

ALAMANCE COUNTY NORTH CAROLINA

CITIZENS' FINANCIAL REPORT



*For the fiscal year ended June 30, 2023
Prepared by the
Alamance County Finance Department*

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GFOA AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Alamance County for its Popular Annual Financial Reporting for the fiscal year ended June 30, 2022. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a popular annual financial report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. Alamance County has received this award for its Popular Annual Financial Report for all years beginning with and since 2018, including the 2022 report. The current report continues to conform to the popular annual financial reporting requirements and will be submitted to the GFOA to determine its eligibility for another certificate.



Government Finance Officers Association

Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting

Presented to

**Alamance County
North Carolina**

For its Annual Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morrell
Executive Director/CEO

MANAGER'S MESSAGE

TO THE RESIDENTS OF ALAMANCE COUNTY

In an effort to provide transparency and accountability to our residents, Alamance County Government presents the 2022-2023 Citizens' Financial Report. This report is an overview of the Annual Comprehensive Financial Report that was prepared in conformance with Generally Accepted Accounting Principles (GAAP) and audited by Martin Starnes & Associates, CPAs, P.A.. The General Fund accounts for the majority of operations for the County, but differs from the GAAP financial statements because accounting data has been summarized.

Alamance County continues to invest in its employees, public safety, human services and education spending. The County, along with Alamance-Burlington School System and Alamance Community College, continue to work together through the capital facility plan to better meet the needs of our growing population. Fiscal Year 2022-2023 saw continued bond capital project spending as renovation and construction projects were well underway and many reaching completion for our schools and community college.

This report reflects our mission and the important work that our departments and partner organizations have provided to residents this year. We invite you to look over this basic report as well as the complete Annual Comprehensive Financial Report available on our website, and we encourage you to reach out to us with any questions you may have.

HEIDI YORK

COUNTY MANAGER



Top Row: Commissioner William T. "Bill" Lashley, Commissioner Craig Turner
Bottom Row: Vice Chair Steve Carter, Chair John Paisley, Commissioner Pamela T. Thompson

ALAMANCE COUNTY
BOARD OF
COMMISSIONERS
2022-2023



ABOUT ALAMANCE COUNTY

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. Currently, Alamance County is home to approximately 178,000 residents with fifteen communities in diverse areas throughout the county.



Alamance County, North Carolina

Alamance County was formed in 1849, but its roots date back to the pre-Revolutionary War era and "The Battle of Alamance." Its history is rich with a hardworking community who provided for their families by working on farms or in textile mills. Economic and technological changes brought new growth and new opportunities for jobs and education.

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.



POPULATION
178,232



PUBLIC SCHOOL
ENROLLMENT
22,847



EMPLOYER
ESTABLISHMENTS
3,493



UNEMPLOYMENT
3.8%



MEDIAN
HOUSEHOLD
INCOME
\$50,769



MEDIAN AGE
39.0



Photo Credit: Ron King
Saxapahaw

Paramount Theatre

Buster Sykes Farm

ALAMANCE COUNTY AT A GLANCE

MUNICIPAL POPULATIONS

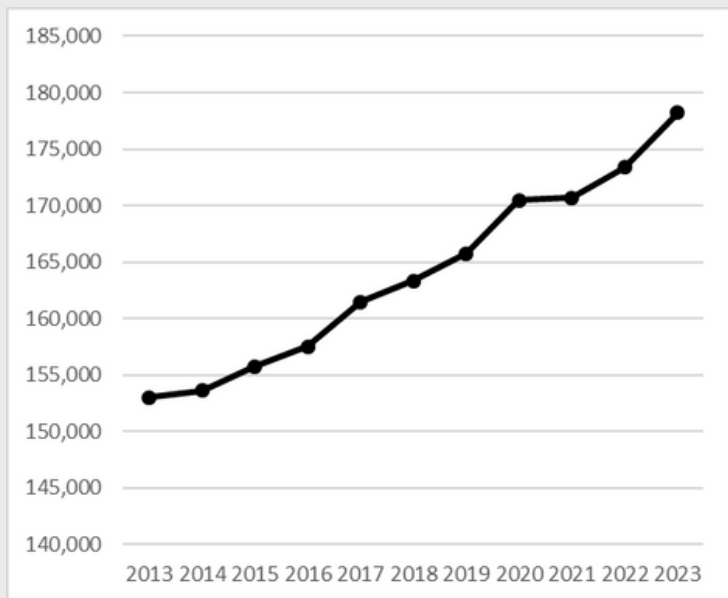
Burlington	56,391
Graham	17,570
Elon	11,222
Mebane*	15,041
Gibsonville*	4,399
Haw River	2,628
Green Level	3,207
Swepsonville	2,506
Village of Alamance.....	993
Ossipee.....	535

* A portion of these cities cross into a neighboring county; population figures are within Alamance County

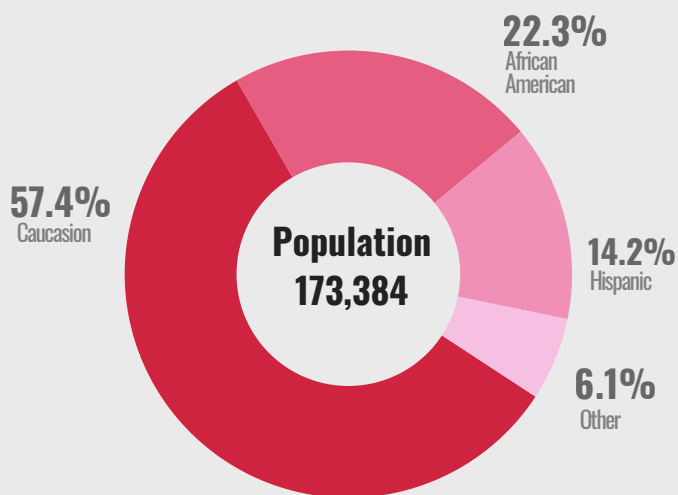
Alamance County is made up of a number of municipalities and towns with the City of Burlington as the largest in population and the City of Graham as the county seat.

Approximately 64% of residents live in urban areas predominantly along Interstate 40 with mostly rural areas in the northern and southern part of the county.

COUNTY POPULATION



DEMOGRAPHICS



*U.S. Census Data , NC State Demographics Website and the Alamance County Chamber of Commerce



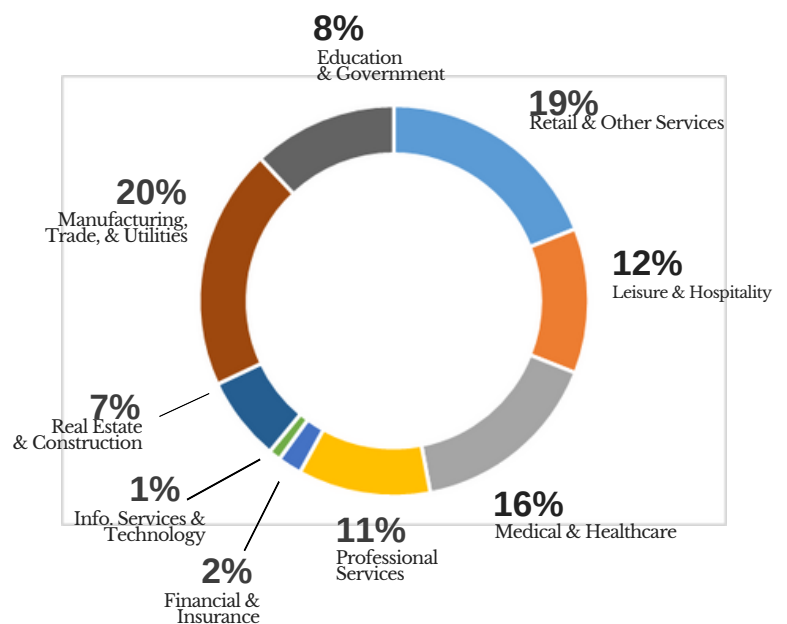
ECONOMY & INDUSTRY

This past year, Alamance County has seen an increase in job creation as well as a decrease in unemployment both of which have positively impacted the county's economy. While our economy has historically been driven by the textile industry, recent growth and development have brought a wider array of industries to the community including health care and education. The past five years have included major corporate announcements along with expansions of new and existing businesses and industries which has resulted in increased diverse job opportunities. Growth is expected to continue bringing additional property and sales tax revenues further strengthening the economy.

TOP EMPLOYERS

LabCorp of America.....	3,000
Alamance-Burlington School System.....	2,600
Cone Health Alamance Regional.....	2,100
Elon University.....	1,700
Walmart Stores Inc.....	1,200
City of Burlington.....	1,100
Alamance County Government.....	950
Honda Power Equipment.....	850
GKN Driveline North America.....	800
Alamance Community College.....	650

EMPLOYMENT BY INDUSTRY



* See AlamanceChamber.com for additional economic development/industry information



911 Center



Historic Courthouse



EMS

ALAMANCE COUNTY GOVERNMENT OVERVIEW

	2023	2022	2021	2020	2019
Public Safety					
911 *CAD entries	281,810	282,025	277,254	276,984	258,706
Emergency Management events	344	384	262	103	114
EMS calls for service	37,230	36,677	36,767	34,561	33,308
Fire inspections	1,247	1,203	1,092	1,180	1,279
Number of inspections	21,073	17,466	17,107	17,525	16,149
Sheriff calls for service	105,035	105,849	102,960	104,776	82,432
Economic and Physical Development					
Cooperative Extension students served through embryology sessions	1,157	550	727	542	1,251
Soil and Water customers assisted	2,923	3,421	1,475	3,067	3,680
Human Services					
Number of Food & Nutrition Services applications	12,010	8,072	7,399	7,414	5,405
Health Clinic patients (unduplicated)	8,602	5,039	4,379	5,946	6,436
Dental Clinic patients (unduplicated)	7,310	3,054	2,979	3,231	3,532
Family Justice Center clients served	1,238	1,543	1,595	887	1,198
Veterans served	8,453	7,594	5,630	5,203	6,749
Cultural and Recreational					
Library visitors	301,429	256,283	87,723	361,591	477,240
Park visitors	778,179	713,787	716,885	700,567	521,052

*CAD is the link between dispatchers and responders

DOLLARS IN GENERAL FUND REVENUE

Alamance County Government's resources and services are funded through several different revenue streams. In Fiscal Year 2022-2023, the county collected General Fund revenues of \$204,028,407 with the majority received through property and sales and use taxes which makes up 75% of total revenue.

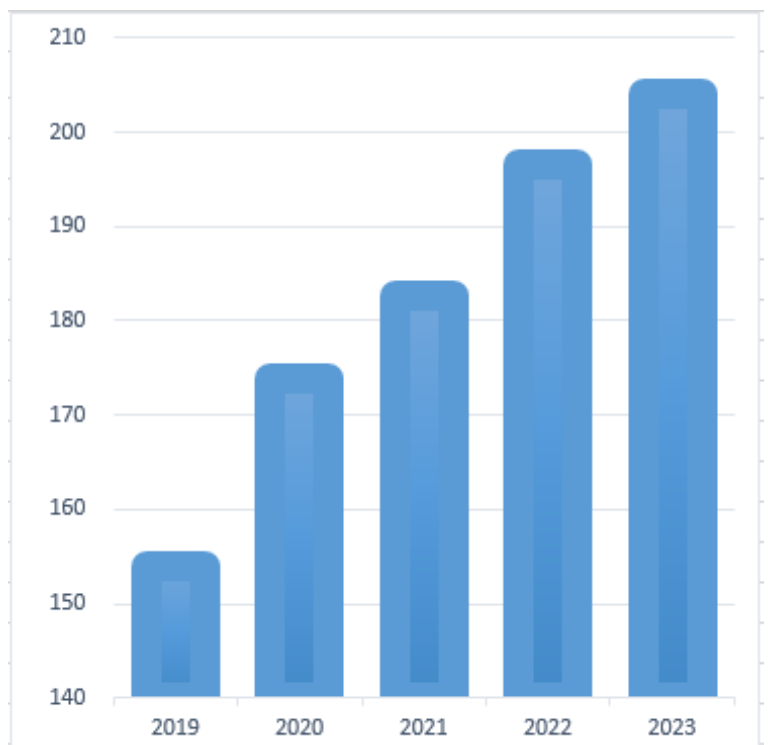
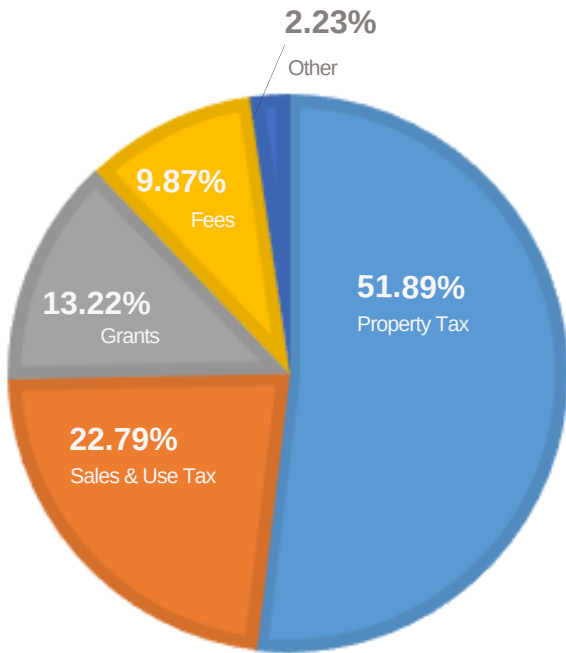
The County's property tax rate was adopted at .65 per \$100 valuation for Fiscal Year 2022-2023 to maintain County operations. Other sources of revenue include grants, fees for service, and other various revenue streams.

General Fund Revenue

	2023	2022	2021	2020	2019
Property Tax	\$105,855,193	\$103,813,114	\$101,979,571	\$97,870,813	\$84,468,666
Sales and Use Tax	46,507,414	43,755,593	39,442,964	32,221,239	31,520,453
Grants	26,974,2977	26,434,137	21,734,927	22,178,457	18,971,127
Fees	20,132,522	20,636,656	18,226,826	18,025,563	16,155,564
Other	4,558,981	2,018,357	1,299,8731	3,597,841	2,810,873
Total Revenue	\$204,028,407	\$196,657,857	\$182,684,019	\$173,893,913	\$153,926,683

**Alamance County Annual Comprehensive Financial Report FY 22-23 Exhibit D General Fund*

GENERAL FUND REVENUE



**Amounts are expressed in millions*



Emergency Management Training Exercise



Special Olympics



Live Burn Exercise

General Fund Services

GENERAL GOVERNMENT

- Governing Body
- County Manager's Office
- Legal Department
- Human Resources
- Budget
- Finance and Purchasing
- Tax Department
- Register of Deeds
- Board of Elections
- Information Technology
- Geographic Inf. Systems
- Maintenance

PUBLIC SAFETY

- Sheriff's Office
- Detention Facility
- School Resource Officers
- Judicial Services
- Central Communications (911)
- Emergency Medical Services
- Permits and Inspections
- Emergency Management
- Fire Marshal's Office

ECONOMIC & PHYSICAL DEVELOPMENT

- Planning
- Cooperative Extension
- Economic Development
- Soil Conservation
- Tourism Development Authority

HUMAN SERVICES

- Public Health
- Dental Clinic
- Social Services
- Veterans' Services

CULTURAL SERVICES

- Libraries
- Parks

EDUCATION

- Public Schools
- Community College

DOLLARS OUT GENERAL FUND EXPENDITURES

Alamance County Government provides a wide range of services to residents ranging from public safety, health and social services, veterans support, and parks. The county also provides significant funding to the Alamance-Burlington School System and Alamance Community College.

The operating fund from which the County accounts for the money coming in and the expenditures paid out is the General Fund.

For Fiscal Year 2022-2023, general fund expenditures totaled \$196,888,272. This increase of approximately \$8 million or 4.32%, when compared to 2021-22 was primarily due to increased public safety, general government and education spending.

DOLLARS OUT

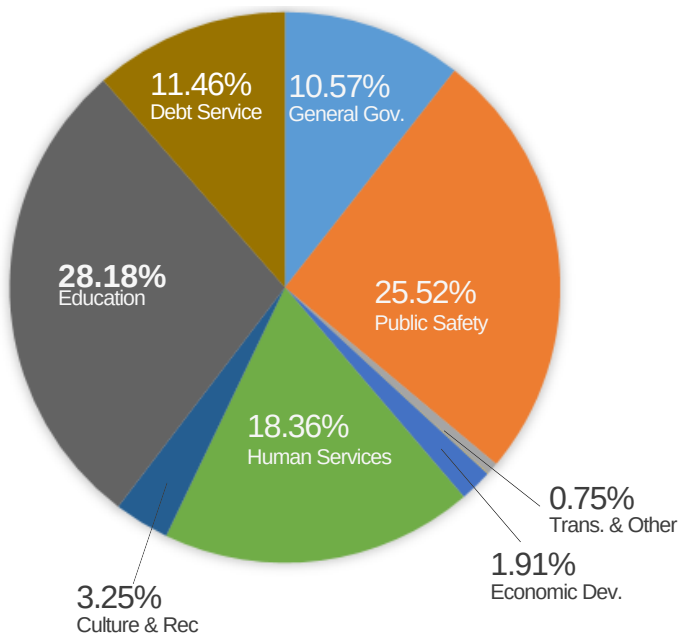
GENERAL FUND EXPENDITURES

Government Activities Expenses

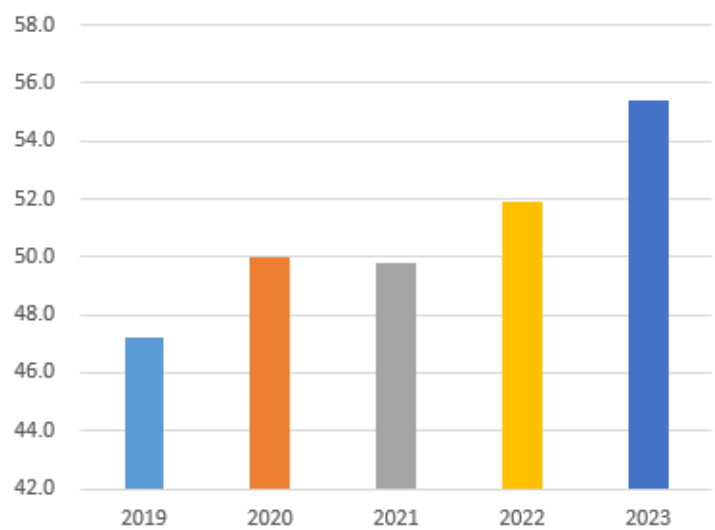
	2023	2022	2021	2020	2019
General Government	\$20,803,373	\$18,706,122	\$17,711,739	\$17,290,097	\$14,203,886
Public Safety	50,237,738	46,373,880	39,050,886	40,770,898	36,436,504
Transportation	1,401,500	485,283	287,298	487,589	478,708
Environmental Protection	83,656	78,832	105,050	69,695	79,488
Economic & Physical Development	3,757,478	2,965,231	2,825,001	3,894,592	2,488,307
Human Services	36,153,277	35,706,946	30,823,700	31,062,838	30,650,334
Cultural & Recreation	6,402,321	5,300,069	6,514,838	5,983,710	4,765,706
Capital Outlay	0	4,820,943	0	0	0
Education	55,479,660	51,911,590	49,886,020	50,097,454	47,202,481
Debt Service	22,569,269	22,377,408	8,726,022	10,292,392	10,854,783
Total	\$196,888,272	\$188,726,304	\$155,930,554	\$159,949,265	\$147,160,197

**Alamance County Annual Comprehensive Financial Report FY 22-23 Exhibit D*

2022-23 GOVERNMENTAL ACTIVITIES EXPENSES



EDUCATION FUNDING



**Amounts are expressed in millions*

NET POSITION

GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES

Alamance County's Net Position as discussed in the Management's Discussion and Analysis Figure 2 section of the Annual Comprehensive Financial Report provides insight into the County's financial position as of June 30, 2023. It includes a summary of what the County owns (assets and deferred outflows) and owes (liabilities and deferred inflows).

Total net position is the difference between Total assets (what we own), including Deferred outflows (what will be paid in the future), and Total liabilities (what we owe), including Deferred inflows (what will be collected in the future).

Balance Sheet	2023	2022	2021	2020	2019
Current assets	\$260,452,269	\$290,641,380	\$319,870,619	\$115,318,749	\$93,556,692
Non-current assets	79,392,958	64,938,020	62,097,998	60,047,315	59,592,666
Total assets	339,845,227	355,579,400	381,968,617	175,366,064	153,149,358
Deferred outflows	36,204,660	32,338,858	34,218,656	17,579,598	15,279,634
Current liabilities	71,011,195	61,824,402	36,697,794	16,372,057	3,310,413
Long-term liabilities	290,428,266	317,669,901	338,968,454	149,791,990	158,639,426
Total liabilities	361,439,461	379,494,303	375,666,248	166,164,047	161,949,839
Deferred inflows	31,158,894	25,889,600	16,786,473	21,854,259	26,963,585
<i>Net position</i>					
Invested in capital assets	72,446,713	62,094,394	56,421,001	54,379,583	54,344,231
Restricted	57,768,446	25,251,849	21,200,559	17,457,213	16,591,160
Unrestricted	(146,763,627)	(99,091,253)	(53,887,008)	(66,909,440)	(91,419,823)
Total over (under) net position	\$ (16,548,468)	\$ (11,745,010)	\$ 23,734,552	\$ 4,927,356	\$(20,484,432)

*Implementation of GASB 75 in FY18 required a "restatement" that decreased our Net Position by \$58,561,180 to disclose our Other Post Employment Benefits (OPEB) obligations.

INCOME STATEMENT COMBINED FINANCIAL STATEMENTS

Alamance County's Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental funds is similar to a corporate profit and loss report in that it reflects all revenues and expenditures during the fiscal year ended June 30, 2023.

As compared to last fiscal year, total revenue increased 6%, mostly due to strong sales and use tax collections and interest income. The large increase in Governmental activities expenditures is a result a continued investment in the County's employees, public safety and human services.

Statement of Revenues and Expenditures

	2023	2022	2021	2020	2019
Revenues					
Property tax	\$ 113,858,999	\$ 111,302,454	\$ 109,333,484	\$ 103,513,028	\$ 90,014,904
Sales and use tax	46,507,414	43,755,593	39,442,964	32,221,239	31,520,453
Other taxes and licenses	4,098,668	4,732,594	3,027,573	1,904,663	2,076,177
Grants	39,485,806	37,749,128	34,545,492	26,811,551	22,219,897
Program fees and services	16,033,854	15,904,122	15,199,253	16,120,900	14,079,387
Other revenue	8,373,955	2,245,435	1,053,103	3,480,988	2,867,863
Contributions	0	(260,758)	(200,000)		3,200,000
Total Revenue	228,358,696	215,428,508	202,401,869	184,052,369	165,978,681
Expenditures					
Governmental activities	137,294,123	127,444,247	117,778,184	108,559,889	95,861,679
Education	113,094,862	129,790,253	61,073,815	56,054,240	50,615,496
Debt service	22,866,974	22,587,722	9,252,359	10,441,738	10,854,783
Total expenditures	273,255,959	279,822,222	188,104,358	175,055,867	157,331,958
Revenues over (under) expenditures	(44,897,263)	(64,393,714)	14,297,511	8,996,502	8,646,723
Other Financing Sources	1,931,000	6,960,264	175,629,206	3,841,191	389,235
Net Change in Fund Balance	\$ (42,966,263)	\$ (57,433,450)	\$ 189,926,717	\$ 12,837,693	\$ 9,035,958

*Alamance County Annual Comprehensive Financial Report FY 22-23 Exhibit D

FUND BALANCE

The County’s fund balance consists of revenues that were not spent in previous years. Fund Balance is divided into five categories: non-spendable, restricted, committed, assigned, or unassigned. These classifications tell how much of the fund balance must be reserved for a specific use as required by the funding source, the Board, management, or the law.

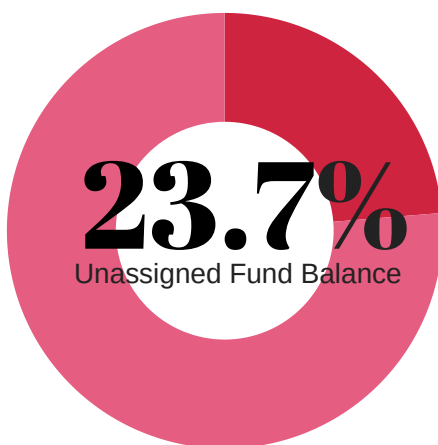
Fund Balance may be “restricted” for a specific purpose because of the funding source and Fund Balance may be “committed” for a specific purpose by our governing body. North Carolina enacted a “stabilization” law that identifies a certain portion of fund balance as a “safety net” in case of emergencies, economic crises, or other circumstances that may impact the County’s finances.

“Unassigned” describes the portion of Fund Balance that has no restrictions on how it may be used. In its fiscal policies, the County set a goal to have an unassigned general fund balance equal to 20% of general fund expenditures; and funds in excess of 20% may be transferred to a capital reserve fund. That would mean that, if needed, the County had enough unassigned fund balance to pay for 3 months of operations.

GENERAL FUND

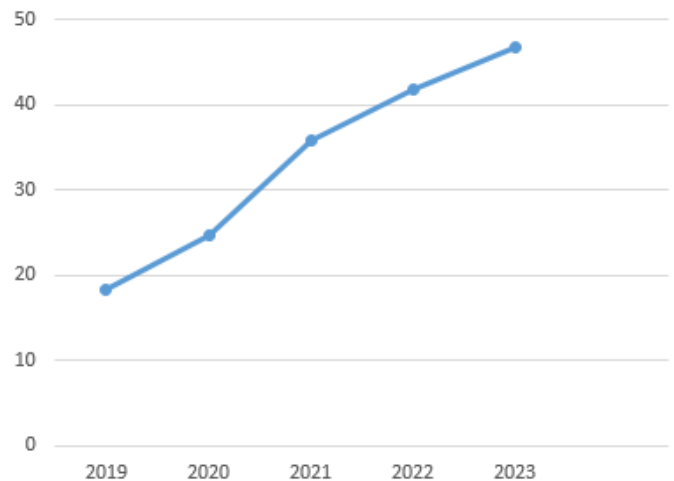
<i>Fund Balance</i>	2022	2022	2021	2020	2019
<i>Non-spendable:</i>					
Notes Receivable	\$ 90,228	\$ 150,380	\$ 210,532	\$ 270,684	\$ 330,836
Leases	2,540	2,539			
<i>Restricted:</i>					
Stabilization by State Statute	15,366,079	16,143,708	11,935,813	9,804,975	9,958,759
Restricted, all other	8,689,553	7,607,647	7,628,195	4,091,433	2,008,298
Committed*	12,503,884	12,580,495	11,520,640	5,457,507	8,022,871
Assigned	8,002,718	6,470,426	4,484,164	12,697,510	13,191,538
Unassigned	46,767,306	41,819,209	35,766,923	24,587,727	18,385,801
Total Fund Balance	\$91,422,308	\$84,774,404	\$71,546,267	\$56,909,836	\$51,898,103

*Alamance County Annual Comprehensive Financial Report FY 22-23 Exhibit C



The County set a goal to have an unassigned fund balance equal to **20% of the total of annual expenditures.**

Unassigned Fund Balance



*Amounts are expressed in millions

DEBT

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. While the County pays the debt for school facilities, the building, land, etc., all property belongs to the school system or community college.

North Carolina state statutes limit the amount of general obligation outstanding debt to 8% of Alamance County's assessed valuation of property taxes. Our legal debt limit is \$1,119,505,906.

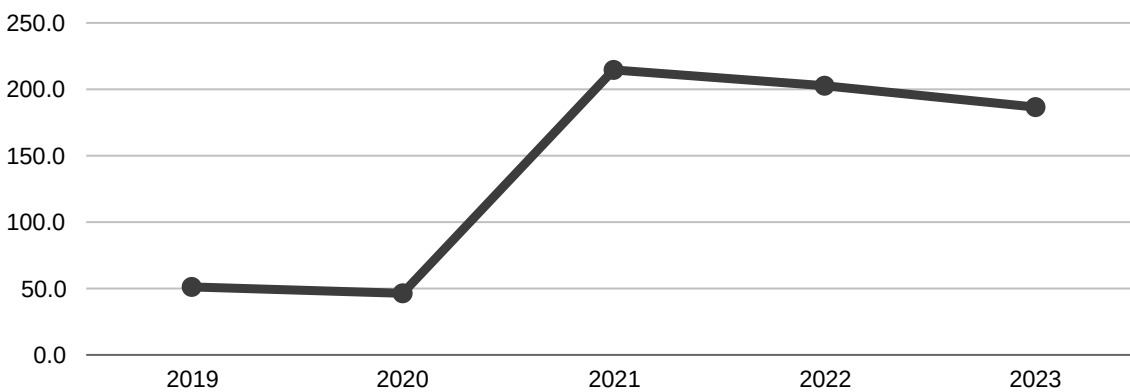
County debt is comprised of three components:

1. **General Obligation Debt:** Debt backed by the full faith and credit of the county. As of June 30, 2023, the county's general obligation debt is rated AA by Standard & Poor's rating agency and Aa2 by Moody's Investors. Bond ratings are similar to personal credit scores - the higher the bond rating, the lower the interest.
2. **Revolving and Installment Loan Debt:** Debt with fixed payments that the county uses for equipment purchases and facility construction.
3. **Capital Leases:** Leases with contract terms longer than a year are defined as capital leases, and the lease item is considered a purchased asset.

Outstanding Debt	2023	2022	2021	2020	2019
General Obligation Bonded Debt	\$178,129,516	\$191,994,059	\$205,490,867	\$36,777,602	\$42,337,388
Revolving & Installment Loan Debt	3,225,389	4,988,661	6,728,727	7,533,585	7,244,490
Capital Leases	5,317,732	5,736,099	2,382,359	2,169,382	1,618,599
Total Debt	\$186,672,637	\$202,718,819	\$214,601,953	\$46,480,569	\$51,200,477

**Alamance County Annual Comprehensive Financial Report FY 22-23 MD&A Figure 5*

OUTSTANDING DEBT



**Amounts are expressed in millions*



\$1,017.52

DEBT PER PERSON
FY 2022-23



Downtown Burlington

Sheriff's Office

No-Till Drill Program

IN CONCLUSION

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

To learn more about the County's financial funds or view the 2022-2023 Annual Comprehensive Report, please visit the Alamance County Finance Department's website. www.alamance-nc.com/finance

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 Government

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