792,742</u>	<u>21,082,817</u>	<u>(3,709,925)</u>	<u>24,204,653</u>
Permits and Fees:				
Building permits and inspection fees	300,000	278,174	(21,826)	344,365
Register of Deeds	600,000	876,195	276,195	653,577
Total	<u>900,000</u>	<u>1,154,369</u>	<u>254,369</u>	<u>997,942</u>
Sales and Services:				
Rents, concessions and fees	3,693,055	3,919,831	226,776	2,297,674
Nuisance abatement	10,000	-	(10,000)	-
Jail and Sheriff fees	7,845,854	6,353,691	(1,492,163)	6,348,560
Ambulance fees	5,100,000	4,446,869	(653,131)	4,577,923
Total	<u>16,648,909</u>	<u>14,720,391</u>	<u>(1,928,518)</u>	<u>13,224,157</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, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	2011			2010 Actual
	Budget	Actual	Variance Over/Under	
Investment Earnings	200,000	361,964	161,964	46,711
Miscellaneous	22,988	609,518	586,530	925,362
Total revenues	127,461,591	120,445,635	(7,015,956)	120,324,737
Expenditures:				
Current:				
General government:				
Governing body	221,840	208,159	13,681	754,607
County Manager	1,464,148	1,384,701	79,447	1,335,114
Administrative services/planning	155,433	144,021	11,412	147,660
Human Resources	353,996	306,304	47,692	324,757
Finance	650,952	625,210	25,742	570,752
Purchasing	129,965	83,027	46,938	126,829
Tax administration	1,875,603	1,771,029	104,574	1,464,016
Revaluation	-	-	-	209,234
GIS Mapping	253,057	223,251	29,806	227,557
Legal	529,783	410,178	119,605	466,141
Facility fees	452,833	428,861	23,972	392,948
Elections	629,065	429,833	199,232	456,112
Register of Deeds	824,655	625,030	199,625	598,127
Central services:				
Management information systems	2,820,751	3,352,414	(531,663)	2,565,962
Central permitting	30,640	5,890	24,750	3,508
Printing	252,057	171,307	80,750	202,138
Central garage	45,885	41,387	4,498	38,916
Public buildings	1,340,203	1,300,259	39,944	1,342,787
Total	12,030,866	11,510,861	520,005	11,227,165
Public Safety:				
Judicial services	813,643	655,456	158,187	610,368
Sheriff	9,405,257	8,884,046	521,211	9,706,634
School Resource Officers	392,073	373,724	18,349	375,905
County Jail	8,911,399	8,270,508	640,891	8,560,062
Emergency Management	17,948	13,111	4,837	17,624
Emergency Service	305,082	303,972	1,110	332,728
Fire Service	68,805	67,497	1,308	67,548
SARA Management	153,502	95,414	58,088	143,496
Cops Grant	212,377	63,091	149,286	289,948
Inspections	784,470	688,280	96,190	693,919
Emergency Medical Service	6,158,821	5,855,199	303,622	5,786,130
Animal Shelter	276,415	276,415	-	270,276
Central Communications	1,959,288	1,869,204	90,084	1,501,286
Other	140,700	97,099	43,601	114,200
Total	29,599,780	27,513,016	2,086,764	28,470,124

ALAMANCE COUNTY, NORTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	2011			2010 Actual
	Budget	Actual	Variance Over/Under	
Transportation:				
Transportation services	144,786	148,905	(4,119)	125,471
Airport	276,850	276,850	-	282,500
Total	<u>421,636</u>	<u>425,755</u>	<u>(4,119)</u>	<u>407,971</u>
Environmental Protection	<u>65,815</u>	<u>55,086</u>	<u>10,729</u>	<u>56,204</u>
Economic and Physical Development:				
Industrial development	122,500	122,500	-	365,000
Cooperative Extension	348,145	260,281	87,864	348,283
Soil Conservation	207,182	201,086	6,096	219,579
Tourism Development Authority	350,000	346,171	3,829	322,371
Other	15,433	15,433	-	15,166
Total	<u>1,043,260</u>	<u>945,471</u>	<u>97,789</u>	<u>1,270,399</u>
Human services:				
Health	7,089,847	6,175,350	914,497	6,488,686
WIC Program	860,378	758,578	101,800	697,402
Dental Clinic Program	886,686	823,129	63,557	776,971
Social Services	24,508,118	21,210,815	3,297,303	21,986,616
Home and Community Care	1,110,206	1,056,027	54,179	1,096,926
Veterans Service Office	140,047	134,231	5,816	171,759
Office of Juvenile Justice Programs	445,411	446,567	(1,156)	416,609
Mental Health Authority	1,348,948	1,348,948	-	1,324,275
Other	380,658	377,512	3,146	388,044
Total	<u>36,770,299</u>	<u>32,331,157</u>	<u>4,439,142</u>	<u>33,347,288</u>
Cultural and recreational:				
Recreation	2,584,796	2,020,826	563,970	1,507,414
Historic Properties Commission	25,821	12,956	12,865	932
Library	2,448,812	2,297,563	151,249	2,277,428
Other	145,040	145,037	3	148,000
Total	<u>5,204,469</u>	<u>4,476,382</u>	<u>728,087</u>	<u>3,933,774</u>
Education:				
Alamance-Burlington School System:				
Current expense	34,520,907	34,520,907	-	34,120,907
Repair and maintenance	750,000	750,000	-	750,000
Alamance Community College:				
Current expense	2,656,655	2,656,655	-	2,701,383
Repair and maintenance	234,475	234,475	-	233,750
Total	<u>38,162,037</u>	<u>38,162,037</u>	<u>-</u>	<u>37,806,040</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, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	2011			2010 Actual
	Budget	Actual	Variance Over/Under	
Debt Service:				
Principal retirement	7,957,937	7,108,596	849,341	6,747,205
Interest and fees	2,501,876	3,659,128	(1,157,252)	3,294,950
Total	<u>10,459,813</u>	<u>10,767,724</u>	<u>(307,911)</u>	<u>10,042,155</u>
Total expenditures	<u>133,757,975</u>	<u>126,187,489</u>	<u>7,570,486</u>	<u>126,561,120</u>
Revenues over (under) expenditures	<u>(6,296,384)</u>	<u>(5,741,854)</u>	<u>554,530</u>	<u>(6,236,383)</u>
Other Financing Sources (Uses):				
Transfers from other funds:				
Capital project funds	2,900,000	1,623,213	(1,276,787)	2,200,000
Other funds	28,700	-	(28,700)	-
Transfers to other funds:				
Special revenue funds	(491,424)	(491,424)	-	-
Capital project funds	(598,225)	(598,225)	-	-
Total net transfers	<u>1,839,051</u>	<u>533,564</u>	<u>(1,305,487)</u>	<u>2,200,000</u>
Capital lease obligations issued	-	725,023	725,023	77,699
Sale of capital assets	25,000	17,588	(7,412)	11,885
Appropriated fund balance	4,494,933	-	(4,494,933)	-
Contingency	(62,600)	-	62,600	-
Total other financing sources (uses)	<u>6,296,384</u>	<u>1,276,175</u>	<u>(5,020,209)</u>	<u>2,289,584</u>
Net change in fund balance	<u>\$ -</u>	<u>(4,465,679)</u>	<u>\$ (4,465,679)</u>	<u>(3,946,799)</u>
Fund Balance:				
Beginning of year - July 1		<u>23,576,529</u>		<u>27,523,328</u>
End of year - June 30		<u>\$ 19,110,850</u>		<u>\$ 23,576,529</u>

MAJOR CAPITAL PROJECT FUNDS

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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, 2011

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Revenues:					
Restricted Intergovernmental:					
Public School Building Capital Fund Lottery	\$ 6,473,413	\$ 2,592,848	\$ 1,389,434	\$ 3,982,282	\$ (2,491,131)
Public School Capital Building Fund	32,882,048	31,047,078	965,930	32,013,008	(869,040)
Local Funds	3,055,373	3,055,373	-	3,055,373	-
Total restricted intergovernmental	42,410,834	36,695,299	2,355,364	39,050,663	(3,360,171)
Investment earnings	3,867,289	3,934,866	8,573	3,943,439	76,150
Sales tax refund	577,254	577,254	-	577,254	-
Total revenues	46,855,377	41,207,419	2,363,937	43,571,356	(3,284,021)
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	-
Sellars-Gunn Center	842,300	32,130	622,646	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	11,822,884	9,747,429	994,493	10,741,922	1,080,962
Central Office Chiller Unit	275,350	275,350	-	275,350	-
Ray Street Facility	275,944	266,495	9,449	275,944	-
B. Everett Jordan Elementary - lottery	1,465,200	1,270,414	-	1,270,414	194,786
Sylvan Elementary - lottery	1,135,000	1,036,912	50	1,036,962	98,038
2002 Facility Improvement Plan	945,403	944,803	-	944,803	600
Career Tech Center	8,298,202	285,520	4,544,543	4,830,063	3,468,139

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, 2011

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
AO Elementary School	1,200,000	-	160,623	160,623	1,039,377
Western Middle School	1,250,000	-	91,069	91,069	1,158,931
2006 Bond Reallocation - other	275,863	-	275,863	275,863	-
Completed projects	49,368,412	49,368,412	-	49,368,412	-
Contingency	2,471,948	-	-	-	2,471,948
School Bond interest costs	510,029	510,029	-	510,029	-
School Bond miscellaneous costs	-	9,450	-	9,450	(9,450)
School debt issue costs	452,250	609,325	126,121	735,446	(283,196)
Total expenditures	176,440,082	160,202,595	6,824,857	167,027,452	9,412,630
Revenues over (under) expenditures	(129,584,705)	(118,995,176)	(4,460,920)	(123,456,096)	6,128,609
Other Financing Sources (Uses):					
Transfers in:					
From General Fund	8,636,991	8,238,764	398,225	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	(9,360,588)	(7,937,375)	(1,423,213)	(9,360,588)	-
To Schools Capital Reserve Fund	(3,763,957)	(3,751,610)	(12,347)	(3,763,957)	-
Long-term debt issued	127,849,396	135,096,118	8,298,202	143,394,320	15,544,924
Payment to refunded bond escrow agent	(22,088,008)	(37,571,440)	-	(37,571,440)	(15,483,432)
Total other financing sources (uses)	129,584,705	122,385,328	7,260,867	129,646,195	61,490
Net change in fund balance	\$ -	\$ 3,390,152	2,799,947	\$ 6,190,099	\$ 6,190,099
Fund Balance:					
Beginning of year - July 1			3,390,152		
End of year - June 30			\$ 6,190,099		

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, 2011

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Revenues:					
Investment earnings - Group A	\$ -	\$ 10,752	\$ 2,092	\$ 12,844	\$ 12,844
Investment earnings - Group B	-	1,697	5,452	7,149	7,149
Total revenues	-	12,449	7,544	19,993	19,993
Expenditures:					
Renovation/Repair:					
Professional services	631	14,235	-	14,235	(13,604)
Architect	161,450	21,025	4,350	25,375	136,075
Capital outlay - other improvements	-	4,515	(3,919)	596	(596)
Total Renovation/Repair	162,081	39,775	431	40,206	121,875
HSC Chiller:					
Architect	23,525	26,359	-	26,359	(2,834)
Construction	196,710	192,418	-	192,418	4,292
Contingency	4,671	-	-	-	4,671
Total HSC Chiller	224,906	218,777	-	218,777	6,129
Family Justice Center/Fire Marshal:					
Professional services	40,000	3,850	-	3,850	36,150
Architect	140,140	140,118	-	140,118	22
Supplies - small tools, equipment	32,926	31,968	801	32,769	157
Maintenance and repair - building and grounds	20,000	6,864	12,629	19,493	507
Capital outlay - equipment and furniture	30,530	-	2,838	2,838	27,692
Construction	1,055,379	1,107,886	(24,942)	1,082,944	(27,565)
Total Family Justice Center/Fire Marshal	1,318,975	1,290,686	(8,674)	1,282,012	36,963
County Office Building/Court Annex:					
Professional services	7,500	110	576	686	6,814
Architect	44,286	54,707	-	54,707	(10,421)
Supplies - small tools, equipment	40,000	35,976	1,767	37,743	2,257
Capital outlay - equipment and furniture	5,888	4,039	-	4,039	1,849
Construction	389,112	325,852	28,260	354,112	35,000
Total County Office Building/Court Annex	486,786	420,684	30,603	451,287	35,499
Generator:					
Professional services	2,500	-	-	-	2,500
Architect	27,938	26,648	-	26,648	1,290
Total Generator	30,438	26,648	-	26,648	3,790
Maintenance Building Renovations:					
Professional services	9,690	2,771	644	3,415	6,275
Architect	37,395	38,955	-	38,955	(1,560)
Construction	170,190	161,030	21,178	182,208	(12,018)
Contingency	15,529	-	-	-	15,529
Total Maintenance Building Renovations	232,804	202,756	21,822	224,578	8,226
Criminal Courts Renovations:					
Professional services	1,000	-	120	120	880
Architect	20,257	19,943	-	19,943	314
Capital outlay - equipment and furniture	16,500	-	-	-	16,500
Construction	143,712	145,007	-	145,007	(1,295)
Contingency	4,371	-	-	-	4,371
Total Criminal Courts Renovations	185,840	164,950	120	165,070	20,770

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, 2011

	Project Authorization	Actual		Total to Date	Variance Over/Under
		Prior Years	Current Year		
Roofing - Group A:					
Professional services	7,500	-	-	-	7,500
Architect	45,640	42,152	-	42,152	3,488
Construction	397,047	391,100	1,898	392,998	4,049
Contingency	13,549	-	-	-	13,549
Total Roofing - Group A	463,736	433,252	1,898	435,150	28,586
Paving - Group A:					
Professional services	15,425	545	350	895	14,530
Architect	42,386	25,058	-	25,058	17,328
Parking lot rental	2,200	1,800	400	2,200	-
Construction	252,941	164,680	100,739	265,419	(12,478)
Contingency	6,565	-	-	-	6,565
Total Paving - Group A	319,517	192,083	101,489	293,572	25,945
Contingency - Group A:					
Contingency	1,810	-	-	-	1,810
Human Service Center/Wall Repair:					
Architect	14,790	354	-	354	14,436
Construction	101,346	61,205	36,970	98,175	3,171
Contingency	1,000	-	-	-	1,000
Total Human Service Center/Wall Repair	117,136	61,559	36,970	98,529	18,607
Old Courthouse:					
Professional services	70,960	68,852	1,900	70,752	208
Architect	388,337	341,638	81,777	423,415	(35,078)
Capital outlay - computer equipment	121,409	4,430	29,465	33,895	87,514
Construction	2,357,247	224,156	1,809,364	2,033,520	323,727
Supplies - small tools, equipment	-	-	79,387	79,387	(79,387)
Maintenance and repair - building and grounds	25,484	-	2,933	2,933	22,551
Contingency	81,486	-	-	-	81,486
Total Old Courthouse	3,044,923	639,076	2,004,826	2,643,902	401,021
County Office Building Restrooms:					
Architect	15,247	8,523	-	8,523	6,724
Construction	74,635	-	71,176	71,176	3,459
Contingency	5,200	-	-	-	5,200
Total County Office Building Restrooms	95,082	8,523	71,176	79,699	15,383
Cedarock Park:					
Professional services	11,000	7,600	2,064	9,664	1,336
Architect	65,642	51,429	128	51,557	14,085
Construction	388,125	125,864	260,248	386,112	2,013
Contingency	47,000	-	-	-	47,000
Total Cedarock Park	511,767	184,893	262,440	447,333	64,434
Repair/Renovation/ADA:					
Architect	37,139	38,101	-	38,101	(962)
Construction	225,345	76,837	137,444	214,281	11,064
Contingency	7,000	-	-	-	7,000
Total Repair/Renovation/ADA	269,484	114,938	137,444	252,382	17,102
AG Building HVAC Upgrade:					
Professional services	-	-	500	500	(500)
Architect	3,187	1,216	-	1,216	1,971
Construction	20,062	-	17,242	17,242	2,820
Contingency	3,000	-	-	-	3,000
Total AG Building HVAC Upgrade	26,249	1,216	17,742	18,958	7,291

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, 2011

	Project Authorization	Actual		Total to Date	Variance Over/Under
		Prior Years	Current Year		
Roofing Bundle - HSC - Group B:					
Architect	54,942	52,132	-	52,132	2,810
Construction	651,475	105,679	451,263	556,942	94,533
Contingency	5,000	-	-	-	5,000
Total Roofing Bundle - HSC - Group B	<u>711,417</u>	<u>157,811</u>	<u>451,263</u>	<u>609,074</u>	<u>102,343</u>
Roofing Bundle - Register of Deeds - Group B:					
Architect	13,930	-	-	-	13,930
Construction	162,438	-	132,750	132,750	29,688
Contingency	1,000	-	-	-	1,000
Total Roofing Bundle - Register of Deeds - Group B	<u>177,368</u>	<u>-</u>	<u>132,750</u>	<u>132,750</u>	<u>44,618</u>
Paving - Group B:					
Professional services	20,500	2,740	3,823	6,563	13,937
Architect	69,055	48,053	-	48,053	21,002
Construction	831,492	196,723	525,051	721,774	109,718
Contingency	(2,558)	-	-	-	(2,558)
Total Paving - Group B	<u>918,489</u>	<u>247,516</u>	<u>528,874</u>	<u>776,390</u>	<u>142,099</u>
Eli Whitney Project:					
Architect	5,000	-	-	-	5,000
Construction	85,128	-	78,630	78,630	6,498
Total Eli Whitney Project	<u>90,128</u>	<u>-</u>	<u>78,630</u>	<u>78,630</u>	<u>11,498</u>
Contingency - Group B:					
Contingency	<u>11,064</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,064</u>
Issuance costs	<u>-</u>	<u>22,964</u>	<u>-</u>	<u>22,964</u>	<u>(22,964)</u>
Total expenditures	<u>9,400,000</u>	<u>4,428,107</u>	<u>3,869,804</u>	<u>8,297,911</u>	<u>1,102,089</u>
Revenues over (under) expenditures	<u>(9,400,000)</u>	<u>(4,415,658)</u>	<u>(3,862,260)</u>	<u>(8,277,918)</u>	<u>1,122,082</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:					
To General Fund	(500,000)	(500,000)	-	(500,000)	-
Transfers in:					
From General Fund	500,000	500,000	-	500,000	-
Total other financing sources (uses)	<u>9,400,000</u>	<u>9,400,000</u>	<u>-</u>	<u>9,400,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 4,984,342</u>	<u>(3,862,260)</u>	<u>\$ 1,122,082</u>	<u>\$ 1,122,082</u>
Fund Balance:					
Beginning of year - July 1			<u>4,984,342</u>		
End of year - June 30			<u>\$ 1,122,082</u>		

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NONMAJOR GOVERNMENTAL FUNDS

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ALAMANCE COUNTY, NORTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2011

Schedule D-1

	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	800 MHz Emergency Equipment Fund	Probation and Parole Fund		Total
Assets:												
Cash and cash equivalents	\$ 1,043,614	\$ -	\$ -	\$ 1,043,614	\$ 76,092	\$ 1,977	\$ 17,699	\$ 281,915	\$ 12,193	\$ -	\$ 389,876	\$ 1,433,490
Taxes receivable, net	-	314,752	-	314,752	-	-	-	-	-	-	-	314,752
Accounts receivable, net	57,319	-	2,539	59,858	-	-	-	-	2,065	-	2,065	61,923
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	57,479	928,327	985,806	985,806
Total assets	\$ 1,100,933	\$ 314,752	\$ 2,539	\$ 1,418,224	\$ 76,092	\$ 1,977	\$ 17,699	\$ 281,915	\$ 71,737	\$ 928,327	\$ 1,377,747	\$ 2,795,971
Liabilities and Fund Balances:												
Liabilities:												
Accounts payable	161	-	-	161	-	-	-	-	-	-	-	161
Due to other funds	-	-	24,455	24,455	-	-	-	-	-	-	-	24,455
Deferred revenue	-	314,752	-	314,752	-	-	-	-	-	-	-	314,752
Total liabilities	161	314,752	24,455	339,368	-	-	-	-	-	-	-	339,368
Fund Balances:												
Restricted:												
Stabilization by State Statute	57,319	-	2,539	59,858	-	-	-	-	2,065	-	2,065	61,923
Restricted, all other:	1,043,453	-	-	1,043,453	76,092	1,977	17,699	281,915	12,193	928,327	985,806	2,029,259
Committed:	-	-	-	-	-	-	-	-	-	-	-	389,876
Unassigned	-	-	(24,455)	(24,455)	-	-	-	-	-	-	-	(24,455)
Total fund balances	1,100,772	-	(21,916)	1,078,856	76,092	1,977	17,699	281,915	71,737	928,327	1,377,747	2,456,603
Total liabilities and fund balances	\$ 1,100,933	\$ 314,752	\$ 2,539	\$ 1,418,224	\$ 76,092	\$ 1,977	\$ 17,699	\$ 281,915	\$ 71,737	\$ 928,327	\$ 1,377,747	\$ 2,795,971

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, 2011

	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	800 MHz Emergency Equipment Fund	Probation and Parole Fund		Total
Revenues:												
Ad valorem taxes	\$ -	\$ 4,210,110	\$ -	\$ 4,210,110	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,210,110
Restricted intergovernmental	683,485	19,062	634,465	1,337,012	-	-	-	-	-	-	-	1,337,012
Investment earnings	1,007	-	(27)	980	117	-	-	-	4,924	101	5,142	6,122
Total revenues	684,492	4,229,172	634,438	5,548,102	117	-	-	-	4,924	101	5,142	5,553,244
Expenditures:												
Current:												
Public safety	537,727	4,229,172	-	4,766,899	-	-	-	-	242,894	69,917	312,811	5,079,710
Economic and physical development	-	-	696,252	696,252	-	-	-	-	-	-	-	696,252
Intergovernmental:												
Education	-	-	-	-	-	-	-	906,897	-	-	906,897	906,897
Debt service:												
Issuance costs	-	-	-	-	-	-	-	-	-	1,857	1,857	1,857
Total expenditures	537,727	4,229,172	696,252	5,463,151	-	-	-	906,897	242,894	71,774	1,221,565	6,684,716
Revenues over (under) expenditures	146,765	-	(61,814)	84,951	117	-	-	(906,897)	(237,970)	(71,673)	(1,216,423)	(1,131,472)
Other Financing Sources (Uses):												
Long-term debt issued	-	-	-	-	-	-	-	-	-	1,000,000	1,000,000	1,000,000
Transfers in	491,424	-	-	491,424	12,347	-	-	-	-	200,000	212,347	703,771
Transfers out	-	-	-	-	-	-	-	-	-	(200,000)	(200,000)	(200,000)
Total other financing sources (uses)	491,424	-	-	491,424	12,347	-	-	-	-	1,000,000	1,012,347	1,503,771
Net change in fund balances	638,189	-	(61,814)	576,375	12,464	-	-	(906,897)	(237,970)	928,327	(204,076)	372,299
Fund Balances:												
Beginning of year - July 1	462,583	-	39,898	502,481	63,628	1,977	17,699	1,188,812	309,707	-	1,581,823	2,084,304
End of year - June 30	\$ 1,100,772	\$ -	\$ (21,916)	\$ 1,078,856	\$ 76,092	\$ 1,977	\$ 17,699	\$ 281,915	\$ 71,737	\$ 928,327	\$ 1,377,747	\$ 2,456,603

NONMAJOR SPECIAL REVENUE FUNDS

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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, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	2011			2010 Actual
	Budget	Actual	Variance Over/Under	
Revenues:				
Restricted intergovernmental:				
Wireless 911 funds	\$ 711,857	\$ 683,485	\$ (28,372)	\$ 683,485
Investment earnings	1,000	1,007	7	1,585
Total revenues	<u>712,857</u>	<u>684,492</u>	<u>(28,365)</u>	<u>685,070</u>
Expenditures:				
Current:				
Public Safety:				
911 system subscriber fees:				
Supplies - computer	42,500	22,798	19,702	-
Supplies - small tools and equipment	8,000	2,063	5,937	6,988
Telephone	401,200	246,118	155,082	403,954
Contracted services	197,570	125,692	71,878	124,227
Capital outlay - equipment	143,200	71,439	71,761	-
Capital outlay - computer equipment	25,000	11,400	13,600	32,435
Miscellaneous	57,170	58,217	(1,047)	-
Total subscriber fees	<u>874,640</u>	<u>537,727</u>	<u>336,913</u>	<u>567,604</u>
Wireless 911:				
Capital outlay - computer equipment	-	-	-	15,984
Total wireless 911	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,984</u>
Debt service:				
Principal retirement	-	-	-	66,452
Interest and other charges	-	-	-	9,398
Total debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,850</u>
Total expenditures	<u>874,640</u>	<u>537,727</u>	<u>336,913</u>	<u>659,438</u>
Revenues over (under) expenditures	<u>(161,783)</u>	<u>146,765</u>	<u>308,548</u>	<u>25,632</u>
Other Financing Sources (Uses):				
Transfer in from General Fund	491,424	491,424	-	-
Contingency	(329,641)	-	329,641	-
Total other financing sources (uses)	<u>161,783</u>	<u>491,424</u>	<u>329,641</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>638,189</u>	<u>\$ 638,189</u>	<u>25,632</u>
Fund Balance:				
Beginning of year - July 1		<u>462,583</u>		<u>436,951</u>
End of year - June 30		<u>\$ 1,100,772</u>		<u>\$ 462,583</u>

ALAMANCE COUNTY, NORTH CAROLINA

**FIRE DISTRICT FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2011**

	<u>Sweptonville 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	\$ 42,627	\$ 17,092	\$ 16,484	\$ 24,433	\$ 26,268	\$ 6,385
Total assets	<u>\$ 42,627</u>	<u>\$ 17,092</u>	<u>\$ 16,484</u>	<u>\$ 24,433</u>	<u>\$ 26,268</u>	<u>\$ 6,385</u>
Liabilities and Fund Balances:						
Liabilities:						
Deferred revenues	<u>\$ 42,627</u>	<u>\$ 17,092</u>	<u>\$ 16,484</u>	<u>\$ 24,433</u>	<u>\$ 26,268</u>	<u>\$ 6,385</u>
Total liabilities and fund balances	<u>\$ 42,627</u>	<u>\$ 17,092</u>	<u>\$ 16,484</u>	<u>\$ 24,433</u>	<u>\$ 26,268</u>	<u>\$ 6,385</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>
\$ 25,278	\$ 41,389	\$ 24,108	\$ 20,802	\$ 37,609	\$ 32,277	\$ 314,752
<u>\$ 25,278</u>	<u>\$ 41,389</u>	<u>\$ 24,108</u>	<u>\$ 20,802</u>	<u>\$ 37,609</u>	<u>\$ 32,277</u>	<u>\$ 314,752</u>
\$ 25,278	\$ 41,389	\$ 24,108	\$ 20,802	\$ 37,609	\$ 32,277	\$ 314,752
<u>\$ 25,278</u>	<u>\$ 41,389</u>	<u>\$ 24,108</u>	<u>\$ 20,802</u>	<u>\$ 37,609</u>	<u>\$ 32,277</u>	<u>\$ 314,752</u>

ALAMANCE COUNTY, NORTH CAROLINA

**FIRE DISTRICT FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>Swepsonville 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	\$ 650,519	\$ 279,714	\$ 290,836	\$ 354,584	\$ 214,137
Penalties and interest	<u>5,072</u>	<u>2,072</u>	<u>1,513</u>	<u>2,671</u>	<u>3,253</u>
Total ad valorem taxes	<u>655,591</u>	<u>281,786</u>	<u>292,349</u>	<u>357,255</u>	<u>217,390</u>
Restricted intergovernmental:					
Fireman's Relief Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,977</u>	<u>-</u>
Total revenues	<u>655,591</u>	<u>281,786</u>	<u>292,349</u>	<u>360,232</u>	<u>217,390</u>
Expenditures:					
Current:					
Public safety	<u>655,591</u>	<u>281,786</u>	<u>292,349</u>	<u>360,232</u>	<u>217,390</u>
Total expenditures	<u>655,591</u>	<u>281,786</u>	<u>292,349</u>	<u>360,232</u>	<u>217,390</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
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>

Schedule E-3

<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>
\$ 122,479	\$ 342,978	\$ 549,948	\$ 391,192	\$ 330,953	\$ 268,256	\$ 380,125	\$ 4,175,721
<u>547</u>	<u>3,444</u>	<u>3,072</u>	<u>2,699</u>	<u>2,506</u>	<u>3,729</u>	<u>3,811</u>	<u>34,389</u>
<u>123,026</u>	<u>346,422</u>	<u>553,020</u>	<u>393,891</u>	<u>333,459</u>	<u>271,985</u>	<u>383,936</u>	<u>4,210,110</u>
<u>867</u>	<u>3,170</u>	<u>5,918</u>	<u>2,812</u>	<u>-</u>	<u>-</u>	<u>3,318</u>	<u>19,062</u>
<u>123,893</u>	<u>349,592</u>	<u>558,938</u>	<u>396,703</u>	<u>333,459</u>	<u>271,985</u>	<u>387,254</u>	<u>4,229,172</u>
<u>123,893</u>	<u>349,592</u>	<u>558,938</u>	<u>396,703</u>	<u>333,459</u>	<u>271,985</u>	<u>387,254</u>	<u>4,229,172</u>
<u>123,893</u>	<u>349,592</u>	<u>558,938</u>	<u>396,703</u>	<u>333,459</u>	<u>271,985</u>	<u>387,254</u>	<u>4,229,172</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</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, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010 Actual
	Budget	Actual	Variance Over/Under	
Revenues:				
Ad valorem taxes:				
Swepsonville	\$ 655,591	\$ 655,591	\$ -	\$ 662,022
54 East	281,786	281,786	-	335,366
Elon Fire / Rescue	292,349	292,349	-	300,484
Faucette	357,255	357,255	-	350,454
North Eastern Alamance	217,390	217,390	-	211,740
North Central Alamance	123,026	123,026	-	123,797
Eli Whitney/87 South	346,422	346,422	-	344,033
E.M. Holt	553,020	553,020	-	610,760
Altamahaw-Ossipee	397,346	393,891	(3,455)	391,234
East Alamance	333,459	333,459	-	335,661
Haw River	271,985	271,985	-	216,271
Snow Camp	383,936	383,936	-	384,372
Total ad valorem taxes	<u>4,213,565</u>	<u>4,210,110</u>	<u>(3,455)</u>	<u>4,266,194</u>
Restricted intergovernmental:				
Fireman's relief fund				
Faucette	2,977	2,977	-	2,930
North Eastern Alamance	-	-	-	2,032
North Central Alamance	867	867	-	781
Eli Whitney/87 South	3,170	3,170	-	2,989
E.M. Holt	5,918	5,918	-	5,686
Altamahaw-Ossipee	(643)	2,812	3,455	2,708
Snow Camp	3,318	3,318	-	3,067
Total Fireman's relief fund	<u>15,607</u>	<u>19,062</u>	<u>3,455</u>	<u>20,193</u>
Total revenues	<u>4,229,172</u>	<u>4,229,172</u>	<u>-</u>	<u>4,286,387</u>
Expenditures:				
Current:				
Public Safety				
Swepsonville	655,591	655,591	-	662,022
54 East	281,786	281,786	-	335,366
Elon Fire / Rescue	292,349	292,349	-	300,484
Faucette	360,232	360,232	-	353,384
North Eastern Alamance	217,390	217,390	-	213,772
North Central Alamance	123,893	123,893	-	124,577
Eli Whitney/87 South	349,592	349,592	-	347,022
E.M. Holt	558,938	558,938	-	616,447
Altamahaw-Ossipee	396,703	396,703	-	393,942
East Alamance	333,459	333,459	-	335,661
Haw River	271,985	271,985	-	216,271
Snow Camp	387,254	387,254	-	387,439
Total expenditures	<u>4,229,172</u>	<u>4,229,172</u>	<u>-</u>	<u>4,286,387</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, 2011

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Revenues:					
Restricted Intergovernmental:					
CDBG Infrastructured Grant	\$ 196,840	\$ 196,840	\$ -	\$ 196,840	\$ -
Scattered Sites Housing - 2007	500,182	481,591	18,591	500,182	-
Urgent Repair Program Grant - 2007	75,000	75,000	-	75,000	-
CDBG Housing Development Grant	250,000	229,004	20,996	250,000	-
EPA Brownfields Grant	95,000	1,396	37,890	39,286	(55,714)
Urgent Repair Program Grant - 2009	75,000	37,500	37,500	75,000	-
Single Family Rehabilitation - 2009	400,000	-	519,488	519,488	119,488
Scattered Sites Housing - 2010	400,000	-	-	-	(400,000)
Economic Recovery Grant - 2010	500,000	-	-	-	(500,000)
Miscellaneous	12,812	12,812	-	12,812	-
Investment earnings	1,964	2,024	(27)	1,997	33
Total revenues	<u>2,506,798</u>	<u>1,036,167</u>	<u>634,438</u>	<u>1,670,605</u>	<u>(836,193)</u>
Expenditures:					
CDBG Infrastructure Grant:					
Sewer improvements	185,000	185,000	-	185,000	-
Administration	22,200	22,200	-	22,200	-
Total CDBG Infrastructure expenditures	<u>207,200</u>	<u>207,200</u>	<u>-</u>	<u>207,200</u>	<u>-</u>
CDBG Scattered Sites Housing Grant - 2007:					
Rehabilitation	463,194	409,776	34,963	444,739	18,455
Administration	49,800	49,738	1	49,739	61
Total Scattered Sites Housing - 2007 expenditures	<u>512,994</u>	<u>459,514</u>	<u>34,964</u>	<u>494,478</u>	<u>18,516</u>
CDBG Scattered Sites Housing Grant - 2010:					
Rehabilitation	360,000	-	12,296	12,296	347,704
Administration	40,000	-	199	199	39,801
Total Scattered Sites Housing - 2010 expenditures	<u>400,000</u>	<u>-</u>	<u>12,495</u>	<u>12,495</u>	<u>387,505</u>
CDBG Economic Recovery Grant - 2010:					
Rehabilitation	450,000	-	-	-	450,000
Administration	50,000	-	-	-	50,000
Total Economic Recovery Grant - 2010 expenditures	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>500,000</u>
Urgent Repair Program Grant - 2007:					
Program costs	76,964	76,964	-	76,964	-
CDBG Housing Development					
Rehabilitation	225,000	225,000	-	225,000	-
Administration	25,000	25,000	-	25,000	-
Total Housing Development expenditures	<u>250,000</u>	<u>250,000</u>	<u>-</u>	<u>250,000</u>	<u>-</u>
EPA Brownfields Grant:					
Supplies and small tools	3,500	-	-	-	3,500
Travel and training	3,500	678	-	678	2,822
Contracted services	86,000	1,300	45,613	46,913	39,087
Other and outreach	2,000	-	-	-	2,000
Total EPA Brownfields expenditures	<u>95,000</u>	<u>1,978</u>	<u>45,613</u>	<u>47,591</u>	<u>47,409</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, 2011

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Single Family Rehabilitation:					
Soft cost	48,000	1,458	50,279	51,737	(3,737)
Hard cost	320,000	4,500	446,227	450,727	(130,727)
Administration	32,000	-	32,000	32,000	-
Total Single Family Rehabilitation expenditures	400,000	5,958	528,506	534,464	(134,464)
Urgent Repair Program Grant - 2009:					
Program cost	75,000	5,015	74,674	79,689	(4,689)
Total expenditures	2,517,158	1,006,629	696,252	1,702,881	814,277
Revenues over (under) expenditures	(10,360)	29,538	(61,814)	(32,276)	(21,916)
Other Financing Sources (Uses):					
Transfers in:					
From General Fund	10,360	10,360	-	10,360	-
Total other financing sources (uses)	10,360	10,360	-	10,360	-
Net change in fund balance	\$ -	\$ 39,898	(61,814)	\$ (21,916)	\$ (21,916)
Fund Balance:					
Beginning of year - July 1			39,898		
End of year - June 30			\$ (21,916)		

NONMAJOR CAPITAL PROJECT FUNDS

ALAMANCE COUNTY, NORTH CAROLINA

CAPITAL RESERVE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2011

	<u>Schools Fund</u>	<u>County Buildings Fund</u>	<u>Alamance Community College Fund</u>	<u>Total</u>
Assets:				
Cash and cash equivalents	\$ 12,840	\$ 58,137	\$ 5,115	\$ 76,092
Total assets	<u>\$ 12,840</u>	<u>\$ 58,137</u>	<u>\$ 5,115</u>	<u>\$ 76,092</u>
Liabilities and Fund Balances:				
Fund Balance:				
Comitted	\$ 12,840	\$ 58,137	\$ 5,115	\$ 76,092
Total liabilities and fund balances	<u>\$ 12,840</u>	<u>\$ 58,137</u>	<u>\$ 5,115</u>	<u>\$ 76,092</u>

ALAMANCE COUNTY, NORTH CAROLINA

**CAPITAL RESERVE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2011**

	<u>Schools Fund</u>	<u>County Buildings Fund</u>	<u>Alamance Community College Fund</u>	<u>Total</u>
Revenues:				
Investment earnings	\$ 28	\$ 81	\$ 8	\$ 117
Total revenues	<u>28</u>	<u>81</u>	<u>8</u>	<u>117</u>
Other Financing Sources (Uses):				
Transfers in:				
From Schools Capital Projects Fund	12,347	-	-	12,347
Total other financing sources (uses)	<u>12,347</u>	<u>-</u>	<u>-</u>	<u>12,347</u>
Net change in fund balances	12,375	81	8	12,464
Fund Balances:				
Beginning of year - July 1	<u>465</u>	<u>58,056</u>	<u>5,107</u>	<u>63,628</u>
End of year - June 30	<u>\$ 12,840</u>	<u>\$ 58,137</u>	<u>\$ 5,115</u>	<u>\$ 76,092</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, 2011

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010 Actual
	Budget	Actual	Variance Over/Under	
Revenues:				
Investment earnings				
Schools	\$ 1,000	\$ 28	\$ (972)	\$ 1
County Buildings	1,000	81	(919)	235
Alamance Community College	5,000	8	(4,992)	(69)
Total revenues	<u>7,000</u>	<u>117</u>	<u>(6,883)</u>	<u>167</u>
Other Financing Sources (Uses):				
Transfer from Schools Capital Project Fund	12,347	12,347	-	-
Appropriated fund balance:				
Schools	(13,347)	-	13,347	-
County Buildings	(1,000)	-	1,000	-
Alamance Community College	(5,000)	-	5,000	-
Total other financing sources (uses)	<u>(7,000)</u>	<u>12,347</u>	<u>19,347</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>12,464</u>	<u>\$ 12,464</u>	<u>167</u>
Fund Balance:				
Beginning of year - July 1		<u>63,628</u>		<u>63,461</u>
End of year - June 30		<u>\$ 76,092</u>		<u>\$ 63,628</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, 2011

	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	54,056	53,631	-	53,631	425
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	275,000	274,992	-	274,992	8
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	70,000	68,456	-	68,456	1,544
Total expenditures	<u>916,598</u>	<u>914,621</u>	<u>-</u>	<u>914,621</u>	<u>1,977</u>
Revenues over (under) expenditures	<u>(916,598)</u>	<u>(914,621)</u>	<u>-</u>	<u>(914,621)</u>	<u>1,977</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>(112,536)</u>	<u>(112,536)</u>	<u>-</u>	<u>(112,536)</u>	<u>-</u>
Total other financing sources (uses)	<u>916,598</u>	<u>916,598</u>	<u>-</u>	<u>916,598</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,977</u>	<u>-</u>	<u>\$ 1,977</u>	<u>\$ 1,977</u>
Fund Balance:					
Beginning of year - July 1			<u>1,977</u>		
End of year - June 30			<u>\$ 1,977</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, 2011**

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Revenues:					
Investment earnings	\$ 38,529	\$ 38,919	\$ -	\$ 38,919	\$ 390
Miscellaneous	2,428	2,428	-	2,428	-
Total revenues	<u>40,957</u>	<u>41,347</u>	<u>-</u>	<u>41,347</u>	<u>390</u>
Expenditures:					
Jail expansion:					
Professional service	57,221	57,221	-	57,221	-
Architect	679,453	679,453	-	679,453	-
Supplies - small tools and equipment	107,025	125,523	-	125,523	(18,498)
Capital outlay - furniture and fixtures	63,610	63,610	-	63,610	-
Construction	11,361,312	11,622,072	-	11,622,072	(260,760)
Capital outlay - other improvements	4,702	4,505	-	4,505	197
Miscellaneous	200	200	-	200	-
Total jail expansion	<u>12,273,523</u>	<u>12,552,584</u>	<u>-</u>	<u>12,552,584</u>	<u>(279,061)</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	15,543	15,543	-	15,543	-
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	74,250	74,250	-	74,250	-
Total jail chiller/fire alarm	<u>94,870</u>	<u>94,870</u>	<u>-</u>	<u>94,870</u>	<u>-</u>
Total expenditures	<u>13,018,861</u>	<u>13,297,922</u>	<u>-</u>	<u>13,297,922</u>	<u>(279,061)</u>
Revenues over (under) expenditures	<u>(12,977,904)</u>	<u>(13,256,575)</u>	<u>-</u>	<u>(13,256,575)</u>	<u>(278,671)</u>
Other Financing Sources (Uses):					
Transfers in:					
From General Fund	2,822,310	3,118,680	-	3,118,680	296,370
From County Building Capital Reserve Fund	200,000	200,000	-	200,000	-
Transfer to General Fund	(44,406)	(44,406)	-	(44,406)	-
Issuance of installment loan	10,000,000	10,000,000	-	10,000,000	-
Total other financing sources (uses)	<u>12,977,904</u>	<u>13,274,274</u>	<u>-</u>	<u>13,274,274</u>	<u>296,370</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 17,699</u>	<u>-</u>	<u>\$ 17,699</u>	<u>\$ 17,699</u>
Fund Balance:					
Beginning of year - July 1			<u>17,699</u>		
End of year - June 30			<u>\$ 17,699</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, 2011**

	Project Authorization	Actual		Total to Date	Variance Over/Under
		Prior Years	Current Year		
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	1,921,157	741,742	906,897	1,648,639	272,518
Total expenditures	<u>13,248,529</u>	<u>12,067,434</u>	<u>906,897</u>	<u>12,974,331</u>	<u>274,198</u>
Revenues over (under) expenditures	<u>(12,715,529)</u>	<u>(11,526,717)</u>	<u>(906,897)</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>\$ 1,188,812</u>	<u>(906,897)</u>	<u>\$ 281,915</u>	<u>\$ 281,915</u>
Fund Balance:					
Beginning of year - July 1			<u>1,188,812</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, 2011

	<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	\$ -	\$ 9,334	\$ 4,924	\$ 14,258	\$ 14,258
Total revenues	-	9,334	4,924	14,258	14,258
Expenditures:					
Contracted services	393,006	397,152	41,862	439,014	(46,008)
Capital outlay - equipment	3,853,594	3,689,832	155,682	3,845,514	8,080
Capital outlay - other improvements	350,000	284,483	45,350	329,833	20,167
Principal payments on lease	-	10,920	-	10,920	(10,920)
Total expenditures	4,596,600	4,382,387	242,894	4,625,281	(28,681)
Revenues over (under) expenditures	(4,596,600)	(4,373,053)	(237,970)	(4,611,023)	(14,423)
Other Financing Sources (Uses):					
Installment loan issued	4,650,000	4,650,000	-	4,650,000	-
Capital lease issued	-	32,760	-	32,760	32,760
Contingency	(53,400)	-	-	-	53,400
Total other financing sources (uses)	4,596,600	4,682,760	-	4,682,760	86,160
Net change in fund balance	\$ -	\$ 309,707	(237,970)	\$ 71,737	\$ 71,737
Fund Balance:					
Beginning of year - July 1			309,707		
End of year - June 30			\$ 71,737		

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, 2011**

	<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:					
Investment earnings	\$ -	\$ -	\$ 101	\$ 101	\$ 101
Total revenues	<u>-</u>	<u>-</u>	<u>101</u>	<u>101</u>	<u>101</u>
Expenditures:					
Design and construction	921,960	-	69,917	69,917	852,043
Loan issuance costs	1,857	-	1,857	1,857	-
Contingency	76,183	-	-	-	76,183
Total expenditures	<u>1,000,000</u>	<u>-</u>	<u>71,774</u>	<u>71,774</u>	<u>928,226</u>
Revenues over (under) expenditures	<u>(1,000,000)</u>	<u>-</u>	<u>(71,673)</u>	<u>(71,673)</u>	<u>928,327</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	(200,000)	-	(200,000)	(200,000)	-
Total other financing sources (uses)	<u>1,000,000</u>	<u>-</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>928,327</u>	<u>\$ 928,327</u>	<u>\$ 928,327</u>
Fund Balance:					
Beginning of year - July 1			<u>-</u>		
End of year - June 30			<u>\$ 928,327</u>		

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ENTERPRISE FUND

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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, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010 Actual
	Budget	Actual	Variance Over/Under	
Revenues:				
Operating revenues:				
Landfill user charges	\$ 2,672,922	\$ 3,182,257	\$ 509,335	\$ 3,142,652
Miscellaneous	265,000	360,337	95,337	529,963
Total operating revenues	<u>2,937,922</u>	<u>3,542,594</u>	<u>604,672</u>	<u>3,672,615</u>
Non-operating revenues:				
Interest on investments	20,200	15,653	(4,547)	19,070
Scrap tire disposal grant	-	-	-	19,362
Total non-operating revenues	<u>20,200</u>	<u>15,653</u>	<u>(4,547)</u>	<u>38,432</u>
Total revenues	<u>2,958,122</u>	<u>3,558,247</u>	<u>600,125</u>	<u>3,711,047</u>
Expenditures:				
Environmental protection:				
Landfill:				
Administration:				
Fixed charges and other expenditures	150,623	150,623	-	117,000
Operations:				
Salaries and benefits	968,502	899,490	69,012	921,602
Supplies and materials	36,500	29,730	6,770	32,024
Current obligations and services	708,320	528,735	179,585	456,163
State mandated MSW/C&D charges	167,000	164,012	2,988	158,080
Fixed charges and other expenditures	740,145	426,012	314,133	503,080
Total operations expenditures	<u>2,620,467</u>	<u>2,047,979</u>	<u>572,488</u>	<u>2,070,949</u>
Budgetary appropriations:				
Other capital outlay	238,820	170,909	67,911	194,420
Bank service charges	2,500	-	2,500	-
Total budgetary appropriations	<u>241,320</u>	<u>170,909</u>	<u>70,411</u>	<u>194,420</u>
Total expenditures	<u>3,012,410</u>	<u>2,369,511</u>	<u>642,899</u>	<u>2,382,369</u>
Revenues over (under) expenditures	<u>(54,288)</u>	<u>1,188,736</u>	<u>1,243,024</u>	<u>1,328,678</u>
Other Financing Sources (Uses):				
Appropriated fund balance	54,288	-	(54,288)	-
Total other financing sources (uses)	<u>54,288</u>	<u>-</u>	<u>(54,288)</u>	<u>-</u>
Total other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 1,188,736</u>	<u>\$ 1,188,736</u>	<u>\$ 1,328,678</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual Basis:				
Revenues and other financing sources over (under) expenditures and other financing uses		\$ 1,188,736		\$ 1,328,678
Reconciling items:				
Capital outlay		166,994		194,420
Change in accrued landfill closure and post-closure care costs		(512,152)		(834,180)
Change in compensated absences payable		(2,316)		(3,093)
Change in other post-employment benefits		(146,598)		1,698
Depreciation		<u>(535,840)</u>		<u>(470,778)</u>
Change in net assets		<u>\$ 158,824</u>		<u>\$ 216,745</u>

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INTERNAL SERVICE FUNDS

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ALAMANCE COUNTY, NORTH CAROLINA

**ALL INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
JUNE 30, 2011**

	<u>Employee Insurance Fund</u>	<u>Workers' Compensation Fund</u>	<u>Total</u>
Assets:			
Current assets:			
Cash and cash equivalents	\$ 6,147,503	\$ 2,109,053	\$ 8,256,556
Receivables, net	7,460	1,459	8,919
Total current assets	<u>6,154,963</u>	<u>2,110,512</u>	<u>8,265,475</u>
Total assets	<u>6,154,963</u>	<u>2,110,512</u>	<u>8,265,475</u>
Liabilities and Net Assets:			
Liabilities:			
Current liabilities:			
Accounts payable	<u>345,745</u>	<u>22,373</u>	<u>368,118</u>
Total current liabilities	<u>345,745</u>	<u>22,373</u>	<u>368,118</u>
Total liabilities and net assets	<u>345,745</u>	<u>22,373</u>	<u>368,118</u>
Net Assets:			
Unrestricted	<u>\$ 5,809,218</u>	<u>\$ 2,088,139</u>	<u>\$ 7,897,357</u>

ALAMANCE COUNTY, NORTH CAROLINA

**INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENSES,
 AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2011**

	Employee Insurance Fund	Workers' Compensation Fund	Total
Operating Revenues:			
Premiums	\$ 5,822,282	\$ 900,000	\$ 6,722,282
Excess claims reimbursements	25,734	-	25,734
Total operating revenues	<u>5,848,016</u>	<u>900,000</u>	<u>6,748,016</u>
Operating Expenditures:			
Administration	39,000	17,000	56,000
Personal services	8,053,156	429,655	8,482,811
Fixed charges and other expenditures	8,898	2,929	11,827
Total operating expenditures	<u>8,101,054</u>	<u>449,584</u>	<u>8,550,638</u>
Operating income (loss)	<u>(2,253,038)</u>	<u>450,416</u>	<u>(1,802,622)</u>
Non-Operating Revenue (Expense):			
Investment earnings	<u>18,815</u>	<u>4,236</u>	<u>23,051</u>
Change in net assets	(2,234,223)	454,652	(1,779,571)
Net Assets:			
Beginning of year- July 1	<u>8,043,441</u>	<u>1,633,487</u>	<u>9,676,928</u>
End of year - June 30	<u>\$ 5,809,218</u>	<u>\$ 2,088,139</u>	<u>\$ 7,897,357</u>

ALAMANCE COUNTY, NORTH CAROLINA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2011

	Employee Insurance Fund	Workers' Compensation Fund	Total
Cash Flows from Operating Activities:			
Cash received from customers	\$ 5,899,129	\$ 900,000	\$ 6,799,129
Cash paid for goods and services	<u>(8,064,329)</u>	<u>(441,607)</u>	<u>(8,505,936)</u>
Net cash provided (used) by operating activities	<u>(2,165,200)</u>	<u>458,393</u>	<u>(1,706,807)</u>
Cash Flows from Investing Activities:			
Investment earnings	<u>18,815</u>	<u>4,236</u>	<u>23,051</u>
Net cash provided (used) in investing activities	<u>18,815</u>	<u>4,236</u>	<u>23,051</u>
Net increase (decrease) in cash and cash equivalents	(2,146,385)	462,629	(1,683,756)
Cash and Cash Equivalents/Investments:			
Beginning of year - July 1	<u>8,293,888</u>	<u>1,646,424</u>	<u>9,940,312</u>
End of year - June 30	<u>\$ 6,147,503</u>	<u>\$ 2,109,053</u>	<u>\$ 8,256,556</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ (2,253,038)	\$ 450,416	\$ (1,802,622)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	51,113	-	51,113
Increase (decrease) in accounts payable	<u>36,725</u>	<u>7,977</u>	<u>44,702</u>
Net cash provided (used) by operating activities	<u>\$ (2,165,200)</u>	<u>\$ 458,393</u>	<u>\$ (1,706,807)</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, 2011

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010 Actual
	Plan	Actual	Variance Over/Under	
Operating Revenues:				
Premiums	\$ 7,426,109	\$ 5,822,282	\$ (1,603,827)	\$ 7,059,090
Excess claims reimbursements	-	25,734	25,734	2,078
Total operating revenues	<u>7,426,109</u>	<u>5,848,016</u>	<u>(1,578,093)</u>	<u>7,061,168</u>
Non-Operating Revenue (Expense):				
Investment earnings	<u>40,000</u>	<u>18,815</u>	<u>(21,185)</u>	<u>36,715</u>
Total revenues	<u>7,466,109</u>	<u>5,866,831</u>	<u>(1,599,278)</u>	<u>7,097,883</u>
Operating Expenditures:				
Administration	39,000	39,000	-	39,000
Personal services	8,291,509	8,053,156	238,353	6,701,501
Fixed charges and other expenditures	<u>10,600</u>	<u>8,898</u>	<u>1,702</u>	<u>8,813</u>
Total operating expenditures	<u>8,341,109</u>	<u>8,101,054</u>	<u>240,055</u>	<u>6,749,314</u>
Revenues over (under) expenditures	<u>(875,000)</u>	<u>(2,234,223)</u>	<u>(1,359,223)</u>	<u>348,569</u>
Other Financing Sources (Uses):				
Appropriated fund balance	<u>875,000</u>	<u>-</u>	<u>(875,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>875,000</u>	<u>-</u>	<u>(875,000)</u>	<u>-</u>
Change in net assets	<u>\$ -</u>	<u>\$ (2,234,223)</u>	<u>\$ (2,234,223)</u>	<u>\$ 348,569</u>
Reconciliation of Financial Plan Basis (Modified Accrual) to Full Accrual:				
Change in net assets		<u>\$ (2,234,223)</u>		<u>\$ 348,569</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, 2011

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010 Actual
	Plan	Actual	Variance Over/Under	
Operating Revenues:				
Premiums	\$ 890,000	\$ 900,000	\$ 10,000	\$ 900,000
Total operating revenues	<u>890,000</u>	<u>900,000</u>	<u>10,000</u>	<u>900,000</u>
Non-Operating Revenue:				
Investment earnings	<u>10,000</u>	<u>4,236</u>	<u>(5,764)</u>	<u>6,389</u>
Total revenues	<u>900,000</u>	<u>904,236</u>	<u>4,236</u>	<u>906,389</u>
Operating Expenditures:				
Administration	17,000	17,000	-	17,000
Personal services	879,000	429,655	449,345	602,880
Fixed charges and other expenditures	<u>4,000</u>	<u>2,929</u>	<u>1,071</u>	<u>753</u>
Total operating expenditures	<u>900,000</u>	<u>449,584</u>	<u>450,416</u>	<u>620,633</u>
Change in net assets	<u>\$ -</u>	<u>\$ 454,652</u>	<u>\$ 454,652</u>	<u>\$ 285,756</u>
Reconciliation of Financial Plan Basis (Modified Accrual) to Full Accrual:				
Change in net assets		<u>\$ 454,652</u>		<u>\$ 285,756</u>

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FIDUCIARY FUNDS

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ALAMANCE COUNTY, NORTH CAROLINA

**FIDUCIARY FUNDS
COMBINING STATEMENT OF NET ASSETS
JUNE 30, 2011**

	<u>Private-Purpose Trust Funds</u>		
	<u>Indigent Trust Fund</u>	<u>General Trust Fund</u>	<u>Total</u>
Assets:			
Cash and cash equivalents	\$ 541,360	\$ 50,134	\$ 591,494
Total assets	<u>\$ 541,360</u>	<u>\$ 50,134</u>	<u>\$ 591,494</u>
Net Assets:			
Assets held in trust for beneficiaries	\$ 541,360	\$ 50,134	\$ 591,494
Total net assets	<u>\$ 541,360</u>	<u>\$ 50,134</u>	<u>\$ 591,494</u>

ALAMANCE COUNTY, NORTH CAROLINA

PRIVATE-PURPOSE TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Indigent Trust Fund</u>	<u>General Trust Fund</u>	<u>Total</u>
Additions:			
Restricted intergovernmental	\$ 504,804	\$ -	\$ 504,804
Permits and fees	-	32,620	32,620
Investment earnings	-	31	31
Inmate and health deposits	-	912,951	912,951
Total additions	<u>504,804</u>	<u>945,602</u>	<u>1,450,406</u>
Deductions:			
Current:			
Human services	<u>453,263</u>	<u>935,053</u>	<u>1,388,316</u>
Total deductions	<u>453,263</u>	<u>935,053</u>	<u>1,388,316</u>
Change in net assets	<u>51,541</u>	<u>10,549</u>	<u>62,090</u>
Net assets:			
Beginning of year - July 1	<u>489,819</u>	<u>39,585</u>	<u>529,404</u>
End of year - June 30	<u>\$ 541,360</u>	<u>\$ 50,134</u>	<u>\$ 591,494</u>

AGENCY FUNDS

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ALAMANCE COUNTY, NORTH CAROLINA

AGENCY FUNDS
 COMBINING STATEMENT OF ASSETS AND LIABILITIES
 JUNE 30, 2011

	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	\$ 5,385	\$ 52,404	\$ 2,165	\$ 68,947	\$ 158,250	\$ 680,160	\$ 33,557	\$ 108,718	\$ 29,021	\$ 1,138,607
Total assets	\$ 5,385	\$ 52,404	\$ 2,165	\$ 68,947	\$ 158,250	\$ 680,160	\$ 33,557	\$ 108,718	\$ 29,021	\$ 1,138,607
Liabilities:										
Intergovernmental payable	\$ 5,385	\$ 52,404	\$ 2,165	\$ 68,947	\$ 158,250	\$ 680,160	\$ 33,557	\$ 108,718	\$ 29,021	\$ 1,138,607
Total liabilities	\$ 5,385	\$ 52,404	\$ 2,165	\$ 68,947	\$ 158,250	\$ 680,160	\$ 33,557	\$ 108,718	\$ 29,021	\$ 1,138,607

ALAMANCE COUNTY, NORTH CAROLINA

AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Balance June 30, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2011</u>
Village of Alamance Fund:				
Assets:				
Taxes receivable (net)	\$ 5,312	\$ 178,640	\$ 178,567	\$ 5,385
Liabilities:				
Intergovernmental payable	\$ 5,312	\$ 178,640	\$ 178,567	\$ 5,385
Town of Haw River Fund:				
Assets:				
Taxes receivable (net)	\$ 44,744	\$ 650,284	\$ 642,624	\$ 52,404
Liabilities:				
Intergovernmental payable	\$ 44,744	\$ 650,284	\$ 642,624	\$ 52,404
Altamahaw-Ossipee Sanitary District Fund:				
Assets:				
Taxes receivable (net)	\$ 1,669	\$ 16,957	\$ 16,461	\$ 2,165
Liabilities:				
Intergovernmental payable	\$ 1,669	\$ 16,957	\$ 16,461	\$ 2,165
Town of Green Level Fund:				
Assets:				
Taxes receivable (net)	\$ 56,428	\$ 232,734	\$ 220,215	\$ 68,947
Liabilities:				
Intergovernmental payable	\$ 56,428	\$ 232,734	\$ 220,215	\$ 68,947
City of Graham Fund:				
Assets:				
Taxes receivable (net)	\$ 108,972	\$ 374,323	\$ 325,045	\$ 158,250
Liabilities:				
Intergovernmental payable	\$ 108,972	\$ 374,323	\$ 325,045	\$ 158,250
City of Burlington Fund:				
Assets:				
Taxes receivable (net)	\$ 461,297	\$ 1,688,516	\$ 1,469,653	\$ 680,160
Liabilities:				
Intergovernmental payable	\$ 461,297	\$ 1,688,516	\$ 1,469,653	\$ 680,160

ALAMANCE COUNTY, NORTH CAROLINA

AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Balance June 30, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2011</u>
Town of Elon Fund:				
Assets:				
Taxes receivable (net)	\$ 18,484	\$ 146,683	\$ 131,610	\$ 33,557
Liabilities:				
Intergovernmental payable	\$ 18,484	\$ 146,683	\$ 131,610	\$ 33,557
City of Mebane Fund:				
Assets:				
Taxes receivable (net)	\$ 66,518	\$ 304,131	\$ 261,931	\$ 108,718
Liabilities:				
Intergovernmental payable	\$ 66,518	\$ 304,131	\$ 261,931	\$ 108,718
Town of Gibsonville Fund:				
Assets:				
Taxes receivable (net)	\$ 16,806	\$ 112,853	\$ 100,638	\$ 29,021
Liabilities:				
Intergovernmental payable	\$ 16,806	\$ 112,853	\$ 100,638	\$ 29,021
Fines and Forfeitures Fund:				
Assets:				
Cash and cash equivalents	\$ -	\$ 881,362	\$ 881,362	\$ -
Liabilities:				
Intergovernmental payable	\$ -	\$ -	\$ -	\$ -
3% DMV Interest Fund				
Assets:				
Cash and cash equivalents	\$ -	\$ 82,639	\$ 82,639	\$ -
Liabilities:				
Intergovernmental payable	\$ -	\$ -	\$ -	\$ -
Total - All Agency Funds:				
Assets:				
Cash and cash equivalents	\$ -	\$ 964,001	\$ 964,001	\$ -
Taxes receivable (net)	780,230	3,705,121	3,346,744	1,138,607
Total assets	<u>\$ 780,230</u>	<u>\$ 4,669,122</u>	<u>\$ 4,310,745</u>	<u>\$ 1,138,607</u>
Liabilities:				
Intergovernmental payable	\$ 780,230	\$ 3,705,121	\$ 3,346,744	\$ 1,138,607
Total liabilities	<u>\$ 780,230</u>	<u>\$ 3,705,121</u>	<u>\$ 3,346,744</u>	<u>\$ 1,138,607</u>

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SUPPLEMENTAL FINANCIAL DATA

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ALAMANCE COUNTY, NORTH CAROLINA

**SCHEDULE OF AD VALOREM TAXES RECEIVABLE
JUNE 30, 2011**

<u>Fiscal Year</u>	<u>Balance July 1, 2010</u>	<u>Additions</u>	<u>Collections and Credits</u>	<u>Balance June 30, 2011</u>
2010-2011	\$ -	\$ 63,111,226	\$ 61,408,792	\$ 1,702,434
2009-2010	2,097,430	-	1,616,118	481,312
2008-2009	628,849	-	306,226	322,623
2007-2008	306,970	-	98,537	208,433
2006-2007	208,549	-	47,074	161,475
2005-2006	182,208	-	25,269	156,939
2004-2005	135,425	-	14,324	121,101
2003-2004	116,991	-	12,172	104,819
2002-2003	115,044	-	8,148	106,896
2001-2002	88,683	-	4,909	83,774
2000-2001	84,607	-	84,607	-
	<u>\$ 3,964,756</u>	<u>\$ 63,111,226</u>	<u>\$ 63,626,176</u>	<u>3,449,806</u>
Total				
Less: Allowance for uncollectible accounts				
General Fund				<u>(754,788)</u>
Ad valorem taxes receivable, net				
General Fund				<u>\$ 2,695,018</u>
Reconciliation with revenues:				
Ad valorem taxes - General Fund				\$ 62,655,329
Reconciling Items:				
Releases and adjustments				886,240
Amount written off per statute of limitations				<u>84,607</u>
Total collections and credits				<u>\$ 63,626,176</u>

ALAMANCE COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT YEAR LEVY
FOR THE YEAR ENDED JUNE 30, 2011

	County-Wide		Total Levy		
	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at current year's rate	\$ 11,515,852,517	\$ 0.52	\$ 59,882,433	\$ 56,652,889	\$ 3,229,544
Motor vehicles taxed at prior year's rate	336,500,215	0.52	1,749,801	-	1,749,801
Penalties	36,583,437		190,234	190,234	-
Total original levy	<u>11,888,936,169</u>		<u>61,822,468</u>	<u>56,843,123</u>	<u>4,979,345</u>
Discoveries:					
Current year taxes	96,822,790	0.52	503,479	487,859	15,620
Prior year taxes	166,147,065	0.52	863,965	812,662	51,303
Penalties	-		149,648	149,648	-
Total discoveries	<u>262,969,855</u>		<u>1,517,092</u>	<u>1,450,169</u>	<u>66,923</u>
Abatements	<u>(43,910,292)</u>	0.52	<u>(228,334)</u>	<u>(163,585)</u>	<u>(64,749)</u>
Total property valuation	<u>\$ 12,107,995,732</u>				
Net Levy			63,111,226	58,129,707	4,981,519
Uncollected taxes at June 30, 2011			<u>1,702,434</u>	<u>1,103,658</u>	<u>598,776</u>
Current Year's Taxes Collected			<u>\$ 61,408,792</u>	<u>\$ 57,026,049</u>	<u>\$ 4,382,743</u>
Current Levy Collection Percentage			<u>97.30%</u>	<u>98.10%</u>	<u>87.98%</u>

ALAMANCE COUNTY, NORTH CAROLINA

**ANALYSIS OF CURRENT YEAR LEVY
FOR THE YEAR ENDED JUNE 30, 2011**

Secondary Market Disclosures:

Assessed valuation:

Assessment ratio (1) 100%

Real property	\$ 9,901,537,568
Personal property	1,946,452,123
Public service companies (2)	<u>260,006,041</u>
Total assessed valuation	<u>\$ 12,107,995,732</u>

Tax rate per \$100 \$ 0.52

Levy (includes discoveries, releases, and abatements) (3) \$ 63,111,226

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 \$ 4,423,450,957

- (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.

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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 finance 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.	104
Revenue Capacity These schedules contain information to help the reader assess the government's most significant local revenue source, the property taxes.	108
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.	112
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.	119
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.	122

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ALAMANCE COUNTY, NORTH CAROLINA

Net Assets by Component
Last Nine Fiscal Years^a

Table 1

	Fiscal Year Ended June 30								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
Governmental activities:									
Invested in capital assets, net of related debt	\$ 41,915,038	\$ 42,936,097	\$ 45,627,654	\$ 44,518,107	\$ 42,349,248	\$ 38,078,444	\$ 33,685,006	\$ 36,732,024	\$ 32,406,071
Restricted	6,422,378	6,174,216	6,765,314	7,776,693	15,891,473	12,145,448	13,491,567	2,513,457	2,660,585
Unrestricted	(41,339,189)	(28,046,387)	(33,568,454)	(34,556,646)	(42,963,227)	(28,465,970)	(20,739,961)	(12,415,763)	(15,457,875)
Total governmental activities net assets	\$ 6,998,227	\$ 21,063,926	\$ 18,824,514	\$ 17,738,154	\$ 15,277,494	\$ 21,757,922	\$ 26,436,612	\$ 26,829,718	\$ 19,608,781
Business-type activities									
Invested in capital assets, net of related debt	\$ 13,044,534	\$ 13,413,380	\$ 13,689,738	\$ 13,101,255	\$ 12,734,656	\$ 11,998,474	\$ 9,526,454	\$ 7,504,701	\$ 7,505,937
Restricted	-	314,014	313,701	312,844	304,791	291,524	281,639	-	276,878
Unrestricted	5,688,933	4,847,249	4,342,635	3,865,929	2,396,761	3,084,109	3,840,144	5,025,859	4,532,892
Total business-type activities net assets	\$ 18,733,467	\$ 18,574,643	\$ 18,346,074	\$ 17,280,028	\$ 15,436,208	\$ 15,374,107	\$ 13,648,237	\$ 12,530,560	\$ 12,315,707
Primary government									
Invested in capital assets, net of related debt	\$ 54,959,572	\$ 56,349,477	\$ 59,317,392	\$ 57,619,362	\$ 55,083,904	\$ 50,076,918	\$ 43,211,460	\$ 44,236,725	\$ 39,912,008
Restricted	6,422,378	6,488,230	7,079,015	8,089,537	16,196,264	12,436,972	13,773,206	2,513,457	2,937,463
Unrestricted	(35,650,256)	(23,199,138)	(29,225,819)	(30,690,717)	(40,566,466)	(25,381,861)	(16,899,817)	(7,389,904)	(10,924,983)
Total primary government	\$ 25,731,694	\$ 39,638,569	\$ 37,170,588	\$ 35,018,182	\$ 30,713,702	\$ 37,132,029	\$ 40,084,849	\$ 39,360,278	\$ 31,924,488

^aTen-year trend information is being developed in this table. Data is presented since implementation of Governmental Accounting Standards Board Statement No. 34.

ALAMANCE COUNTY, NORTH CAROLINA

Changes in Net Assets
Last Nine Fiscal Years^a
(amount in Thousands)

Table 2

	Fiscal Year Ended June 30								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
REVENUES									
Charges for services:									
Public safety	\$ 8,252	\$ 7,863	\$ 6,629	\$ 6,996	\$ 3,332	\$ 6,878	\$ 5,255	\$ 4,570	\$ 4,183
Human services	5,616	5,542	5,596	4,380	3,459	2,674	2,765	2,042	2,081
Other	2,353	1,760	1,623	2,223	5,699	5,053	6,556	7,345	7,134
Subtotal	16,221	15,165	13,848	13,599	12,490	14,605	14,576	13,957	13,398
Operating grants and contributions	22,637	25,896	24,421	23,249	22,719	17,275	16,788	15,829	15,203
Capital grants and contributions	2,777	1,785	2,060	1,631	1,836	581	59	90	49
General Revenues:									
Taxes:									
Property taxes, levied for general purpose	66,146	67,177	66,813	64,602	61,819	58,821	52,209	52,099	49,190
Local option sales tax	18,720	16,658	22,776	27,477	26,378	23,952	22,478	20,788	18,205
Other taxes and licenses	900	1,242	1,392	1,924	1,722	1,819	1,512	1,438	1,352
Grants and contributions not restricted to specific programs	-	47	-	-	243	235	286	620	225
Investment earnings	407	47	241	949	1,645	1,006	628	279	503
Miscellaneous, unrestricted	25	65	282	280	314	989	430	554	384
Special items	-	-	-	-	-	752	-	898	-
Subtotal	127,833	128,035	131,833	133,711	129,166	120,035	108,966	106,552	98,509
Landfill:									
Charges for services	3,543	3,531	3,287	3,280	-	-	-	-	-
Operating grants and contributions	-	-	138	55	-	-	-	-	-
Investment earnings	16	19	129	387	-	-	-	-	-
Miscellaneous, unrestricted	-	172	445	398	-	-	-	-	-
Subtotal	3,559	3,722	3,999	4,120	-	-	-	-	-
Total revenues	131,392	131,757	135,832	137,831	129,166	120,035	108,966	106,552	98,509
EXPENSES									
General government	13,475	10,946	11,764	10,355	10,670	10,122	11,901	10,618	9,006
Public safety	35,567	33,617	34,194	30,194	27,401	25,158	21,625	19,892	17,403
Economic and physical development	2,116	1,297	1,697	1,403	1,137	2,280	1,313	1,654	1,655
Human services	33,229	33,615	34,698	35,899	34,844	33,137	31,492	28,736	27,770
Cultural and recreational	4,327	3,677	3,588	3,753	3,375	3,549	3,201	2,928	2,817
Education	45,992	38,763	40,787	44,977	51,742	43,205	33,909	30,824	28,269
Interest on long-term debt	3,659	3,415	3,611	4,173	3,709	2,746	2,011	1,960	2,134
Other expenses	1,376	465	457	497	239	208	152	240	133
Subtotal	139,741	125,795	130,796	131,251	133,117	120,405	105,604	96,852	89,187
Landfill	3,399	3,494	2,933	2,276	2,467	2,583	2,830	3,504	3,735
Total expenses	143,140	129,289	133,729	133,527	135,584	122,988	108,434	100,356	92,922
Change in net assets	(11,748)	2,468	2,103	4,304	(6,418)	(2,953)	532	6,196	5,587
Net assets-beginning, as restated	37,480	37,171	35,068	30,714	37,132	40,085	39,553	33,357	27,770
Net assets-ending	\$ 25,732	\$ 39,639	\$ 37,171	\$ 35,018	\$ 30,714	\$ 37,132	\$ 40,085	\$ 39,553	\$ 33,357

^aTen-year trend information is being developed in this table. Data is presented since implementation of Governmental Accounting Standards Board Statement No. 34.

ALAMANCE COUNTY, NORTH CAROLINA
Fund Balances, Governmental Funds
Last Nine Fiscal Years^a

Table 3

	Fiscal Year Ended June 30								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Fund									
Reserved	\$ -	\$ 7,634,322	\$ 9,381,210	\$ 11,710,491	\$ 8,666,071	\$ 7,359,832	\$ 6,625,462	\$ 6,735,869	\$ 7,544,871
Unreserved	-	15,942,207	18,142,118	18,922,786	17,555,501	17,600,028	18,235,884	18,661,471	14,306,372
Restricted	5,317,002	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-
Unassigned	13,793,848	-	-	-	-	-	-	-	-
Total General Fund	\$ 19,110,850	\$ 23,576,529	\$ 27,523,328	\$ 30,633,277	\$ 26,221,572	\$ 24,959,860	\$ 24,861,346	\$ 25,397,340	\$ 21,850,243
All Other Governmental Funds									
Reserved	-	68,965	99,216	101,870	220,033	147,504	57,898	65,933	51,727
Unreserved, reported in:									
Special revenue funds	-	508,679	131,241	897,871	1,505,756	1,273,485	1,391,103	1,720,877	2,697,114
Capital project funds	-	9,881,154	6,725,216	6,935,964	15,877,376	13,179,794	4,441,128	3,844,130	1,129,499
Restricted in Capital Project	6,669,885	-	-	-	-	-	-	-	-
Committed in Capital Project	3,123,354	-	-	-	-	-	-	-	-
Unassigned in Capital Project	(24,455)	-	-	-	-	-	-	-	-
Total all other government funds	\$ 9,768,784	\$ 10,458,798	\$ 6,955,673	\$ 7,935,705	\$ 17,603,165	\$ 14,600,783	\$ 5,890,129	\$ 5,630,940	\$ 3,878,340
Total fund balances, governmental funds	\$ 28,879,634	\$ 34,035,327	\$ 34,479,001	\$ 38,568,982	\$ 43,824,737	\$ 39,560,643	\$ 30,751,475	\$ 31,028,280	\$ 25,728,583

^a Ten-year trend information is being developed in this table. Data is presented since implementation of Governmental Accounting Standards Board Statement No. 34.

ALAMANCE COUNTY, NORTH CAROLINA

Changes in Fund Balances, Governmental Funds
Last Nine Fiscal Years^a

Table 4

	2011	2010	2009	2008	2007	2006	2005	2004	2003
Revenues									
Property taxes	\$ 66,865,439	\$ 67,503,880	\$ 66,005,309	\$ 64,483,325	\$ 61,903,922	\$ 58,910,219	\$ 51,445,421	\$ 52,009,924	\$ 49,048,348
Sales taxes	18,720,105	16,657,521	22,775,557	27,476,577	26,378,154	23,952,357	22,478,029	20,788,214	18,205,071
Other taxes and licenses	900,150	951,964	919,807	1,432,330	1,721,703	1,819,199	1,511,823	1,437,547	1,351,863
Unrestricted intergovernmental	240,992	78,741	244,604	247,751	1,544,894	235,207	285,806	619,886	224,714
Restricted intergovernmental	24,775,193	26,900,059	25,749,397	22,981,577	21,731,612	20,877,304	19,008,228	17,497,429	16,575,216
Permits and fees	1,154,369	997,942	901,010	1,385,950	1,619,467	1,632,639	1,485,544	1,543,931	1,433,762
Sales and services	14,720,391	13,224,156	13,689,379	11,710,584	6,718,823	6,145,967	4,711,692	4,362,817	3,783,052
Investment earnings	384,203	73,260	384,227	1,597,120	2,689,474	1,544,345	633,794	234,722	396,130
Miscellaneous	609,518	925,362	825,343	1,434,271	570,922	567,965	562,609	463,648	842,883
Total revenues	128,370,360	127,312,885	131,494,633	132,749,485	124,878,971	115,685,202	102,092,946	98,958,118	91,861,039
Expenditures									
Current									
General government	14,724,143	11,227,165	11,407,839	11,880,730	11,040,856	9,821,915	11,777,569	8,816,303	7,553,042
Public safety	32,592,726	33,340,099	34,374,297	31,010,741	28,860,371	25,385,859	21,059,208	20,556,523	16,942,748
Transportation	425,755	407,971	397,369	410,587	182,881	156,232	106,956	197,250	107,398
Environmental protection	55,086	56,204	58,983	84,821	58,048	51,942	44,218	42,921	25,524
Economic and physical development	1,641,723	1,636,530	1,673,011	1,415,778	1,182,425	2,465,746	1,287,836	1,653,377	1,638,040
Human services	32,319,100	33,347,288	34,756,916	36,238,804	35,346,689	32,875,372	30,802,569	28,227,420	27,182,326
Cultural and recreational	4,476,382	3,933,773	4,049,983	4,006,226	4,054,430	3,866,501	3,458,263	3,194,494	2,928,856
Intergovernmental (education)	38,162,037	37,806,040	37,076,480	34,107,514	31,041,238	29,691,242	28,338,588	27,326,838	26,267,019
Capital outlay	7,605,633	5,410,607	8,097,505	10,869,659	23,327,420	16,030,506	11,698,824	5,275,502	2,198,585
Debt service:									
Principal	7,777,175	6,813,657	6,112,057	5,838,999	5,331,643	4,833,534	3,858,141	3,299,968	3,367,813
Interest and other charges	3,659,128	3,468,926	3,765,592	4,277,181	3,621,578	2,606,156	2,032,257	1,913,377	2,257,355
Issuance costs	127,978	22,964	-	-	-	-	-	-	-
Total expenditures	143,566,866	137,471,224	141,770,032	140,141,040	144,047,559	127,585,005	114,464,429	100,503,973	90,468,706
Revenues over (under) expenditures	(15,196,506)	(10,158,339)	(10,275,399)	(7,391,555)	(19,168,588)	(11,899,803)	(12,371,483)	(1,545,855)	1,392,333
Other financing sources (uses)	10,040,813	9,714,664	6,136,218	110,800	23,432,681	19,956,827	12,094,678	5,495,577	184,525
Special items	-	-	-	-	-	752,144	-	1,349,975	-
Increase (decrease) in fund balance	(5,155,693)	(443,674)	(4,139,181)	(7,280,755)	4,264,093	8,809,168	(276,805)	5,299,697	1,576,858
Beginning fund balance-as restated	34,035,327	34,479,001	38,618,182	45,849,737	39,560,644	30,751,475	31,028,280	25,728,583	24,151,725
Ending fund balance	\$ 28,879,634	\$ 34,035,327	\$ 34,479,001	\$ 38,568,982	\$ 43,824,737	\$ 39,560,643	\$ 30,751,475	\$ 31,028,280	\$ 25,728,583
Debt service expenditures / non-capital expenditures ratio	9.19%	7.94%	7.38%	7.39%	6.45%	6.04%	5.64%	5.38%	6.29%

^a Ten-year trend information is being developed in this table. Data is presented since implementation of Governmental Accounting Standards Board Statement No. 34.

ALAMANCE COUNTY, NORTH CAROLINA

Program Revenues by Function/Program
Last Nine Fiscal Years^a

Table 5

Function/Program	Fiscal Year Ended June 30								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
Governmental activities:									
General government	\$ 1,618,964	\$ 1,031,103	\$ 916,305	\$ 1,247,077	\$ 1,394,269	\$ 1,722,028	\$ 3,018,899	\$ 3,251,756	\$ 2,997,744
Public safety	8,252,339	7,862,739	6,628,568	6,995,888	3,331,904	6,878,312	5,254,549	4,570,488	4,182,718
Transportation	-	-	-	1,050	897	-	-	-	-
Economic and physical development	-	-	-	-	-	-	6,828	8,515	8,030
Environmental protection	201,365	183,395	164,495	437,515	486,800	-	-	-	-
Human services	5,616,314	5,542,325	5,595,702	4,379,508	3,459,190	2,674,707	2,765,245	2,041,936	2,081,301
Cultural and recreational	532,636	545,080	542,612	537,577	507,899	404,248	277,897	352,791	321,397
Subtotal government activities	16,221,618	15,164,642	13,847,682	13,598,615	9,180,959	11,679,295	11,323,418	10,225,486	9,591,190
Business-type activities									
Landfill	3,542,594	3,531,411	3,286,645	3,279,974	3,309,942	2,925,392	3,253,012	3,731,987	3,807,133
Subtotal business-type activities	3,542,594	3,531,411	3,286,645	3,279,974	3,309,942	2,925,392	3,253,012	3,731,987	3,807,133
Total primary government	\$ 19,764,212	\$ 18,696,053	\$ 17,134,327	\$ 16,878,589	\$ 12,490,901	\$ 14,604,687	\$ 14,576,430	\$ 13,957,473	\$ 13,398,323

^aTen-year trend information is being developed in this table. Data is presented since implementation of Governmental Accounting Standards Board Statement No. 34.

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
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
2003	49,048,126		18,205,071		495,116		432,269		381,939		42,539		68,605,060
2002	41,338,912		16,104,521		844,920		250,499		352,532		31,460		58,922,844

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

ALAMANCE COUNTY, NORTH CAROLINA
Government-Wide Expenses By Function
Last Nine Fiscal Years^a

Table 7

Function	Fiscal Year Ended June 30									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2003
General government	13,474,940	10,946,351	11,763,998	10,355,242	10,670,206	10,122,531	11,900,709	10,618,540	9,005,790	9,005,790
Public safety	35,566,586	33,616,740	34,194,067	30,194,461	27,401,149	25,157,763	21,624,691	19,891,860	17,402,863	17,402,863
Transportation	873,491	407,971	397,369	410,587	182,881	196,232	106,956	197,250	107,398	107,398
Environmental protection	502,822	56,204	58,983	84,821	58,048	51,942	44,218	42,921	25,524	25,524
Economic and physical development	2,116,442	1,296,911	1,697,341	1,403,236	1,136,582	2,280,204	1,312,633	1,653,840	1,655,123	1,655,123
Human services	33,228,854	33,614,557	34,698,043	35,898,520	34,843,773	33,137,113	31,492,265	28,735,757	27,770,196	27,770,196
Cultural and recreational	4,326,665	3,677,349	3,588,464	3,752,811	3,375,087	3,548,534	3,201,194	2,928,633	2,816,889	2,816,889
Education	45,991,536	38,763,325	40,786,993	44,977,170	51,741,478	43,204,775	33,909,453	30,824,201	28,268,587	28,268,587
Debt services:										
Interest and fees	3,659,128	3,415,131	3,611,084	4,172,523	3,708,893	2,746,103	2,011,053	1,960,007	2,134,411	2,134,411
Total governmental activities	139,740,464	125,794,539	130,796,342	131,249,371	133,118,097	120,405,197	105,603,172	96,852,839	89,186,611	89,186,611
Landfill	3,399,423	3,494,302	2,933,060	2,276,015	2,466,688	2,582,589	2,830,205	3,503,994	3,735,059	3,735,059
Total business-type activities	3,399,423	3,494,302	2,933,060	2,276,015	2,466,688	2,582,589	2,830,205	3,503,994	3,735,059	3,735,059
Total primary government	143,139,887	129,288,841	133,729,402	133,525,386	135,584,785	122,987,786	108,433,377	100,356,833	92,921,670	92,921,670

Note:

^a Ten-year trend information is being developed in this table. Data is presented since implementation of Governmental Accounting Standards Board Statement No. 34.

ALAMANCE COUNTY, NORTH CAROLINA
Government-Wide Revenues
Last Nine Fiscal Years^a

Table 8

Function	Fiscal Year Ended June 30									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2003
Charges for services	19,764,212	18,696,053	17,134,327	16,878,589	12,490,901	14,604,687	14,576,430	13,957,473	13,398,323	13,398,323
Operating grants and contributions	22,637,081	25,895,644	24,599,464	23,303,489	22,719,164	17,274,594	16,787,512	15,828,841	15,203,272	15,203,272
Capital grants and contributions	2,776,724	1,784,940	2,059,872	1,631,005	1,835,891	581,093	59,316	89,480	48,438	48,438
General Revenues										
Taxes										
Property tax	66,145,512	67,177,058	66,813,041	64,601,642	61,819,265	58,820,906	52,208,675	52,099,058	49,190,231	49,190,231
Local option sales tax	18,720,105	16,657,521	22,775,556	27,476,578	26,378,154	23,952,357	22,478,029	20,788,214	18,205,071	18,205,071
Other taxes and licenses	900,150	1,242,480	1,392,318	1,924,156	1,721,703	1,819,199	1,511,823	1,437,547	1,351,863	1,351,863
Grants and contributions not restricted to										
Unrestricted investment earnings	422,907	65,781	370,787	1,335,549	243,412	235,207	285,906	619,886	224,714	224,714
Miscellaneous	25,250	237,345	726,759	678,858	1,644,841	1,005,643	627,713	554,400	502,730	502,730
Special items					313,127	989,136	430,394	898,012	384,130	384,130
Total	131,391,941	131,756,822	135,832,124	137,829,866	129,166,458	120,034,966	108,965,698	106,552,184	98,508,772	98,508,772

Note:

^a Ten-year trend information is being developed in this table. Data is presented since implementation of Governmental Accounting Standards Board Statement No. 34.

ALAMANCE COUNTY, NORTH CAROLINA

General Government Expenditures by Function^a
Last Ten Fiscal Years

Table 9

Function	Fiscal Year Ended June 30									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General government	\$ 14,724,143	\$ 11,227,165	\$ 11,407,839	\$ 11,880,730	\$ 11,040,856	\$ 9,821,915	\$ 11,777,569	\$ 8,816,303	\$ 7,553,042	\$ 6,750,582
Public safety	32,592,726	33,340,099	34,374,297	31,010,741	28,860,371	25,385,859	21,059,208	20,556,523	16,942,748	15,720,565
Transportation	425,755	407,971	397,369	410,587	182,881	156,232	106,956	197,250	107,398	106,479
Environmental protection	55,086	56,204	58,983	84,821	58,048	51,942	44,218	42,921	25,524	46,696
Economic and physical development	1,641,723	1,636,530	1,673,011	1,415,778	1,182,425	2,465,746	1,287,836	1,653,377	1,638,040	1,149,683
Human services	32,319,100	33,347,288	34,756,916	36,238,804	35,346,669	32,675,372	30,802,569	28,227,420	27,182,326	26,637,556
Cultural and recreational	4,476,382	3,933,773	4,049,983	4,006,226	4,054,430	3,866,501	3,458,263	3,194,494	2,928,856	3,037,514
Education	45,767,670	38,763,325	37,076,480	34,107,514	31,041,238	29,691,242	28,338,588	27,326,838	26,267,019	25,474,250
Debt service:										
Principal retirement	7,777,175	6,813,657	6,112,057	5,838,999	5,331,643	4,833,534	3,858,141	3,478,147	3,367,813	3,384,584
Interest and fees	3,659,128	3,468,926	3,770,370	4,277,181	3,621,578	2,606,156	2,032,257	1,735,198	2,257,355	2,416,273
Issuance costs	127,978	22,964	-	-	-	-	-	-	-	-
Total	\$ 143,566,866	\$ 133,017,902	\$ 133,677,305	\$ 129,271,381	\$ 120,720,139	\$ 111,554,499	\$ 102,765,605	\$ 95,228,471	\$ 88,270,121	\$ 84,724,182

ALAMANCE COUNTY, NORTH CAROLINA

General Government Revenues by Source^a
Last Ten Fiscal Years

Table 10

Source	Fiscal Year Ended June 30									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Taxes:										
Property	\$ 66,865,439	\$ 67,503,880	\$ 66,005,309	\$ 64,483,325	\$ 61,903,922	\$ 58,910,219	\$ 51,445,421	\$ 52,009,924	\$ 49,048,348	\$ 41,339,270
Sales	18,720,105	16,657,521	22,775,557	27,476,577	26,378,154	23,952,357	22,893,325	20,788,214	18,205,071	16,104,521
Other taxes and licenses	900,150	951,984	919,807	1,432,330	1,721,703	1,819,199	1,096,527	1,437,547	1,351,863	1,095,419
Total taxes	86,485,694	85,113,385	89,700,673	93,392,232	90,003,779	84,681,775	75,435,273	74,235,685	68,605,282	58,539,210
Intergovernmental	25,016,185	26,978,800	25,994,001	23,229,328	21,975,024	20,582,799	18,342,931	16,673,604	15,467,244	17,563,538
Permits and fees	1,154,369	997,942	901,010	1,385,950	1,619,467	1,632,639	1,455,544	1,543,931	1,433,762	1,109,391
Sales and services	14,720,391	13,224,156	13,689,379	11,710,584	6,718,823	6,145,967	4,711,692	4,410,817	3,783,052	3,021,143
Investment earnings	384,203	73,260	384,227	1,597,120	1,334,564	1,137,835	555,793	207,637	380,043	734,294
Miscellaneous	609,518	925,362	825,343	1,434,271	570,922	567,965	560,181	424,536	842,883	500,946
Total	\$ 128,370,360	\$ 127,312,885	\$ 131,494,633	\$ 132,749,485	\$ 122,222,579	\$ 114,748,980	\$ 101,061,414	\$ 97,496,210	\$ 90,512,266	\$ 81,468,522

ALAMANCE COUNTY, NORTH CAROLINA

Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

(dollars in thousands)

Table 11

Fiscal Year Ended June 30	Assessed Value				Less: Abatements	Total Taxable Assessed Value	Estimated Actual Value	Ratio of Assessed Value to Estimated Actual Value	Total Direct Tax Rate
	Real Property	Personal Property	Public Service Companies						
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	
2003	7,165,025	2,040,177	272,207	112,622	9,364,787	9,463,575	99.0%	0.5000	
2002	7,050,979	2,006,849	262,276	106,583	9,213,522	9,384,687	98.2%	0.4200	

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

Principal Property Taxpayers
Last Ten Fiscal Years

Table 12

Taxpayer	Fiscal Year Ended June 30														
	2011			2010			2009			2008			2007		
	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Laboratory Corp. of America	\$ 187,172,134	1	1.55%	\$ 187,172,134	1	1.72%	\$ 114,738,552	1	1.05%	\$ 105,891,444	2	0.98%	\$ 102,981,940	2	0.89%
Duke Energy Corp.	125,227,605	2	1.03%	128,618,796	2	1.15%	110,939,039	2	1.01%	120,905,916	1	1.11%	120,728,872	1	1.16%
GKN Automotive	90,973,568	3	0.75%	98,658,127	3	0.73%	104,875,597	3	0.96%	92,454,208	3	0.85%	84,398,441	3	0.81%
Honda Power Equipment	55,839,674	4	0.48%	64,197,128	5	0.51%	64,900,948	4	0.59%	65,487,225	4	0.60%	65,561,863	4	0.63%
Alamance Crossing	54,545,213	5	0.45%	51,357,708	6	0.50%	34,476,802	7	0.31%	-	-	0.00%	-	-	0.00%
Buckner C P Steele	48,652,966	6	0.40%	67,952,462	4	0.45%	-	-	0.00%	-	-	0.00%	-	-	0.00%
Sandvik	47,543,722	7	0.39%	42,681,804	9	0.44%	-	-	0.00%	-	-	0.00%	-	-	0.00%
Liggett Group LLC	43,428,159	8	0.36%	44,663,253	7	0.40%	45,088,095	5	0.41%	43,434,078	6	0.40%	-	-	0.00%
BellSouth	40,493,284	9	0.33%	43,877,228	8	0.37%	39,944,026	6	0.36%	46,093,059	5	0.42%	47,640,848	6	0.46%
Piedmont Natural Gas Co, Inc.	32,499,532	10	0.27%	31,279,735	10	0.30%	27,634,566	9	0.25%	30,932,949	8	0.28%	27,683,029	9	0.27%
Burlington Mall LLC	-	-	0.00%	-	-	0.00%	27,921,187	8	0.25%	33,010,312	7	0.30%	-	-	0.00%
Glen Raven Mills	-	-	0.00%	-	-	0.00%	26,368,905	10	0.24%	27,107,430	9	0.25%	37,696,013	7	0.36%
WalMart Real Estate Business	-	-	0.00%	-	-	0.00%	-	-	0.00%	22,503,515	10	0.21%	-	-	0.00%
One Hundred Maple LLC	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%	60,141,099	5	0.58%
Pedinis Inc	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%	33,762,002	8	0.32%
Loves of Burlington	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%	23,801,749	10	0.23%
Culp	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%
Colonial Realty Ltd. Partnership	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%
Madison River Communications	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%
Copland, Inc.	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%
Total	\$ 726,375,847		6.00%	\$ 761,498,375		6.09%	\$ 596,897,717		5.44%	\$ 587,820,136		5.42%	\$ 604,395,876		5.79%
Laboratory Corp. of America	\$ 105,283,789	2	1.05%	\$ 103,352,804	2	1.05%	\$ 100,205,242	2	1.06%	\$ 98,722,016	2	1.05%	\$ 98,699,566	2	1.07%
Duke Energy Corp.	113,160,001	1	1.13%	109,694,800	1	1.12%	109,651,289	1	1.16%	108,485,966	1	1.16%	106,350,594	1	1.15%
GKN Automotive	79,241,295	3	0.79%	83,940,390	3	0.86%	91,368,237	3	0.97%	90,495,028	3	0.97%	90,495,028	3	0.98%
Honda Power Equipment	56,470,912	5	0.56%	51,134,015	6	0.52%	37,176,253	7	0.39%	35,368,468	8	0.38%	32,862,471	9	0.36%
Alamance Crossing	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%
Buckner C P Steele	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%
Sandvik	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%
Liggett Group LLC	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%
BellSouth	48,612,196	6	0.48%	43,604,503	5	0.44%	54,882,302	5	0.58%	58,471,820	5	0.62%	60,953,975	4	0.66%
Piedmont Natural Gas Co, Inc.	25,839,042	9	0.25%	25,898,594	10	0.26%	-	-	0.00%	-	-	0.00%	-	-	0.00%
Burlington Mall LLC	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%
Glen Raven Mills	35,993,419	7	0.36%	39,500,700	7	0.40%	45,212,152	6	0.48%	63,879,187	4	0.68%	56,679,299	5	0.61%
WalMart Real Estate Business	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%
One Hundred Maple LLC	56,746,209	4	0.57%	56,277,032	4	0.57%	56,788,043	4	0.60%	40,046,461	6	0.43%	39,832,771	6	0.43%
Pedinis Inc.	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%
Loves of Burlington	23,526,156	10	0.23%	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%
Culp	-	-	0.00%	-	-	0.00%	27,633,901	9	0.29%	38,496,300	7	0.41%	38,483,850	7	0.42%
Colonial Realty Ltd. Partnership	32,964,328	8	0.33%	32,964,328	8	0.34%	32,964,328	8	0.35%	32,964,328	9	0.35%	32,964,328	8	0.36%
Madison River Communications	-	-	0.00%	-	-	0.00%	24,128,640	10	0.26%	27,262,002	10	0.29%	27,231,852	10	0.29%
Copland, Inc.	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%
Total	\$ 577,637,347		5.76%	\$ 570,890,778		5.82%	\$ 580,010,937		6.13%	\$ 584,191,606		6.34%	\$ 584,553,724		6.32%

Source: Alamance County Tax Department

ALAMANCE COUNTY, NORTH CAROLINA

**Property Tax Levies and Collections
Last Ten Fiscal Years**

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
2011	\$ 61,822,468	\$ 61,408,792	99.3%	-	\$ 61,408,792	99.3%
2010	63,081,835	61,863,460	98.1%	1,616,118	63,479,578	100.6%
2009	63,439,042	61,050,563	96.2%	2,065,856	63,116,419	99.5%
2008	61,198,987	59,202,640	96.7%	1,787,914	60,990,554	99.7%
2007	58,367,071	56,639,425	97.0%	1,566,171	58,205,596	99.7%
2006	55,635,067	53,796,607	96.7%	1,681,521	55,478,128	99.7%
2005	49,414,718	47,817,467	96.8%	1,476,150	49,293,617	99.8%
2004	49,253,815	48,212,757	97.9%	936,239	49,148,996	99.8%
2003	46,653,743	45,632,597	97.8%	914,250	46,546,847	99.8%
2002	39,258,696	38,248,639	97.4%	926,283	39,174,922	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									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
County Direct Rates										
Alamance County	\$ 0.5200	\$ 0.5200	\$ 0.5800	\$ 0.5800	\$ 0.5750	\$ 0.5625	\$ 0.5100	\$ 0.5200	\$ 0.5000	\$ 0.4200
City and Town Rates										
City of Alamance	0.2000	0.2200	0.2400	0.2400	0.2400	0.2400	0.2400	0.2400	0.2400	0.2200
City of Burlington	0.5900	0.5900	0.6250	0.6250	0.6250	0.5550	0.5550	0.5000	0.5000	0.4200
City of Burlington - Downtown	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600	-	0.1600	0.1600	0.1600
City of Graham	0.4450	0.4450	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800	0.3800
Town of Elon	0.3700	0.3700	0.3700	0.3700	0.3700	0.3700	0.3700	0.3700	0.3700	0.3700
Town of Gibsonville	0.5100	0.5100	0.5100	0.5150	0.5150	0.5150	0.4950	0.5150	0.5150	0.5150
Town of Green Level	0.3400	0.3400	0.3400	0.3400	0.3000	0.2500	0.2500	0.2500	0.2500	0.2500
Town of Haw River	0.4500	0.4500	0.4800	0.4800	0.4500	0.4500	0.4500	0.4500	0.4500	0.3800
Town of Mebane	0.4700	0.4700	0.5000	0.5000	0.5000	0.5000	0.5000	0.4700	0.4700	0.4200
Town of Ossipee	0.0750	0.0750	0.0750	0.1500	0.1500	0.1500	0.0500	0.0500	-	-
Other Special District Rates										
Ossipee Sanitary District	-	-	-	-	-	-	-	-	0.0850	0.0800
Fire District Rates										
54 East	0.0900	0.0900	0.1000	0.1000	0.1000	0.1000	0.0900	0.0900	0.0900	0.0750
Alamahaw-Ossipee	0.1025	0.1025	0.1000	0.0950	0.0950	0.0950	0.0950	0.0950	0.0850	0.0750
E.M. Holt	0.0800	0.0800	0.0800	0.0500	0.0700	0.0700	0.0700	0.0700	0.0600	0.0600
East Alamance	0.0850	0.0850	0.0850	0.0850	0.0850	0.0850	0.0850	0.0850	0.0850	0.0600
ElWhitney/87 South	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0650
Elon	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.0900	0.0900	0.0800
Faucette	0.0875	0.0875	0.0875	0.0875	0.0650	0.0650	0.0650	0.0650	0.0500	0.0500
Haw River	0.1350	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.0950
North Central Alamance	0.1050	0.1050	0.1050	0.1050	0.0950	0.0950	0.0950	0.0950	0.0950	0.0850
North Eastern Alamance	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0600
Snow Camp	0.0850	0.0850	0.8500	0.0850	0.0850	0.0850	0.0850	0.0850	0.0850	0.0550
Sweepsonville	0.0900	0.0900	0.1000	0.1000	0.1000	0.1000	0.0900	0.0900	0.0900	0.0850

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			Percentage of Personal Income	Per Capita ^b
	General Obligation Bonded Debt	Revolving and Installment Loan Debt	Percentage of Actual Property Value ^a	Per Capita ^b	Landfill Bonds	Total ^c	Income		
2011	\$ 60,610,000	\$ 27,344,933	0.73%	\$ 579.62	\$ -	\$ 87,954,933	1.90%	\$ 579.62	
2010	64,955,000	15,910,324	0.65%	545.14	-	80,865,324	1.71%	545.14	
2009	69,110,000	14,208,563	0.76%	570.69	-	83,318,563	1.85%	570.69	
2008	73,410,000	11,281,125	0.78%	591.61	-	84,691,125	1.83%	591.61	
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	
2003	41,705,000	4,418,178	0.49%	338.78	1,707,766.95	47,830,945	1.25%	351.33	
2002	44,595,000	4,735,775	0.54%	369.25	2,725,613.23	52,056,388	1.40%	389.66	

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									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General bonded debt outstanding										
General obligation bonds	\$ 60,610,000	\$ 64,955,000	\$ 69,110,000	\$ 73,410,000	\$ 77,745,000	\$ 59,390,000	\$ 40,460,000	\$ 43,545,000	\$ 41,705,000	\$ 44,595,000
Percentage of estimated actual property value ^a	0.50%	0.53%	0.64%	0.70%	0.75%	0.59%	0.41%	0.46%	0.45%	0.48%
Per capita ^b	399.42	437.89	473.37	512.80	549.57	422.72	291.52	313.83	306.33	333.80
Total net debt applicable to debt limit	87,954,933	86,765,327	83,298,221	92,304,573	86,610,355	59,390,000	40,460,000	43,545,000	41,705,000	44,595,000
Legal debt limit ^c	968,639,659	977,177,155	862,018,736	828,201,911	850,373,188	802,261,600	785,108,960	756,749,040	749,182,960	737,081,760
Legal debt margin ^d	\$ 880,684,726	\$ 890,411,828	\$ 778,720,515	\$ 735,897,338	\$ 763,762,833	\$ 742,871,600	\$ 744,648,960	\$ 713,204,040	\$ 707,477,960	\$ 692,486,760

Legal debt margin as a percentage of the debt limit

90.92%

91.12%

90.34%

88.85%

89.82%

92.60%

94.85%

94.25%

94.43%

93.95%

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

Jurisdiction	Net General Obligation Bonded Debt	Percent Applicable to County	Amount Applicable to County
Direct:			
Alamance County	\$ 60,610,000	100.0%	\$ 60,610,000
Overlapping:			
City of Burlington	20,495,000	100.0%	20,495,000
City of Mebane	785,000	70.0%	549,500
Total overlapping	23,750,000		21,044,500
Totals	\$ 84,360,000		\$ 81,654,500

June 30, 2011

Table 17

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		School Enrollment ^c	Unemployment Rate ^d
			Personal Income ^b	Median Age ^b		
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%
2003	136,144	3,812,848,864	28,006	36.4	21,536	7.3%
2002	133,596	3,713,167,224	27,794	36.3	21,357	7.5%

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											
	2011 ^a		2010 ^a		2009 ^a		2008 ^a		2007 ^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
Laboratory Corp. of America	3,300	1	2.17%	3,300	2	2.22%	3,230	2	2.26%	3,200	1	2.24%
Alamance-Burlington School System	3,260	2	2.15%	3,260	1	2.20%	3,260	1	2.28%	2,780	2	1.92%
Alamance Regional Medical Center	2,300	3	1.52%	2,300	3	1.55%	2,030	3	1.42%	1,700	3	1.20%
Elon University	1,290	4	0.85%	1,290	4	0.87%	1,250	4	0.87%	1,083	5	0.76%
Alamance County Government	1,100	5	0.72%	1,100	5	0.74%	1,140	5	0.80%	1,020	6	0.71%
Wal-Mart	1,100	5	0.72%	1,100	5	0.74%	1,100	6	0.77%	1,100	4	0.78%
City of Burlington	875	7	0.58%	875	7	0.59%	875	7	0.61%	875	7	0.62%
Alamance Community College	600	8	0.40%	600	8	0.40%	600	8	0.42%	600	8	0.42%
Honda Power Equipment	510	9	0.34%	510	9	0.34%	575	9	0.40%	575	9	0.41%
GKN Automotive	500	10	0.33%	500	10	0.34%	500	10	0.35%	500	10	0.35%
General Electric Co.			0.00%			0.00%			0.00%			0.00%
Gold Toe Moretz			0.00%			0.00%			0.00%			0.00%
Engineered Controls			0.00%			0.00%			0.00%			0.00%
Alamance Health Services			0.00%			0.00%			0.00%			0.00%
CULP, Inc			0.00%			0.00%			0.00%			0.00%
Total	14,835		9.78%	14,835		10.00%	14,560		9.97%	13,933		9.73%

Taxpayer	Fiscal Year Ended June 30											
	2006 ^a		2005 ^c		2004 ^c		2003 ^b		2002 ^c			
	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
Laboratory Corp. of America	3,200	1	2.26%	-	-	0.00%	3,200	1	2.35%	-	-	0.00%
Alamance-Burlington School System	2,700	2	1.85%	-	-	0.00%	2,700	2	1.96%	-	-	0.00%
Alamance Regional Medical Center	1,700	3	1.21%	-	-	0.00%	1,500	3	1.10%	-	-	0.00%
Elon University	1,000	5	0.71%	-	-	0.00%	870	4	0.64%	-	-	0.00%
Alamance County Government	900	7	0.64%	-	-	0.00%	650	8	0.48%	-	-	0.00%
Wal-Mart	1,100	4	0.78%	-	-	0.00%	-	-	0.00%	-	-	0.00%
City of Burlington	1,000	6	0.71%	-	-	0.00%	534	10	0.38%	-	-	0.00%
Alamance Community College	500	9	0.35%	-	-	0.00%	-	-	0.00%	-	-	0.00%
Honda Power Equipment	600	8	0.42%	-	-	0.00%	-	-	0.00%	-	-	0.00%
GKN Automotive	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%
General Electric Co	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	0.00%
Gold Toe Moretz	-	-	0.00%	-	-	0.00%	800	5	0.59%	-	-	0.00%
Engineered Controls	500	10	0.36%	-	-	0.00%	675	7	0.50%	-	-	0.00%
Alamance Health Services	-	-	0.00%	-	-	0.00%	700	6	0.51%	-	-	0.00%
CULP, Inc	-	-	0.00%	-	-	0.00%	595	9	0.44%	-	-	0.00%
Total	13,200		9.40%	-	-	0.00%	9,024		6.63%	-	-	0.00%

Source:
^a Alamance County Chamber of Commerce
^b Official Bond Statements of Alamance County
^c 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									
	2011	2010	2009	2008 ^a	2007	2006	2005	2004 ^b	2003	2002 ^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	4.00	4.00	4.00	4.00	4.00	2.00	2.00
Planning	2.50	2.50	2.50	2.50	2.50	2.50	3.00	3.00	3.00	3.00
Human Resources	4.00	4.00	4.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Finance	7.00	7.00	7.00	7.00	10.00	10.00	10.00	10.00	11.00	11.00
Legal	5.00	5.00	5.00	5.00	5.00	4.00	5.00	5.00	5.00	5.00
Register of Deeds	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.00	11.00
Revaluation	0.00	0.00	0.00	3.00	0.00	0.00	0.00	0.00	0.00	0.00
MIS	19.00	20.00	20.00	19.00	19.00	19.00	19.00	17.00	15.00	17.00
Printing Services	1.75	1.75	1.75	0.75	0.75	0.50	0.50	0.63	1.60	1.60
Purchasing	2.00	2.00	2.00	2.00	2.00	0.00	0.00	0.00	0.00	0.00
Tax Administration	30.50	26.00	26.00	29.00	29.00	28.00	27.00	25.00	24.00	24.00
GIS/Mapping	3.00	3.00	3.00							
Maintenance	14.00	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50
Elections	4.50	4.50	4.50	3.50	3.00	3.50	3.50	3.60	3.60	3.60
Cultural and Recreational										
Library	43.85	45.51	44.51	46.63	46.63	43.00	43.00	37.00	34.20	33.20
Recreation	16.00	16.00	15.00	15.00	15.00	38.00	38.00	14.00	14.00	14.00
Economic and Physical Development										
Cooperative Extension	8.00	8.00	8.00	7.50	7.50	7.50	7.58	8.50	8.50	9.00
Soil Conservation	4.00	4.00	4.00	4.00	4.00	4.00	4.00	2.70	2.70	2.70
Public Safety										
Judicial Services	7.00	7.00	7.00	7.00	6.00	6.00	6.00	6.00	74.00	76.00
Sheriff's Office	129.00	130.00	130.00	128.00	124.00	116.00	112.50	101.00	3.00	3.00
School Resource Officers	7.00	7.00	7.00	6.00	6.00	5.00	6.00	3.00	3.00	3.00
Jail	132.00	135.50	135.50	135.00	135.50	134.00	134.00	56.00	38.00	38.00
Animal Control									3.00	3.00
City/County Vice Unit	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Fire Marshal	1.50	1.50	1.50	1.50	1.50	1.50	2.00	1.50	1.50	1.50
SARA Management	11.00	12.50	12.50	12.00	12.00	11.00	12.00	9.60	9.00	9.00
Inspections	84.50	84.50	84.50	83.50	83.50	82.50	78.50	78.00	78.00	78.00
Emergency Medical Service	28.00	29.00	29.00	28.00	25.00	26.00	27.00	24.00	17.00	17.00
Central Communications										
Human Services										
Health	89.00	90.50	90.50	89.50	88.50	85.00	83.00	81.00	81.00	81.00
WIC Program	15.25	11.00	11.00	10.00	10.00	9.50	9.00	8.00	8.00	8.00
Dental	10.80	10.75	10.00	11.00	11.00	10.00	9.50	6.00	6.00	6.00
Social Services	188.50	186.00	186.00	186.00	185.50	178.50	177.00	167.00	167.00	167.00
Social Services-Family Assessment	2.00	3.00	3.00							
Social Services-SAMHSA	2.50	2.00	2.00	2.50	2.50	2.50	2.50	2.00	2.00	2.00
Veteran's Services	2.00	3.00	3.00							
Alamance Friends of Youth										
Landfill	17.50	17.50	17.50	18.00	18.00	16.50	16.50	9.00	9.00	9.00
Total	916.15	922.01	919.26	908.38	894.38	887.00	871.08	715.53	663.60	667.10

Source: Alamance County Payroll Department.

Notes:

^aPurchasing was separated from the Finance Department.

^bAdditional Deputies were approved for Sheriff's Department. Also, Animal Control and City/County Vice Unit are now combined with Sheriff's Department.

^c Alamance Friends of Youth is now a State department through the Office of Juvenile Justice.

ALAMANCE COUNTY, NORTH CAROLINA

Operating Indicators by Function/Program
Last Ten Fiscal Years

Table 21

Function/Program	Fiscal Year Ended June 30									
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Fire protection:										
Number of stations	20	20	20	20	20	20	19	19	19	19
Number of fire personnel and officers	460	450	440	440	486	486	450	430	421	427
Number of calls answered	8,736	8,280	8,256	8,217	8,009	7,497	7,006	6,844	6,424	6,396
Number of inspections conducted	1,512	943	1,175	1,018	915	749	850	1,300	1,100	1,264
Sheriff protection:										
Number of Sheriff personnel and officers	268.0	272.5	272.5	269	265	256	197	179	172	128
Number of sworn officers	126	123	122	120	112	101	97	88	88	68
Number of law violations:										
Ten major offenses	1,565	2,599	2,256	1,797	2,118	2,172	2,541	1,835	1,338	1,425
Civil papers served	10,528	10,625	10,557	8,434	10,149	12,616	12,120	26,635	15,279	15,016
Traffic violations	1,381	1,424	1,021	3,600	3,400	3,200	2,500	495	236	200
Inspections:										
Building Permits-Residential ^a	247	219	219	396	495	523	615	654	562	484
Building Permits-Non-Residential ^a	8	9	9	31	54	71	31	23	27	38

Source: Various County Departments

Note:

^a Building permits are accounted for the calendar year. Calendar 2011 information is not available.

ALAMANCE COUNTY, NORTH CAROLINA

Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Table 22

Function/Program	Fiscal Year Ended June 30									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Sheriff protection										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of patrol cars	114	102	102	100	100	100	87	82	53	50
Parks and recreation										
Acreage	469	470	468	468	487	430	430	430	430	430
Acreage-Leased*	410	406	219	219						
Baseball/Softball diamonds	1	1	1	1						
Baseball/Softball diamonds-leased*	7	9	9	9	9	1	1	1	1	1
Library										
Branches	5	5	5	5	5	4	4	4	4	4
Emergency Medical Services										
Number of stations	3	3	3	3	3	3	3	2	1	1
Number of ambulances	13	15	15	18	15	16	16	14	14	14
Number of medic trucks	6	5	5	5	5	6	4	3	3	2

*Leased information added in FY2007-2008.

Source: Various County Departments

COMPLIANCE SECTION

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**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***

To the Board of County Commissioners
Alamance County, North Carolina

We have audited the financial statements of the governmental activities, the business-type activities, the 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, 2011, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 14, 2011. Our report includes a reference to other auditors. 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. Other auditors audited the financial statements of the Alamance Tourism Development Authority and the Alamance Transportation Authority as described in our report on Alamance County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the Alamance Tourism Development Authority were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

Management of Alamance County is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Alamance County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Alamance County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Alamance County's internal control over financial reporting.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies, or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified a certain deficiency in internal control over financial reporting that we consider to be a material weakness.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of Alamance County's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency, 2011-01, described in the accompanying Schedule of Findings and Questioned Costs to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Alamance County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, non-compliance 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 non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

Alamance County's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the County's response and, accordingly, we express no opinion on the response.

This report is intended solely for the information and use of the members of the Board of Commissioners, management, others within the organization, federal and State awarding agencies, and pass-through entities, and is not intended to be, and should not be, used by anyone other than these specified parties.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
December 14, 2011

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

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

Report On Compliance With Requirements That Could Have a Direct And Material Effect On Each Major Federal Program And Internal Control Over Compliance In Accordance With OMB Circular A-133 And The State Single Audit Implementation Act

To the Board of Commissioners
Alamance County, North Carolina

We have audited the compliance of Alamance County 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 its major federal programs for the year ended June 30, 2011. Alamance County's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Alamance County's management. Our responsibility is to express an opinion on Alamance County's compliance based on our audit.

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; 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. Our audit does not provide a legal determination of Alamance County's compliance with those requirements.

In our opinion, Alamance County complied, in all material respects, with the 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, 2011.

Internal Control Over Compliance

Management of Alamance County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Alamance County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the State Single Audit Act, 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 Alamance 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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material non-compliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended for the information and use of management, others within the organization, members of the Board of Commissioners, federal and State awarding agencies, and pass-through entities, and is not intended to be, and should not be, used by anyone other than these specified parties.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P. A.
December 14, 2011

**Report On Compliance With Requirements That Could Have a Direct and Material Effect
On Each Major State Program And Internal Control Over Compliance In Accordance With
Applicable Sections of OMB Circular A-133 And the State Single Audit Implementation Act**

To the Board of Commissioners
Alamance County, North Carolina

Compliance

We have audited Alamance County, North Carolina's compliance with the types of compliance requirements described in applicable sections of U.S. Office of Management and Budget (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 State programs for the year ended June 30, 2011. Alamance County's major State programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major State programs is the responsibility of Alamance County's management. Our responsibility is to express an opinion on Alamance County's compliance based on our audit.

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; applicable sections of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act. Those standards, applicable sections of 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. Our audit does not provide a legal determination of Alamance County's compliance with those requirements.

In our opinion, Alamance County complied, in all material respects, with the 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, 2011.

Internal Control Over Compliance

Management of Alamance County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to State programs. In planning and performing our audit, we considered Alamance County's internal control over compliance with the requirements that could have a direct and material effect on a major State program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with applicable sections of OMB Circular A-133 and the State Single Audit Implementation Act, 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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material non-compliance with a type of compliance requirement of a State program will not be prevented, or detected and corrected, on a timely basis.

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, members of the Board of Commissioners, others within the organization, federal and State awarding agencies, and pass-through entities, and is not intended to be, and should not be, used by anyone other than these specified parties.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
December 14, 2011

ALAMANCE COUNTY, NORTH CAROLINA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011**

Section I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

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

Non-compliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

- Material weaknesses identified? Yes No
- Significant deficiencies identified? Yes None reported

Type of auditors' report issued on compliance for major federal programs: Unqualified

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

Identification of major federal programs:

Federal Program/Cluster Name	CFDA#
Medicaid Cluster	93.778
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
ARRA - Child Care and Development Block Grant	93.713
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557
Title IV-E Foster Care - Administration/FosterCare	93.658
Adoption Assistance - Optional Training/Direct Benefit Payments	93.659
Temporary Assistance For Needy Families Cluster	93.558/93.714

ALAMANCE COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011

Section I. Summary of Auditors' 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 No

Type of auditors' report issued on compliance for
 major State programs: Unqualified

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
- Foster Care and Adoption Cluster
- State/County Special Assistance for Adults
- Public School Building Capital Fund
- Schools Lottery Distribution

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2011

Section II. Financial Statements Findings:

2011-01

Criteria: Management should have a system in place to reduce the likelihood of errors in financial reporting.

Condition: In the current year, beginning net assets for the governmental activities were restated due to capital assets and the Other Post-Employment Benefits long-term liability being understated in the prior year.

Context: While performing testing on capital assets and long-term liabilities, we noted the condition described above.

Effect: For the statements affected, the prior year financial statements were misstated. Capital assets as of June 30, 2010 were understated by \$547,007 and the Other Post-Employment Benefits long-term liability was understated by \$2,705,936.

Cause: Inadequate supporting documentation provided to the external auditor, who drafted the report, and/or inadequate interpretation of the data provided to the external auditor, who drafted the report.

Recommendation: Review of the audited financial statements should be implemented to prevent prior period adjustments in the future.

Contact Person: Amy Weaver, Finance Officer

Views of Responsible Officials and Planned Corrective Actions: Management concurs with finding and will continue to review financial statements to prevent prior period adjustments.

Section III. Federal Award Findings and Questioned Costs

None reported.

Section IV. State Award Findings and Questioned Costs

None reported.

ALAMANCE COUNTY, NORTH CAROLINA
SUMMARY SCHEDULE OF PRIOR YEAR'S AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2011

Finding 2010-1: Corrected in current year.

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED JUNE 30, 2011

Grantor/Pass-Through Grantor/Program Title	Federal	State/ Pass-Through		
	CFDA Number	Grantors Number	Federal	State
FEDERAL AWARDS				
<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	03-P-1179	\$ 9,993	\$ -
Total CDBG - Entitlement Grants Cluster			9,993	-
Direct Programs:				
Lower Income Housing Assistance:				
Home Investment Partnership Program	14.239	SFR0901	464,440	-
Passed-Through N.C. Department of Commerce:				
CDBG - State-Administered CDBG Cluster				
CDBG Housing Development	14.228	07-C-1744	250,000	-
CDBG Scattered Sites	14.228	07-C-1649	483,422	-
Total CDBG - State - Administered CDBG Cluster			733,422	-
Division of Community Assistance:				
Scattered Site Housing Grant	10.417	04-C-1220	10,000	-
Total U.S. Department of Housing and Urban Development			1,217,855	-
<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		825,105	-
Total Supplemental Nutrition Assistance Program Cluster			825,105	-
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		3,515,326	-
Administration:				
AGRI-SFP Food Program Meal	10.559		3,327	-
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557		756,615	-
Total U.S. Department of Agriculture Food and Nutrition Service			5,100,373	-
<u>U.S. Department of Justice</u>				
Office of Community Oriented Policing Services				
Public Safety Partnership and Community Policing Grant	16.710	N/A	63,090	-
Direct Program:				
Justice Assistance Grant	16.738	2010-H7068-NC-DJ	16,033	-
State Crime Alien Assistance Program	16.606		6,160	-
Total U.S. Department of Justice			85,283	-
<u>Department of Homeland Security</u>				
Passed-Through N.C. Department of Crime Control and Public Safety:				
Division Emergency Management				
Homeland Security Grant Program	97.067		4,245	-
Emergency Management Performance Grant	97.042	EMPG-2010-37001	46,529	-
Total Department of Homeland Security			50,774	-

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State/ Pass-Through Grantors Number	Federal	State
<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		193,860	156,163
Special Programs for the Aging - Title III C - Nutrition Services	93.045		183,029	100,850
NSIP Supplement	93.053		63,990	-
ARRA-Aging Home-Congregate Nutrition Services for States	93.707		5,297	311
Total Aging Cluster			<u>446,177</u>	<u>257,324</u>
Social Services Block Grant (SSBG) - In Home Services	93.667		55,346	27,076
State Funds	N/A		-	141,088
Total Division of Aging			<u>501,523</u>	<u>425,488</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		381,854	66,614
Title IV-E Foster Care Administration-Direct Benefit	93.658		152,065	37,283
Adoption Assistance	93.659		26,392	-
Adoption Assistance - Direct Benefit Payments	93.659		735,139	164,406
Total Foster Care and Adoption Cluster			<u>1,295,450</u>	<u>268,303</u>
<u>Temporary Assistance for Needy Families Cluster</u>				
Work First/Temporary Assistance for Needy Families (TANF)	93.558		1,026,035	-
ARRA-Emergency Contingency Fund for Temporary Assistance for Needy Families State Program	93.714		62,921	-
Work First/TANF - Direct Benefits Payments	93.558		648,838	(106)
Total TANF Cluster			<u>1,737,794</u>	<u>(106)</u>
<u>Division of Social Services:</u>				
Family Preservation	93.556		7,807	-
Energy Assistance Payments - Direct Benefit Payments	93.568		879,890	-
Crisis Intervention Program and Low Income	93.568		740,133	-
Temporary Assistance for Needy Families	93.558		14,770	-
Adoption Subsidy - Direct Benefit Payments	93.645		-	347,362
Permanency Planning - Families for Kids	93.645		41,213	-
SSBG - Other Service and Training	93.667		359,037	37,357
Child Support Enforcement	93.563		958,601	52
Adoption/Foster Care			566,077	-
Independent Living	93.674		19,612	3,285
SSBG - State In-Home Service Fund	93.667		50,532	-
Family Violence Prevention	93.671		11,956	-
Total Division of Social Services			<u>3,649,628</u>	<u>388,056</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		281,982	-
Division of Social Services:				
Child Care and Development Fund - Discretionary	93.575		2,045,236	-
Child Care and Development Fund - Mandatory	93.596		755,050	-
Child Care and Development - Match	93.596		996,233	541,870
Total Child Care Development Fund Cluster			<u>4,078,501</u>	<u>541,870</u>

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

Grantor/Pass-Through Grantor/Program Title	Federal CFDA	State/ Pass-Through Grantors	Federal	State
	Number	Number		
Social Services Block Grant	93.667		9,681	-
TANF	93.558		697,762	-
ARRA-Emergency Contingency Fund for Temporary Assistance for Needy Families-State Programs	93.714		377,740	
Smart Start	N/A	N/A		166,927
State Appropriations	N/A	N/A	-	150,511
TANF - MOE	N/A	N/A	-	355,817
Total Subsidized Child Care			5,163,684	1,215,125
Centers for Medicare and Medicaid Services				
Passed-Through N.C. Department of Health and Human Services: Division of Medical Assistance: Direct Benefit Payments: Medical Assistance Program	93.778		108,657,754	44,756,951
Division of Social Services: Administration: Medical Assistance Program	93.778		1,662,554	128,325
Total Medicaid Cluster			110,320,309	44,885,276
State Children's Insurance Program - N.C. Health Choice	93.767		89,488	5,524
Total Centers for Medicare and Medicaid Services			110,409,796	44,890,801
Division of Public Health:				
Health Resources and Services Administration				
Passed-Through N.C. Department of Health and Human Services: Division of Public Health: Immunization Cluster Immunization Program/Aid to County Funding	93.268		37,928	-
Total Immunization Cluster			37,928	-
Maternal and Child Health Services Block Grant	93.994		127,474	95,617
Total Health Resources and Services Administration				
Office of Population Affairs				
Passed-Through N.C. Department of Health and Human Services Office of Population Affairs Family Planning Services	93.217		72,184	-
Centers for Disease Control and Prevention				
Passed-Through N.C. Department of Health and Human Services: Division of Public Health: Prevention-Investigation And Technical Assistance	93.283		63,895	27
Public Health Emergency Preparedness	93.069		17,229	-
State-wide Health Promotion Program	93.991		13,767	-
Environmental Public Health and Emergency Response	93.070		9,222	-
Total Centers for Disease Control and Prevention			104,113	27
Total Division of Public Health			341,698	95,644
Institute of Museum and Library Services				
LSTA Technology Grant--Mobile Laptop	45.310		28,393	-
Environmental Protection Agency				
Passed-Through N.C. Department of Environment and Natural Resources: Brownsfield Assessment and Cleanup Cooperative Agreements	66.818	BF-95407708-0	21,740	-
Total EPA			21,740	-
Total Federal Awards			129,603,990	47,283,311

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

Grantor/Pass-Through Grantor/Program Title	Federal	State/ Pass-Through	Federal	State
	CFDA Number	Grantors Number		
STATE AWARDS:				
<u>N.C. Department of Cultural Resources</u>				
State Aid to Public Libraries	N/A	N/A		185,176
<u>N.C. Department of Health and Human Services</u>				
Division of Aging and Adult Services				
Division of Social Services:				
State/County Special Assistance for Adults - DBP	N/A	N/A		1,363,196
Foster Care at Risk Maximization	N/A	N/A		2,301
State Foster Home	N/A	N/A		66,142
Smart Start	N/A	N/A		67,547
State Adult Protective Service	N/A	N/A		20,997
AFDC Incent/Program Integrity	N/A	N/A		222
TANF Incent/Program Integrity	N/A	N/A		9,469
Energy Assistance Private Grants	N/A	N/A		1,618
Total Division of Social Services				1,531,492
Division of Public Health:				
General	N/A	N/A		175,962
Communicable Disease	N/A	N/A		3,745
Tuberculosis	N/A	N/A		31,494
AIDS - State	N/A	N/A		12,625
Women's Preventative Health	N/A	N/A		16,011
Risk Reduction/Health Promotion	N/A	N/A		2,808
Tuberculosis Medical Services	N/A	N/A		795
Preparedness and Response--Bioterrorism	N/A	N/A		-
Total Division of Public Health				243,439
Total N.C. Department of Health and Human Services				1,774,931
<u>N.C. Office of Juvenile Justice:</u>				
Teen Outreach Program	N/A	N/A		41,023
Total N.C. Office of Juvenile Justice				41,023
<u>N.C. Department of Public Instruction</u>				
Schools Lottery Distribution	N/A	N/A		1,389,435
Public School Building Capital Fund	N/A	N/A		965,958
Total N.C. Department of Public Instruction				2,355,393
<u>N.C. Department of Transportation</u>				
Rural Operating Assistance Program (ROAP)				
ROAP Elderly and Handicapped Transportation Assistance	N/A	9.9050716		124,786
Assistance Program	N/A	N/A		56,373
ROAP Rural General Public	N/A	N/A		161,245
Total ROAP				342,404
<u>N.C. Division of Parks and Recreation</u>				
Carolina Mill Adopt A Trail	N/A	N/A		5,050
Build Pedestrian Bridges on Challenge Phase 1	N/A	N/A		4,629
Trust Fund	N/A	N/A		91,506
Tee Signs for Cedarock Disk Golf	N/A	N/A		2,020
Print new Haw River Paddle Trail brochure	N/A	N/A		2,020
Trail Side Facilities	N/A	N/A		58,063
Land Easements	N/A	N/A		65,629
Glencoe Adopt-a-Trail Grant	N/A	N/A		-
Total Division of Parks and Recreation				228,917

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED JUNE 30, 2011

Grantor/Pass-Through Grantor/Program Title	Federal	State/ Pass-Through	Federal	State
	CFDA Number	Grantors Number		
<u>N.C. Department of Environment and Natural Resources</u>				
Childhood Lead Poisoning Prevention	N/A	3511-319		1,212
Environmental Health Services	N/A	3511-319		4,040
Food and Lodging 1st Distribution	N/A	3511-319		758
Scrap Tire Disposal	N/A	N/A		1,171
Total N.C. DENR				7,181
<u>N.C. Department of Housing Finance Agency</u>				
Urgent Repair Program		URP0901		151,653
Total State Awards				5,086,678
Total Federal and State Awards			\$ 129,603,990	\$ 52,369,989

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 Surry 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, and Non-Profit Organizations. 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-recipients</u>	<u>Program Title</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>	<u>State Expenditures</u>
Alamance County Community Services Agency, Inc.	NSIP Supplement	93.053	\$ 24,550	\$ -
	Special Program for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	28,666	31,430
	Special Program for the Aging - Title III, Part C - Nutrition Services	93.045	138,993	8,177
	ARRA-Aging Home-Congregate Nutrition Services for States	93.707	5,297	311
Alamance County Dispute Settlement Center, Inc.	Office of Juvenile Justice-Juvenile Mediation	N/A	-	313,565
Alamance Eldercare, Inc.	Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	58,151	63,759
Alamance County Meals on Wheels	NSIP Supplement	93.053	39,439	-
	Special Program for the Aging - Title III, Part C - Nutrition Services	93.045	44,036	92,673

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED JUNE 30, 2011

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State/ Pass-Through Grantors Number	Federal	
			Federal	State
Homecare Providers	In Home Services	N/A	-	77,844
	Special Program for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	29,989	1,766
Friendship Center of Alamance, Inc.	In Home Services	N/A	-	63,244
	Special Program for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	24,364	1,435
Alamance County Transportation Authority	Special Program for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	52,691	57,773
Positive Attitude Youth Center, Inc.	Office of Juvenile Justice: Teen Achievers	N/A	-	51,849
Alamance-Burlington School System	Schools Lottery Distribution	N/A	-	1,389,435
	Public School Building Capital Fund	N/A	-	965,958

3. Clustered Programs

The following are clustered by the N.C. 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.