

# ALAMANCE COUNTY

## Citizens' Financial Report

---

For the Fiscal Year ended June 30, 2017





# Alamance County Government

## Citizens' Financial Report Fiscal Year 2016-2017

124 W. Elm Street  
Graham, NC 27253  
336-570-4038

[www.alamance-nc.com](http://www.alamance-nc.com)





# To the Residents of Alamance

In an effort to provide transparency and accountability to our residents, Alamance County Government presents the 2016-17 Citizens' Financial Report. This report is a snapshot of the Comprehensive Annual Financial Report (CAFR) that was prepared by Susan Evans, our Finance Officer, and Martin Starnes & Associates, CPAs, P.A.,

This past year, our community has benefited from an expanding tax base and an increase in sales tax due to a strengthening economy. We hope to see this trend continue as our county grows in population and prosperity. Our goal, as County Government, is to effectively provide residents with high quality public services, a safe and healthy community, and a responsive, transparent government.

We hope that this report is a reflection of our mission and the work our departments and partner organizations have provided this year. We invite you to look over both this basic introduction as well as the complete report available on our website and reach out to us with any questions you may have.

*Bryan Hagood*

Bryan Hagood  
Alamance County Manager

---

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, 2017, are free of material misstatement.

Our desire as county government is to closely monitor resources and engage in aggressive program efficiency and cost containment efforts. This allows 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. Our County Management continues to work with departments to keep cost at a minimum without reducing services to our citizens. We also closely watch our Fund Balance to ensure the County has adequate reserves to fund projects and to keep the tax rate at a necessary funding level.

I hope that this Citizens' Financial Report which reflects the Comprehensive Annual Financial Report is a helpful tool in understanding the County's finances for this past fiscal year.

*Susan Evans*

Susan Evans  
Alamance County Finance Officer

## Alamance County 2017 Board of Commissioners

Ms. Amy Scott Galey, Chair | Mr. Bill Lashley, Vice Chair | Mr. Eddie Boswell, Commissioner  
Mr. Bob Byrd, Commissioner | Mr. Tim Sutton, Commissioner



# Introduction

Alamance County is a growing community located in central North Carolina. It encompasses a land area of 431 square miles which includes both rural and urban areas. Its location off of the I-85/I-40 corridor between the Triangle and the Triad have helped to ensure its future with continued growth and development.

Alamance County was formed in 1849, but our roots date back to the pre-Revolutionary War era and "The Battle of Alamance." Our history is rich with a hardworking community who provided for their families by working on farms or in textile mills. Currently, Alamance County is home to approximately 161,000 residents with fifteen communities in diverse areas throughout the county.

County Government is responsible for providing citizens with a wide range of services including sheriff and fire protection, solid waste management, health and social services, and cultural and recreational activities. In addition to the direct services provided, the County also extends significant financial support to the school system, boards, agencies, and commissions.

This report gives an overview of our financial position for the Fiscal Year 2016-17 and highlights the General Fund which accounts for the majority of operations for the County.



27% Rural Community  
73% Non-Rural Community



\$43,209  
2016 Median  
Household Income



4.4%  
Unemployment Rate  
as of June 2017

## Did You Know?

North Carolina statutes require that local governments adopt a balanced budget each year.

**Counties determine their budget by projecting how much money it is going to cost to provide services to the community.**

For example, last year EMS received 35,081 calls and transported 18,022 patients. This information is helpful in determining if additional staff and ambulances are needed to provide quality service.

**The property tax rate is then determined by these spending needs.**



# Highlights of the 16/17 Budget



Personnel - **13 new positions** (majority in Human Services and Public Safety departments)



Capital Outlay - \$296,574 for **technology infrastructure and equipment**, \$437,137 for **vehicles** (the majority for ambulances and remounts), \$170,452 for **building improvements**, and \$286,180 for **library materials**



Facilities - **\$690,000** for public schools and community college buildings

## What Was Our Revenue?



Property Taxes \$77,536,930

\$28.2M



Sales Tax \$28,159,495



Grants \$24,868,097



Fees \$12,571,963



ALL OTHER  
\$2.7M

Other \$2,678,834

**Total Revenue = \$145,815,319**

**\$0.58**

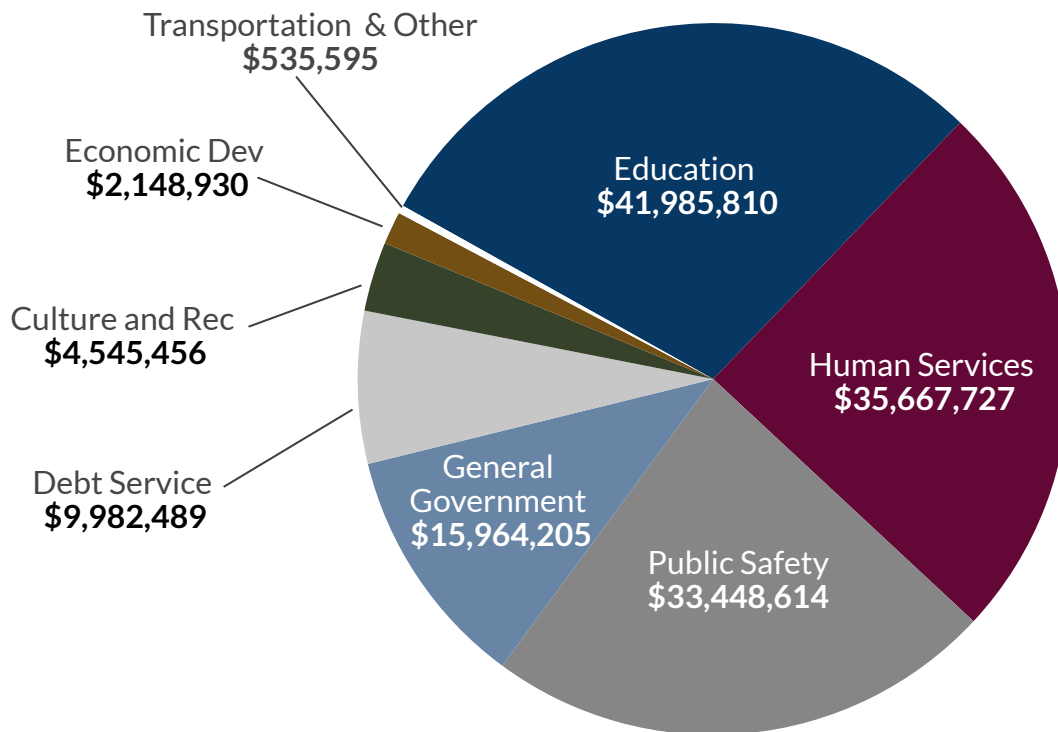
PROPERTY TAX RATE  
for fiscal year 2016/2017  
per \$100 valuation of taxable property

### January 1, 2017 Property Revaluation

Every 8 years, the County conducts a tax revaluation where properties are valued for taxable purposes.

# Where Does My Money Go?

## General Fund Expenditures



Total Expenditures and other Financing Uses = \$144,279,826

### What is the General Fund?

The General Fund is the operating fund from which the County accounts for the money coming in and the expenses that are paid out. For the FY 2016-17, the General Fund revenue was \$145,815,319 and the total expenditures was \$144,278,826.

The General Fund is divided into the categories below:

**Education:** Supports Alamance Burlington School System and Alamance Community College

**Public Safety:** Judicial Services, Sheriff's Office, School Resource Officers, Jail, Emergency Management, Emergency Services, Fire Marshal, Inspections, Emergency Medical Service (EMS), Animal Shelter, and Central Communications (911).

**Human Services:** Includes Health Dept, Social Services, Juvenile and Elderly Justice Programs, Veterans, and Mental Health

**General Government:** County Manager, Planning, Human Resources, Finance, Tax, GIS Mapping, Legal, Elections, Register of Deeds, Information Technology, and Maintenance

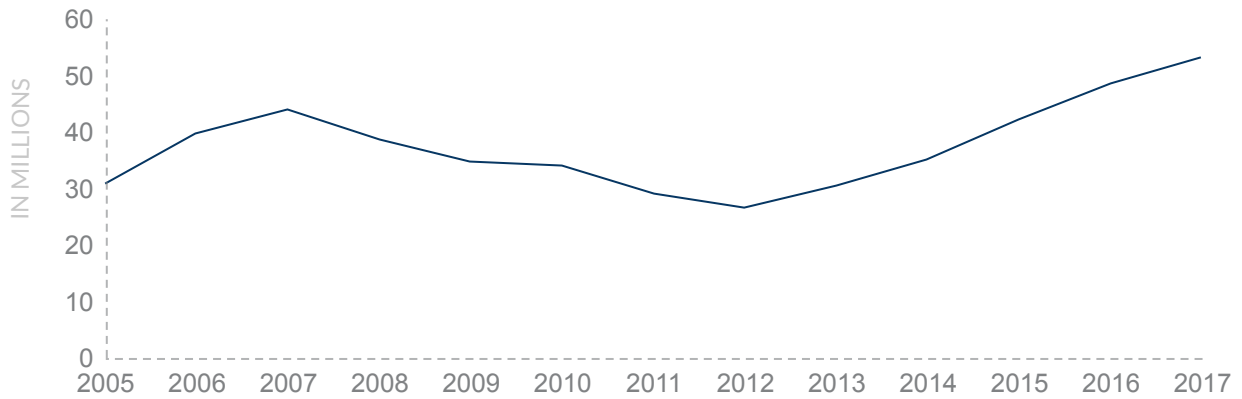
**Debt Service:** Includes payments for debt

**Culture and Recreation:** Encompasses the parks and libraries

**Economic Development:** Includes Cooperative Extension, Soil and Water, Tourism Development Authority, and Economic Development

**Transportation and Other:** Contributes funding to rural and non-rural transportation services and the Airport

# What Is Our Fund Balance?



The County's fund balance is a "safety net" in case of emergencies, economic crises, and other circumstances that may impact the County's finances. The Fund Balance has continued to increase from \$30,751,475 in 2005 to \$53,084,570.00 as of June 30, 2017.

Our fund balance is divided into these five categories: non spendable, restricted, committed, assigned, or unassigned. These classifications tell us how much of the fund balance must be reserved for a specific use as required by donors, the Board, management, or the law.

Every 8% of the County's fund balance equals 1 month of operations. With 18.3%, the County has a little over 2 months of the funding needed for County operations.



The County set a goal to have an unassigned fund balance equal to 25% of the total of our annual expenditures.



■ 25% Goal for Unassigned F.B.  
■ 18% Unassigned F.B.

**\$26.3M** Unassigned fund balance for the General Fund

=

**18.3%** of the total General Fund Expenditures for FY 2016 17





# How Much Do We Owe?

Alamance County builds and maintains facilities for our public schools, community college, criminal courts system, and county services through the issuance of debt.



\$399.70  
Debt per  
person for FY  
2016 17

Year	Total Debt	General Obligation Debt Ratio
2017	64,537,280	<p>North Carolina state statutes limit the amount of general obligation outstanding debt to 8% of Alamance County's assessed valuation of property taxes.</p> <p>Our legal debt limit is \$1,074,565,159.</p> <p><b>Why did debt increase this year?</b></p> <p>During the FY 2016, the County sold general obligation bonds for the Alamance Community College Advanced Applied Technology Center.</p> <p><b>Does the County own school facilities?</b></p> <p>While the County pays the debt for school facilities, the building, land, etc. belongs to the school system or community college.</p>
2016	55,324,922	
2015	63,620,803	
2014	72,794,159	
2013	81,454,037	
2012	84,162,034	
2011	89,596,798	
2010	82,475,995	
2009	84,993,293	
2008	85,153,099	

# What Is Our Bond Rating?

# Aa2 | AA

Alamance County has a bond rating of Aa2 from Moody's Investors and AA from Standard & Poor's Rating Services.

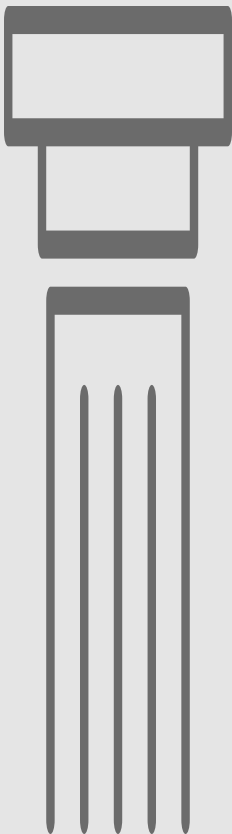
Bond ratings are similar to our personal credit scores - **the higher the bond rating the lower the interest we will have to pay.** Having a strong fund balance is one of the factors in determining a higher bond rating which is why our County established a fund balance policy.



# In Conclusion

This brief overview primarily represents Alamance County's revenue and operating costs.

To learn more about the landfill, lottery funds, and our Tourism Development Authority finances, as well as a comprehensive view of the Fiscal Year 2016-17, we invite you to read our CAFR (Comprehensive Annual Financial Report) found on our Finance page at [www.alamance-nc.com](http://www.alamance-nc.com).



## ALAMANCE COUNTY IS COMMITTED TO:

- Preserving Agriculture:** A vibrant, protected rural economy supporting locally owned and operated farms
- World Class Education:** A commitment to world-class education to encourage a prosperous community and individual success for all from cradle to career
- Smart Growth and Development:** Planned growth that strikes a balance between a thriving economy and an appreciation of natural and agricultural resources
- Public Health and Safety:** Develop and implement activities that provide for the well-being of all citizens in a responsive, respectful, and engaged manner
- Government Accountability and Resource Management:** A commitment to provide leadership through innovative and effective management. Promote trust by providing transparency, openness, and appreciating citizen concerns

Alamance County is committed to a long-term financial plan that fully integrates our strategic plan and Performance Management Program. This ensures funding to the target areas that the County has strategically prioritized.

## IN FUTURE





# County Government Performance 2016-17



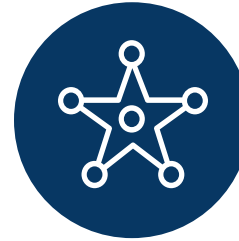
**105,038**

911 Phone Calls  
Answered



**18,022**

Patients Transported  
& 601,143 Miles  
Driven



**72,605**

Calls for Service  
Sheriff's Dept  
(including self-initiated)



**6,455**

Health Clinic  
Patients  
(unduplicated)



**94,664**

Tons of Waste &  
4,702 Tons of  
Recycling



**36,894**

Building  
Inspections



**1,583**

Family Justice  
Center Clients  
Served



**1,506**

Fire Inspections



**547,012**

Library Visitors



**5,508**

Veterans Served



**533,269**

Park Visitors



**32,903**

Clients Visiting  
Social Services

Alamance County Government

124 W. Elm Street  
Graham, NC 27253  
336-570-4038