

REVIEWED

By SLGFD at 2:57 pm, Apr 05, 2022

**ALAMANCE COUNTY
NORTH CAROLINA**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2021

PREPARED BY ALAMANCE COUNTY FINANCE DEPARTMENT

ALAMANCE COUNTY, NORTH CAROLINA

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- *GFOA Certificate of Achievement*
- *Principal Officials*
- *Organizational Chart*

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY

Finance Department

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Susan R. Evans

Finance Officer

March 28, 2022

Residents of Alamance County

The Honorable Board of County Commissioners

Alamance County, North Carolina

It is my pleasure to submit the Annual Comprehensive Financial Report for Alamance County, North Carolina for the fiscal year ended June 30, 2021. 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 Annual Comprehensive 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, 2021, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended June 30, 2021 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.



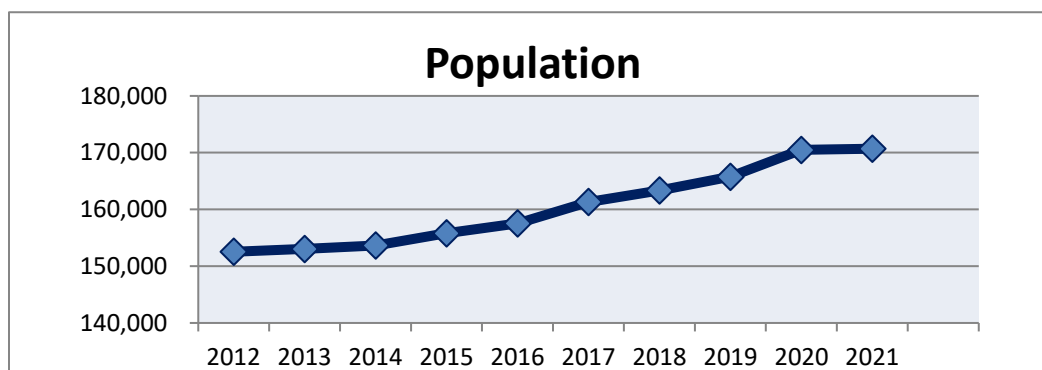
Alamance County was founded in 1849 by an act of the General Assembly and covers a land area of 431 square miles. The county seat is the City of Graham, founded in 1851. The county has 10 municipalities located within its borders. The City of Burlington is the largest municipality and the Town of Ossipee, 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 998 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 Alamance-Burlington School System, Alamance Community College, Alamance County Tourism Development Authority, Alamance County Transportation Authority, and 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 2021 population for the County was 170,698, representing an 11.9% increase from the 2012 estimated population of 152,531. Projections indicate a constant level of growth for 2021-2022. 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. More recently distribution centers and manufacturers serving the eastern United States have invested in our area due to a centralized location, strong infrastructure and quality of life.

In recent years, Alamance County's economy continued to see positive signs with unemployment rates steadily declining from a high of 11.1% in 2009 to 4.4% in 2019. As the County's workforce is recovering from the effects of the COVID-19 pandemic, the county unemployment rate as of June 2021 was 5.0 percent, slightly above the statewide average of 4.9%. The county's top employers represent industries in health care and education, both of which tend to survive economic downturns quite well, however these employers have still felt the effects of the pandemic.

The county continues to experience major corporate announcements with existing companies expanding as well as new businesses and industries. Our local economy continues to see diverse job opportunities as the North Carolina Commerce Park and the North Carolina Industrial Center continues to be developed. This includes investments made by Lidl Distribution Center, Lotus Bakeries, Universal Preserve-A-Chem and Honda Power Equipment.

Positive consumer confidence, combined with additional development at Alamance Crossing and the continued success of Tanger Outlet Center, has resulted in increased sales tax revenue compared to prior year levels. Our second largest revenue, sales tax has increased by 59.15% since 2012.

Expected growth in the county will result in the continued increase in the tax base and our largest revenue source, property taxes. In the last revaluation of its property tax base whose values became effective January 1, 2017, the County saw the tax base grow by 9.1% to \$13.6 billion from the last revaluation completed in 2009.

Management Policies

In order to maintain our ability to handle capital needs and debt financing appropriately, Alamance County follows established fiscal policies which are reviewed annually. 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. Monthly and quarterly reports for not only County operations and budgeting but also Alamance-Burlington School System and Alamance Community College are presented to our Board of Commissioners and our citizens for review.

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. The County operates a Performance Management program which balances program quality and costs. 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

Alamance County has a strategic plan which was developed using community input and guidance by the Board of Commissioners which is used to set budgetary priorities and service delivery goals.

We are actively monitoring the residential growth in rural and urban settings to better meet the service delivery needs of the County's citizens. This is done in cooperation with our municipal partners.

In adopting the budget for FY 2020-2021, the Board of Commissioners maintained an ad valorem tax rate of \$0.67. Management from the County, Alamance-Burlington School System and Alamance Community College continue to hold Technical Review Committee meetings in response to bond funded construction projects.

The County has responded to the COVID-19 pandemic by remaining open to provide services to our citizens all while protecting the health and safety of our employees and citizens through telework and other protective building modifications. The Health Department, Emergency Management, EMS and other public safety departments have led the efforts to set up a call center to provide information to our citizens, offer testing sites and providing shelter and quarantine care for COVID patients.

The Future

The fiscal year 2021-2022 budget was adopted with a tax rate of \$0.66. Some major features of the 2021-2022 budget include:

- Personnel – 9 new positions, with the majority in Public Safety. Expands the existing service bonus program to include 5-and-6-year employees. Provides Cost-of-Living adjustments for all existing full-time employees.
- Capital Outlay – Restores County Pay-Go Capital Improvement Projects allocation of \$250,000 and adds an additional \$50,000 for Alamance Parks facility maintenance, \$208,211 for equipment and non-emergency response vehicles and \$1,147,688 for emergency response vehicles.
- Transfer to Other Funds – Allocation of \$252,641 for the County Buildings Capital Reserve Fund, \$1,432,473 for Schools Capital Reserve Fund, and \$681,833 for ACC Capital Reserve Fund. There was also an upfront tax increase for the County Capital Improvement Fund and future bonded debt.

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 annual comprehensive financial report 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 annual comprehensive financial report for all years beginning with and since 1991, including the 2020 report. In order to be awarded a Certificate of Achievement a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report. 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 annual comprehensive financial report 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.

The County also participated in the GFOA Popular Annual Financial Reporting (PAFR) Awards Program since 2018. The Award is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. A government unit must publish a popular annual financial report whose contents conform to program standards of creativity, presentation, understandability and reader appeal to receive an Award for Outstanding Achievement in Popular Annual Financial Reports. The County has received this award for its popular annual financial report for all years beginning with and since 2018, including the 2020 report. A Certificate of Achievement is valid for a period of none year only. The County will continue to participate in the program with a 2020 submission.

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,



Susan R. Evans
Finance Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Alamance County
North Carolina**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

ALAMANCE COUNTY, NORTH CAROLINA

PRINCIPAL OFFICIALS

Board of County Commissioners 2020-2021



Top Row (L-R): Commissioner William T. "Bill" Lashley; Commissioner Craig Turner
Bottom Row: Vice Chair Steve Carter; Chairman John Paisley; Commissioner Pamela T. Thompson

County Administrative and Financial Staff

J. Bryan Hagood, *County Manager*

Sherry T. Hook, *Assistant County Manager*

Bruce A. Walker, Jr., *Assistant County Manager*

Clyde B. Albright, *County Attorney*

Tory M. Frink, *Clerk to the Board*

Susan R. Evans, *Finance Officer*

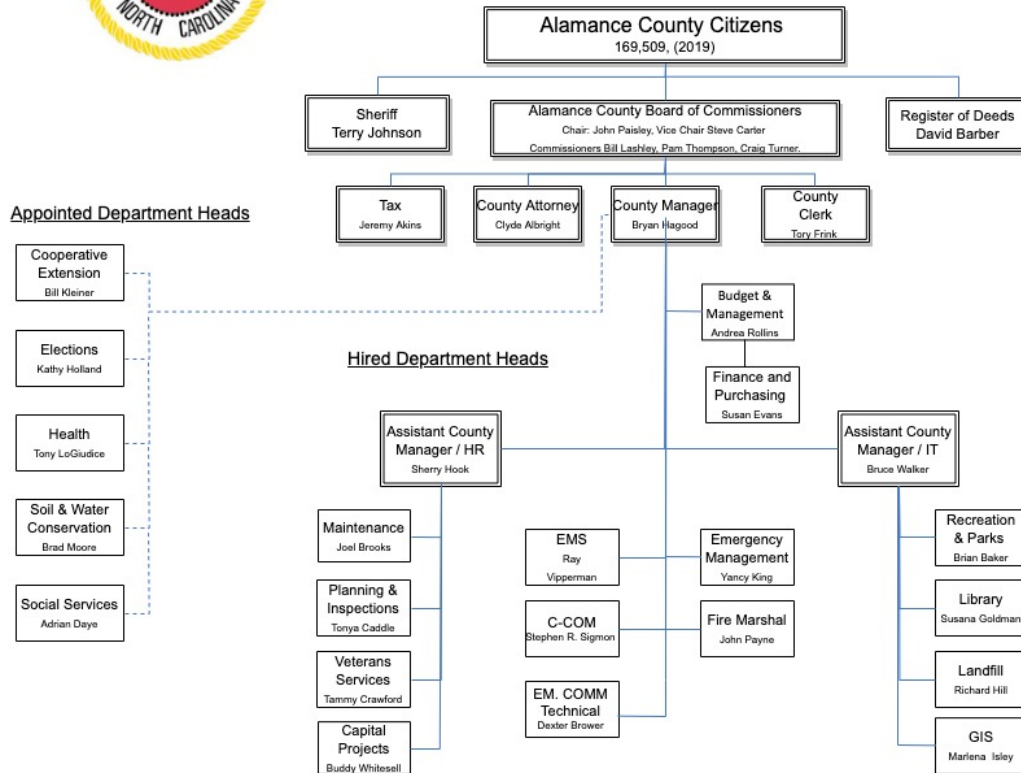
ALAMANCE COUNTY, NORTH CAROLINA

Organization Chart - June 30, 2021



ALAMANCE COUNTY

Organizational Chart



7/13/2021

Alamance County, North Carolina
Financial Statements and Schedules

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FINANCIAL SECTION

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

Alamance County, North Carolina
Financial Statements and Schedules

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MARTIN STARNES & ASSOCIATES, CPAs, P.A.

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

Independent Auditor's Report

To the Board of Commissioners
Alamance County
Graham, North Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Alamance County, North Carolina, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Alamance County Transportation Authority, which represents 51.28%, 50.47%, and 81.53% of the assets, net position, and revenues, respectively, of the aggregate discretely presented component units. Those financial statements were audited by another auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Alamance County Transportation Authority, is based solely on the report of another auditor. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Alamance County Tourism Development Authority were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Alamance County, North Carolina, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 16 to the financial statements, effective July 1, 2020, the County adopted new accounting guidance promulgated in GASB Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Other Post-Employment Benefits' Schedules of Changes in Total OPEB Liability and Related Ratios, the Local Government Employees' Retirement System Schedules of the County's Proportionate Share of Net Pension Liability and County Contributions, the Register of Deeds' Supplemental Pension Fund Schedules of the County's Proportionate Share of the Net Pension Asset and County Contributions, the Detention Officer Social Security Bridge Allowance Schedule of the Changes in Total Pension Liability, and the Law Enforcement Officers' Special Separation Allowance Schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Employee Payroll, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Alamance County's basic financial statements. The introductory information, combining and individual fund financial statements, budget and actual schedules, supplemental ad valorem tax schedules, other supplemental schedules, and statistical section, as well as the accompanying Schedule of Expenditures of Federal and State Awards as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the State Single Audit Implementation Act, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2022 on our consideration of Alamance County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely 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 effectiveness of Alamance County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Alamance County's internal control over financial reporting and compliance.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
March 28, 2022

Alamance County, North Carolina
Financial Statements and Schedules

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Management's Discussion and Analysis

As management of Alamance County, we offer readers of Alamance County's financial statements this narrative overview and analysis of the financial activities of Alamance County for the fiscal year ended June 30, 2021. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

Financial Highlights

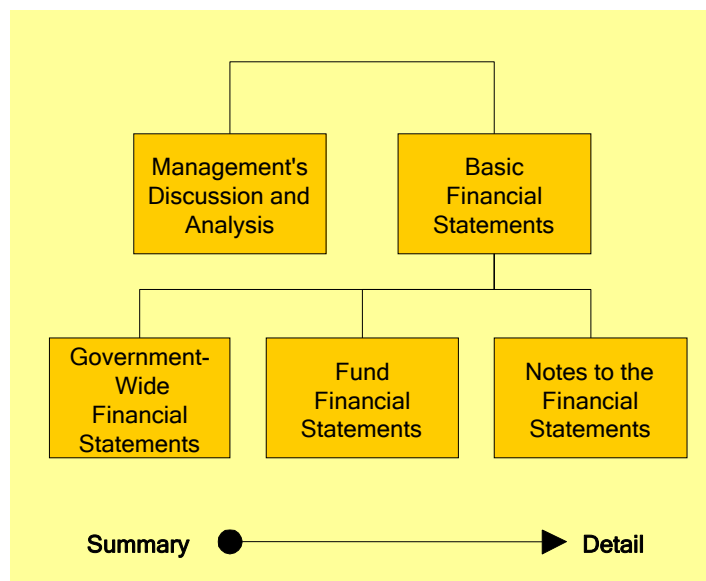
- The assets and deferred outflows of resources of Alamance County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$23,734,552 (net position).
- The government's total net position increased by \$18,480,392, primarily due to increases in property tax revenues, investment in capital assets and decreases in landfill operating expenditures.
- As of the close of the current fiscal year, Alamance County's governmental funds reported combined ending fund balances of \$265,912,987, an increase of \$189,926,717 in comparison with the prior year. Approximately 56% of this total amount, or \$148,076,386, is non-spendable or restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$35,766,923, or 23%, of total General Fund expenditures for the fiscal year.
- Alamance County's total bond and financing debt increased by \$168,121,384 during the current fiscal year.
- Alamance County maintained its Aa2 and AA bond ratings.

Overview of the Financial Statements

This discussion and analysis is 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 K) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the County's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statement, 2) the budgetary comparison statements, 3) the proprietary fund statements, and 4) the fiduciary fund statements.

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

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

Government-Wide Financial Statements

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

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

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

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

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

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

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

Fund Financial Statements

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

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

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

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

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Alamance County has ten fiduciary funds, which are custodial 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.

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

Government-Wide Financial Analysis

As noted earlier, net position may serve, over time, as one useful indicator of a government's financial condition. The assets and deferred outflows of resources of Alamance County exceeded liabilities and deferred inflows of resources by \$23,734,552 as of June 30, 2021. The County's net position for governmental activities increased by \$18,073,284 for the fiscal year ended June 30, 2021. One of the largest portions reflects the County's net investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt still outstanding that was issued to acquire those items. Alamance County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Alamance County's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities.

Alamance County, along with many other counties in North Carolina, funds school facilities that become assets of the school district and community college facilities that become property of the community college, through the issuance of debt. General obligation bonds have been issued by the County to fund the majority of the cost of these assets. The County's liabilities at June 30, 2021 include outstanding general obligation debt of approximately \$179 million related to funding these non-County assets. This represents 100.0% of the County's outstanding general obligation debt, excluding premiums. Because the County does not retain the related assets, this debt liability (less any unspent proceeds) reduces the County's total net position and presents a less favorable picture as compared to governments that do not extensively fund the capital assets of other governmental entities.

Alamance County's Net Position
Figure 2

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 292,949,174	\$ 89,908,684	\$ 26,921,445	\$ 25,410,065	\$319,870,619	\$115,318,749
Capital assets	53,149,993	51,135,389	8,948,005	8,911,926	62,097,998	60,047,315
Total Assets	<u>346,099,167</u>	<u>141,044,073</u>	<u>35,869,450</u>	<u>34,321,991</u>	<u>381,968,617</u>	<u>175,366,064</u>
Total deferred outflow s of resources	<u>33,591,254</u>	<u>17,252,494</u>	<u>627,402</u>	<u>327,104</u>	<u>34,218,656</u>	<u>17,579,598</u>
Long-term liabilities outstanding	324,209,845	136,562,438	14,758,609	13,229,552	338,968,454	149,791,990
Other liabilities	36,474,847	16,161,759	222,947	210,298	36,697,794	16,372,057
Total liabilities	<u>360,684,692</u>	<u>152,724,197</u>	<u>14,981,556</u>	<u>13,439,850</u>	<u>375,666,248</u>	<u>166,164,047</u>
Total deferred inflow s of resources	<u>16,454,020</u>	<u>21,420,749</u>	<u>332,453</u>	<u>433,510</u>	<u>16,786,473</u>	<u>21,854,259</u>
Net position:						
Net investment in capital assets	47,472,996	45,467,657	8,948,005	8,911,926	56,421,001	54,379,583
Restricted	21,606,991	17,457,213	-	-	21,606,991	17,457,213
Unrestricted	<u>(66,528,278)</u>	<u>(78,773,249)</u>	<u>12,234,838</u>	<u>11,863,809</u>	<u>(54,293,440)</u>	<u>(66,909,440)</u>
Total net position	<u>\$ 2,551,709</u>	<u>\$ (15,848,379)</u>	<u>\$ 21,182,843</u>	<u>\$ 20,775,735</u>	<u>\$ 23,734,552</u>	<u>\$ 4,927,356</u>

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

- Continued diligence in the collection of property taxes resulted in a collection percentage to 98.84%
- Increases in the Grant and Internal Service fund balances
- Decrease in OPEB liabilities

Alamance County Changes in Net Position
Figure 3

	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenues:						
Program revenues:						
Charges for services	\$ 16,532,190	\$ 18,651,836	\$ 5,811,394	\$ 5,132,353	\$ 22,343,584	\$ 23,784,189
Operating grants and contributions	32,188,935	24,306,865	-	-	32,188,935	24,306,865
Capital grants and contributions	<u>1,893,004</u>	<u>2,235,745</u>	<u>-</u>	<u>-</u>	<u>1,893,004</u>	<u>2,235,745</u>
Total program revenues	<u>50,614,129</u>	<u>45,194,446</u>	<u>5,811,394</u>	<u>5,132,353</u>	<u>56,425,523</u>	<u>50,326,799</u>
General revenues:						
Taxes:						
Property taxes for general purposes	109,718,616	103,043,417	-	-	109,718,616	103,043,417
Sales taxes for general purposes	39,442,964	32,221,239	-	-	39,442,964	32,221,239
Other taxes	3,027,573	1,904,663	-	-	3,027,573	1,904,663
Unrestricted investment earnings	281,008	1,542,462	2,353	80,886	283,361	1,623,348
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>112,234</u>	<u>-</u>	<u>112,234</u>
Total revenues	<u>203,084,290</u>	<u>183,906,227</u>	<u>5,813,747</u>	<u>5,325,473</u>	<u>208,898,037</u>	<u>189,231,700</u>
Expenses:						
General government	22,797,731	12,703,853	-	-	22,797,731	12,703,853
Public safety	55,000,524	48,413,512	-	-	55,000,524	48,413,512
Transportation	744,879	605,262	-	-	744,879	605,262
Economic and physical development	3,284,982	4,017,629	-	-	3,284,982	4,017,629
Environmental protection	562,631	187,368	-	-	562,631	187,368
Human services	33,883,788	31,080,968	-	-	33,883,788	31,080,968
Cultural and recreational	4,811,332	6,139,731	-	-	4,811,332	6,139,731
Education	61,302,608	56,113,076	-	-	61,302,608	56,113,076
Interest on long-term debt	2,622,531	1,544,850	-	-	2,622,531	1,544,850
Landfill	<u>-</u>	<u>-</u>	<u>5,406,639</u>	<u>3,013,663</u>	<u>5,406,639</u>	<u>3,013,663</u>
Total expenses	<u>185,011,006</u>	<u>160,806,249</u>	<u>5,406,639</u>	<u>3,013,663</u>	<u>190,417,645</u>	<u>163,819,912</u>
Change in net position	<u>18,073,284</u>	<u>23,099,978</u>	<u>407,108</u>	<u>2,311,810</u>	<u>18,480,392</u>	<u>25,411,788</u>
Net Position:						
Beginning of year - July 1	(15,848,379)	(38,948,357)	20,775,735	18,463,925	4,927,356	(20,484,432)
Restatement	<u>326,804</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>326,804</u>	<u>-</u>
Beginning of year , as restated	<u>(15,521,575)</u>	<u>(38,948,357)</u>	<u>20,775,735</u>	<u>18,463,925</u>	<u>5,254,160</u>	<u>(20,484,432)</u>
End of year - June 30	<u>\$ 2,551,709</u>	<u>\$ (15,848,379)</u>	<u>\$ 21,182,843</u>	<u>\$ 20,775,735</u>	<u>\$ 23,734,552</u>	<u>\$ 4,927,356</u>

Governmental Activities. Governmental activities increased the County's net position by \$18,073,284. Key elements of the increase are as follows:

- Increases in Property and Sales tax revenues
- Increases for operating grants

Business-Type Activities. Business-type activities increased Alamance County's net position by \$407,108. This increase is due to the higher utilization of services that led to increased business-type revenues such as tipping fees 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 \$59,399,922, while total fund balance reached \$71,546,267, an increase of \$14,636,431 compared to the prior year. The County currently has an available fund balance of 38.1% of General Fund expenditures, while total fund balance represents 45.9% of the same amount.

At June 30, 2021, the governmental funds of Alamance County reported a combined fund balance of \$265,912,987 a 251% increase from last year. The reason for this increase of fund balance is the increase in the General Fund of \$14,636,431, an increase in the Grant Fund of \$239, an increase in the American Rescue Plan Fund of \$190, an increase in the Schools Capital Projects Fund of \$133,686,285, a decrease in the Renovation and Repair Projects Fund of \$791,006, and an increase in other governmental funds of \$42,394,578. The increase in the General Fund is due to budgetary diligence and federal American Rescue Plan funding as well as the increase in property tax and local option sales tax revenues received for the year. The increase in the Grant Fund is due to collection and the request of current year receivables. The Schools Capital Projects fund increased due to unspent bond proceeds. The Renovation and Repair Projects fund is due to projects pending completion. The increase in other governmental funds is due to transfers made to the capital reserves for future projects.

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 \$12,597,514 and expenditures by \$22,452,564. Other financing sources/uses increased by \$9,855,050.

The County maintains a balanced budget. Excluding Other Financing Sources, the amended revenue and expenditure budgets totaled \$174,187,671 and \$176,376,561, respectively. While the County did experience significant budgetary variances between the final amended budget and actuals, revenues exceeded the amended budget by \$8,556,500 or 4.91% and expenditures were under budget by \$20,446,007 or 11.59%. The County did experience a significant budgetary variance decrease in investments due to declining interest rates and in sales and services due to reduced recreation programs, ambulance trips and jail rental fees as a result of the COVID-19 pandemic. However, sales tax revenues continued to increase instead of decrease and permits and building fees increased by 36.11%. Monies received from the Coronavirus Relief and American Rescue Plan funds were used for general expenses that met eligible allowable cost requirements. This included public safety, emergency response and public health salaries, teleworking and safe distancing expenditures.

Proprietary Funds. Alamance County's proprietary funds provide the same type of information found in the government-wide statements, but in more detail. Unrestricted net position of the Landfill Fund at the end of the fiscal year amounted to \$12,234,838, an increase of \$379,029 compared to the prior year. The total increase in net position for the fund was \$407,108. Unrestricted net position of the internal service funds at the end of the year amounted to \$5,465,446, an increase of \$1,160,251 compared to the prior year. The County continues to work on the improvement of the financial stability of both of the internal service funds by increasing employer health contributions and modifying plan options to reduce costs.

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, 2021 totals \$62,097,998 (net of accumulated depreciation). These assets include buildings, land, machinery and equipment, park facilities, and vehicles.

Major capital asset transactions during the year include:

- The purchase of vehicles and motor equipment
- Purchase of Cane Creek Mountains Natural Area
- Improvement to county buildings

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

Figure 4

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 5,207,447	\$ 4,007,447	\$ 2,765,112	\$ 2,765,112	\$ 7,972,559	\$ 6,772,559
Construction in progress	1,392,676	491,175	162,424	117,025	1,555,100	608,200
Buildings	23,815,473	24,509,138	977,631	1,001,763	24,793,104	25,510,901
Other improvements	10,155,102	9,436,592	34,876	37,998	10,189,978	9,474,590
Easements	761,228	800,456	-	-	761,228	800,456
Equipment	6,040,556	6,625,426	76,664	62,189	6,117,220	6,687,615
Vehicles and motor equipment	5,695,164	5,179,585	2,552,447	2,433,863	8,247,611	7,613,448
Infrastructure	82,347	85,570	-	-	82,347	85,570
Landfill	-	-	2,378,851	2,493,976	2,378,851	2,493,976
Total	<u>\$ 53,149,993</u>	<u>\$ 51,135,389</u>	<u>\$ 8,948,005</u>	<u>\$ 8,911,926</u>	<u>\$ 62,097,998</u>	<u>\$ 60,047,315</u>

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, 2021, Alamance County had total debt outstanding of \$214,601,953, the majority of which is backed by the full faith and credit of the County.

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

Figure 5

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
General obligation bonds, net	\$ 205,490,867	\$ 36,777,602	\$ -	\$ -	\$ 205,490,867	\$ 36,777,602
Installment financing agreements	4,277,537	4,529,182	-	-	4,277,537	4,529,182
Qualified school construction bonds	2,451,190	3,004,403	-	-	2,451,190	3,004,403
Capital leases	2,382,359	2,169,382	-	-	2,382,359	2,169,382
Total	<u>\$ 214,601,953</u>	<u>\$ 46,480,569</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 214,601,953</u>	<u>\$ 46,480,569</u>

Alamance County's total debt increased by \$168,121,384 (361.7%) during the past fiscal year, due to the issuance of debt exceeding debt retired.

As mentioned in the financial highlights section of this document, Alamance County maintained its Aa2 bond rating from Moody's Investors Service and maintained its 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% of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Alamance County is \$1,010,050,972.

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 to increase due to an overall tax base growth of 1.97%.
- While the County prepared for a reduction in sales tax revenues due to COVID-19 in FY 20-21, the County experienced a 17.94% increase from FY 19-20 actuals. In FY 21-22, sales tax revenues are projected to remain strong.

Budget Highlights for the Fiscal Year Ending June 30, 2022

Governmental Activities. Property taxes and sales tax revenues are expected to be the primary sources of revenue. The property tax rate will decrease by 0.01 cent to 0.66 cents per one hundred dollars (\$100) valuation for next fiscal year. The FY 20-21 budget was reduced based on the estimated economic impact of the COVID-19 pandemic. The FY 21-22 budget restores these reductions and reflects growth. Revenues are budgeted to increase from the previous fiscal year by \$16,304,650, with the majority of this increase in sales tax revenues. Budgeted expenditures in the General Fund decrease by 9.7% to \$184,265,020. The majority of this increase is due to debt service payments for general obligation bonds issued during FY 20-21. The County also restored funding for the employee merit pay program and capital outlay reductions for the County, school system and community college.

Business-Type Activities. There is no expected change for landfill operations or rates. However, the Landfill has increased the capital budget for a cell expansion construction project. This project will extend

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:

Susan Evans
Finance Officer
Alamance County
124 West Elm Street
Graham, North Carolina 27253

BASIC FINANCIAL STATEMENTS

Alamance County, North Carolina
Financial Statements and Schedules

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GOVERNMENT- WIDE FINANCIAL STATEMENTS

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION
JUNE 30, 2021

			Component Units			
	Governmental Activities	Business-Type Activities	Total Primary Government	Tourism Development Authority	Transportation Authority	Total Reporting Unit
Assets:						
Current assets:						
Cash and cash equivalents	\$ 133,162,771	\$ 26,542,421	\$ 159,705,192	\$ 1,559,507	\$ 153,926	\$ 161,418,625
Receivables, net	13,245,809	379,024	13,624,833	73,078	467,957	14,165,868
Notes receivable-short term	60,152	-	60,152	-	-	60,152
Prepaid items	-	-	-	-	1,928	1,928
Restricted cash and cash equivalents	145,981,449	-	145,981,449	-	-	145,981,449
Total current assets	292,450,181	26,921,445	319,371,626	1,632,585	623,811	321,628,022
Non-current assets:						
Deposits	-	-	-	-	5,150	5,150
Notes receivable- long term	150,380	-	150,380	-	-	150,380
Net pension asset - ROD	348,613	-	348,613	-	-	348,613
Capital assets:						
Land and other assets not being depreciated	6,600,123	2,927,536	9,527,659	-	-	9,527,659
Other capital assets, net of depreciation	46,549,870	6,020,469	52,570,339	10,631	1,100,294	53,681,264
Total capital assets	53,149,993	8,948,005	62,097,998	10,631	1,100,294	63,208,923
Total non-current assets	53,648,986	8,948,005	62,596,991	10,631	1,105,444	63,713,066
Total assets	346,099,167	35,869,450	381,968,617	1,643,216	1,729,255	385,341,088
Deferred Outflows of Resources:						
OPEB deferrals	18,999,579	387,747	19,387,326	-	-	19,387,326
Pension deferrals	14,280,004	239,655	14,519,659	-	-	14,519,659
Unamortized bond refunding charges	311,671	-	311,671	-	-	311,671
Total deferred outflows of resources	33,591,254	627,402	34,218,656	-	-	34,218,656
Liabilities:						
Current liabilities:						
Accounts payable and accrued expenses	5,647,637	182,985	5,830,622	13,733	27,369	5,871,724
Advance from grantor	12,745,256	-	12,745,256	-	-	12,745,256
Current portion of long-term liabilities	18,081,954	39,962	18,121,916	1,952	-	18,123,868
Total current liabilities	36,474,847	222,947	36,697,794	15,685	27,369	36,740,848
Long-term liabilities:						
Net pension liability - LGERS	21,939,764	447,750	22,387,514	-	-	22,387,514
Total pension liability - LEOSSA	6,326,899	-	6,326,899	-	-	6,326,899
Total pension liability - Detention Bridge Allowance	980,120	-	980,120	-	-	980,120
Total OPEB liability	94,960,082	1,937,961	96,898,043	-	-	96,898,043
Due in more than one year	200,002,980	12,372,898	212,375,878	-	-	212,375,878
Total long-term liabilities	324,209,845	14,758,609	338,968,454	-	-	338,968,454
Total liabilities	360,684,692	14,981,556	375,666,248	15,685	27,369	375,709,302
Deferred Inflows of Resources:						
OPEB deferrals	16,051,036	327,572	16,378,608	-	-	16,378,608
Pension deferrals	402,984	4,881	407,865	-	-	407,865
Unearned revenue	-	-	-	-	43,397	43,397
Total deferred inflows of resources	16,454,020	332,453	16,786,473	-	43,397	16,829,870
Net Position:						
Net investment in capital assets	47,472,996	8,948,005	56,421,001	10,631	1,100,294	57,531,926
Restricted for:						
Stabilization by state statute	12,096,595	-	12,096,595	73,078	-	12,169,673
General government	1,204,870	-	1,204,870	-	-	1,204,870
Public safety	1,658,798	-	1,658,798	-	-	1,658,798
Economic and physical development	114,523	-	114,523	-	-	114,523
Transportation	22,432	-	22,432	-	-	22,432
Human services	5,814,970	-	5,814,970	-	-	5,814,970
Tourism promotion	-	-	-	1,543,822	-	1,543,822
Cultural and recreation	362,769	-	362,769	-	-	362,769
Register of Deeds' Pension Plan	332,034	-	332,034	-	-	332,034
Unrestricted	(66,528,278)	12,234,838	(54,293,440)	-	558,195	(53,735,245)
Total net position	\$ 2,551,709	\$ 21,182,843	\$ 23,734,552	\$ 1,627,531	\$ 1,658,489	\$ 27,020,572

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

ALAMANCE COUNTY, NORTH CAROLINA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General government	\$ 22,797,731	\$ 3,634,658	\$ 3,746,244	\$ -
Public safety	55,000,524	11,832,756	3,430,789	-
Transportation	744,879	-	-	-
Economic and physical development	3,284,982	-	6,120,739	-
Environmental protection	562,631	-	-	-
Human services	33,883,788	995,840	18,891,163	-
Cultural and recreational	4,811,332	68,936	-	-
Education	61,302,608	-	-	1,893,004
Interest on long-term debt	2,622,531	-	-	-
Total governmental activities	<u>185,011,006</u>	<u>16,532,190</u>	<u>32,188,935</u>	<u>1,893,004</u>
Business-Type Activities:				
Landfill	5,406,639	5,811,394	-	-
Total business-type activities	<u>5,406,639</u>	<u>5,811,394</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 190,417,645</u>	<u>\$ 22,343,584</u>	<u>\$ 32,188,935</u>	<u>\$ 1,893,004</u>
Component Units:				
Tourism Development Authority	\$ 414,054	\$ -	\$ -	\$ -
Transportation Authority	1,904,609	1,591,604	196,982	590,663
Total component units	<u>\$ 2,318,663</u>	<u>\$ 1,591,604</u>	<u>\$ 196,982</u>	<u>\$ 590,663</u>

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

ALAMANCE COUNTY, NORTH CAROLINA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Functions/Programs	Net (Expense) Revenue and Changes in Net Position					
	Primary Government			Component Units Alamance County		Total Reporting Unit
	Governmental Activities	Business-Type Activities	Total	Tourism Development Authority	Transportation Authority	
Primary Government:						
Governmental Activities:						
General government	\$ (15,416,829)	\$ -	\$ (15,416,829)	\$ -	\$ -	\$ (15,416,829)
Public safety	(39,736,979)	-	(39,736,979)	-	-	(39,736,979)
Transportation	(744,879)	-	(744,879)	-	-	(744,879)
Economic and physical development	2,835,757	-	2,835,757	-	-	2,835,757
Environmental protection	(562,631)	-	(562,631)	-	-	(562,631)
Human services	(13,996,785)	-	(13,996,785)	-	-	(13,996,785)
Cultural and recreational	(4,742,396)	-	(4,742,396)	-	-	(4,742,396)
Education	(59,409,604)	-	(59,409,604)	-	-	(59,409,604)
Interest on long-term debt	(2,622,531)	-	(2,622,531)	-	-	(2,622,531)
Total governmental activities	(134,396,877)	-	(134,396,877)	-	-	(134,396,877)
Business-Type Activities:						
Landfill	-	404,755	404,755	-	-	404,755
Total business-type activities	-	404,755	404,755	-	-	404,755
Total primary government	(134,396,877)	404,755	(133,992,122)	-	-	(133,992,122)
Component Units:						
Tourism Development Authority				(414,054)	-	(414,054)
Transportation Authority				-	474,640	474,640
Total component units				(414,054)	474,640	60,586
General Revenues:						
Taxes:						
Property taxes, levied for general purposes	109,718,616	-	109,718,616	-	-	109,718,616
Local option sales tax	39,442,964	-	39,442,964	-	-	39,442,964
Other taxes and licenses	3,027,573	-	3,027,573	552,620	-	3,580,193
Investment earnings, unrestricted	281,008	2,353	283,361	534	6	283,901
Gain on disposal	-	-	-	-	72,204	72,204
Miscellaneous	-	-	-	2,231	-	2,231
Total general revenues	152,470,161	2,353	152,472,514	555,385	72,210	153,100,109
Change in net position	18,073,284	407,108	18,480,392	141,331	546,850	19,168,573
Net Position:						
Beginning of year - July 1	(15,848,379)	20,775,735	4,927,356	1,486,200	1,111,639	7,525,195
Restatement	326,804	-	326,804	-	-	326,804
Beginning of year - restated	(15,521,575)	20,775,735	5,254,160	1,486,200	1,111,639	7,851,999
End of year - June 30	\$ 2,551,709	\$ 21,182,843	\$ 23,734,552	\$ 1,627,531	\$ 1,658,489	\$ 27,020,572

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

Alamance County, North Carolina
Financial Statements and Schedules

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FUND FINANCIAL STATEMENTS

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2021

	Major					Nonmajor	Total
	General Fund	Grant Fund	American Rescue Plan Fund	Schools Capital Projects Fund	Renovation and Repair Projects Fund	Other Governmental Funds	Governmental Funds
Assets:							
Cash and cash equivalents	\$ 57,487,163	\$ -	\$ 190	\$ 34,659,050	\$ 470,905	\$ 34,429,855	\$ 127,047,163
Taxes receivable, net	2,033,906	-	-	-	-	224,874	2,258,780
Receivables, net	10,085,074	-	-	-	-	65,947	10,151,021
Notes receivable	210,532	-	-	-	-	-	210,532
Due from other governments	732,254	94,835	-	-	-	-	827,089
Due from other funds	73,777	-	-	-	-	-	73,777
Restricted cash and cash equivalents	7,657,127	-	12,716,324	108,308,688	-	17,299,310	145,981,449
Total assets	<u>\$ 78,279,833</u>	<u>\$ 94,835</u>	<u>\$ 12,716,514</u>	<u>\$ 142,967,738</u>	<u>\$ 470,905</u>	<u>\$ 52,019,986</u>	<u>\$ 286,549,811</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances							
Liabilities:							
Accounts payable and accrued liabilities	\$ 2,416,758	\$ 20,816	\$ -	\$ 450,029	\$ -	\$ 417,438	\$ 3,305,041
Advance from grantor	28,932	-	12,716,324	-	-	-	12,745,256
Due to other funds	-	73,777	-	-	-	-	73,777
Total liabilities	<u>2,445,690</u>	<u>94,593</u>	<u>12,716,324</u>	<u>450,029</u>	<u>-</u>	<u>417,438</u>	<u>16,124,074</u>
Deferred Inflows of Resources:							
Taxes receivable	2,033,906	-	-	-	-	224,874	2,258,780
EMS receivable	1,895,809	-	-	-	-	-	1,895,809
Other accounts receivable	358,161	-	-	-	-	-	358,161
Total deferred inflows of resources	<u>4,287,876</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>224,874</u>	<u>4,512,750</u>
Fund Balances:							
Non-spendable - not in spendable form:							
Notes receivable	210,532	-	-	-	-	-	210,532
Restricted:							
Stabilization by state statute	11,935,813	94,835	-	-	-	65,947	12,096,595
Restricted, all other	7,628,195	-	190	108,308,688	-	19,832,186	135,769,259
Committed	11,520,640	-	-	34,209,021	470,905	31,479,541	77,680,107
Assigned	4,484,164	-	-	-	-	-	4,484,164
Unassigned	35,766,923	(94,593)	-	-	-	-	35,672,330
Total fund balances	<u>71,546,267</u>	<u>242</u>	<u>190</u>	<u>142,517,709</u>	<u>470,905</u>	<u>51,377,674</u>	<u>265,912,987</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 78,279,833</u>	<u>\$ 94,835</u>	<u>\$ 12,716,514</u>	<u>\$ 142,967,738</u>	<u>\$ 470,905</u>	<u>\$ 52,019,986</u>	<u>\$ 286,549,811</u>

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

ALAMANCE COUNTY, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2021

	Total Governmental Funds
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position:	
Total fund balance, governmental funds	\$ 265,912,987
Amounts reported for governmental activities in the Statement of Net Position (Exhibit A) are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	53,149,993
Deferred charges on refunding reported in governmental activities are not reported in the funds.	311,671
Net pension asset - ROD	348,613
Net pension liability - LGERS	(21,939,764)
Total pension liability - LEOSSA	(6,326,899)
Total pension liability - Detention Bridge Allowance	(980,120)
Deferred outflows of resources related to pensions are not reported in the funds.	14,280,004
Deferred outflows of resources related to OPEB are not reported in the funds.	18,999,579
Deferred inflows related to pensions are not reported in the funds.	(402,984)
Deferred inflows related to OPEB are not reported in the funds.	(16,051,036)
Assets and liabilities of the Internal Service Fund used by management to account for insurance costs are included in governmental activities in the Statement of Net Position.	5,465,446
Other long-term assets are not available to pay for current expenditures and, therefore, are deferred inflows of resources in the funds.	4,512,750
Total OPEB liability	(94,960,082)
Long-term liabilities and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	(218,084,934)
Other long-term liabilities (accrued interest) are not due and payable in the current period and, therefore, are not reported in the funds.	(1,683,515)
Net position of governmental activities	<u>\$ 2,551,709</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, 2021

	Major					Nonmajor	Total
	General Fund	Grant Fund	American Rescue Plan Fund	Schools Capital Projects Fund	Renovation and Repair Projects Fund	Other Governmental Funds	Governmental Funds
Revenues:							
Ad valorem taxes	\$ 101,979,571	\$ -	\$ -	\$ -	\$ -	\$ 7,353,913	\$ 109,333,484
Local option sales taxes	39,442,964	-	-	-	-	-	39,442,964
Other taxes and licenses	3,027,573	-	-	-	-	-	3,027,573
Unrestricted intergovernmental	263,553	-	-	-	-	-	263,553
Restricted intergovernmental	21,734,927	6,120,739	3,746,244	1,893,004	-	787,025	34,281,939
Permits and fees	2,184,531	-	-	-	-	-	2,184,531
Sales and services	13,014,722	-	-	-	-	-	13,014,722
Contributions	-	-	-	-	-	(200,000)	(200,000)
Investment earnings	255,703	-	189	1,925	-	14,811	272,628
Miscellaneous	780,475	-	-	-	-	-	780,475
Total revenues	<u>182,684,019</u>	<u>6,120,739</u>	<u>3,746,433</u>	<u>1,894,929</u>	<u>-</u>	<u>7,955,749</u>	<u>202,401,869</u>
Expenditures:							
Current:							
General government	17,711,739	-	3,746,243	-	791,006	-	22,248,988
Public safety	39,050,886	6,161,732	-	-	-	7,178,210	52,390,828
Transportation	287,298	-	-	-	-	-	287,298
Environmental protection	105,050	-	-	-	-	-	105,050
Economic and physical development	2,825,001	-	-	-	-	-	2,825,001
Human services	30,823,700	-	-	-	-	2,582,481	33,406,181
Cultural and recreation	6,514,838	-	-	-	-	-	6,514,838
Education	49,886,020	-	-	10,088,438	-	1,099,357	61,073,815
Debt service:							
Principal	7,193,036	-	-	-	-	-	7,193,036
Interest and other charges	1,532,986	-	-	-	-	-	1,532,986
Issuance costs	-	-	-	454,377	-	71,960	526,337
Total expenditures	<u>155,930,554</u>	<u>6,161,732</u>	<u>3,746,243</u>	<u>10,542,815</u>	<u>791,006</u>	<u>10,932,008</u>	<u>188,104,358</u>
Revenues over (under) expenditures	<u>26,753,465</u>	<u>(40,993)</u>	<u>190</u>	<u>(8,647,886)</u>	<u>(791,006)</u>	<u>(2,976,259)</u>	<u>14,297,511</u>
Other Financing Sources (Uses):							
Transfers from other funds	1,794,668	41,232	-	7,760,853	-	31,312,715	40,909,468
Transfers to other funds	(15,432,857)	-	-	(15,899,979)	-	(9,776,632)	(41,109,468)
Long-term debt issued	923,990	-	-	130,485,000	-	20,665,000	152,073,990
Capital lease obligations issued	597,165	-	-	-	-	-	597,165
Premium	-	-	-	19,988,297	-	3,169,754	23,158,051
Total other financing sources (uses)	<u>(12,117,034)</u>	<u>41,232</u>	<u>-</u>	<u>142,334,171</u>	<u>-</u>	<u>45,370,837</u>	<u>175,629,206</u>
Net change in fund balances	<u>14,636,431</u>	<u>239</u>	<u>190</u>	<u>133,686,285</u>	<u>(791,006)</u>	<u>42,394,578</u>	<u>189,926,717</u>
Fund Balances:							
Beginning of year - July 1	56,909,836	3	-	8,831,424	1,261,911	8,656,292	75,659,466
Prior period restatement - change in accounting principle	-	-	-	-	-	326,804	326,804
Beginning of year - July 1, as restated	<u>56,909,836</u>	<u>3</u>	<u>-</u>	<u>8,831,424</u>	<u>1,261,911</u>	<u>8,983,096</u>	<u>75,986,270</u>
End of year - June 30	<u>\$ 71,546,267</u>	<u>\$ 242</u>	<u>\$ 190</u>	<u>\$ 142,517,709</u>	<u>\$ 470,905</u>	<u>\$ 51,377,674</u>	<u>\$ 265,912,987</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 -
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

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)	\$ 189,926,717
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.	6,160,204
Loss on the disposal of capital assets during the year, not recognized on the modified accrual basis	(385,079)
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.	(3,760,521)
Exhibit D reports revenues using a current financial resources basis, which generally means revenue is recognized when collected, or is expected to be collected, within 90 days of year-end. Exhibit B reports revenues when the earning process is complete, regardless of when it is collected. This measurement difference causes timing of revenue recognition differences for the following revenue types: timing of revenue recognition differences for the following revenue types:	
Property taxes	385,132
Change in deferred outflow - pension	1,786,824
Change in deferred inflows - pension	57,229
Change in net pension asset (liability)	(5,198,312)
Expenses related to compensated absences that do not require current financial are not reported as expenditures in the governmental funds statement.	(250,999)
Pension expense - LEOSSA	(575,535)
Pension expense - Detention Bridge Allowance	(748,978)
OPEB plan expense	(1,194,803)
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.	7,193,036
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.	(152,671,155)
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.	(22,643,265)
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.	(1,089,545)
Deferred charges on refunding reported in governmental activities are not reported in the funds.	(77,917)
Net revenue (loss) of internal service funds determined to be governmental type	<u>1,160,251</u>
Change in net position of governmental activities (Exhibit B)	<u>\$ 18,073,284</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, 2021

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
				Over/Under
Revenues:				
Ad valorem taxes	\$ 100,104,666	\$ 100,104,667	\$ 101,979,571	\$ 1,874,904
Local option sales taxes	24,633,643	30,146,718	39,442,964	9,296,246
Other taxes and licenses	1,408,861	2,710,582	3,027,573	316,991
Unrestricted intergovernmental	260,000	260,000	263,553	3,553
Restricted intergovernmental	18,356,047	22,823,666	21,734,927	(1,088,739)
Permits and fees	1,515,000	1,605,000	2,184,531	579,531
Sales and services	13,735,743	14,748,243	13,014,722	(1,733,521)
Investment earnings	867,452	867,452	255,703	(611,749)
Miscellaneous	708,744	921,342	780,475	(140,867)
Total revenues	<u>161,590,156</u>	<u>174,187,670</u>	<u>182,684,019</u>	<u>8,496,349</u>
Expenditures:				
Current:				
General government	17,204,899	22,941,216	18,095,927	4,845,289
Public safety	39,371,543	47,398,749	39,050,886	8,347,863
Transportation	512,566	540,166	287,298	252,868
Environmental protection	77,049	153,982	105,050	48,932
Economic and physical development	3,358,629	3,918,210	2,825,001	1,093,209
Human services	33,133,046	35,264,676	30,823,700	4,440,976
Cultural and recreational	4,737,809	7,295,506	6,514,838	780,668
Intergovernmental:				
Education	46,957,454	50,293,054	49,886,020	407,034
Debt service:				
Principal	7,042,083	7,042,083	6,808,848	233,235
Interest and other charges	<u>1,528,919</u>	<u>1,528,919</u>	<u>1,532,986</u>	<u>(4,067)</u>
Total expenditures	<u>153,923,997</u>	<u>176,376,561</u>	<u>155,930,554</u>	<u>20,446,007</u>
Revenues over (under) expenditures	<u>7,666,159</u>	<u>(2,188,891)</u>	<u>26,753,465</u>	<u>28,942,356</u>
Other Financing Sources (Uses):				
Transfers from other funds	1,459,068	1,823,369	1,794,668	(28,701)
Transfers (to) other funds	(14,036,373)	(15,738,067)	(15,432,857)	305,210
Long-term debt issued	-	923,990	923,990	-
Capital lease obligations issued	-	597,165	597,165	-
Appropriated fund balance	<u>4,911,146</u>	<u>14,582,434</u>	<u>-</u>	<u>(14,582,434)</u>
Total other financing sources (uses)	<u>(7,666,159)</u>	<u>2,188,891</u>	<u>(12,117,034)</u>	<u>(14,305,925)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>14,636,431</u>	<u>\$ 14,636,431</u>
Fund Balance:				
Beginning of year - July 1			<u>56,909,836</u>	
End of year - June 30			<u>\$ 71,546,267</u>	

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

ALAMANCE COUNTY, NORTH CAROLINA

STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021

	Major Enterprise Fund	Governmental Activities
	Landfill Fund	Internal Service Funds
Assets:		
Current assets:		
Cash and cash equivalents	\$ 26,542,421	\$ 6,115,608
Receivables, net	379,024	8,919
Total current assets	26,921,445	6,124,527
Non-current assets:		
Capital assets:		
Land and other assets not depreciated	2,927,536	-
Other capital assets, net of depreciation	6,020,469	-
Total capital assets	8,948,005	-
Total non-current assets	8,948,005	-
Total assets	35,869,450	6,124,527
Deferred Outflows of Resources:		
OPEB deferrals	387,747	-
Pension deferrals	239,655	-
Total deferred outflows of resources	627,402	-
Liabilities:		
Current liabilities:		
Accounts payable	182,985	659,081
Compensated absences payable	39,962	-
Total current liabilities	222,947	659,081
Non-current liabilities:		
Net pension liability	447,750	-
Accrued landfill closure and post-closure care costs	12,340,201	-
Compensated absences payable	32,697	-
Total OPEB liability	1,937,961	-
Total non-current liabilities	14,758,609	-
Total liabilities	14,981,556	659,081
Deferred Inflows of Resources:		
OPEB deferrals	327,572	-
Pension deferrals	4,881	-
Total deferred inflows of resources	332,453	-
Net Position:		
Investment in capital assets	8,948,005	-
Unrestricted	12,234,838	5,465,446
Total net position	\$ 21,182,843	\$ 5,465,446

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

ALAMANCE COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Major Enterprise Fund	Governmental Activities
	Landfill Fund	Internal Service Funds
Operating Revenues:		
Landfill user charges	\$ 5,330,295	\$ -
Insurance premiums	-	13,923,499
Miscellaneous	481,099	521,938
Total operating revenues	<u>5,811,394</u>	<u>14,445,437</u>
Operating Expenses:		
Administration	153,250	16,161
Operations:		
Salaries and benefits	1,451,168	13,368,301
Supplies and materials	43,531	-
Current obligations and services	974,054	-
State mandated MSW/C&D charges	259,709	-
Fixed charges and other expenses	709,662	109,104
Landfill closure and post-closure care costs	1,032,762	-
Depreciation	782,503	-
Total operating expenses	<u>5,406,639</u>	<u>13,493,566</u>
Operating income (loss)	<u>404,755</u>	<u>951,871</u>
Non-Operating Revenues (Expenses):		
Interest and investment revenue	<u>2,353</u>	<u>8,380</u>
Income (loss) before transfers	407,108	960,251
Transfers:		
Transfer from (to) other funds	<u>-</u>	<u>200,000</u>
Change in net position	407,108	1,160,251
Net Position:		
Beginning of year - July 1	<u>20,775,735</u>	<u>4,305,195</u>
End of year - June 30	<u>\$ 21,182,843</u>	<u>\$ 5,465,446</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, 2021

	Major Enterprise Fund	Governmental Activities
	Landfill Fund	Internal Service Funds
Cash Flows from Operating Activities:		
Cash received from customers	\$ 5,885,814	\$ 14,445,437
Cash paid for goods and services	(2,275,065)	(13,348,759)
Cash paid to employees for services	(1,208,720)	-
Net cash provided (used) by operating activities	2,402,029	1,096,678
Cash Flows from Non-Capital Financing Activities:		
Transfers (to) from other funds	-	200,000
Cash Flows from Capital and Related Financing Activities:		
Acquisition and construction of capital assets	(818,582)	-
Cash Flows from Investing Activities:		
Interest on investments	2,353	8,380
Net increase (decrease) in cash and cash equivalents	1,585,800	1,305,058
Cash and Cash Equivalents:		
Beginning of year - July 1	24,956,621	4,810,550
End of year - June 30	\$ 26,542,421	\$ 6,115,608
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating income (loss)	\$ 404,755	\$ 951,871
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	782,503	-
Landfill closure and post-closure care costs	1,032,762	-
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	74,420	-
Increase (decrease) in accounts payable and accrued liabilities	10,746	144,807
(Increase) decrease in deferred outflows of resources for pensions	(36,604)	-
Increase (decrease) in net pension liability	107,466	-
Increase (decrease) in deferred inflows of resources for pensions	(1,862)	-
Increase (decrease) in accrued vacation pay	3,460	-
(Increase) decrease in deferred outflows of resources for OPEB	(263,694)	-
Increase (decrease) in deferred inflows of resources for OPEB	(99,195)	-
Increase (decrease) in total OPEB liability	387,272	-
Total adjustments	1,997,274	144,807
Net cash provided (used) by operating activities	\$ 2,402,029	\$ 1,096,678

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

ALAMANCE COUNTY, NORTH CAROLINA**FIDUCIARY FUNDS****STATEMENT OF FIDUCIARY NET POSITION****JUNE 30, 2021**

	Custodial Funds
Assets:	
Cash and cash equivalents	\$ 170,457
Receivables, net	<u>296,958</u>
Total assets	<u>467,415</u>
Liabilities:	
Intergovernmental payable	<u>37,689</u>
Net Position:	
Restricted for:	
Assets held in trust for beneficiaries	132,768
Individuals, organizations, and other governments	<u>296,958</u>
Total net position	<u><u>\$ 429,726</u></u>

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

ALAMANCE COUNTY, NORTH CAROLINA

FIDUCIARY FUNDS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2021

	Custodial Funds
Additions:	
Permits and fees	\$ 43,545
Miscellaneous	2,373,979
Investment earnings	13
Ad valorem taxes collected for other governments	17,592,898
Total additions	<u>20,010,435</u>
Deductions:	
Benefits	2,394,228
Tax distributions to other governments	17,706,625
Total deductions	<u>20,100,853</u>
Net increase (decrease) in fiduciary net position	<u>(90,418)</u>
Net position - beginning, as previously reported	-
Prior period restatement	520,144
Net position - beginning, as restated	<u>520,144</u>
Net position - ending	<u><u>\$ 429,726</u></u>

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

NOTES TO FINANCIAL STATEMENTS

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Note 1. Summary of Significant Accounting Policies

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

REPORTING ENTITY

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

Component Units:

The County's two discretely presented component units described below are reported in separate combining government-wide financial statements. A third component unit described below does not issue separate financial statements.

- **Alamance County Tourism Development Authority**

The Alamance County Tourism Development Authority (Tourism) was created by a General Assembly Ratified Bill in 1987, Chapter 950, House Bill 2207 to collect the local tax (via Alamance County Finance Office). The Authority 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. The Authority is reported as a component unit because of the financial benefit relationship between the County and the Authority. 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, 2021

- **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
200 S. Main Street
Burlington, North Carolina 27215

Alamance County Transportation Authority
128 Electric Avenue
Burlington, North Carolina 27215

BASIS OF PRESENTATION, BASIS OF ACCOUNTING

Basis of Presentation, Measurement Focus – Basis of Accounting

Government-Wide Statements. The Statement of Net Position and the Statement of Activities display information about the primary government net position (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the *governmental activities* and *business-type activities* of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed, in whole or in part, by fees charged to external parties.

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

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Fund Financial Statements: The fund financial statements provide information about the County's funds, including the fiduciary fund. 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 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 revenues are ancillary activities such as investment earnings.

Major Funds. The General Fund, School Capital Projects Fund, Grant Fund, American Rescue Plan 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 Grant Fund accounts for various grants. The American Rescue Plan Fund accounts for funds received under the American Rescue Plan (ARP) Act and expenses related to COVID-19 response and recovery. 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 nonmajor special revenue funds: Fire Districts Fund, Indigent Trust Fund, and the Emergency Telephone System 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 four capital project funds within the nonmajor governmental fund types: Capital Reserve Funds, Mental Health Diversion Center Fund, Alamance Community College Fund, and the Rudd Street Building Fund.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Enterprise Funds include the following fund type:

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

Internal Service Funds. Internal service funds account for employee health benefits and workers' compensation provided to other departments or agencies of the government on a cost reimbursement basis.

Fiduciary Funds include the following fund type:

Custodial Funds. Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. Custodial funds are used to account for assets the County holds on behalf of others that meet certain criteria. The County maintains the following custodial funds: the General Trust Fund, which accounts for cash deposits made to inmates as payment for work performed while incarcerated as well as cash collections for the benefit of inmates from their friends and families, the Village of Alamance Fund, the Town of Haw River Fund, the Altamahaw-Ossipee Sanitary District Fund, the Town of Green Level Fund, the City of Graham Fund, the City of Burlington Fund, the Town of Elon Fund, the City of Mebane Fund, and the Town of Gibsonville Fund, which accounts for ad valorem and vehicle property taxes that are billed and collected by the County but that are not revenues to the County.

Measurement Focus, Basis of Accounting

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

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

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

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

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

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

The County considers all revenues available if they are collected within 60 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 for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. As of September 1, 2013, 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, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

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

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

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

BUDGETARY DATA

The County's 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 except for the Grant Special Revenue 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 Grant Special Revenue Fund and the capital project funds except for the Capital Reserve Fund.

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

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

ASSETS, LIABILITIES, DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES, 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 of America or obligations fully guaranteed both as to principal and interest by the United States of America; 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 NC Capital Management Trust Government Portfolio, an SEC-registered 2a-7 money market mutual fund is measured at fair value and is rated AAAM by S&P and AAA-mf by Moody Investor Services. Because the NCCMT Government has a weighted average maturity of less than 90 days, it is presented as an investment with a maturity of less than 6 months.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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 considered cash and cash equivalents.

Restricted Assets. Unspent grant proceeds are classified as restricted assets in the General Fund because their use is restricted by revenue source for specific expenditures. Money for future tax is classified as restricted assets in the General Fund because its use is restricted per North Carolina General Statute 153A-150. Unspent debt proceeds are classified as restricted assets because their use is restricted by revenue source for specific expenditures.

Governmental Activities:

General Fund:

	Unexpended debt proceeds	\$ 982,899
	Future tax revaluation	270,149
	Unspent grant proceeds	6,404,079
American Rescue Plan Fund	Unspent grant proceeds	12,716,324
Schools Capital Project Fund	Unexpended debt proceeds	108,308,688
Alamance Community College Capital Project Fund	Unexpended debt proceeds	17,299,310
Total governmental activities		<u>\$ 145,981,449</u>
Total restricted assets		<u>\$ 145,981,449</u>

Ad Valorem Taxes Receivable. In accordance with state law [G.S. 105-347 and G.S. 159-13(a)], the County levies ad valorem taxes on property other than motor vehicles on July 1, beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2020. 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. All receivables that historically experience uncollectible accounts are shown net of an 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 cost 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 or estimated historical cost. Donated capital assets received prior to June 30, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 30, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. Minimum capitalization costs are \$5,000 for each of the following: buildings, easements, improvements, infrastructure, furniture and equipment, vehicles, computer equipment, and computer software. 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.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

The County holds title to certain Alamance-Burlington Board of Education properties that have not been included in capital assets. The properties have been 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 after all restrictions of the financing agreements and all sales tax reimbursement requirements have been met. The properties are reflected as capital assets in the financial statements of the Alamance-Burlington Board of Education.

Capital assets of the County are depreciated on a straight-line basis over the following estimated useful lives:

Asset	Estimated Useful Lives
Buildings	50 years
Easements	30 years
Improvements	25 years
Infrastructure	50 years
Furniture and equipment	10 years
Vehicles	10 years
Computer equipment	5 years
Computer software	5 years

Deferred Outflows/Inflows of Resources. In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The County has three items that meets this criterion – OPEB related deferrals, pension related deferrals and charge on refunding. In addition to liabilities, the Statement of Net Position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has five items that meet the criterion for this category: OPEB related deferrals, pension related deferrals, taxes receivable, EMS receivables, and other receivables.

Long-Term Obligations. In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities on the Statements of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance costs, except for prepaid insurance costs, are expensed in the reporting period in which they are incurred. Prepaid insurance costs are expensed over the life of the debt.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

In the fund financial statements, governmental fund types recognize bond premiums and discounts as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

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

NET POSITION/FUND BALANCES

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

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

The governmental fund types classify fund balances as follows:

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

Notes Receivable – portion of fund balance that is not an available resource because it represents the amount not expected to be converted to cash during the subsequent fiscal year.

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

Restricted for Stabilization by State Statute – North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by State Statute (RSS), is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "Restricted by State Statute". *Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget.* Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed by

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

law through constitutional provisions or enabling legislation.” RSS is reduced by inventories and prepaids as they are classified as non-spendable. Outstanding encumbrances are included within RSS. RSS is included as a component of restricted net position and restricted fund balance on the face of the balance sheet.

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

Restricted for General Government – portion of fund balance that is restricted by revenue source for general government activities.

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

Restricted for Transportation – portion of fund balance that is restricted by revenue source for transportation.

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

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

Restricted for Education – portion of fund balance that is restricted by revenue source for education purposes.

Restricted fund balance at June 30, 2021 is as follows:

Purpose	General Fund	Schools Capital Projects Fund	American Rescue Plan Fund	Other Governmental Funds
Restricted, All Other:				
Education	\$ -	\$ 108,308,688	\$ -	\$ 17,299,310
Public safety	1,838,083	-	-	680,872
General government	1,323,780	-	190	-
Human services	3,965,897	-	-	1,852,004
Transportation	22,432	-	-	-
Economic and physical development	114,523	-	-	-
Cultural and recreation	363,480	-	-	-
Total	<u>\$ 7,628,195</u>	<u>\$ 108,308,688</u>	<u>\$ 190</u>	<u>\$ 19,832,186</u>

Restricted net position on Exhibit A varies from restricted fund balance on Exhibit C by the amount of unspent bond proceeds of \$126,590,897 as of June 30, 2021 and Register of Deeds’ Pension Plan of \$332,034, for a net difference of \$126,665,295.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Committed Fund Balance. Portion of fund balance that can only be used for specific purpose imposed by majority vote of Alamance County's governing body (highest level of decision-making authority). The governing body can, by adoption of an ordinance prior to year-end, commit fund balance. 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 Renovation and Repair Capital Project Fund and future capital outlays supported by the capital reserve funds.

Committed for Public Safety – portion of fund balance committed by the Board of Commissioners that can only be used for public safety.

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

Committed for Human Services – portion of fund balance committed by the Board of Commissioners for the construction of a mental health diversion center.

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

Committed fund balance at June 30, 2021 is as follows:

Purpose	General Fund	Schools Capital Projects Fund	Renovation and Repair Projects Fund	Other Governmental Funds
Education	\$ -	\$ 34,209,021	\$ -	\$ 4,917,093
General government	9,834,935	-	470,905	25,362,448
Public safety	965,013	-	-	-
Human services	285,294	-	-	1,200,000
Tax revaluation	41,980	-	-	-
Economic and physical development	393,418	-	-	-
Total	<u>\$ 11,520,640</u>	<u>\$ 34,209,021</u>	<u>\$ 470,905</u>	<u>\$ 31,479,541</u>

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

Assigned for General Government – represents the portion of fund balance assigned by the Board of Commissioners for facility planning and construction as well as the Automation Fund for the Register of Deeds Office.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Assigned for Public Safety – represents the portion of fund balance assigned by the Board of Commissioners for various public safety programs.

Assigned for Economic and Physical Development – represents the portion of fund balance assigned by the Board of Commissioners for various economic and physical development.

Assigned for Subsequent Years' Expenditures– represents the portion of fund balance assigned by the Board of Commissioners to cover a projected excess of expected expenditures over expected revenues.

<u>Purpose</u>	<u>General Fund</u>
General government	\$ 1,280,308
Public safety	337,071
Economic and physical development	100,000
Subsequent years' expenditures	2,766,785
Total	<u>\$ 4,484,164</u>

Unassigned Fund Balance. Unassigned fund balance represents the portion of fund balance that has not been assigned to another fund or is not restricted, committed, or assigned to specific purposes within the General Fund.

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 is in the best interest of the County.

Alamance County has also adopted a minimum fund balance policy for the General Fund, which instructs management to conduct the business of the County in such a manner that unassigned fund balance is at least equal to or greater than 20% of budgeted expenditures in the subsequent year.

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	\$ 71,546,267
Less:	
Notes receivable	210,532
Stabilization by state statute	11,935,813
Total available fund balance - General Fund	<u>\$ 59,399,922</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	General Fund
Encumbrances	<u>\$ 3,298,678</u>

ACCOUNTING ESTIMATES

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

DEFINED BENEFIT COST-SHARING PLANS

The County participates in two cost-sharing, multiple-employer, defined benefit pension plans that are administered by the state; the Local Governmental Employees' Retirement System (LGERS) and the Registers of Deeds' Supplemental Pension Fund (RODSPF) (collectively, the "state-administered defined benefit pension plans"). For purposes of measuring the net pension asset or liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the state-administered defined benefit pension plans and additions to/deductions from the state-administered defined benefit pension plans' fiduciary net positions have been determined on the same basis as they are reported by the state-administered defined benefit pension plans. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The County's employer contributions are recognized when due and the County has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the state-administered defined benefit pension plans. Investments for all plans are reported at fair value.

Note 2. Detail Notes On All Funds

Assets

Deposits

All of the County's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with the securities held by the County's agents in the unit's name. Under the Pooling Method, which is a collateral pool, 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, these deposits are considered to be held by the County's agent in its 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

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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 with 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 under-collateralization, 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 that collateralizes public deposits under the Pooling Method. 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 on any other financial institution used by the County. The County complies with the provisions G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The County does not have a policy regarding custodial credit risk for deposits.

At June 30, 2021, the County's deposits had a carrying amount of \$56,117,644 and a bank balance of \$22,823,881. Of the bank balance, \$3,679,785 was covered by federal depository insurance and the remainder was covered by collateral held under the Pooling Method.

At June 30, 2021, the County had \$5,842 cash on hand.

Investments. At June 30, 2021, the County had the following investments and maturities:

	Valuation Measurement Method	Fair Value	Less Than 1 Year	1-5
Commercial paper	Fair Value-Level 2	\$ 57,229,705	\$ 57,229,705	\$ -
NCCMT - Government Portfolio	Fair Value-Level 1	192,503,907	192,503,907	-
Total		<u>\$ 249,733,612</u>	<u>\$ 249,733,612</u>	<u>\$ -</u>

Because the NCCMT Government Portfolio has a weighted average maturity of less than 90 days, it is presented as an investment with a maturity of less than 6 months. The NCCMT Government Portfolio has an AAAm rating from S&P and AAA-mf by Moody's Investor Service.

All investments are measured using the market approach: using prices and other relevant information generated by market transactions involving identical or comparable assets or a group of assets.

Level of Fair Value Hierarchy: Level 1: Debt securities valued using directly observable, quoted prices (unadjusted) in active markets for identical assets. Level 2 debt securities are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate. This is the risk that changes; interest rates will adversely affect the fair value of an investment. The County has no policy in place to limit its exposure to fair value losses arising from rising interest rates. The County's investment policy requires purchases of securities to be tiered with staggered maturity dates and limits all securities to a final maturity of no more than three years.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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, 2021, the County's investments were rated as follows:

	Standard Poor's	Moody's Investor Services
North Carolina Capital Management Trust Government Portfolio	AAAm	AAA-mf
Commercial paper	A-1+	P-1

Custodial Credit Risk. For an investment, the custodial credit risk is the risk that in the event of a 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.

Concentration of Credit Risk. The County places a limit of \$20 million on the amount that the County may invest in any one issuer of commercial paper or banker's acceptances. More than 30% of the County's investments in commercial paper are in Banco Santander, Bayer Landesbank, Collateralized CP, Credit Agricole, Credit Industrial, Credit Suisse, ING, Kaiser Foundation, Landesbank Baden, Lloyds Bank, Mercy Health, MUFG, Natixis NY, Royal Bank of Canada, Salvation Army, Santander, Societe Generale, Swedbank and Toyota Motor Credit. These investments are 2.4%, 1.4%, 0.7%, 1.7%, 0.7%, 2.4%, 1.7%, 0.3%, 7.0%, 1.8%, 0.3%, 0.7%, 1.7%, 1.7%, 1.7%, 1.7%, 2.4%, 0.7%, and 0.3%, respectively, of the County's total investments.

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 the 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>
2018	\$ 2,160,367	\$ 707,527	\$ 2,867,894
2019	2,180,582	517,934	2,698,516
2020	2,482,032	366,131	2,848,163
2021	2,497,254	143,605	2,640,859
Total	<u>\$ 8,933,517</u>	<u>\$ 2,282,969</u>	<u>\$ 11,216,486</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Note 4. Receivables

Receivables at the government-wide level at June 30, 2021 were as follows:

	Government-Wide Financial Statements		
	Governmental Activities	Business-Type Activities	Total
Receivables:			
Accounts	\$ 23,814,913	\$ 483,219	\$ 24,298,132
Taxes	2,882,328	-	2,882,328
Due from other governments	827,089	-	827,089
Gross receivables	27,524,330	483,219	28,007,549
Less: allowance for uncollectibles	(14,278,521)	(104,195)	(14,382,716)
Net total receivables	<u>\$ 13,245,809</u>	<u>\$ 379,024</u>	<u>\$ 13,624,833</u>

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

Local option sales tax	\$ 440,007
Other governments	387,082
Total	<u>\$ 827,089</u>

At June 30, 2021, taxes receivable for other governments in the Custodial Funds are net of an allowance for doubtful accounts as follows:

Fund	Allowances
Village of Alamance Fund	\$ 980
Town of Haw River Fund	5,724
Altamahaw-Ossipee Sanitary District Fund	279
Town of Green Level Fund	11,604
City of Graham Fund	13,185
City of Burlington Fund	59,433
Town of Elon Fund	2,257
City of Mebane Fund	19,719
Town of Gibsonville Fund	6,484
Total	<u>\$ 119,665</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Note 5. Capital Assets

Primary Government

Capital asset activity for the year ended June 30, 2021 was as follows:

	<u>July 1, 2020</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>June 30, 2021</u>
Governmental Activities:					
Non-Depreciable Capital Assets:					
Land	\$ 4,007,447	\$ 1,200,000	\$ -	\$ -	\$ 5,207,447
Construction in progress	491,175	2,390,538	-	(1,489,037)	1,392,676
Total non-depreciable capital assets	<u>4,498,622</u>	<u>3,590,538</u>	<u>-</u>	<u>(1,489,037)</u>	<u>6,600,123</u>
Depreciable Capital Assets:					
Buildings	49,012,053	-	(39,326)	224,460	49,197,187
Other improvements	13,640,289	-	-	1,264,577	14,904,866
Easements	1,179,227	-	-	-	1,179,227
Equipment	13,259,341	1,016,250	(839,189)	-	13,436,402
Vehicles and motor equipment	11,377,385	1,553,416	(971,995)	(17,690)	11,941,116
Infrastructure	158,649	-	-	-	158,649
Total depreciable capital assets	<u>88,626,944</u>	<u>2,569,666</u>	<u>(1,850,510)</u>	<u>1,471,347</u>	<u>90,817,447</u>
Less Accumulated Depreciation:					
Buildings	(24,502,915)	(918,125)	39,326	-	(25,381,714)
Other improvements	(4,203,697)	(546,067)	-	-	(4,749,764)
Easements	(378,761)	(39,238)	-	-	(417,999)
Equipment	(6,633,925)	(1,402,943)	641,022	-	(7,395,846)
Vehicles and motor equipment	(6,197,800)	(850,925)	785,083	17,690	(6,245,952)
Infrastructure	(73,079)	(3,223)	-	-	(76,302)
Total accumulated depreciation	<u>(41,990,177)</u>	<u>\$ (3,760,521)</u>	<u>\$ 1,465,431</u>	<u>\$ 17,690</u>	<u>(44,267,577)</u>
Total depreciable capital assets, net	<u>46,636,767</u>				<u>46,549,870</u>
 Governmental activities capital assets, net	 <u>\$ 51,135,389</u>				 <u>\$ 53,149,993</u>

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

General government	\$ 2,337,656
Public safety	1,267,763
Economic and physical development	2,400
Human services	91,100
Cultural (parks and recreation)	61,602
Total depreciation expense	<u>\$ 3,760,521</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Capital asset activity for business-type activities for the year ended June 30, 2021 was as follows:

	<u>July 1, 2020</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>June 30, 2021</u>
Business-Type Activities:					
Landfill:					
Non-Depreciable Capital Assets:					
Land	\$ 2,765,112	\$ -	\$ -	\$ -	\$ 2,765,112
Construction in progress	117,025	45,399	-	-	162,424
Total non-depreciable capital assets	<u>2,882,137</u>	<u>45,399</u>	<u>-</u>	<u>-</u>	<u>2,927,536</u>
Depreciable Capital Assets:					
Landfill construction	13,459,347	164,108	-	-	13,623,455
Buildings	1,209,176	-	-	-	1,209,176
Other improvements	788,777	-	-	-	788,777
Fixtures and equipment	289,695	36,475	-	-	326,170
Vehicles and motor equipment	<u>6,619,725</u>	<u>572,600</u>	<u>-</u>	<u>17,690</u>	<u>7,210,015</u>
Total depreciable capital assets	<u>22,366,720</u>	<u>773,183</u>	<u>-</u>	<u>17,690</u>	<u>23,157,593</u>
Less Accumulated Depreciation:					
Landfill construction	(10,965,371)	(279,233)	-	-	(11,244,604)
Buildings	(207,413)	(24,132)	-	-	(231,545)
Other improvements	(750,779)	(3,122)	-	-	(753,901)
Fixtures and equipment	(227,506)	(22,000)	-	-	(249,506)
Vehicles and motor equipment	<u>(4,185,862)</u>	<u>(454,016)</u>	<u>-</u>	<u>(17,690)</u>	<u>(4,657,568)</u>
Total accumulated depreciation	<u>(16,336,931)</u>	<u>\$ (782,503)</u>	<u>\$ -</u>	<u>\$ (17,690)</u>	<u>(17,137,124)</u>
Total capital assets being depreciated, net	<u>6,029,789</u>				<u>6,020,469</u>
Landfill capital assets, net	<u>\$ 8,911,926</u>				<u>\$ 8,948,005</u>

Construction Commitments

The government has active construction projects as of June 30, 2021. At year-end, the government's commitments with contractors are as follows:

<u>Projects</u>	<u>Spent To-Date</u>	<u>Remaining Commitment</u>
Petree Building	<u>\$ 1,392,676</u>	<u>\$ 1,130,455</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Net Investment in Capital Assets

The total net investment in capital assets at June 30, 2021 is composed of the following elements:

	Governmental Activities	Business-Type Activities
Capital assets	<u>\$ 53,149,993</u>	<u>\$ 8,948,005</u>
Total debt, gross	214,601,953	-
Long-term debt for assets not owned by the County	207,942,057	-
Capital related unspent debt proceeds	982,899	-
Total capital debt	<u>5,676,997</u>	<u>-</u>
Net investment in capital assets	<u>\$ 47,472,996</u>	<u>\$ 8,948,005</u>

Note 6. Accounts Payable and Accrued Liabilities

Payables and other accrued liabilities at the government-wide level at June 30, 2021 were as follows:

Governmental Activities:

Vendors	\$ 3,208,486
Due to other governments	146,961
Accrued payroll and related liabilities	30,550
Accrued interest	1,683,515
Incurred but not reported	576,000
Total governmental activities	<u>\$ 5,645,512</u>

Business-Type Activities:

Landfill vendors	<u>\$ 182,985</u>
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Note 7. Pension Plan Obligations

Local Governmental Employees' Retirement System

Plan Description. The County is a participating employer in 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 membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

members. The Local Governmental Employees' Retirement System is included in the Annual Comprehensive Financial Report for the State of North Carolina. The state's Annual Comprehensive Financial Report 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, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad members who are killed in the line of duty) or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County's contractually required contribution rate for the year ended June 30, 2021, was 10.90% of compensation for law enforcement officers and 10.15% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the County were \$4,249,146 for the year ended June 30, 2021.

Refunds of Contributions – County employees who have terminated service as a contributing member of LGERS, may file an application for a refund of their contributions. By state law, refunds to members with at least five years of service include 4% interest. State law requires a 60-day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by LGERS.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021, the County reported a liability of \$22,387,514 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. The total pension liability was then rolled forward to the measurement date of June 30, 2020 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension liability was based on a projection of the County's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2021, the County's proportion was 0.6265% (measured as of June 30, 2020), which was an increase of 0.0035% from its proportion as of June 30, 2020 (measured as of June 30, 2019).

For the year ended June 30, 2021, the County recognized pension expense of \$7,699,158. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,827,150	\$ -
Changes of assumptions	1,666,070	-
Net difference between projected and actual earnings on pension plan investments	3,150,443	-
Changes in proportion and differences between County contributions and proportionate share of contributions	89,967	244,056
County contributions subsequent to the measurement date	4,249,146	-
Total	<u>\$ 11,982,776</u>	<u>\$ 244,056</u>

\$4,249,146 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2022	\$ 2,108,087
2023	2,799,260
2024	1,649,857
2025	932,370
2026	-
Thereafter	-
Total	<u>\$ 7,489,574</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Actuarial Assumptions. The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increase	3.50 to 8.10 percent, including inflation and productivity factor
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2019 valuation, with the exception of the discount rate, were based on the results of an actuarial experience study as of December 31, 2014.

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns, and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	29.0%	1.4%
Global equity	42.0%	5.3%
Real estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation protection	6.0%	4.0%
Total	<u>100.0%</u>	

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

The information above is based on 30-year expectations developed with the consulting actuary for the 2020 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

Discount Rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the County's proportionate share of the net pension liability or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
County's proportionate share of the net pension liability (asset)	<u>\$ 45,421,826</u>	<u>\$ 22,387,514</u>	<u>\$ 3,244,380</u>

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Annual Comprehensive Financial Report for the State of North Carolina.

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 under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. 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. 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, 2021

All full-time law enforcement officers of the County are covered by the Separation Allowance. At December 31, 2019, the Separation Allowance's membership consisted of:

Retirees receiving benefits	18
Active plan members	<u>135</u>
Total	<u><u>153</u></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. Benefits are recognized when due and payable in accordance with the terms of the plan.

The Separation Allowance has no assets accumulated in a trust that meets the following criteria, which are outlined in GASB Statements 73.

Actuarial Assumptions

The entry age normal actuarial cost method was used in the December 31, 2019 valuation. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increase	3.50 to 7.75 percent, including inflation and productivity factor
Discount rate	1.93 percent

The discount rate used to measure the TPL is the S&P Municipal Bond 20 Year High Grade Rate Index.

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an experience study completed by the Actuary for the Local Governmental Employee's Retirement System for the five-year period ending December 31, 2019.

Mortality Assumption: All mortality rates use Pub-2010 amount-weighted tables.

Mortality Projection: All mortality rates are projected from 2010 using generational improvement with Scale MP-2019.

Deaths after Retirement (Healthy): Mortality rates are based on the Safety Mortality Table for Retirees. Rates for all members are multiplied by 97% and Set Forward by 1 year.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Deaths after Retirement (Disabled Members at Retirement): Mortality rates are based on the Non-Safety Mortality Table for Disabled Retirees. Rates are Set Back 3 years for all ages.

Deaths after Retirement (Survivors of Deceased Members): Mortality rates are based on the Below-median Teachers Mortality Table for Contingent Survivors. Rates for male members are Set Forward 3 years. Rates for female members are Set Forward 1 year. Because the contingent survivor tables have no rates prior to age 45, the Below-median Teachers Mortality Table for Employees is used for ages less than 45.

Deaths prior to Retirement: Mortality rates are based on the Safety Mortality Table for Employees.

Contributions. The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay-as-you-go basis through appropriations made in the General Fund operation budget. There were no contributions made by the employees. The County's obligation to contribute to this Plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The County paid \$241,370 as benefits came due.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021, the County reported a total pension liability of \$6,326,899. The total pension liability was measured as of December 31, 2020 based on a December 31, 2019 actuarial valuation. The total pension liability was rolled forward to December 31, 2020 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2021, the County recognized pension expense of \$819,386.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 582,199	\$ 24,521
Changes of assumptions and other inputs	1,532,586	90,019
County benefit payments and administrative expenses made subsequent to the measurement date	158,266	-
Total	<u>\$ 2,273,051</u>	<u>\$ 114,540</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

\$158,266 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2022	\$ 482,676
2023	472,697
2024	401,097
2025	352,025
2026	291,750
Thereafter	-
Total	<u>\$ 2,000,245</u>

Sensitivity of the County's Total Pension Liability to Changes in the Discount Rate. The following presents the County's total pension liability calculated using the discount rate of 1.93 percent, as well as what the County's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (0.93 percent) or 1-percentage-point higher (2.93 percent) than the current rate:

	1% Decrease (0.93%)	Discount Rate (1.93%)	1% Increase (2.93%)
Total pension liability	<u>\$ 6,881,813</u>	<u>\$ 6,326,899</u>	<u>\$ 5,819,936</u>

Schedule of Changes in Total Pension Liability Law Enforcements Officers' Special Separation Allowance

	2021
Beginning balance	\$ 4,224,678
Service cost	201,866
Interest	133,790
Difference between expected and actual experience	343,710
Changes of assumptions and other inputs	1,664,225
Benefit payments	(241,370)
Ending balance	<u>\$ 6,326,899</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Changes of Assumptions. Changes of assumptions and other inputs reflect a change in the Municipal Bond Index Rate from 3.26% at December 31, 2019 to 1.93% at December 31, 2020.

The plan currently uses mortality tables that vary by age, and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

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 Annual Comprehensive Financial Report for the State of North Carolina. The state's Annual Comprehensive Financial Report 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 five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended June 30, 2021 were \$798,849, which consisted of \$372,961 from the County and \$425,888 from the law enforcement officers. No amounts were forfeited.

Detention Officer Social Security Bridge 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 detention officers under the age of 62 who have completed at least 15 years of creditable service and were hired on or before June 30, 2021. The allowance payable to a retired detention officer ceases at age 62, at death, or upon reemployment by a local government employer in any capacity requiring participation in LGERS. 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 A separate report was not issued for the Plan.

All full-time detention officers of the County are covered by the Separation Allowance. At December 31, 2019, the Separation Allowance's membership consisted of:

Retirees receiving benefits	-
Active plan members	<u>110</u>
Total	<u><u>110</u></u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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. Benefits are recognized when due and payable in accordance with the terms of the plan.

The Separation Allowance has no assets accumulated in a trust that meets the following criteria, which are outlined in GASB Statements 73.

Actuarial Assumptions

The entry age normal actuarial cost method was used in the December 31, 2019 valuation. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increase	3.25 to 8.25 percent, including inflation and productivity factor
Discount rate	1.93 percent

The discount rate used to measure the TPL is the S&P Municipal Bond 20 Year High Grade Rate Index.

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an experience study completed by the Actuary for the Local Governmental Employee's Retirement System for the five-year period ending December 31, 2019.

Mortality Assumption: All mortality rates use Pub-2010 amount-weighted tables.

Mortality Projection: All mortality rates are projected from 2010 using generational improvement with Scale MP-2019.

Deaths after Retirement (Healthy): Mortality rates are based on the General Mortality Table for Retirees. Rates for male members are Set Forward 2 years, then are multiplied by 96% for ages under 81, and increase until reaching 100% at age 85 and above. Rates for female members are 100% for ages under 92 and increase until reaching 110% at age 95 and above. Because the retiree tables have no rates prior to age 50, the General Mortality Table for Employees is used for ages less than 50.

Deaths after Retirement (Survivors of Deceased Members): Mortality rates are based on the Below-median Teachers Mortality Table for Contingent Survivors. Rates for male members are Set Forward 3 years. Rates for female members are Set Forward 1 year. Because the contingent survivor tables have no rates prior to age 45, the Below-median Teachers Mortality Table for Employees is used for ages less than 45.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Deaths after Retirement (Disabled Members at Retirement): Mortality rates are based on the Non-Safety Mortality Table for Disabled Retirees. Rates for General Employee male members are Set Forward 3 years and rates for General Employee female members are Set Back 1 year.

Deaths prior to Retirement: Mortality rates for General Employees are based on the General Mortality Table for Employees.

Contributions. There were no contributions made by the employees. The County's obligation to contribute to this Plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The County paid \$10,230 as benefits came due.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021, the County reported a total pension liability of \$980,120. The total pension liability was measured as of December 31, 2020 based on a December 31, 2019 actuarial valuation. The total pension liability was rolled forward to December 31, 2020 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2021, the County recognized pension expense of \$144,945.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions and other inputs	\$ 204,165	\$ -
County benefit payments and administrative expenses made subsequent to the measurement date	26,977	-
Total	<u>\$ 231,142</u>	<u>\$ -</u>

\$26,977 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2022	\$ 83,344
2023	82,427
2024	38,394
2025	-
2026	-
Thereafter	-
Total	<u>\$ 204,165</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Sensitivity of the County's Total Pension Liability to Changes in the Discount Rate. The following presents the County's total pension liability calculated using the discount rate of 1.93 percent, as well as what the County's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (0.93 percent) or 1-percentage-point higher (2.93 percent) than the current rate:

	1% Decrease (0.93%)	Discount Rate (1.93%)	1% Increase (2.93%)
Total pension liability	\$ 1,088,908	\$ 980,120	\$ 882,558

Detention Officer Social Security Bridge Allowance	
	2021
Beginning balance	\$ -
Service cost	40,252
Interest	21,349
Changes of assumptions and other inputs	928,749
Benefit payments	(10,230)
Ending balance	\$ 980,120

Changes of Assumptions. Changes of assumptions and other inputs reflect a change in the Municipal Bond Index Rate from 3.26% at December 31, 2019 to 1.93% at December 31, 2020.

The plan currently uses mortality tables that vary by age, and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

Registers of Deeds' Supplemental Pension Fund

Plan Description. Alamance County also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a non-contributory, defined benefit plan administered by the North Carolina Department of State Treasurer. RODSPF 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. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Registers of Deeds' Supplemental Pension Fund is included in the Annual Comprehensive Financial Report for the State of North Carolina. The state's Annual Comprehensive Financial Report includes financial statements and required supplementary information for the Registers of Deeds' Supplemental Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Benefits Provided. An individual's benefits for the year are calculated as a share of accumulated contributions available for benefits for that year, subject to certain statutory limits. An individual's eligibility is based on at least 10 years of service as a register of deeds with the individual's share increasing with years of service. Because of the statutory limits noted above, not all contributions available for benefits are distributed.

Contributions. Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County Commission under Article 1 of Chapter 161 of the North Carolina General Statutes. The statutory contribution currently has no relationship to the actuary's required contribution. The actuarially determined contribution this year and for the foreseeable future is zero. Registers of Deeds do not contribute. Contribution provisions are established by General Statute 161-50 and may be amended only by the North Carolina General Assembly. Contributions to the pension plan from the County were \$17,988 for the year ended June 30, 2021.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021, the County reported an asset of \$348,613 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2020. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2019. The total pension liability was then rolled forward to the measurement date of June 30, 2020 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension asset was based on the County's share of contributions to the pension plan, relative to contributions to the pension plan of all participating RODSPF employers. At June 30, 2020, the County's proportion was 1.521%, which was an increase of 0.097% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the County recognized pension expense of \$(8,757). At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 7,104
Net difference between projected and actual earnings on pension plan investments	-	29,829
Changes in proportion and differences between County contributions and proportionate share of contributions	14,702	12,336
County contributions subsequent to the measurement date	17,988	-
Total	<u>\$ 32,690</u>	<u>\$ 49,269</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

\$17,988 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ending June 30, 2022. Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2022	(4,003)
2023	(9,587)
2024	(13,462)
2025	(7,515)
2026	-
Thereafter	-
Total	<u>\$ (34,567)</u>

Actuarial Assumptions. The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increase	3.50 to 7.75 percent, including inflation and productivity factor
Investment rate of return	3.75 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study as of December 31, 2014.

Future ad hoc COLA amounts are not considered to be substantively automatic and are, therefore, not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The adopted asset allocation policy for the RODSPF is 100% in the fixed income asset class. The best estimate of arithmetic real rate of return for the fixed income asset class as of June 30, 2020 is 1.4%.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

The information above is based on 30-year expectations developed with the consulting actuary for the 2020 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

Discount Rate. The discount rate used to measure the total pension liability was 3.75%. The projection of cash flows used to determine the discount rate assumed that contributions from employers will be made at statutorily required rates. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's Proportionate Share of the Net Pension Asset to Changes in the Discount Rate. The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 3.75 percent, as well as what the County's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (2.75 percent) or 1-percentage-point higher 4.75 percent than the current rate:

	1% Decrease (2.75%)	Discount Rate (3.75%)	1% Increase (4.75%)
County's proportionate share of the net pension liability (asset)	\$ (296,103)	\$ (348,613)	\$ (393,045)

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Annual Comprehensive Financial Report for the State of North Carolina.

Deferred Compensation Plan

The County offers its employees a deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plan is administered by Nationwide Retirement Solutions. An additional plan was offered and administered by Pacific Life until September 2019. The current plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available until an employee is terminated, retires, dies, or experiences an unforeseeable emergency.

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

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability (asset) for LGERS and ROD was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The total pension liability for LEOSSA and DBA were measured as of December 31, 2020, with an actuarial valuation date of December 31, 2019. The County's proportion of the net pension liability was based on the County's share of contributions to the pension plan relative to the contribution of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>LGERS</u>	<u>LEOSSA</u>	<u>DBA</u>	<u>ROD</u>	<u>Total</u>
Proportionate share of net pension liability (asset)	\$ 22,387,514	N/A	N/A	\$ (348,613)	\$ 22,038,901
Proportion of the net pension liability (asset)	0.62650%	N/A	N/A	1.52113%	-
Total pension liability	N/A	\$ 6,326,899	\$ 980,120	N/A	7,307,019
Pension expense	7,699,158	819,386	144,945	(8,757)	8,654,732

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>LGERS</u>	<u>LEOSSA</u>	<u>DBA</u>	<u>ROD</u>	<u>Total</u>
Deferred Outflows of Resources:					
Differences between expected and actual experience	\$ 2,827,150	\$ 582,199	\$ -	\$ -	\$ 3,409,349
Changes of assumptions	1,666,070	1,532,586	204,165	-	3,402,821
Net difference between projected and actual earnings on pension plan investments	3,150,443	-	-	-	3,150,443
Changes in proportion and differences between County contributions and proportionate share of contributions	89,967	-	-	14,702	104,669
County contributions (LGERS, ROD) and benefit payments and administration costs (LEOSSA) subsequent to the measurement date	<u>4,249,146</u>	<u>158,266</u>	<u>26,977</u>	<u>17,988</u>	<u>4,452,377</u>
Total	<u>\$ 11,982,776</u>	<u>\$ 2,273,051</u>	<u>\$ 231,142</u>	<u>\$ 32,690</u>	<u>\$ 14,519,659</u>
Deferred Inflows of Resources:					
Differences between expected and actual experience	\$ -	\$ 24,521	\$ -	\$ 7,104	\$ 31,625
Changes of assumptions	-	90,019	-	-	90,019
Net difference between projected and actual earnings on pension plan investments	-	-	-	29,829	29,829
Changes in proportion and differences between County contributions and proportionate share of contributions	<u>244,056</u>	<u>-</u>	<u>-</u>	<u>12,336</u>	<u>256,392</u>
Total	<u>\$ 244,056</u>	<u>\$ 114,540</u>	<u>\$ -</u>	<u>\$ 49,269</u>	<u>\$ 407,865</u>

Other Employment Benefits – Alamance County

Death Benefits. The County has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, state-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the system, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the system at the time of death, are eligible for death benefits. Lump-sum death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to the employee's death, but the benefit will be a minimum of \$25,000 and will not exceed \$50,000. Because all death benefit payments are made from the Death Benefit Plan, and not by the County, the County does not determine the number of eligible participants.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

The County has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. 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. The County considers these contributions to be immaterial.

Plan Description. Under a County resolution, Alamance 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.

For 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 HCB Plan is available to qualified retirees until the age of 65 or until Medicare eligible, whichever is sooner. The County obtains healthcare coverage through private insurers. The Board of Commissioners may amend the benefit provisions. A separate report was not issued for the plan.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

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

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

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

Years of Service At Retirement	County Contribution	Retiree Contribution
Less than 10	0.00%	100.00%
10-14	50.00%	50.00%
15-19	75.00%	25.00%
20 or more	100.00%	0.00%

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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	0.00%	100.00%
15-19	50.00%	50.00%
20-24	75.00%	25.00%
25 or more	100.00%	0.00%

Retiring employees hired January 1, 2014 and after are eligible for continued health coverage until they reach Medicare eligible age. At that time, the retiree's coverage with Alamance County is terminated.

Pre-Medicare 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.

Monthly premiums effective January 1, 2020:

<u>Tier</u>	<u>Pre-65 Health Cost</u>	<u>Post-65 Health Cost</u>
Retiree	\$ 777.00	\$ 262.35
Retiree + Spouse	1,227.00	-
Retiree + Child(ren)	1,142.00	-
Retiree + Family	1,527.00	-

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.

Membership of the Plan consisted of the following at June 30, 2020, the date of the latest actuarial valuation:

Retirees and dependents receiving benefits	458
Active plan members	883
Total	<u>1,341</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Total OPEB Liability

The County's total OPEB liability of \$96,898,043 was measured as of June 30, 2020 and was determined by an actuarial valuation as of June 30, 2020.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.50 percent
Real wage growth	1.00 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation:	
General employees and firefighters	3.50%-7.75%
Law enforcement officers	3.50%-7.35%
Discount rate	2.21 percent
Healthcare cost trend rates:	
Pre-Medicare	7.00% for 2020 decreasing to an ultimate rate of 4.50% by 2030
Medicare	5.25% for 2020 decreasing to an ultimate rate of 4.50% by 2024
Dental	4.00 percent

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at July 1, 2020	<u>\$ 77,534,443</u>
Changes for the year:	
Service cost	2,301,311
Interest	2,756,757
Differences between expected and actual experience	(325,051)
Changes of assumptions or other inputs	16,791,684
Benefit payments	<u>(2,161,101)</u>
Net changes	19,363,600
Balance at June 30, 2021	<u><u>\$ 96,898,043</u></u>

Changes in assumptions and other inputs reflect a change in the Municipal Bond Index Rate from 3.50% to 2.21%.

The County selected a Municipal Bond Index Rate equal to the Bond Buyer 20-year General Obligation Bond Index published at the last Thursday of June by The Bond Buyer, and the Municipal Bond Index Rate as of the measurement date as the discount rate used to measure the total OPEB liability.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Mortality rates were based on the RP-2014 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2015.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014, adopted by the LGERS Board.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2020 valuation were based on a review of recent plan experience done concurrently with the June 30, 2020 valuation.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21 percent) or 1-percentage-point higher (3.21 percent) than the current discount rate:

	1% Decrease (1.21%)	Discount Rate (2.21%)	1% Increase (3.21%)
Total OPEB liability	<u>\$ 116,101,915</u>	<u>\$ 96,898,043</u>	<u>\$ 81,991,543</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current	1% Increase
Total OPEB liability	<u>\$ 80,773,967</u>	<u>\$ 96,898,043</u>	<u>\$ 118,021,066</u>

OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the County recognized OPEB expense of \$3,453,945. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 10,530,412
Changes of assumptions	17,435,938	5,848,196
Benefit payments and plan administrative expense made subsequent to the measurement date	<u>1,951,388</u>	<u>-</u>
Total	<u>\$ 19,387,326</u>	<u>\$ 16,378,608</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

\$1,951,388 reported as deferred outflows of resources related to OPEB resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as an increase of the total OPEB liability in the year ending June 30, 2022. Other amounts reported as deferred inflows and deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30	Total
2022	\$ (1,604,123)
2023	(1,604,123)
2024	(972,566)
2025	2,577,189
2026	2,660,953
Thereafter	-
Total	<u>\$ 1,057,330</u>

Note 8. Closure and Post-Closure Costs – Austin Quarter Landfill Facility and Swepsonville Landfill Facility

State and federal 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 30 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 \$9,953,609 reported for the Austin Quarter MSW Landfill Facility as landfill closure and post-closure care liability at June 30, 2021 represents a cumulative amount reported to date based on the use of 88.93% of the total estimated capacity of the landfill. The County will recognize the remaining estimated costs of closure and post-closure care as the remaining estimated capacity is filled.

The \$1,960,670 reported for the Austin Quarter C&D Landfill Facility as landfill closure and post-closure care liability at June 30, 2021 represents a cumulative amount reported to date based on the use of 106.0% percent of the total estimated capacity of the landfill. The County will recognize the remaining estimated costs of closure and post-closure care 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 2021. The County expects to close the Austin Quarter MSW Landfill Facility in the year 2072 and the Austin Quarter C&D Landfill Facility in 2022, in conjunction with the anticipated construction of the next MSW cell. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County closed its Swepsonville Landfill Facility on October 4, 1993. As of June 30, 2021, the estimated closure and post-closure care liability for this facility amounted to \$425,922. Actual cost 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, 2021

The total landfill closure and post-closure care liability for the County's landfills as of June 30, 2021 amounted to \$12,340,201.

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 post-closure care requirements.

Note 9. Deferred Outflows and Inflows of Resources

Deferred outflows of resources are comprised of the following:

<u>Source</u>	<u>Amount</u>
Pension deferrals	\$ 14,519,659
OPEB deferrals	19,387,326
Unamortized bond refunding charges	311,671
Total	<u>\$ 34,218,656</u>

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

<u>Source</u>	<u>Amount</u>
Property taxes receivable (General Fund)	\$ 2,033,906
Property taxes receivable (Nonmajor Governmental Funds)	224,874
EMS receivable (General Fund)	1,895,809
Other receivables (General Fund)	358,161
Pension deferrals	407,865
OPEB deferrals	16,378,608
Total	<u>\$ 21,299,223</u>

Note 10. Contingent Liabilities

At June 30, 2021, the County was a defendant to various lawsuits. In the opinion of the County's management and the County attorney, the ultimate effect of these legal matters will not have a material adverse effect on the County's financial position.

Note 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, 2021

The following is a summary of the County's capital leases as of June 30, 2021:

<u>Date of Execution</u>	<u>Class of Property</u>	<u>Payment Duration (Years)</u>	<u>Annual Payment Amount</u>
July 1, 2016	Computer equipment	5	\$ 14,717
January 1, 2017	Computer equipment	5	60,764
July 1, 2017	Computer equipment	5	15,096
October 1, 2017	Computer equipment	4	11,259
October 1, 2017	Computer equipment	6	170,239
April 1, 2018	Computer equipment	3	94,518
April 1, 2018	Computer equipment	4	18,736
May 1, 2018	Computer equipment	5	17,141
July 1, 2018	Computer equipment	3	95,017
October 1, 2018	Computer equipment	4	9,723
October 1, 2018	Computer equipment	4	30,301
January 1, 2019	Computer equipment	3	38,016
April 1, 2019	Computer equipment	3	15,558
April 1, 2019	Computer equipment	5	3,201
July 1, 2019	Computer equipment	3	58,598
July 1, 2019	Computer equipment	5	9,448
July 1, 2019	Computer equipment	5	8,379
October 1, 2019	Computer equipment	4	55,344
January 1, 2020	Computer equipment	3	57,672
January 1, 2020	Computer equipment	4	64,557
January 1, 2020	Computer equipment	5	29,503
April 1, 2020	Computer equipment	3	15,762
April 1, 2020	Computer equipment	4	38,992
April 1, 2020	Computer equipment	5	16,351
April 1, 2020	Computer equipment	5	25,706
April 1, 2020	Computer equipment	5	116,735
July 1, 2020	Computer equipment	4	27,657
July 1, 2020	Computer equipment	5	6,404
July 1, 2020	Computer equipment	6	46,249
October 1, 2020	Computer equipment	5	48,127
October 1, 2020	Computer equipment	6	4,466
January 1, 2021	Computer equipment	3	34,149
April 1, 2021	Computer equipment	3	54,178
April 1, 2021	Computer equipment	4	13,956
April 1, 2021	Computer equipment	5	9,942
Total			<u>\$ 1,336,461</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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 75% 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	\$ 4,305,887	\$ 2,122,636	\$ 2,183,251

For Alamance County, the future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2021 were as follows:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>
2022	\$ 1,093,458
2023	761,075
2024	488,514
2025	261,590
2026	25,970
Total minimum lease payments	2,630,607
Less: amount representing interest	248,248
Present value of the minum lease payments	<u>\$ 2,382,359</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 December 7, 2017 for emergency radios; due in semi-annual principal payments of \$233,578 through June 30, 2025; interest rate of 2.16%	\$ 1,566,647
Installment note payable issued October 10, 2019 for voting equipment; due in semi-annual payments of \$147,012 through February 1, 2024; interest rate of 1.90%	853,473
Installment note payable issued October 10, 2019 for equipment; due in semi-annual payments of \$200,665 through September 1, 2023; interest rate of 1.83%	976,359
Installment note payable issued October 6, 2020 for equipment; due in semi-annual principal payments of \$50,000 through October 6, 2030; interest rate of 1.53%	<u>881,058</u>
Total governmental activities	<u>\$ 4,277,537</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

The County's outstanding note from direct placements related to governmental activities of \$1,566,647 is secured by radio equipment. Upon default, the entire outstanding principal payments shall be declared immediately due and payable. Upon failure to pay or make timely payments the lender shall proceed by appropriate court action and take possession of the equipment.

The County's outstanding note from direct placements related to governmental activities of \$853,473 is secured by voting equipment. Upon default, the escrow agent shall immediately remit to the lessor the remaining balance of the Equipment Acquisition Fund.

The County's outstanding note from direct placements related to governmental activities of \$976,359 is secured by vehicles and equipment. Upon default, the lessor may require the County to pay all amounts then currently due and to return all equipment.

The County's outstanding note from direct placements related to governmental activities of \$881,058 is secured by the parole/probation center. Upon default, the lessor may require the County to pay all amounts then currently due and to return all equipment.

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

Year Ending June 30	Governmental Activities	
	Principal	Interest
2022	\$ 1,186,853	\$ 75,659
2023	1,210,059	52,453
2024	1,033,061	28,790
2025	321,997	11,582
2026	92,311	7,689
2027-2031	433,256	16,741
Total	<u>\$ 4,277,537</u>	<u>\$ 192,914</u>

Qualified School Construction Bonds

On September 15, 2010, the County issued \$8,298,202 in direct placement qualified school construction bonds to finance the renovation of certain qualifying school facilities. These bonds qualify as "Qualified School Construction" under Section 54F of the Internal Revenue Code. The interest rate charged is 5.47%, but the creditor also receives federal tax credits in lieu of receiving interest payments from the issuer. The principal and interest are payable semi-annually through 2026. The outstanding amount at June 30, 2021 was \$2,451,190.

The qualified school construction bonds are secured by the career tech center. Upon default, the entire outstanding principal payments shall be declared immediately due and payable. Upon failure to pay or make timely payments the lender shall proceed by appropriate court action and take possession of the mortgaged property.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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
2022	\$ 553,213	\$ 128,608
2023	553,213	98,348
2024	553,213	68,087
2025	553,213	37,826
2026	238,338	6,518
Total	<u>\$ 2,451,190</u>	<u>\$ 339,387</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.

Advance Refundings

On September 12, 2012, the County issued \$33,830,000 of general obligation advance refunding bonds to provide resources to purchase U.S. government securities that were placed in an irrevocable trust to be used for all future debt service payments of \$34,765,000 of general obligation bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. The par value of the defeased bonds at June 30, 2021 was \$16,075,000.

The County's general obligation bonds payable at June 30, 2021 are comprised of the following individual issues:

Serviced by the General Fund:

September 12, 2012 issue, Refunding Bonds Series 2012; due in annual installments, varying, on February 1 through 2026; interest at 2.0% through 2016, 3.0% through 2017, 4.0% through 2023, and 5.0% through 2026. \$ 16,075,000

August 11, 2016 issue, general obligation bonds; due in annual installments of \$750,000 beginning February 1, 2018 through 2036; interest rates varying throughout the life of the payments. 12,000,000

May 6, 2021 issue, School Bonds; due in annual installments, varying, on May 1, 2022 through 2041; interest at 5.0% through 2032, 3.0% through 2033, and 2.0% through 2041. 151,150,000

Total general obligation bonds \$ 179,225,000

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

In the event of a default, the County agrees to pay to the purchaser, on demand, interest on any and all amounts due and owing by the County under the related agreements.

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

Year Ending June 30	Government Activities	
	Principal	Interest
2022	\$ 12,615,000	\$ 6,595,541
2023	12,615,000	6,093,075
2024	12,615,000	5,500,375
2025	10,340,000	4,877,125
2026	9,560,000	4,368,125
2027-2031	41,925,000	15,489,125
2032-2036	41,790,000	6,706,069
2037-2041	37,765,000	2,265,600
Total	<u>\$ 179,225,000</u>	<u>\$ 51,895,035</u>

The following is a summary of changes in the County's long-term obligations as of June 30, 2021:

	July 1, 2020	Additions	Retirements	June 30, 2021	Due In Less Than One Year
Governmental Activities:					
General obligation debt	\$ 33,155,000	\$ 151,150,000	\$ 5,080,000	\$ 179,225,000	\$ 12,615,000
Premium on general obligation bonds	3,622,602	23,158,051	514,786	26,265,867	881,808
Direct placement qualified school construction bonds	3,004,403	-	553,213	2,451,190	553,213
Capitalized leases	2,169,382	597,165	384,188	2,382,359	929,440
Direct placement installment loans	4,529,182	923,990	1,175,635	4,277,537	1,186,853
Total pension liability (DBA)	-	990,350	10,230	980,120	-
Total pension liability (LEOSSA)	4,224,678	2,343,591	241,370	6,326,899	-
Net pension liability (LGERS)	16,673,906	5,265,858	-	21,939,764	-
Compensated absences	3,231,982	2,028,589	1,777,590	3,482,981	1,915,640
Total OPEB liability	75,983,754	18,976,328	-	94,960,082	-
Total governmental activities	<u>\$ 146,594,889</u>	<u>\$ 205,433,922</u>	<u>\$ 9,737,012</u>	<u>\$ 342,291,799</u>	<u>\$ 18,081,954</u>
Business-Type Activities:					
Accrued landfill closure and post-closure care cost	\$ 11,307,439	\$ 1,032,762	\$ -	\$ 12,340,201	\$ -
Compensated absences	69,199	41,519	38,059	72,659	39,962
Net pension liability (LGERS)	340,284	107,466	-	447,750	-
Total OPEB liability	1,550,689	387,272	-	1,937,961	-
Total business-type activities	<u>\$ 13,267,611</u>	<u>\$ 1,569,019</u>	<u>\$ 38,059</u>	<u>\$ 14,798,571</u>	<u>\$ 39,962</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Compensated absences typically have been liquidated in the General Fund and are accounted for on an LIFO basis, assuming that employees are taking leave time as it is earned. Net pension liability and total pension liabilities have been liquidated in the General Fund. OPEB has been liquidated in the Employee Insurance Fund.

State statutes provide for a legal debt margin of 8.0% of the County's appraised valuation. The County had a legal debt limitation of \$1,010,050,972 at June 30, 2021.

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 and 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, nor the Authority, nor 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, 2021, there was one series of industrial revenue bonds outstanding, with an aggregate principal amount payable of \$200,000.

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	<u>\$ 73,777</u>	<u>\$ -</u>	Cash advance
Grant Special Revenue Fund	<u>\$ -</u>	<u>\$ 73,777</u>	Cash advance

Transfers To/From Other Funds

Transfers in (out) for the year ended June 30, 2021 are summarized below:

	<u>Interfund Transfers</u>	
	<u>From</u>	<u>To</u>
General Fund	\$ 15,432,857	\$ 1,794,668
Major Schools Capital Project Fund	15,899,979	7,760,853
Nonmajor Special Revenue Funds	-	51,694
Nonmajor Capital Project Funds	9,776,632	31,261,021
Major Special Revenue Grant Fund	-	41,232
Workers' Compensation Internal Service Fund	-	200,000
Total interfund transfers	<u>\$ 41,109,468</u>	<u>\$ 41,109,468</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Transfers from the School Capital Project Fund to the General Fund were for payment of school bond debt service. Other General Fund transfers to other funds were advancements for grant and fund related expenditures. The transfers from nonmajor capital project funds were for various project closeouts and project funding from capital reserve funds. The transfers from the Workers' Compensation Internal Service Fund to the General Fund were for payment of workers' compensation claims.

Note 13. Joint Ventures

Alamance-Caswell Local Management. Cardinal Innovations serves as the ACLME for the County. Currently, Alamance County and Caswell County have only advisory authority over the operations of PBH. In accordance with NCGS Section 122C-115 (b) Counties shall appropriate funds for the support of programs that serve the catchment area, whether the programs are physically located within a single county or whether any facility housing a program is owned and operated by the county. Alamance County provides funding for mental health services according to state law and PBH is responsible for managing the provision of services and reporting quarterly to Alamance County Commissioners. Alamance County provided funding for mental health services in the amount of \$1,203,556 during the fiscal year ended June 30, 2021.

Alamance Community College. The County, in conjunction with the State of North Carolina and the Alamance-Burlington Board of Education, participates in a joint venture to operate the Alamance Community College (Community College). Each of the three participants appoints four members of the 13-member Board of Trustees of the Community College. The President of the Community College's student government serves as an ex officio non-voting member of the Community College's Board of Trustees. The Community College is included as a component unit of the state. The County has the basic responsibility for providing funding for the facilities of the Community College and also provides some financial support for the Community College's operations. In addition to providing annual appropriations for the facilities, the County periodically issues general obligation bonds to provide financing for new and restructured facilities. The County has an ongoing financial responsibility for the Community College because of the statutory responsibilities to provide funding for the Community College's facilities. The County contributed \$3,424,312 and \$330,000 to the Community College for operating and repair and maintenance, respectively, during the fiscal year ended June 30, 2021. 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, 2021. Complete financial statements for the Community College may be obtained from the Community College's administrative offices at 1247 Jimmie Kerr Road, Graham, North Carolina 27253.

Jointly Governed Organizations

Piedmont Triad Council of Governments. The County, in conjunction with five other counties and 35 municipalities, established the Piedmont Triad Council of Governments (Council). The participating governments established the Council to coordinate various funding received from federal and state agencies. Each participating government appoints one member to the Council's governing board. The County paid membership fees of \$34,994 to the Council during the fiscal year ended June 30, 2021.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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 \$259,698 to the Authority for capital improvements during the fiscal year ended June 30, 2021.

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. 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.

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

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 \$350,000 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.

The General Fund and Landfill Fund participate in the program by making premium 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 catastrophic losses. 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 \$576,000 reported in the Fund at June 30, 2021 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, 2021

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

Year Ended June 30	Claims Liability Beginning of Year	Current Year Claims (Including IBNR's)	Claims Payment	Claims Liability End of Year
2012	\$ 323,952	\$ 5,823,002	\$ (5,875,381)	\$ 271,573
2013	271,573	6,807,016	(6,723,976)	354,613
2014	354,613	6,725,963	(6,756,624)	323,952
2015	323,952	5,643,704	(5,613,043)	354,613
2016	354,613	5,564,985	(5,595,646)	323,952
2017	323,952	4,860,160	(4,779,099)	405,013
2018	405,013	5,872,763	(6,058,864)	218,912
2019	218,912	7,380,276	(7,262,188)	337,000
2020	337,000	7,291,547	(7,280,147)	348,400
2021	348,400	10,342,637	(10,115,037)	576,000

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. 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.

Coronavirus Disease (COVID-19)

During the fiscal year 2020, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic has had significant effects on global markets, supply chains, businesses, and communities. Specific to the County, COVID-19 is expected to impact various parts of its fiscal year 2021-22 operations and financial results. Management believes the County is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as events associated with the pandemic continue to develop.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Note 17. Related Party Transactions

The County and its discretely presented component units engaged in the following transactions during the year ended June 30, 2021:

Tourism Development Authority:

Occupancy tax payables	\$ 65,128
Other	<u>7,950</u>
Total	<u>\$ 73,078</u>

Transportation Authority:

Payments for transportation provided to Authority customers	\$ 91,948
Payments to support the administration function of the Authority	<u>28,268</u>
Total	<u>\$ 120,216</u>

Note 18. Significant Effects of Subsequent Events

Alamance County was awarded \$32,925,136 from the Federal American Rescue Plan (ARP). Subsequent to year-end, Alamance County received \$16,462,568. The remaining amount of \$16,462,568 is expected to be received within the next 12 months.

Subsequent to year end, the County received notice of North Carolina Opioid Settlement agreements in the total amount of \$10,335,217 to be paid over a period of 18 years or approximately \$574,180 annually.

REQUIRED SUPPLEMENTAL FINANCIAL DATA

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA
SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
LAST FIVE FISCAL YEARS

Law Enforcement Officers' Special Separation Allowance					
	2021	2020	2019	2018	2017
Beginning balance	\$ 4,224,678	\$ 4,099,774	\$ 3,599,354	\$ 3,141,424	\$ 3,113,201
Service cost	201,866	167,771	188,506	151,650	147,324
Interest on the total pension liability	133,790	144,159	110,549	117,996	108,458
Difference between expected and actual experience in the measurement of the total pension liability	343,710	(38,413)	567,343	120,427	-
Changes in assumptions or other inputs	1,664,225	130,131	(164,029)	236,909	(77,222)
Benefit payments	(241,370)	(278,744)	(201,949)	(169,052)	(150,337)
Ending balance of the total pension liability	<u>\$ 6,326,899</u>	<u>\$ 4,224,678</u>	<u>\$ 4,099,774</u>	<u>\$ 3,599,354</u>	<u>\$ 3,141,424</u>

The amounts presented for each fiscal year were determined as of the prior fiscal year ending December 31.

Pension schedules in the required supplementary information are intended to show information for ten years and that additional years' information will be displayed as it becomes available.

ALAMANCE COUNTY, NORTH CAROLINA

**SCHEDULE OF TOTAL PENSION LIABILITY AS A PERCENTAGE OF COVERED EMPLOYEE PAYROLL
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
LAST FIVE FISCAL YEARS**

	Law Enforcement Officers' Special Separation Allowance				
	2021	2020	2019	2018	2017
Total pension liability	\$ 6,326,899	\$ 4,224,678	\$ 4,099,774	\$ 3,599,354	\$ 3,141,424
Covered-employee payroll	7,266,768	6,422,528	6,726,201	6,338,264	5,510,031
Total pension liability as a percentage of covered-employee payroll	87.07%	65.78%	60.95%	56.79%	57.01%

Notes to the Schedules:

Alamance County has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 73 to pay related benefits.

Pension schedules in the required supplementary information are intended to show information for ten years and that additional years' information will be displayed as it becomes available.

ALAMANCE COUNTY, NORTH CAROLINA**SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY
DETENTION OFFICER SOCIAL SECURITY BRIDGE ALLOWANCE
LAST FISCAL YEAR**

Detention Officer Social Security Bridge Allowance	
	2021
Beginning balance	\$ -
Service cost	40,252
Interest on the total pension liability	21,349
Changes in assumptions or other inputs	928,749
Benefit payments	(10,230)
Ending balance of the total pension liability	<u>\$ 980,120</u>

The amounts presented for each fiscal year were determined as of the prior fiscal year ending December 31.

Pension schedules in the required supplementary information are intended to show information for ten years and that additional years' information will be displayed as it becomes available.

ALAMANCE COUNTY, NORTH CAROLINA

**SCHEDULE OF TOTAL PENSION LIABILITY AS A
 PERCENTAGE OF COVERED EMPLOYEE PAYROLL
 DETENTION OFFICER SOCIAL SECURITY BRIDGE ALLOWANCE
 LAST FISCAL YEAR**

Detention Officer Social Security Bridge Allowance	
	2021
Total pension liability	\$ 980,120
Covered-employee payroll	5,221,961
Total pension liability as a percentage of covered-employee payroll	18.77%

Notes to the Schedules:

Alamance County has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 73 to pay related benefits.

Pension schedules in the required supplementary information are intended to show information for ten years and that additional years' information will be displayed as it becomes available.

ALAMANCE COUNTY, NORTH CAROLINA

OTHER POST-EMPLOYMENT BENEFITS

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

LAST FOUR FISCAL YEARS

Other Post-Employment Benefits				
	2021	2020	2019	2018
Service cost	\$ 2,301,311	\$ 2,680,092	\$ 3,782,190	\$ 4,308,669
Interest	2,756,757	2,773,841	3,161,103	2,814,721
Changes of benefit terms	-	(3,383,681)	-	-
Differences between expected and actual experience	(325,051)	(15,049)	(18,625,097)	(1,286,433)
Changes of assumptions or other inputs	16,791,684	5,188,159	(4,071,374)	(9,417,733)
Benefit payments	(2,161,101)	(2,012,571)	(1,463,605)	(816,172)
Net change in total OPEB liability	19,363,600	5,230,791	(17,216,783)	(4,396,948)
Total OPEB liability - beginning	77,534,443	72,303,652	89,520,435	93,917,383
Total OPEB liability - ending	<u>\$ 96,898,043</u>	<u>\$ 77,534,443</u>	<u>\$ 72,303,652</u>	<u>\$ 89,520,435</u>
Covered-employee payroll	\$ 39,109,463	\$ 39,125,304	\$ 39,125,304	\$ 41,382,216
Total OPEB liability as a percentage of covered-employee payroll	247.76%	198.17%	184.80%	216.33%

Notes to the Required Schedules:

Changes of Assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate of each period. The following are the discount rates used in each period:

Fiscal Year	Rate
2021	2.21%
2020	3.50%
2019	3.89%
2018	3.56%

Alamance County has no assets accumulated in a trust that meet the criteria of GASB codification P22.101 or P52.101 to pay related benefits.

ALAMANCE COUNTY, NORTH CAROLINA

ALAMANCE COUNTY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET) REQUIRED SUPPLEMENTARY INFORMATION LAST EIGHT FISCAL YEARS*

Local Government Employees' Retirement System				
	2021	2020	2019	2018
Alamance's proportion of the net pension liability (asset) (%)	0.62650%	0.62302%	0.64729%	0.66312%
Alamance's proportion of the net pension liability (asset) (\$)	\$ 22,387,514	\$ 17,014,190	\$ 15,355,933	\$ 10,130,637
Alamance's covered payroll	\$ 44,080,289	\$ 41,960,207	\$ 41,563,134	\$ 40,774,203
Alamance's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	50.79%	40.55%	36.95%	24.85%
Plan fiduciary net position as a percentage of the total pension liability**	88.61%	90.86%	91.63%	94.18%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

Pension schedules in the required supplementary information are intended to show information for ten years and that additional years' information will be displayed as it becomes available.

** This will be the same percentage for all participant employers in the LGERS plan.

ALAMANCE COUNTY, NORTH CAROLINA

ALAMANCE COUNTY'S PROPORTIONATE SHARE
OF NET PENSION LIABILITY (ASSET)
REQUIRED SUPPLEMENTARY INFORMATION
LAST EIGHT FISCAL YEARS*

Local Government Employees' Retirement System				
	2017	2016	2015	2014
Alamance's proportion of the net pension liability (asset) (%)	0.63996%	0.61599%	0.59339%	0.614800%
Alamance's proportion of the net pension liability (asset) (\$)	\$ 13,582,095	\$ 2,764,526	\$ (3,499,497)	\$ 7,410,701
Alamance's covered payroll	\$ 38,765,701	\$ 37,352,331	\$ 35,862,828	\$ 34,940,178
Alamance's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	35.04%	7.40%	(9.76%)	21.21%
Plan fiduciary net position as a percentage of the total pension liability**	91.47%	98.09%	102.64%	94.35%

ALAMANCE COUNTY, NORTH CAROLINA

**ALAMANCE COUNTY'S CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST EIGHT FISCAL YEARS**

Local Government Employees' Retirement System				
	2021	2020	2019	2018
Contractually required contribution	\$ 4,249,146	\$ 3,984,724	\$ 3,291,220	\$ 3,165,830
Contributions in relation to the contractually required contribution	<u>4,249,146</u>	<u>3,984,724</u>	<u>3,291,220</u>	<u>3,165,830</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Alamance County's covered payroll	\$ 41,747,592	\$ 44,080,289	\$ 41,960,207	\$ 41,563,134
Contributions as a percentage of covered payroll	10.18%	9.04%	7.84%	7.62%

Pension schedules in the required supplementary information are intended to show information for ten years and that additional years' information will be displayed as it becomes available.

ALAMANCE COUNTY, NORTH CAROLINA

**ALAMANCE COUNTY'S CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST EIGHT FISCAL YEARS**

	Local Government Employees' Retirement System			
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 2,999,501	\$ 2,619,549	\$ 2,150,580	\$ 2,093,085
Contributions in relation to the contractually required contribution	<u>2,999,501</u>	<u>2,619,549</u>	<u>2,150,580</u>	<u>2,093,085</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Alamance County's covered payroll	\$ 40,774,203	\$ 38,765,701	\$ 37,352,331	\$ 35,862,828
Contributions as a percentage of covered payroll	7.36%	6.76%	5.76%	5.84%

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) LAST EIGHT FISCAL YEARS*

	Register of Deeds' Supplemental Pension Fund			
	2021	2020	2019	2018
County's proportion of the net pension liability (asset) %	1.521%	1.424%	1.576%	1.552%
County's proportionate share of the net pension liability (asset)	\$ (348,613)	\$ (281,067)	\$ (260,950)	\$ (264,834)
County's covered payroll	\$ 73,766	\$ 72,237	\$ 71,813	\$ 70,228
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(472.59%)	(389.09%)	(363.37%)	(377.11%)
Plan fiduciary net position as a percentage of the total pension liability	173.62%	164.11%	153.31%	153.77%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

Pension schedules in the required supplementary information are intended to show information for ten years and that additional years' information will be displayed as it becomes available.

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY (ASSET)
LAST EIGHT FISCAL YEARS*

	Register of Deeds' Supplemental Pension Fund			
	2017	2016	2015	2014
County's proportion of the net pension liability (asset) %	1.588%	1.573%	3.604%	2.955%
County's proportionate share of the net pension liability (asset)	\$ (296,900)	\$ (364,440)	\$ (816,868)	\$ (631,154)
County's covered payroll	\$ 61,572	\$ 60,500	\$ 53,922	\$ 45,560
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(482.20%)	(602.38%)	(1,514.91%)	(1,385.32%)
Plan fiduciary net position as a percentage of the total pension liability	160.17%	197.29%	193.88%	190.50%

ALAMANCE COUNTY, NORTH CAROLINA

ALAMANCE COUNTY'S CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST EIGHT FISCAL YEARS

Register of Deeds' Supplemental Pension Fund				
	2021	2020	2019	2018
Contractually required contribution	\$ 17,988	\$ 14,565	\$ 13,532	\$ 13,483
Contributions in relation to the contractually required contribution	<u>17,988</u>	<u>14,565</u>	<u>13,532</u>	<u>13,483</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 79,565	\$ 73,766	\$ 72,237	\$ 71,813
Contributions as a percentage of covered payroll	22.61%	19.74%	18.73%	18.78%

Pension schedules in the required supplementary information are intended to show information for ten years and that additional years' information will be displayed as it becomes available.

ALAMANCE COUNTY, NORTH CAROLINA

ALAMANCE COUNTY'S CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST EIGHT FISCAL YEARS

Register of Deeds' Supplemental Pension Fund				
	2017	2016	2015	2014
Contractually required contribution	\$ 13,480	\$ 11,682	\$ 12,583	\$ 29,424
Contributions in relation to the contractually required contribution	<u>13,480</u>	<u>11,682</u>	<u>12,583</u>	<u>29,424</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 70,228	\$ 61,572	\$ 60,500	\$ 53,922
Contributions as a percentage of covered payroll	19.19%	18.97%	20.80%	54.57%

Alamance County, North Carolina
Financial Statements and Schedules

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COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

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

Alamance County, North Carolina
Financial Statements and Schedules

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GENERAL FUND

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Ad valorem taxes:				
Taxes, net of discounts	\$ 99,844,610	\$ 101,629,087	\$ 1,784,477	\$ 97,591,805
Penalties and interest	260,057	350,484	90,427	279,008
Total	100,104,667	101,979,571	1,874,904	97,870,813
Local option sales tax:				
Article 39 and 44	13,109,496	17,402,830	4,293,334	14,644,312
Article 40.5 percent	7,435,456	9,558,353	2,122,897	8,243,630
Article 42.5 percent	9,601,766	10,993,971	1,392,205	9,294,085
Medicaid hold harmless	-	1,487,810	1,487,810	39,212
Total	30,146,718	39,442,964	9,296,246	32,221,239
Other taxes and licenses:				
Real estate transfer taxes	725,000	1,176,246	451,246	938,266
Privilege licenses	5,118	6,947	1,829	6,638
Local occupancy tax	858,221	854,524	(3,697)	796,446
Rental vehicle tax	222,243	184,469	(37,774)	163,313
Fines and forfeitures	900,000	805,387	(94,613)	-
Total	2,710,582	3,027,573	316,991	1,904,663
Unrestricted intergovernmental revenues:				
Beer and wine tax	260,000	263,553	3,553	268,941
Restricted intergovernmental revenues:				
State	4,255,469	4,407,087	151,618	4,864,817
Federal	14,771,671	14,443,087	(328,584)	14,347,704
Court facilities fees	210,000	185,398	(24,602)	197,663
ABC bottle tax	40,000	55,591	15,591	51,267
Other	3,546,526	2,643,764	(902,762)	2,717,006
Total	22,823,666	21,734,927	(1,088,739)	22,178,457
Permits and fees:				
Building permits and inspection fees	815,000	1,183,578	368,578	640,879
Register of Deeds	790,000	1,000,953	210,953	802,409
Total	1,605,000	2,184,531	579,531	1,443,288

ALAMANCE COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	Budget	Actual	Variance Over/Under	Actual
Sales and services:				
Rents, concessions, and fees	2,920,253	1,830,955	(1,089,298)	2,649,762
Jail and sheriff fees	6,334,790	5,885,892	(448,898)	6,838,154
Ambulance fees	5,493,200	5,297,875	(195,325)	5,189,696
Total	14,748,243	13,014,722	(1,733,521)	14,677,612
Investment Earnings	867,452	255,703	(611,749)	1,357,283
Miscellaneous	921,342	840,627	(80,715)	2,031,769
Total revenues	174,187,670	182,744,171	8,556,501	173,954,065
Expenditures:				
Current:				
General government:				
Governing body	264,824	233,185	31,639	237,702
County Manager	5,888,859	3,543,193	2,345,666	2,836,197
Administrative services/planning	365,461	301,332	64,129	294,115
Human resources	570,989	531,561	39,428	640,836
Budget	313,948	256,407	57,541	-
Finance	1,261,048	1,165,055	95,993	1,183,728
Purchasing	92,322	90,790	1,532	89,681
Tax administration	2,518,638	2,478,520	40,118	2,426,224
Revaluation	299,382	201,696	97,686	80,936
GIS mapping	296,647	292,806	3,841	277,874
Legal	578,436	560,500	17,936	410,661
Facility fees	36,443	32,531	3,912	123,567
District court judges	1,600	1,304	296	1,262
Court services	231,300	143,682	87,618	251,368
Elections	1,598,114	1,320,456	277,658	1,932,814
Register of Deeds	926,890	908,404	18,486	779,122
Central services:				
Management information systems	4,722,224	3,575,616	1,146,608	4,685,003
Printing	-	-	-	43,498
Public buildings	2,974,091	2,458,889	515,202	2,215,739
Total	22,941,216	18,095,927	4,845,289	18,510,327

ALAMANCE COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	Budget	Actual	Variance Over/Under	Actual
Public safety:				
Judicial services	57,102	42,596	14,506	37,607
Sheriff	13,768,645	12,162,263	1,606,382	13,218,241
School resource officers	860,204	754,094	106,110	733,801
Stepping up initiative	15,000	-	15,000	76,091
County jail	13,841,878	11,255,348	2,586,530	12,508,361
Emergency management	295,265	190,313	104,952	235,782
Emergency service	721,654	666,629	55,025	519,174
Fire service	46,747	41,717	5,030	39,409
SARA management	302,681	255,245	47,436	187,273
Inspections	981,126	832,885	148,241	866,265
Emergency medical service	8,450,962	5,760,598	2,690,364	8,661,770
Animal shelter	3,560,565	3,529,128	31,437	566,912
Central communications	3,190,487	2,941,234	249,253	2,807,234
Paramedicine	90,411	88,826	1,585	87,928
Other	1,216,022	530,010	686,012	225,050
Total	47,398,749	39,050,886	8,347,863	40,770,898
Transportation:				
Transportation services	280,468	27,600	252,868	225,268
Airport	259,698	259,698	-	262,321
Total	540,166	287,298	252,868	487,589
Environmental protection	153,982	105,050	48,932	69,695
Economic and physical development:				
Industrial development	1,936,100	1,334,148	601,952	1,743,680
Cooperative extension	400,065	372,647	27,418	387,332
Soil conservation	408,139	264,152	143,987	750,849
Tourism Development Authority	563,018	552,620	10,398	515,061
Other	610,888	301,434	309,454	497,670
Total	3,918,210	2,825,001	1,093,209	3,894,592

ALAMANCE COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	Budget	Actual	Variance Over/Under	Actual
Human services:				
Health	9,584,512	7,634,659	1,949,853	7,833,694
WIC Program	646,188	653,650	(7,462)	790,299
Dental Clinic Program	1,740,608	1,018,797	721,811	1,269,147
Social Services	19,693,552	18,277,782	1,415,770	17,982,695
Home and Community Care	1,249,286	1,158,812	90,474	1,229,493
Veterans Service Office	226,982	212,512	14,470	215,847
Office of Juvenile Justice Programs	431,216	395,585	35,631	357,539
Mental Health Authority	1,203,556	1,132,593	70,963	1,153,836
Other	488,776	339,310	149,466	230,288
Total	35,264,676	30,823,700	4,440,976	31,062,838
Cultural and recreational:				
Recreation	3,863,915	3,304,121	559,794	2,846,905
Library	3,227,514	3,010,423	217,091	2,917,815
Other	204,077	200,294	3,783	218,990
Total	7,295,506	6,514,838	780,668	5,983,710
Education:				
Alamance-Burlington School System:				
Current expense	42,903,142	42,808,529	94,613	42,463,142
Repair and maintenance	3,300,000	3,300,000	-	3,300,000
Alamance Community College:				
Current expense	3,424,312	3,424,312	-	3,464,312
Repair and maintenance	665,600	353,179	312,421	870,000
Total	50,293,054	49,886,020	407,034	50,097,454
Debt service:				
Principal retirement	7,042,083	6,808,848	233,235	7,426,083
Interest and fees	1,528,919	1,532,986	(4,067)	1,646,079
Total	8,571,002	8,341,834	229,168	9,072,162
Total expenditures	176,376,561	155,930,554	20,446,007	159,949,265

ALAMANCE COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	Budget	Actual	Variance Over/Under	Actual
Revenues over (under) expenditures	(2,188,891)	26,813,617	29,002,508	14,004,800
Other Financing Sources (Uses):				
Transfers from other funds:				
Capital project funds	1,459,068	1,459,068	-	1,487,176
Other funds	364,301	335,600	(28,701)	-
Transfers to other funds:				
Special revenue funds	(92,926)	(92,926)	-	-
Capital project funds	(15,445,141)	(15,139,931)	305,210	(14,261,282)
Internal service funds	(200,000)	(200,000)	-	(600,000)
Total net transfers	(13,914,698)	(13,638,189)	276,509	(13,374,106)
Long-term debt issued	923,990	923,990	-	2,670,178
Capital lease obligations issued	597,165	597,165	-	1,771,013
Appropriated fund balance	14,582,434	-	(14,582,434)	-
Total other financing sources (uses)	2,188,891	(12,117,034)	(14,305,925)	(8,932,915)
Net change in fund balance	\$ -	14,696,583	\$ 14,696,583	5,071,885
Reconciliation from Budgetary Basis to Modified Accrual:				
Payment from notes receivable		(60,152)		(60,152)
Net change in fund balance- modified accrual basis		14,636,431		5,011,733
Fund Balance:				
Beginning of year - July 1		56,909,836		51,898,103
End of year - June 30		\$ 71,546,267		\$ 56,909,836

Alamance County, North Carolina
Financial Statements and Schedules

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MAJOR CAPITAL PROJECT FUNDS

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

MAJOR 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, 2021

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues:					
Restricted intergovernmental:					
Public School Building Capital Fund lottery	\$ 24,497,276	\$ 21,674,454	\$ 1,893,004	\$ 23,567,458	\$ (929,818)
Public School Capital Building Fund	14,034,455	32,810,997	-	32,810,997	18,776,542
Local funds	35,573	3,055,373	-	3,055,373	3,019,800
Total restricted intergovernmental	38,567,304	57,540,824	1,893,004	59,433,828	20,866,524
Investment earnings	3,950,331	3,950,332	1,925	3,952,257	1,926
Sales tax refund	577,254	577,254	-	577,254	-
Total revenues	43,094,889	62,068,410	1,894,929	63,963,339	20,868,450
Expenditures:					
Five-year capital improvement plan	12,011,519	12,011,519	-	12,011,519	-
State Lottery Projects:					
Alexander Wilson Elementary	282,607	211,031	14,719	225,750	56,857
AO Elementary School	1,243,571	1,234,420	4,440	1,238,860	4,711
Broadview Middle School	635,983	470,836	8,675	479,511	156,472
EM Yoder Elementary	88,571	87,071	-	87,071	1,500
Eastern High School	351,528	106,965	166,599	273,564	77,964
Eastlawn Elementary	176,007	102,347	-	102,347	73,660
E.M. Holt Elementary	103,447	102,966	-	102,966	481
Elon Elementary	92,479	92,479	-	92,479	-
B. Everett Jordan Elementary	1,415,796	1,408,296	-	1,408,296	7,500
Garrett Elementary School	70,000	57,972	12,028	70,000	-
Graham High School	284,317	279,511	-	279,511	4,806
Graham Middle School	95,700	74,089	-	74,089	21,611
Grove Park Elementary	146,974	124,774	-	124,774	22,200
Hillcrest Elementary	50,000	-	-	-	50,000
Cummings High School	1,219,519	1,138,014	4,400	1,142,414	77,105
Smith Elementary	180,423	153,620	-	153,620	26,803
North Graham Elementary	139,389	105,954	-	105,954	33,435
Pleasant Grove Elementary	10,000	3,797	-	3,797	6,203
R Homer Andrews Elementary	151,394	151,394	-	151,394	-
Ray Street Academy	165,792	127,823	-	127,823	37,969
Sellers-Gunn Center	2,500	2,019	-	2,019	481
South Graham Elementary	204,964	204,964	-	204,964	-
South Mebane Elementary	159,472	130,731	-	130,731	28,741
Southern High School	483,997	475,937	-	475,937	8,060
Southern Middle School	147,612	147,612	-	147,612	-
Sylvan Elementary	140,542	111,933	-	111,933	28,609
Turrentine Middle School	213,800	180,282	32,944	213,226	574
Williams High School	259,921	59,333	32,900	92,233	167,688
Western High School	641,982	485,642	131,517	617,159	24,823
Western Middle School	86,565	49,285	25,715	75,000	11,565
Woodlawn Middle School	224,161	224,161	-	224,161	-
2006 bond reallocation projects	4,363,089	4,257,784	34,935	4,292,719	70,370
2018 bonds	149,822,005	4,151,333	9,314,975	13,466,308	136,355,697
Capital reserve projects	8,001,309	1,763,915	304,591	2,068,506	5,932,803
Completed projects	157,851,658	157,729,942	-	157,729,942	121,716
School bond interest costs	5,083,733	5,083,733	-	5,083,733	-
School debt issue costs	1,737,818	1,208,243	454,377	1,662,620	75,198
Total expenditures	348,340,144	194,311,727	10,542,815	204,854,542	143,485,602

ALAMANCE COUNTY, NORTH CAROLINA

MAJOR 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, 2021

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues over (under) expenditures	(305,245,255)	(132,243,317)	(8,647,886)	(140,891,203)	164,354,052
Other Financing Sources (Uses):					
Transfers in:					
From General Fund	9,799,931	10,155,095	-	10,155,095	355,164
From County Buildings Capital Projects Fund	92,332	92,332	-	92,332	-
From Schools Capital Reserve Fund	50,707,541	42,906,690	7,760,853	50,667,543	(39,998)
Transfers out:					
To General Fund	(20,501,852)	(19,042,785)	(1,459,068)	(20,501,853)	(1)
To Schools Capital Reserve Fund	(18,226,695)	(3,785,784)	(14,440,911)	(18,226,695)	-
Long-term debt issued	296,030,829	143,394,320	130,485,000	273,879,320	(22,151,509)
Refunding bonds issued	33,830,000	33,830,000	-	33,830,000	-
Premium	25,849,610	5,861,313	19,988,297	25,849,610	-
Payment to refunded bond escrow agent	(72,336,441)	(72,336,440)	-	(72,336,440)	1
Total other financing sources (uses)	305,245,255	141,074,741	142,334,171	283,408,912	(21,836,343)
Net change in fund balance	\$ -	\$ 8,831,424	133,686,285	\$ 142,517,709	\$ 142,517,709
Fund Balance:					
Beginning of year - July 1			8,831,424		
End of year - June 30			\$ 142,517,709		

ALAMANCE COUNTY, NORTH CAROLINA

MAJOR 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, 2021

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues:					
Investment earnings - Group A	\$ 20,859	\$ 22,577	\$ -	\$ 22,577	\$ 1,718
Investment earnings - Group B	17,757	20,821	-	20,821	3,064
Total revenues	38,616	43,398	-	43,398	4,782
Expenditures:					
Jail Foundation:					
Construction	96,900	8,600	6,560	15,160	81,740
Contingency	8,137	-	-	-	8,137
Total jail foundation	105,037	8,600	6,560	15,160	89,877
Jail Renovations:					
Construction	77,000	-	-	-	77,000
HSC Elevator:					
Construction	519,132	240,000	273,672	513,672	5,460
Contingency	45,907	-	-	-	45,907
Total HSC elevator	565,039	240,000	273,672	513,672	51,367
JB Allen Courthouse:					
Professional services	17,800	-	17,800	17,800	-
Construction	187,562	-	187,562	187,562	-
Total JB Allen courthouse	205,362	-	205,362	205,362	-
Historic Courthouse:					
Professional services	12,400	-	12,400	12,400	-
Construction	134,504	-	134,504	134,504	-
Total historic courthouse	146,904	-	146,904	146,904	-
Jail Air Handler Units:					
Construction	432,371	414,937	17,434	432,371	-
Contingency	1,500	-	-	-	1,500
Total jail air handler units	433,871	414,937	17,434	432,371	1,500
HSC HVAC Project:					
Professional services	104,143	63,700	-	63,700	40,443
Construction	276,280	40,954	138,514	179,468	96,812
Contingency	17,946	-	-	-	17,946
Total HSC HVAC Project	398,369	104,654	138,514	243,168	155,201

ALAMANCE COUNTY, NORTH CAROLINA

MAJOR 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, 2021

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
FY 20 Chiller:					
Construction	106,060	106,060	-	106,060	-
EMS Garage Roof:					
Construction	14,860	14,860	-	14,860	-
JB Allen Courthouse-Soil					
Construction	157,247	118,722	2,560	121,282	35,965
Contingency	7,811	-	-	-	7,811
Total JB Allen Courthouse-Soil	165,058	118,722	2,560	121,282	43,776
Family Justice Center Roof:					
Construction	13,500	13,500	-	13,500	-
Completed projects	10,838,913	10,838,913	-	10,838,913	-
Issuance costs	97,964	51,584	-	51,584	46,380
Total expenditures	13,167,937	11,911,830	791,006	12,702,836	465,101
Revenues over (under) expenditures	(13,129,321)	(11,868,432)	(791,006)	(12,659,438)	469,883
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	(838,079)	(838,079)	-	(838,079)	-
Transfers in	4,567,400	4,568,422	-	4,568,422	1,022
Total other financing sources (uses)	13,129,321	13,130,343	-	13,130,343	1,022
Net change in fund balance	\$ -	\$ 1,261,911	(791,006)	\$ 470,905	\$ 470,905
Fund Balance:					
Beginning of year - July 1			1,261,911		
End of year - June 30			\$ 470,905		

MAJOR SPECIAL REVENUE FUNDS

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

MAJOR GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
Revenues:					
Restricted Intergovernmental:					
FJC Governor's Crime Commission	\$ 1,255,720	\$ 477,342	\$ 428,241	\$ 905,583	\$ (350,137)
OVW grant	362,698	41,817	129,254	171,071	(191,627)
COPS grant	375,000	-	153,263	153,263	(221,737)
Coronavirus Emergency Supplement Fund grant	58,008	-	-	-	(58,008)
Coronavirus relief funds	6,297,789	885,683	5,409,981	6,295,664	(2,125)
Total revenues	8,349,215	1,404,842	6,120,739	7,525,581	(823,634)
Expenditures:					
FJC Governor's Crime Commission:					
Operating expenditures	1,222,064	477,340	394,584	871,924	350,140
Capital outlay	33,657	-	33,657	33,657	-
Total FJC Governor's Crime Commission expenditures	1,255,721	477,340	428,241	905,581	350,140
OVW Grant:					
Salaries and benefits	180,774	29,770	115,979	145,749	35,025
Operating expenditures	181,924	12,046	13,276	25,322	156,602
Total OVW grant expenditures	362,698	41,816	129,255	171,071	191,627
COPS Grant:					
Salaries and benefits	539,927	-	194,255	194,255	345,672
Coronavirus Relief Funds:					
Salaries and benefits	3,952,888	370,026	3,535,040	3,905,066	47,822
Operating expenditures	2,344,901	515,657	1,874,941	2,390,598	(45,697)
Total coronavirus relief funds	6,297,789	885,683	5,409,981	6,295,664	2,125
Coronavirus Emergency Supplement Fund Grant:					
Operating expenditures	58,008	-	-	-	58,008
Total expenditures	8,514,143	1,404,839	6,161,732	7,566,571	947,572
Revenues over (under) expenditures	(164,928)	3	(40,993)	(40,990)	123,938
Other Financing Sources (Uses):					
Transfers in:					
From General Fund	164,928	-	41,232	41,232	(123,696)
Net change in fund balance	\$ -	\$ 3	239	\$ 242	\$ 242
Fund Balance:					
Beginning of year - July 1			3		
End of year - June 30			\$ 242		

ALAMANCE COUNTY, NORTH CAROLINA

MAJOR AMERICAN RESCUE PLAN FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues:					
Restricted Intergovernmental:					
American Rescue Plan Act	\$ 32,925,136	\$ -	\$ 3,746,244	\$ 3,746,244	\$ 29,178,892
Investment earnings	-	-	189	189	189
Total revenues	<u>32,925,136</u>	<u>-</u>	<u>3,746,433</u>	<u>3,746,433</u>	<u>29,179,081</u>
Expenditures:					
ARP Grant:					
Operating expenditures	<u>32,925,136</u>	<u>-</u>	<u>3,746,243</u>	<u>3,746,243</u>	<u>(29,178,893)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	190	<u>\$ 190</u>	<u>\$ 188</u>
Fund Balance:					
Beginning of year - July 1			-		
End of year - June 30			<u>\$ 190</u>		

NONMAJOR GOVERNMENTAL FUNDS

ALAMANCE COUNTY, NORTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2021

	Special Revenue Funds			
	Emergency Telephone System Fund	Fire Districts Funds	Indigent Trust Fund	Total
Assets:				
Cash and cash equivalents	\$ 991,630	\$ 106,680	\$ 406,242	\$ 1,504,552
Taxes receivable, net	-	224,874	-	224,874
Accounts receivable, net	65,947	-	-	65,947
Restricted cash and cash equivalents	-	-	-	-
Total assets	<u>\$ 1,057,577</u>	<u>\$ 331,554</u>	<u>\$ 406,242</u>	<u>\$ 1,795,373</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 310,758	\$ 106,680	\$ -	\$ 417,438
Deferred Inflows of Resources:				
Taxes receivable	-	224,874	-	224,874
Fund Balances:				
Restricted:				
Stabilization by state statute	65,947	-	-	65,947
Restricted, all other	680,872	-	406,242	1,087,114
Committed	-	-	-	-
Total fund balances	<u>746,819</u>	<u>-</u>	<u>406,242</u>	<u>1,153,061</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,057,577</u>	<u>\$ 331,554</u>	<u>\$ 406,242</u>	<u>\$ 1,795,373</u>

ALAMANCE COUNTY, NORTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2021

	Capital Projects Funds					Total Nonmajor Governmental Funds
	Capital Reserve Funds	Mental Health Diversion Center Fund	Alamance Community College Fund	Rudd Street Building Fund	Total	
Assets:						
Cash and cash equivalents	\$ 25,362,448	\$ 1,200,000	\$ 4,917,093	\$ 1,445,762	\$ 32,925,303	\$ 34,429,855
Taxes receivable, net	-	-	-	-	-	224,874
Accounts receivable, net	-	-	-	-	-	65,947
Restricted cash and cash equivalents	-	-	17,299,310	-	17,299,310	17,299,310
Total assets	<u>\$ 25,362,448</u>	<u>\$ 1,200,000</u>	<u>\$ 22,216,403</u>	<u>\$ 1,445,762</u>	<u>\$ 50,224,613</u>	<u>\$ 52,019,986</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 417,438
Deferred Inflows of Resources:						
Taxes receivable	-	-	-	-	-	224,874
Fund Balances:						
Restricted:						
Stabilization by state statute	-	-	-	-	-	65,947
Restricted, all other	-	-	17,299,310	1,445,762	18,745,072	19,832,186
Committed	25,362,448	1,200,000	4,917,093	-	31,479,541	31,479,541
Total fund balances	<u>25,362,448</u>	<u>1,200,000</u>	<u>22,216,403</u>	<u>1,445,762</u>	<u>50,224,613</u>	<u>51,377,674</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 25,362,448</u>	<u>\$ 1,200,000</u>	<u>\$ 22,216,403</u>	<u>\$ 1,445,762</u>	<u>\$ 50,224,613</u>	<u>\$ 52,019,986</u>

ALAMANCE COUNTY, NORTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2021

	Special Revenue Funds			
	Emergency Telephone System Fund	Fire Districts Funds	Indigent Trust Fund	Total
Revenues:				
Ad valorem taxes	\$ -	\$ 6,107,449	\$ 1,246,464	\$ 7,353,913
Restricted intergovernmental	787,025	-	-	787,025
Contributions	-	-	-	-
Investment earnings	1,657	-	-	1,657
Total revenues	<u>788,682</u>	<u>6,107,449</u>	<u>1,246,464</u>	<u>8,142,595</u>
Expenditures:				
Current:				
Public safety	1,070,761	6,107,449	-	7,178,210
Human services	-	-	1,167,026	1,167,026
Intergovernmental:				
Education	-	-	-	-
Total expenditures	<u>1,070,761</u>	<u>6,107,449</u>	<u>1,167,026</u>	<u>8,345,236</u>
Revenues over (under) expenditures	<u>(282,079)</u>	<u>-</u>	<u>79,438</u>	<u>(202,641)</u>
Other Financing Sources (Uses):				
Long-term debt issued	-	-	-	-
Bond premium	-	-	-	-
Transfers in	51,694	-	-	51,694
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>51,694</u>	<u>-</u>	<u>-</u>	<u>51,694</u>
Net change in fund balances	<u>(230,385)</u>	<u>-</u>	<u>79,438</u>	<u>(150,947)</u>
Fund Balances:				
Beginning of year - July 1	977,204	-	-	977,204
Prior period restatement - change in accounting principle	-	-	326,804	326,804
Beginning of year - July 1, as restated	<u>977,204</u>	<u>-</u>	<u>326,804</u>	<u>1,304,008</u>
End of year - June 30	<u>\$ 746,819</u>	<u>\$ -</u>	<u>\$ 406,242</u>	<u>\$ 1,153,061</u>

ALAMANCE COUNTY, NORTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2021

	Capital Projects Funds					Total Nonmajor Governmental Funds
	Capital Reserve Funds	Mental Health Diversion Center Fund	Alamance Community College Fund	Rudd Street Building Fund	Total	
Revenues:						
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,353,913
Restricted intergovernmental	-	-	-	-	-	787,025
Contributions	-	-	-	(200,000)	(200,000)	(200,000)
Investment earnings	12,849	-	305	-	13,154	14,811
Total revenues	12,849	-	305	(200,000)	(186,846)	7,955,749
Expenditures:						
Current:						
Public safety	-	-	-	-	-	7,178,210
Human services	-	-	-	1,415,455	1,415,455	2,582,481
Intergovernmental:						
Education	-	-	1,099,357	-	1,099,357	1,099,357
Total expenditures	-	-	1,171,317	1,415,455	2,586,772	10,932,008
Revenues over (under) expenditures	12,849	-	(1,171,012)	(1,615,455)	(2,773,618)	(2,976,259)
Other Financing Sources (Uses):						
Long-term debt issued	-	-	20,665,000	-	20,665,000	20,665,000
Bond premium	-	-	3,169,754	-	3,169,754	3,169,754
Transfers in	31,261,021	-	-	-	31,261,021	31,312,715
Transfers out	(8,096,453)	-	(1,680,179)	-	(9,776,632)	(9,776,632)
Total other financing sources (uses)	23,164,568	-	22,154,575	-	45,319,143	45,370,837
Net change in fund balances	23,177,417	-	20,983,563	(1,615,455)	42,545,525	42,394,578
Fund Balances:						
Beginning of year - July 1	2,185,031	1,200,000	1,232,840	3,061,217	7,679,088	8,656,292
Prior period restatement - change in accounting principle	-	-	-	-	-	326,804
Beginning of year - July 1, as restated	2,185,031	1,200,000	1,232,840	3,061,217	7,679,088	8,983,096
End of year - June 30	\$ 25,362,448	\$ 1,200,000	\$ 22,216,403	\$ 1,445,762	\$ 50,224,613	\$ 51,377,674

Alamance County, North Carolina
Financial Statements and Schedules

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NONMAJOR SPECIAL REVENUE FUNDS

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

EMERGENCY TELEPHONE SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Restricted intergovernmental	\$ 787,026	\$ 787,025	\$ (1)	\$ 723,566
Investment earnings	10,000	1,657	(8,343)	18,642
Total revenues	797,026	788,682	(8,344)	742,208
Expenditures:				
Implemental functions	65,000	38,699	26,301	64,668
Telephone	512,348	404,614	107,734	313,282
Software maintenance	425,864	329,020	96,844	190,890
Hardware maintenance	230,851	280,055	(49,204)	306,542
Training	28,382	18,373	10,009	8,148
Total expenditures	1,262,445	1,070,761	191,684	883,530
Revenues over (under) expenditures	(465,419)	(282,079)	183,340	(141,322)
Other Financing Sources (Uses):				
Transfer from General Fund	51,694	51,694	-	-
Appropriated fund balance	413,725	-	(413,725)	-
Total other financing sources (uses)	465,419	51,694	(413,725)	-
Net change in fund balance	\$ -	(230,385)	\$ (230,385)	(141,322)
Fund Balance:				
Beginning of year - July 1		977,204		1,118,526
End of year - June 30		\$ 746,819		\$ 977,204

PSAP RECONCILIATION
JUNE 30, 2021

Amounts reported on the Emergency Telephone System Fund budget-to-actual are difference from the PSAP revenue-expenditure report because:

Cumulative current and prior period revenues and expenditures not reported in the fund (difference in beginning fund balance - budget to actual vs. PSAP report)	(44,173)
Revenue received that should have not been reported on the Budget to ActualSecondary PSAP Balance	(63,307)
Beginning balance, PSAP revenue-expenditure report	779,124
Ending balance, PSAP revenue-expenditure report	\$ 671,644

ALAMANCE COUNTY, NORTH CAROLINA

FIRE DISTRICTS FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2021

	<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>	<u>North Central Alamance Fund</u>
Assets:						
Cash and cash equivalents	\$ 14,943	\$ 6,127	\$ 4,236	\$ 11,785	\$ 7,711	\$ 2,368
Taxes receivable, net	<u>22,612</u>	<u>13,394</u>	<u>11,828</u>	<u>21,157</u>	<u>21,890</u>	<u>2,696</u>
Total assets	<u>\$ 37,555</u>	<u>\$ 19,521</u>	<u>\$ 16,064</u>	<u>\$ 32,942</u>	<u>\$ 29,601</u>	<u>\$ 5,064</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:						
Liabilities:						
Accounts payable	<u>\$ 14,943</u>	<u>\$ 6,127</u>	<u>\$ 4,236</u>	<u>\$ 11,785</u>	<u>\$ 7,711</u>	<u>\$ 2,368</u>
Deferred Inflows of Resources:						
Taxes receivable	<u>22,612</u>	<u>13,394</u>	<u>11,828</u>	<u>21,157</u>	<u>21,890</u>	<u>2,696</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 37,555</u>	<u>\$ 19,521</u>	<u>\$ 16,064</u>	<u>\$ 32,942</u>	<u>\$ 29,601</u>	<u>\$ 5,064</u>

ALAMANCE COUNTY, NORTH CAROLINA

FIRE DISTRICTS FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2021

	<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>
Assets:							
Cash and cash equivalents	\$ 8,086	\$ 15,287	\$ 11,418	\$ 9,048	\$ 7,021	\$ 8,650	\$ 106,680
Taxes receivable, net	<u>15,835</u>	<u>22,790</u>	<u>23,698</u>	<u>14,163</u>	<u>19,732</u>	<u>35,079</u>	<u>224,874</u>
Total assets	<u>\$ 23,921</u>	<u>\$ 38,077</u>	<u>\$ 35,116</u>	<u>\$ 23,211</u>	<u>\$ 26,753</u>	<u>\$ 43,729</u>	<u>\$ 331,554</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:							
Liabilities:							
Accounts payable	<u>\$ 8,086</u>	<u>\$ 15,287</u>	<u>\$ 11,418</u>	<u>\$ 9,048</u>	<u>\$ 7,021</u>	<u>\$ 8,650</u>	<u>\$ 106,680</u>
Deferred Inflows of Resources:							
Taxes receivable	<u>15,835</u>	<u>22,790</u>	<u>23,698</u>	<u>14,163</u>	<u>19,732</u>	<u>35,079</u>	<u>224,874</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 23,921</u>	<u>\$ 38,077</u>	<u>\$ 35,116</u>	<u>\$ 23,211</u>	<u>\$ 26,753</u>	<u>\$ 43,729</u>	<u>\$ 331,554</u>

ALAMANCE COUNTY, NORTH CAROLINA

FIRE DISTRICTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2021

	<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>	<u>North Central Alamance Fund</u>
Revenues:						
Ad valorem taxes:						
Taxes	\$ 858,943	\$ 401,861	\$ 326,445	\$ 539,899	\$ 414,323	\$ 160,469
Penalties and interest	<u>3,127</u>	<u>1,861</u>	<u>1,081</u>	<u>2,430</u>	<u>3,437</u>	<u>936</u>
Total revenues	<u>862,070</u>	<u>403,722</u>	<u>327,526</u>	<u>542,329</u>	<u>417,760</u>	<u>161,405</u>
Expenditures:						
Current:						
Public safety	<u>862,070</u>	<u>403,722</u>	<u>327,526</u>	<u>542,329</u>	<u>417,760</u>	<u>161,405</u>
Net change in fund balance	-	-	-	-	-	-
Fund Balances:						
Beginning of year - July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of year - June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

ALAMANCE COUNTY, NORTH CAROLINA

FIRE DISTRICTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2021

	Eli Whitney/87 South Fund	E.M. Holt Fund	Altamahaw- Ossipee Fund	East Alamance Fund	Haw River Fund	Snow Camp Fund	Total
Revenues:							
Ad valorem taxes:							
Taxes	\$ 578,597	\$ 890,691	\$ 634,803	\$ 489,020	\$ 291,693	\$ 493,070	\$ 6,079,814
Penalties and interest	<u>2,485</u>	<u>2,574</u>	<u>2,595</u>	<u>1,986</u>	<u>2,177</u>	<u>2,946</u>	<u>27,635</u>
Total revenues	<u>581,082</u>	<u>893,265</u>	<u>637,398</u>	<u>491,006</u>	<u>293,870</u>	<u>496,016</u>	<u>6,107,449</u>
Expenditures:							
Current:							
Public safety	<u>581,082</u>	<u>893,265</u>	<u>637,398</u>	<u>491,006</u>	<u>293,870</u>	<u>496,016</u>	<u>6,107,449</u>
Net change in fund balance	-	-	-	-	-	-	-
Fund Balances:							
Beginning of year - July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of year - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ALAMANCE COUNTY, NORTH CAROLINA

FIRE DISTRICTS FUNDS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Ad valorem taxes:				
Swepsonville	\$ 862,070	\$ 862,070	\$ -	\$ 814,669
54 East	403,722	403,722	-	373,958
Elon fire/rescue	327,526	327,526	-	299,815
Faucette	542,329	542,329	-	484,715
North Eastern Alamance	417,760	417,760	-	396,422
North Central Alamance	161,405	161,405	-	152,648
Eli Whitney/87 South	581,082	581,082	-	410,722
E.M. Holt	893,265	893,265	-	860,775
Altamahaw-Ossipee	637,398	637,398	-	613,519
East Alamance	491,006	491,006	-	475,262
Haw River	293,870	293,870	-	282,135
Snow Camp	496,016	496,016	-	477,575
Total revenues	<u>6,107,449</u>	<u>6,107,449</u>	<u>-</u>	<u>5,642,215</u>
Expenditures:				
Current:				
Public safety:				
Swepsonville	862,070	862,070	-	814,669
54 East	403,722	403,722	-	373,958
Elon fire/rescue	327,526	327,526	-	299,815
Faucette	542,329	542,329	-	484,715
North Eastern Alamance	417,760	417,760	-	396,422
North Central Alamance	161,405	161,405	-	152,648
Eli Whitney/87 South	581,082	581,082	-	410,722
E.M. Holt	893,265	893,265	-	860,775
Altamahaw-Ossipee	637,398	637,398	-	613,519
East Alamance	491,006	491,006	-	475,262
Haw River	293,870	293,870	-	282,135
Snow Camp	496,016	496,016	-	477,575
Total expenditures	<u>6,107,449</u>	<u>6,107,449</u>	<u>-</u>	<u>5,642,215</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

INDIGENT TRUST FUND - DSS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Restricted intergovernmental:				
Adult payment	\$ 1,100,000	\$ 1,119,393	\$ 19,393	\$ -
Child payment	200,000	127,071	(72,929)	-
Total revenues	<u>1,300,000</u>	<u>1,246,464</u>	<u>(53,536)</u>	<u>-</u>
Expenditures:				
Adult payment	1,100,000	1,024,279	75,721	-
Child payment	<u>200,000</u>	<u>142,747</u>	<u>57,253</u>	<u>-</u>
Total expenditures	<u>1,300,000</u>	<u>1,167,026</u>	<u>132,974</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>79,438</u>	<u>\$ 79,438</u>	<u>-</u>
Fund Balance:				
Beginning of year - July 1		-		-
Prior period restatement - change in accounting principle		<u>326,804</u>		<u>-</u>
Beginning of year - July 1, as restated		<u>326,804</u>		<u>-</u>
End of year - June 30		<u>\$ 406,242</u>		<u>\$ -</u>

Alamance County, North Carolina
Financial Statements and Schedules

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NONMAJOR CAPITAL PROJECT FUNDS

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA**CAPITAL RESERVE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2021**

	Schools Fund	County Buildings Fund	Alamance Community College Fund	Total
Assets:				
Cash and cash equivalents	<u>\$ 19,475,541</u>	<u>\$ 1,926,262</u>	<u>\$ 3,960,645</u>	<u>\$ 25,362,448</u>
Fund Balances:				
Committed	<u>\$ 19,475,541</u>	<u>\$ 1,926,262</u>	<u>\$ 3,960,645</u>	<u>\$ 25,362,448</u>

ALAMANCE COUNTY, NORTH CAROLINA

CAPITAL RESERVE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2021

	Schools Fund	County Buildings Fund	Alamance Community College Fund	Total
Revenues:				
Investment earnings	\$ 8,538	\$ 1,116	\$ 3,195	\$ 12,849
Other Financing Sources (Uses):				
Transfers in	25,971,730	1,281,898	4,007,393	31,261,021
Transfers (out)	(7,760,853)	-	(335,600)	(8,096,453)
Total other financing sources (uses)	18,210,877	1,281,898	3,671,793	23,164,568
Net change in fund balances	18,219,415	1,283,014	3,674,988	23,177,417
Fund Balance:				
Beginning of year - July 1	1,256,126	643,248	285,657	2,185,031
End of year - June 30	\$ 19,475,541	\$ 1,926,262	\$ 3,960,645	\$ 25,362,448

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, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Investment earnings:				
Schools	\$ 1,000	\$ 8,538	\$ 7,538	\$ 117,821
County buildings	1,000	1,116	116	3,662
Alamance Community College	1,000	3,195	2,195	9,874
Total revenues	<u>3,000</u>	<u>12,849</u>	<u>9,849</u>	<u>131,357</u>
Other Financing Sources (Uses):				
Schools:				
Transfer from General Fund	12,886,029	25,971,730	13,085,701	9,810,982
Transfer to Schools Capital Project Fund	(12,887,029)	(7,760,853)	5,126,176	(12,818,355)
Alamance Community College:				
Transfer from General Fund	2,327,214	4,007,393	1,680,179	1,955,813
Transfer to Alamance Community College	(2,328,214)	-	2,328,214	(1,680,179)
Transfer to General Fund	(335,600)	(335,600)	-	-
County Building:				
Transfers in from other funds	1,281,898	1,281,898	-	621,287
Transfers out to other funds	(1,282,898)	-	1,282,898	-
Appropriated fund balance:				
County buildings	<u>335,600</u>	<u>-</u>	<u>(335,600)</u>	<u>-</u>
Total other financing sources (uses)	<u>(3,000)</u>	<u>23,164,568</u>	<u>23,167,568</u>	<u>(2,110,452)</u>
Net change in fund balance	<u>\$ -</u>	<u>23,177,417</u>	<u>\$ 23,177,417</u>	<u>(1,979,095)</u>
Fund Balance:				
Beginning of year - July 1		<u>2,185,031</u>		<u>4,164,126</u>
End of year - June 30		<u>\$ 25,362,448</u>		<u>\$ 2,185,031</u>

ALAMANCE COUNTY, NORTH CAROLINA

RUDD STREET BUILDING CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

		<u>Actual</u>			
	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
Revenues:					
Contributions	\$ 3,000,000	\$ 3,200,000	\$ (200,000)	\$ 3,000,000	\$ -
Expenditures:					
Construction	3,000,000	138,783	1,415,455	1,554,238	(1,445,762)
Net change in fund balance	\$ -	\$ 3,061,217	(1,615,455)	\$ 1,445,762	\$ 1,445,762
Fund Balance:					
Beginning of year - July 1			3,061,217		
End of year - June 30			\$ 1,445,762		

ALAMANCE COUNTY, NORTH CAROLINA

MENTAL HEALTH DIVERSION CENTER CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

		<u>Actual</u>			
	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
Revenues:					
Contributions	\$ 1,200,000	\$ 1,200,000	\$ -	\$ 1,200,000	\$ -
Expenditures:					
Capital outlay - other improvements	1,200,000	-	-	-	(1,200,000)
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,200,000</u>	-	<u>\$ 1,200,000</u>	<u>\$ 1,200,000</u>
Fund Balance:					
Beginning of year - July 1			1,200,000		
End of year - June 30			<u>\$ 1,200,000</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, 2021

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues:					
Investment earnings	\$ 583,011	\$ 584,064	\$ 305	\$ 584,369	\$ 1,358
Expenditures:					
General construction - ACC	4,500,000	4,500,000	-	4,500,000	-
Bond issuance cost	196,400	121,645	71,960	193,605	2,795
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	1,647,589	1,648,639	-	1,648,639	(1,050)
General construction - tech center	16,033,309	16,033,309	-	16,033,309	-
Bond projects	36,563,930	447,342	1,099,357	1,546,699	35,017,231
Total expenditures	65,723,071	29,532,778	1,171,317	30,704,095	35,018,976
Revenues over (under) expenditures	(65,140,060)	(28,948,714)	(1,171,012)	(30,119,726)	35,020,334
Other Financing Sources (Uses):					
Transfers in:					
From General Fund	1,744,501	1,744,500	-	1,744,500	(1)
From ACC Capital Reserve Fund	3,701,949	2,350,179	-	2,350,179	(1,351,770)
Transfers out:					
To ACC Capital Reserve Fund	(3,313,865)	(281,916)	(1,680,179)	(1,962,095)	1,351,770
To General Fund	(1,744,500)	(1,744,500)	-	(1,744,500)	-
Bonds issued	60,514,459	27,045,529	20,665,000	47,710,529	(12,803,930)
Bond premium	4,237,516	1,067,762	3,169,754	4,237,516	-
Total other financing sources (uses)	65,140,060	30,181,554	22,154,575	52,336,129	(12,803,931)
Net change in fund balance	\$ -	\$ 1,232,840	20,983,563	\$ 22,216,403	\$ 22,216,403
Fund Balance:					
Beginning of year - July 1			1,232,840		
End of year - June 30			\$ 22,216,403		

ENTERPRISE FUND

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

LANDFILL ENTERPRISE FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Operating revenues:				
Landfill user charges	\$ 4,842,000	\$ 5,330,295	\$ 488,295	\$ 4,669,389
Miscellaneous	405,000	481,099	76,099	462,964
Total operating revenues	5,247,000	5,811,394	564,394	5,132,353
Non-operating revenues:				
Interest on investments	150,000	2,353	(147,647)	80,886
Other non-operating revenues	-	-	-	126,228
Total non-operating revenues	150,000	2,353	(147,647)	207,114
Total revenues	5,397,000	5,813,747	416,747	5,339,467
Expenditures:				
Environmental protection:				
Landfill:				
Administration:				
Fixed charges and other expenditures	153,250	153,250	-	165,512
Operations:				
Salaries and benefits	1,573,295	1,569,257	4,038	1,367,233
Supplies and materials	56,500	43,531	12,969	57,068
Current obligations and services	2,106,565	1,036,894	1,069,671	742,039
State mandated MSW/C&D charges	260,000	259,709	291	236,089
Fixed charges and other expenditures	811,790	709,662	102,128	683,579
Total operations expenditures	4,808,150	3,619,053	1,189,097	3,086,008
Total environmental protection	4,961,400	3,772,303	1,189,097	3,251,520
Budgetary appropriations:				
Other capital outlay	790,438	755,742	34,696	313,288
Total expenditures	5,751,838	4,528,045	1,223,793	3,564,808

ALAMANCE COUNTY, NORTH CAROLINA

LANDFILL ENTERPRISE FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	Budget	Actual	Variance Over/Under	Actual
Revenues over (under) expenditures	(354,838)	1,285,702	1,640,540	1,774,659
Other Financing Sources (Uses):				
Appropriated net position	354,838	-	(354,838)	-
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 1,285,702	\$ 1,285,702	\$ 1,774,659
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual Basis:				
Revenues and other financing sources over (under) expenditures and other financing uses		\$ 1,285,702		\$ 1,774,659
Reconciling items:				
Capital outlay		755,742		313,288
Loss on disposal of capital assets		-		(13,994)
Capital items not charged to capital outlay		62,840		-
Change in accrued landfill closure and post-closure care costs		(1,032,762)		978,027
Change in compensated absences payable		(3,460)		4,539
Change in deferred outflows of resources - pension		36,604		(36,852)
Change in net pension liability		107,466		33,165
Change in deferred inflows of resources - pension		1,862		(2,338)
Change in deferred outflows of resources - OPEB		263,694		86,207
Change in deferred inflows of resources - OPEB		99,195		104,304
Change in OPEB liability		(387,272)		(104,616)
Depreciation		(782,503)		(824,579)
Change in net position		\$ 407,108		\$ 2,311,810

INTERNAL SERVICE FUNDS

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF NET POSITION
 JUNE 30, 2021

	Employee Insurance Fund	Workers' Compensation Fund	Total
Assets:			
Current assets:			
Cash and cash equivalents	\$ 4,881,200	\$ 1,234,408	\$ 6,115,608
Accounts receivable, net	7,460	1,459	8,919
Total assets	<u>4,888,660</u>	<u>1,235,867</u>	<u>6,124,527</u>
Liabilities:			
Current liabilities:			
Accounts payable	<u>602,626</u>	<u>56,455</u>	<u>659,081</u>
Net Position:			
Unrestricted	<u>\$ 4,286,034</u>	<u>\$ 1,179,412</u>	<u>\$ 5,465,446</u>

ALAMANCE COUNTY, NORTH CAROLINA

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2021

	Employee Insurance Fund	Workers' Compensation Fund	Total
Operating Revenues:			
Charges for services	\$ 12,904,269	\$ 1,019,230	\$ 13,923,499
Miscellaneous revenues	521,938	-	521,938
Total operating revenues	<u>13,426,207</u>	<u>1,019,230</u>	<u>14,445,437</u>
Operating Expenditures:			
Administration	14,159	2,002	16,161
Personal services	12,122,952	1,245,349	13,368,301
Fixed charges and other expenditures	6,416	102,688	109,104
Total operating expenditures	<u>12,143,527</u>	<u>1,350,039</u>	<u>13,493,566</u>
Operating income (loss)	<u>1,282,680</u>	<u>(330,809)</u>	<u>951,871</u>
Non-Operating Revenue (Expense):			
Investment earnings	<u>6,486</u>	<u>1,894</u>	<u>8,380</u>
Income (loss) before transfers	1,289,166	(328,915)	960,251
Transfers:			
Transfers from (to) other funds	<u>-</u>	<u>200,000</u>	<u>200,000</u>
Change in net position	1,289,166	(128,915)	1,160,251
Net Position:			
Beginning of year- July 1	<u>2,996,868</u>	<u>1,308,327</u>	<u>4,305,195</u>
End of year - June 30	<u>\$ 4,286,034</u>	<u>\$ 1,179,412</u>	<u>\$ 5,465,446</u>

ALAMANCE COUNTY, NORTH CAROLINA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

	Employee Insurance Fund	Workers' Compensation Fund	Total
Cash Flows from Operating Activities:			
Cash received from customers	\$ 13,426,207	\$ 1,019,230	\$ 14,445,437
Cash paid for goods and services	(12,003,076)	(1,345,683)	(13,348,759)
Net cash provided (used) by operating activities	<u>1,423,131</u>	<u>(326,453)</u>	<u>1,096,678</u>
Cash Flows from Non-Capital Financing Activities:			
Transfers (to) from other funds	<u>-</u>	<u>200,000</u>	<u>200,000</u>
Cash Flows from Investing Activities:			
Investment earnings	<u>6,486</u>	<u>1,894</u>	<u>8,380</u>
Net increase (decrease) in cash and cash equivalents	1,429,617	(124,559)	1,305,058
Cash and Cash Equivalents/Investments:			
Beginning of year - July 1	<u>3,451,583</u>	<u>1,358,967</u>	<u>4,810,550</u>
End of year - June 30	<u><u>\$ 4,881,200</u></u>	<u><u>\$ 1,234,408</u></u>	<u><u>\$ 6,115,608</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ 1,282,680	\$ (330,809)	\$ 951,871
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Changes in assets and liabilities:			
Increase (decrease) in accounts payable	<u>140,451</u>	<u>4,356</u>	<u>144,807</u>
Net cash provided (used) by operating activities	<u><u>\$ 1,423,131</u></u>	<u><u>\$ (326,453)</u></u>	<u><u>\$ 1,096,678</u></u>

ALAMANCE COUNTY, NORTH CAROLINA

INTERNAL SERVICE FUND

EMPLOYEE INSURANCE FUND

SCHEDULE OF REVENUES AND EXPENDITURES -

FINANCIAL PLAN AND ACTUAL (NON-GAAP)

FOR THE YEAR ENDED JUNE 30, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	Financial Plan	Actual	Variance Over/Under	Actual
Operating Revenues:				
Charges for services	\$ 13,291,872	\$ 12,904,269	\$ (387,603)	\$ 13,100,800
Miscellaneous revenue	452,500	521,938	69,438	518,081
Total operating revenues	<u>13,744,372</u>	<u>13,426,207</u>	<u>(318,165)</u>	<u>13,618,881</u>
Non-Operating Revenue (Expense):				
Investment earnings	<u>22,200</u>	<u>6,486</u>	<u>(15,714)</u>	<u>22,555</u>
Total revenues	<u>13,766,572</u>	<u>13,432,693</u>	<u>(333,879)</u>	<u>13,641,436</u>
Operating Expenditures:				
Administration	14,159	14,159	-	-
Personal services	11,179,044	12,122,952	(943,908)	9,882,769
Fixed charges and other expenditures	<u>2,573,369</u>	<u>6,416</u>	<u>2,566,953</u>	<u>7,707</u>
Total operating expenditures	<u>13,766,572</u>	<u>12,143,527</u>	<u>1,623,045</u>	<u>9,890,476</u>
Change in net position	<u>\$ -</u>	<u>\$ 1,289,166</u>	<u>\$ 1,289,166</u>	<u>\$ 3,750,960</u>

ALAMANCE COUNTY, NORTH CAROLINA

INTERNAL SERVICE FUND

WORKERS' COMPENSATION FUND

SCHEDULE OF REVENUES AND EXPENDITURES -

FINANCIAL PLAN AND ACTUAL (NON-GAAP)

FOR THE YEAR ENDED JUNE 30, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	Financial Plan	Actual	Variance Over/Under	Actual
Operating Revenues:				
Charges for services	\$ 1,020,000	\$ 1,019,230	\$ (770)	\$ 900,000
Non-Operating Revenues:				
Investment earnings	5,000	1,894	(3,106)	10,536
Operating Expenditures:				
Administration	2,002	2,002	-	1,562
Personal services	1,392,856	1,245,349	147,507	725,274
Fixed charges and other expenditures	130,142	102,688	27,454	88,715
Total operating expenditures	1,525,000	1,350,039	174,961	815,551
Revenues over (under) expenditures	(500,000)	(328,915)	171,085	94,985
Other Financing Sources (Uses):				
Transfers from other funds	200,000	200,000	-	600,000
Appropriated net position	300,000	-	(300,000)	-
Total other financing sources (uses)	500,000	200,000	(300,000)	600,000
Change in net position	\$ -	\$ (128,915)	\$ (128,915)	\$ 694,985

Alamance County, North Carolina
Financial Statements and Schedules

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FIDUCIARY FUNDS

ALAMANCE COUNTY, NORTH CAROLINA

CUSTODIAL FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2021

	Village of Alamance Fund	Town of Haw River Fund	Altamahaw- Ossipee Sanitary District Fund	Town of Green Level Fund	City of Graham Fund
Assets:					
Cash and cash equivalents	\$ 2,062	\$ 5,166	\$ 1,505	\$ 3,021	\$ 640
Taxes receivable, net	<u>4,065</u>	<u>22,430</u>	<u>1,414</u>	<u>29,250</u>	<u>24,800</u>
Total assets	<u>6,127</u>	<u>27,596</u>	<u>2,919</u>	<u>32,271</u>	<u>25,440</u>
Liabilities:					
Intergovernmental payable	<u>2,062</u>	<u>5,166</u>	<u>1,505</u>	<u>3,021</u>	<u>640</u>
Net Position:					
Restricted for:					
Individuals, organizations, and other governments	4,065	22,430	1,414	29,250	24,800
Assets held in trust for beneficiaries	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total net position	<u>\$ 4,065</u>	<u>\$ 22,430</u>	<u>\$ 1,414</u>	<u>\$ 29,250</u>	<u>\$ 24,800</u>

ALAMANCE COUNTY, NORTH CAROLINA

CUSTODIAL FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2021

	City of Burlington Fund	Town of Elon Fund	City of Mebane Fund	Town of Gibsonville Fund	General Trust Fund	Total
Assets:						
Cash and cash equivalents	\$ 4,853	\$ 79	\$ 16,706	\$ 3,657	\$ 132,768	\$ 170,457
Taxes receivable, net	<u>123,000</u>	<u>4,662</u>	<u>66,811</u>	<u>20,526</u>	<u>-</u>	<u>296,958</u>
Total assets	<u>127,853</u>	<u>4,741</u>	<u>83,517</u>	<u>24,183</u>	<u>132,768</u>	<u>467,415</u>
Liabilities:						
Intergovernmental payable	<u>4,853</u>	<u>79</u>	<u>16,706</u>	<u>3,657</u>	<u>-</u>	<u>37,689</u>
Net Position:						
Restricted for:						
Individuals, organizations, and other governments	123,000	4,662	66,811	20,526	-	296,958
Assets held in trust for beneficiaries	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>132,768</u>	<u>132,768</u>
Total net position	<u>\$ 123,000</u>	<u>\$ 4,662</u>	<u>\$ 66,811</u>	<u>\$ 20,526</u>	<u>\$ 132,768</u>	<u>\$ 429,726</u>

ALAMANCE COUNTY, NORTH CAROLINA

CUSTODIAL FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2021

	Village of Alamance Fund	Town of Haw River Fund	Altamahaw- Ossipee Sanitary District Fund	Town of Green Level Fund	City of Graham Fund
Additions:					
Ad valorem taxes for other governments	\$ 246,865	\$ 977,077	\$ 50,878	\$ 448,831	\$ 723,638
Permits and fees	-	-	-	-	-
Investment earnings	-	-	-	-	-
Inmate and health deposits	-	-	-	-	-
Total additions	<u>246,865</u>	<u>977,077</u>	<u>50,878</u>	<u>448,831</u>	<u>723,638</u>
Deductions:					
Tax distributions to other governments	246,256	979,938	50,454	462,585	733,037
Human services	-	-	-	-	-
Total deductions	<u>246,256</u>	<u>979,938</u>	<u>50,454</u>	<u>462,585</u>	<u>733,037</u>
Net increase (decrease) in fiduciary net position	<u>609</u>	<u>(2,861)</u>	<u>424</u>	<u>(13,754)</u>	<u>(9,399)</u>
Net position, beginning, as previously reported	-	-	-	-	-
Prior period restatement - change in accounting principle	<u>3,456</u>	<u>25,291</u>	<u>990</u>	<u>43,004</u>	<u>34,199</u>
Net position, beginning, as restated	<u>3,456</u>	<u>25,291</u>	<u>990</u>	<u>43,004</u>	<u>34,199</u>
Net position, ending	<u>\$ 4,065</u>	<u>\$ 22,430</u>	<u>\$ 1,414</u>	<u>\$ 29,250</u>	<u>\$ 24,800</u>

ALAMANCE COUNTY, NORTH CAROLINA

CUSTODIAL FUNDS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2021

	City of Burlington Fund	Town of Elon Fund	City of Mebane Fund	Town of Gibsonville Fund	General Trust Fund	Total
Additions:						
Ad valorem taxes for other governments	\$ 3,445,160	\$ 462,879	\$ 9,451,060	\$ 1,786,510	\$ -	\$ 17,592,898
Permits and fees	-	-	-	-	43,545	43,545
Investment earnings	-	-	-	-	13	13
Inmate and health deposits	-	-	-	-	2,373,979	2,373,979
Total additions	<u>3,445,160</u>	<u>462,879</u>	<u>9,451,060</u>	<u>1,786,510</u>	<u>2,417,537</u>	<u>20,010,435</u>
Deductions:						
Tax distributions to other governments	3,490,426	464,166	9,482,033	1,797,730	-	17,706,625
Human services	-	-	-	-	2,394,228	2,394,228
Total deductions	<u>3,490,426</u>	<u>464,166</u>	<u>9,482,033</u>	<u>1,797,730</u>	<u>2,394,228</u>	<u>20,100,853</u>
Net increase (decrease) in fiduciary net position	<u>(45,266)</u>	<u>(1,287)</u>	<u>(30,973)</u>	<u>(11,220)</u>	<u>23,309</u>	<u>(90,418)</u>
Net position, beginning, as previously reported	-	-	-	-	-	-
Prior period restatement - change in accounting principle	<u>168,266</u>	<u>5,949</u>	<u>97,784</u>	<u>31,746</u>	<u>109,459</u>	<u>520,144</u>
Net position, beginning, as restated	<u>168,266</u>	<u>5,949</u>	<u>97,784</u>	<u>31,746</u>	<u>109,459</u>	<u>520,144</u>
Net position, ending	<u>\$ 123,000</u>	<u>\$ 4,662</u>	<u>\$ 66,811</u>	<u>\$ 20,526</u>	<u>\$ 132,768</u>	<u>\$ 429,726</u>

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF AD VALOREM TAXES RECEIVABLE
JUNE 30, 2021

<u>Fiscal Year</u>	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Collections and Credits</u>	<u>Balance June 30, 2021</u>
2020-2021	\$ -	\$ 101,870,386	\$ 100,691,008	\$ 1,179,378
2019-2020	1,154,237	-	700,259	453,978
2018-2019	385,938	-	108,725	277,213
2017-2018	207,219	-	68,976	138,243
2016-2017	203,343	-	47,463	155,880
2015-2016	109,460	-	23,017	86,443
2014-2015	74,154	-	13,430	60,724
2013-2014	111,804	-	11,778	100,026
2012-2013	120,588	-	7,819	112,769
2011-2012	99,457	-	6,657	92,800
2010-2011	85,822	-	85,822	-
Total	<u>\$ 2,552,022</u>	<u>\$ 101,870,386</u>	<u>\$ 101,764,954</u>	2,657,454
Less: Allowance for uncollectible accounts - General Fund				<u>(623,548)</u>
Ad valorem taxes receivable, net - General Fund				<u>\$ 2,033,906</u>
Reconciliation with Revenues:				
Ad valorem taxes - General Fund				\$ 101,979,571
Reconciling items:				
Penalties and interest				(350,484)
Releases and adjustments				50,045
Amount written off per Statute of Limitations				<u>85,822</u>
Total collections and credits				<u>\$ 101,764,954</u>

ALAMANCE COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT YEAR LEVY
FOR THE YEAR ENDED JUNE 30, 2021

	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	\$ 15,200,017,910	\$ 0.67	\$ 101,840,120	\$ 90,523,927	\$ 11,316,193
Penalties	-		67,905	67,905	-
Total original levy	<u>15,200,017,910</u>		<u>101,908,025</u>	<u>90,591,832</u>	<u>11,316,193</u>
Discoveries:					
Current year taxes	54,241,493	0.67	363,418	201,453	161,965
Penalties	-		852	852	-
Total discoveries	<u>54,241,493</u>		<u>364,270</u>	<u>202,305</u>	<u>161,965</u>
Abatements	<u>(59,986,418)</u>	0.67	<u>(401,909)</u>	<u>(397,965)</u>	<u>(3,944)</u>
Total property valuation	<u>\$ 15,194,272,985</u>				
Net Levy			101,870,386	90,396,172	11,474,214
Uncollected taxes at June 30, 2021			<u>1,179,378</u>	<u>1,179,378</u>	<u>-</u>
Current Year's Taxes Collected			<u>\$ 100,691,008</u>	<u>\$ 89,216,794</u>	<u>\$ 11,474,214</u>
Current Levy Collection Percentage			<u>98.84%</u>	<u>98.70%</u>	<u>100.00%</u>

ALAMANCE COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT YEAR LEVY
FOR THE YEAR ENDED JUNE 30, 2021

Secondary Market Disclosures:

Assessed valuation:

Assessment ratio (1)	<u>100.00%</u>
Real property	\$ 11,425,787,807
Personal property	3,407,091,500
Public service companies (2)	<u>361,393,678</u>
Total assessed valuation	<u>\$ 15,194,272,985</u>
Tax rate per \$100	<u>\$ 0.67</u>
Levy (includes discoveries, releases, and abatements) (3)	<u>\$ 101,870,386</u>

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

Fire Protection Districts	<u>\$ 5,629,767,083</u>
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- (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.

STATISTICAL SECTION (UNAUDITED)

This part of the County's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

<u>Contents</u>	<u>Pages</u>
Financial Trends These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	132
Revenue Capacity These schedules contain information to help the reader assess the government's most significant local revenue source, the property taxes.	136
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.	145
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.	148
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.	152

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

**Net Position by Component
Last Ten Fiscal Years**

Table 1

	Fiscal Year Ended June 30									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Governmental activities:										
Net investment in capital assets	\$ 47,472,996	\$ 45,467,657	\$ 44,907,020	\$ 50,161,507	\$ 55,191,002	\$ 55,056,788	\$ 52,121,982	\$ 49,282,255	\$ 49,370,854	\$ 46,438,987
Restricted	21,606,991	17,457,213	16,591,160	16,070,192	15,799,919	14,915,071	12,914,369	10,266,047	9,544,524	12,585,862
Unrestricted	(66,528,278)	(78,773,249)	(100,446,537)	(115,745,317)	(60,583,658)	(42,806,702)	(48,196,605)	(47,588,418)	(51,870,031)	(54,852,917)
Total governmental activities net position	<u>\$ 2,551,709</u>	<u>\$ (15,848,379)</u>	<u>\$ (38,948,357)</u>	<u>\$ (49,513,618)</u>	<u>\$ 10,407,263</u>	<u>\$ 27,165,157</u>	<u>\$ 16,671,741</u>	<u>\$ 11,959,884</u>	<u>\$ 7,045,347</u>	<u>\$ 4,171,932</u>
Business-type activities										
Net investment in capital assets	\$ 8,948,005	\$ 8,911,926	\$ 9,437,211	\$ 13,212,539	\$ 13,790,606	\$ 13,063,349	\$ 13,523,183	\$ 13,348,938	\$ 13,081,014	\$ 13,339,920
Restricted	-	-	-	-	-	-	-	-	-	5,576,444
Unrestricted	12,234,838	11,863,809	9,026,714	8,324,659	8,651,259	8,844,023	7,928,221	7,292,012	7,011,792	-
Total business-type activities net position	<u>\$ 21,182,843</u>	<u>\$ 20,775,735</u>	<u>\$ 18,463,925</u>	<u>\$ 21,537,198</u>	<u>\$ 22,441,865</u>	<u>\$ 21,907,372</u>	<u>\$ 21,451,404</u>	<u>\$ 20,640,950</u>	<u>\$ 20,092,806</u>	<u>\$ 18,916,364</u>
Primary government										
Net investment in capital assets	\$ 56,421,001	\$ 54,379,583	\$ 54,344,231	\$ 63,374,046	\$ 68,981,608	\$ 68,120,137	\$ 65,645,165	\$ 62,631,193	\$ 62,451,868	\$ 59,778,907
Restricted	21,606,991	17,457,213	16,591,160	16,070,192	15,799,919	14,915,071	12,914,369	10,266,047	9,544,524	18,162,306
Unrestricted	(54,293,440)	(66,909,440)	(91,419,823)	(107,420,658)	(51,932,399)	(33,962,679)	(40,268,384)	(40,296,406)	(44,858,239)	(54,852,917)
Total primary government net position	<u>\$ 23,734,552</u>	<u>\$ 4,927,356</u>	<u>\$ (20,484,432)</u>	<u>\$ (27,976,420)</u>	<u>\$ 32,849,128</u>	<u>\$ 49,072,529</u>	<u>\$ 38,291,150</u>	<u>\$ 32,600,834</u>	<u>\$ 27,138,153</u>	<u>\$ 23,088,296</u>

ALAMANCE COUNTY, NORTH CAROLINA

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

Table 2

	Fiscal Year Ended June 30									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
REVENUES										
Function/Programs:										
Charges for services:										
Public safety	\$ 11,833	\$ 14,297	\$ 11,173	\$ 10,001	\$ 7,766	\$ 8,113	\$ 4,345	\$ 8,069	\$ 9,294	\$ 8,012
Human services	996	1,719	1,642	4,254	3,125	2,321	3,198	1,769	2,600	3,067
Other	3,703	2,635	2,754	2,582	2,646	2,379	5,914	2,199	2,468	2,151
Subtotal	<u>16,532</u>	<u>18,651</u>	<u>15,569</u>	<u>16,837</u>	<u>13,537</u>	<u>12,813</u>	<u>13,456</u>	<u>12,037</u>	<u>14,362</u>	<u>13,230</u>
Operating grants and contributions	32,189	24,307	19,759	18,390	25,260	26,790	25,917	23,587	23,516	24,767
Capital grants and contributions	1,893	2,236	5,661	3,056	1,497	595	683	2,696	2,772	6,702
General revenues:										
Taxes:										
Property taxes, levied for general purpose	109,719	103,043	90,854	85,895	82,312	81,155	72,673	74,289	69,298	67,366
Local option sales tax	39,443	32,221	31,520	29,828	28,159	27,608	25,080	22,204	20,665	20,226
Other taxes and licenses	3,027	1,905	2,076	1,856	1,663	1,512	1,346	1,177	1,020	949
Grants and contributions not restricted to specific programs	-	-	-	-	-	-	-	-	-	-
Investment earnings	281	1,542	1,639	857	603	430	366	302	485	525
Miscellaneous, unrestricted	-	-	-	-	-	-	-	25	25	25
Special items	-	-	-	-	-	2,374	-	-	-	-
Subtotal	<u>203,084</u>	<u>183,905</u>	<u>167,078</u>	<u>156,719</u>	<u>153,031</u>	<u>150,902</u>	<u>141,897</u>	<u>136,292</u>	<u>132,143</u>	<u>133,790</u>
Landfill:										
Charges for services	5,811	5,132	5,072	4,349	4,475	4,122	4,187	4,259	3,713	3,599
Operating grants and contributions	-	-	-	-	-	-	10	40	4	2
Investment earnings	2	81	109	60	21	11	1	-	-	2
Gain on disposal	-	112	97	-	-	-	-	-	-	-
Miscellaneous, unrestricted	-	-	-	-	-	-	-	-	-	-
Subtotal	<u>5,813</u>	<u>5,325</u>	<u>5,278</u>	<u>4,409</u>	<u>4,497</u>	<u>4,133</u>	<u>4,198</u>	<u>4,299</u>	<u>3,717</u>	<u>3,603</u>
Total revenues	<u>208,897</u>	<u>189,230</u>	<u>172,356</u>	<u>161,128</u>	<u>157,527</u>	<u>155,036</u>	<u>146,094</u>	<u>140,591</u>	<u>135,860</u>	<u>137,393</u>
EXPENSES										
General government	22,797	12,704	14,684	16,871	19,621	14,780	14,208	13,744	12,644	14,519
Public Safety	55,001	48,413	44,608	44,785	41,567	39,034	36,135	36,976	35,211	35,159
Economic and physical development	3,285	4,018	2,771	3,764	2,643	2,903	1,605	1,815	1,758	1,792
Human services	33,884	31,081	30,936	32,364	36,697	34,768	36,704	33,935	33,432	33,790
Cultural and recreational	4,811	6,140	5,392	6,449	4,667	3,710	3,786	4,338	3,624	3,926
Education	61,303	56,113	50,754	49,903	57,786	41,598	37,497	36,346	34,963	42,430
Interest on long-term debt	2,622	1,545	1,957	2,248	3,175	2,297	2,550	2,972	6,478	3,655
Other expenses	1,308	792	1,112	1,695	1,651	1,486	841	1,252	1,158	1,347
Subtotal	<u>185,011</u>	<u>160,806</u>	<u>152,214</u>	<u>158,079</u>	<u>167,806</u>	<u>140,577</u>	<u>133,328</u>	<u>131,378</u>	<u>129,268</u>	<u>136,618</u>
Landfill	5,406	3,013	4,788	4,119	3,962	3,677	3,288	3,751	2,542	3,419
Total expenses	<u>190,417</u>	<u>163,819</u>	<u>157,002</u>	<u>162,198</u>	<u>171,769</u>	<u>144,254</u>	<u>136,616</u>	<u>135,129</u>	<u>131,810</u>	<u>140,037</u>
Change in net position	18,480	25,411	15,354	(1,070)	(14,241)	10,781	9,478	5,462	4,050	(2,644)
Net position- beginning	4,927	(20,484)	(35,838)	(26,906)	47,090	38,290	28,812	27,138	23,088	25,732
Restatement	327	-	-	-	-	-	-	-	-	-
Net position-beginning, as restated	5,254	(20,484)	(35,838)	(26,906)	47,090	38,290	28,812	27,138	23,088	25,732
Net position-ending	\$ 23,734	\$ 4,927	\$ (20,484)	\$ (27,976)	\$ 32,849	\$ 49,072	\$ 38,290	\$ 32,600	\$ 27,138	\$ 23,088

ALAMANCE COUNTY, NORTH CAROLINA

**Fund Balances, Governmental Funds
Last Ten Fiscal Years**

Table 3

	Fiscal Year Ended June 30									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Fund										
Nonspendable	\$ 210,532	\$ 270,684	\$ 330,836	\$ 390,988	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 172,530
Restricted ^a	19,564,008	13,896,408	11,967,057	14,683,208	14,183,438	13,618,467	11,642,230	9,413,377	8,621,118	11,742,712
Committed ^b	11,520,640	5,457,507	8,022,871	1,114,195	7,467,331	1,488,962	535,212	480,619	322,619	202,619
Assigned	4,484,164	12,697,510	13,191,538	11,636,038						
Unassigned	35,766,923	24,587,727	18,385,801	20,885,793	26,350,853	31,207,283	26,289,738	21,526,972	17,398,129	9,559,112
Total general fund	<u>71,546,267</u>	<u>56,909,836</u>	<u>51,898,103</u>	<u>48,710,222</u>	<u>48,001,622</u>	<u>46,314,712</u>	<u>38,467,180</u>	<u>31,420,968</u>	<u>26,341,866</u>	<u>21,676,973</u>
 All Other Governmental Funds										
Restricted in Capital Project	128,207,253	4,038,424	4,363,410	1,061,626	1,110,811	1,339,423	1,314,958	895,489	1,046,434	2,045,675
Committed in Capital Project	66,159,467	14,711,206	6,766,680	4,013,967	3,972,137	902,568	2,378,780	2,866,187	3,116,917	2,972,320
Unassigned in Capital Project	-	-	(206,420)	-	-	(51,542)	(213,352)	(58,886)	(190,334)	(200,869)
Total all other government funds ^c	<u>194,366,720</u>	<u>18,749,630</u>	<u>10,923,670</u>	<u>5,075,593</u>	<u>5,082,948</u>	<u>2,190,449</u>	<u>3,480,386</u>	<u>3,702,790</u>	<u>3,973,017</u>	<u>4,817,126</u>
Total fund balances, governmental funds ^d	<u>\$ 265,912,987</u>	<u>\$ 75,659,466</u>	<u>\$ 62,821,773</u>	<u>\$ 53,785,815</u>	<u>\$ 53,084,570</u>	<u>\$ 48,505,161</u>	<u>\$ 41,947,566</u>	<u>\$ 35,123,758</u>	<u>\$ 30,314,883</u>	<u>\$ 26,494,099</u>

^a The amounts in this row primarily reflect stabilization by State statute.

^b The Board of Commissioners have committed funds for Economic Development and Revaluation.

^c The increase includes proceeds to build a Mental Health Diversion Center.

^d Increases are intended for future capital needs of the County.

^e The County implemented GASB Statement No. 54 in fiscal year 2011.

ALAMANCE COUNTY, NORTH CAROLINA

**Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years**

Table 4

	Fiscal Year Ended June 30									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Revenues										
Property taxes	\$ 109,333,484	\$ 103,513,028	\$ 90,014,904	\$ 85,315,860	\$ 82,647,767	\$ 81,404,277	\$ 72,980,087	\$ 74,684,864	\$ 68,900,545	\$ 67,372,021
Sales taxes	39,442,964	32,221,239	31,520,453	29,828,338	28,159,495	27,608,429	25,080,073	22,203,551	20,665,419	20,226,309
Other taxes and licenses	3,027,573	1,904,663	2,076,177	1,856,364	1,662,790	1,511,829	1,345,902	1,178,223	1,019,568	948,664
Unrestricted intergovernmental	263,553	268,941	263,802	259,939	270,038	258,829	277,018	253,863	233,472	252,116
Restricted intergovernmental	34,281,939	26,542,610	22,219,897	20,246,011	26,757,106	27,384,337	26,432,568	25,744,940	25,749,474	29,080,408
Permits and fees	2,184,531	1,443,288	1,667,286	1,607,876	1,671,605	1,376,273	1,265,919	1,168,353	1,206,080	1,005,656
Sales and services	13,014,722	14,677,612	12,412,101	13,939,854	10,900,358	10,535,924	11,270,029	10,634,229	12,617,948	12,199,323
Contributions	(200,000)	-	3,200,000	1,200,000	-	-	-	-	-	-
Investment earnings	272,628	1,509,371	1,624,168	847,182	588,334	422,198	362,419	299,144	482,991	521,302
Miscellaneous	780,475	1,971,617	979,893	813,568	482,720	454,708	477,661	353,176	505,727	2,026,872
Total revenues	202,401,869	184,052,369	165,978,681	155,914,992	153,140,213	150,956,804	139,491,676	136,520,343	131,381,224	133,632,671
Expenditures										
Current										
General government	22,248,988	18,427,620	14,431,390	15,692,403	16,214,422	14,270,640	11,186,966	10,890,343	10,118,033	10,791,109
Public Safety	52,390,828	48,495,062	42,967,746	43,060,724	39,414,370	35,798,788	33,454,975	33,355,607	31,696,950	33,952,059
Transportation	287,298	487,589	478,708	478,516	464,448	382,450	395,263	266,588	(43,211)	402,868
Environmental protection	105,050	69,695	79,488	68,340	71,147	102,011	110,590	(64,814)	(414,878)	61,497
Economic and physical development	2,825,001	3,894,592	2,488,307	3,195,802	2,148,930	1,976,579	1,406,175	1,257,726	920,883	1,321,691
Human services	33,406,181	31,201,621	30,650,334	31,395,230	35,667,727	35,717,984	35,971,584	32,831,016	32,107,883	32,853,606
Cultural and recreational	6,514,838	5,983,710	4,765,706	5,565,255	4,545,456	4,562,065	3,632,600	4,257,876	3,387,904	3,899,960
Intergovernmental (education)	61,073,815	56,054,240	50,615,496	49,616,136	57,506,617	41,490,420	37,413,626	36,083,320	34,558,991	38,785,016
Expenditures before Debt Service	178,851,999	164,614,129	146,477,175	149,072,406	156,033,117	134,300,936	123,571,779	118,877,662	112,332,557	122,067,806
Debt service:										
Principal	7,193,036	8,646,313	8,778,538	8,065,151	7,708,731	8,338,144	9,112,718	8,746,977	8,628,892	7,973,727
Interest and other charges	1,532,986	1,646,079	2,076,245	2,334,679	2,273,758	2,297,134	2,550,352	2,972,278	7,412,519	3,655,325
Issuance costs	526,337	149,346	-	-	77,796	6,597	3,653	-	329,582	1,798
Total expenditures	188,104,358	175,055,867	157,331,958	159,472,236	166,093,402	144,942,812	135,238,502	130,596,917	128,703,550	133,698,656
Revenues over (under) expenditures	14,297,511	8,996,502	8,646,723	(3,557,244)	(12,953,189)	6,013,992	2,312,071	4,245,657	(2,125,362)	(3,490,776)
Other financing sources (uses)	175,629,206	3,841,191	389,235	4,258,489	17,532,598	543,603	440,762	563,218	5,946,146	1,105,241
Special items	-	-	-	-	-	-	3,902,970	-	-	-
Increase (decrease) in fund balance	189,926,717	12,837,693	9,035,958	701,245	4,579,409	6,557,595	6,823,808	4,808,875	3,820,784	(2,385,535)
Beginning fund balance	75,659,466	62,821,773	53,785,815	53,084,570	48,505,161	41,947,566	35,123,758	30,314,883	26,494,099	28,879,634
Restatement	326,804	-	-	-	-	-	-	-	-	-
Beginning fund balance, as restated	75,986,270	62,821,773	53,785,815	53,084,570	48,505,161	41,947,566	35,123,758	30,314,883	26,494,099	28,879,634
Ending fund balance	\$ 265,912,987	\$ 75,659,466	\$ 62,821,773	\$ 53,785,815	\$ 53,084,570	\$ 48,505,161	\$ 41,947,566	\$ 35,123,758	\$ 30,314,883	\$ 26,494,099
Debt service expenditures/non-capital expenditures ratio										
Total Debt service expenditures	8,726,022	10,292,392	10,854,783	10,399,830	9,982,489	10,635,278	11,663,070	11,719,255	16,041,411	11,629,052
Divided by Expenditures	188,104,358	175,055,867	155,022,992	155,556,222	162,206,973	144,942,811	135,238,502	130,596,917	128,703,550	133,698,656
	4.64%	5.88%	7.00%	6.69%	6.15%	7.34%	8.62%	8.97%	12.46%	8.70%

ALAMANCE COUNTY, NORTH CAROLINA

**Program Revenues by Function/Program
Last Ten Fiscal Years**

Table 5

Function/Program	Program Revenues Fiscal Year Ended June 30									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Governmental activities:										
General government	\$ 3,634,658	\$ 2,531,950	\$ 2,661,854	\$ 2,458,780	\$ 2,529,896	\$ 2,096,761	\$ 5,631,312	\$ 1,328,880	\$ 1,598,325	\$ 1,417,480
Public safety	11,832,756	14,297,280	11,173,252	10,001,162	7,766,320	8,112,597	4,345,322	8,069,192	9,293,779	8,011,526
Transportation	-	-	-	-	-	-	-	-	-	-
Economic and physical development	-	-	-	30,086	32,283	818	818	-	-	-
Environmental protection	-	-	-	-	-	-	-	236,956	236,956	201,365
Human services	995,840	1,719,295	1,642,584	4,254,186	3,124,768	2,321,403	3,197,524	1,769,419	2,599,851	3,067,300
Cultural and recreational	68,936	103,311	92,078	93,412	83,837	281,442	281,442	632,596	632,596	532,636
Subtotal government activities	<u>16,532,190</u>	<u>18,651,836</u>	<u>15,569,768</u>	<u>16,837,626</u>	<u>13,537,104</u>	<u>12,813,021</u>	<u>13,456,418</u>	<u>12,037,043</u>	<u>14,361,507</u>	<u>13,230,307</u>
Business-type activities										
Landfill	5,811,394	5,132,353	5,071,735	4,349,317	4,475,466	4,122,341	4,186,567	4,258,692	3,712,573	3,598,966
Subtotal business-type activities	<u>5,811,394</u>	<u>5,132,353</u>	<u>5,071,735</u>	<u>4,349,317</u>	<u>4,475,466</u>	<u>4,122,341</u>	<u>4,186,567</u>	<u>4,258,692</u>	<u>3,712,573</u>	<u>3,598,966</u>
Total primary government	<u>\$ 22,343,584</u>	<u>\$ 23,784,189</u>	<u>\$ 20,641,503</u>	<u>\$ 21,186,943</u>	<u>\$ 18,012,570</u>	<u>\$ 16,935,362</u>	<u>\$ 17,642,985</u>	<u>\$ 16,295,735</u>	<u>\$ 18,074,080</u>	<u>\$ 16,829,273</u>

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
2021	\$ 108,087,020	\$ 39,442,964	\$ 854,524	\$ -	\$ 1,176,246	\$ 996,803	150,557,557
2020	103,513,028	32,221,239	796,446	-	938,266	169,951	137,638,930
2019	90,014,904	31,520,453	962,310	-	937,685	176,182	123,611,534
2018	85,315,860	29,828,338	903,641	-	749,835	202,888	117,000,562
2017	82,647,767	28,159,495	869,628	-	697,066	96,096	112,470,052
2016	81,404,277	27,608,429	777,544	-	639,085	95,200	110,524,535
2015	77,747,812	25,080,073	690,232	-	567,820	87,850	98,855,768
2014	74,684,864	22,203,551	637,507	-	455,831	84,885	98,066,638
2013	68,900,545	20,665,419	585,145	-	360,872	73,551	90,585,532
2012	67,372,021	20,226,309	567,183	-	314,414	67,067	88,546,994

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

ALAMANCE COUNTY, NORTH CAROLINA

**Government-wide Expenses By Function
Last Ten Fiscal Years**

Table 7

Function	Fiscal Year Ended June 30									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General government	\$ 22,797,731	\$ 12,703,853	\$ 14,684,432	\$ 16,882,174	\$ 19,620,632	\$ 14,779,532	\$ 14,207,928	\$ 13,744,252	\$ 12,643,801	\$ 14,519,496
Public safety	55,000,524	48,413,512	44,608,105	44,785,445	41,567,111	39,033,971	36,135,453	36,975,701	35,211,427	35,159,335
Transportation	744,879	605,262	755,725	1,052,686	1,022,227	802,261	562,629	791,878	765,536	843,824
Environmental protection	3,284,982	187,368	356,505	642,510	628,926	684,094	1,605,380	1,815,147	393,867	1,791,574
Economic and physical development	562,631	4,017,629	2,770,687	3,764,031	2,643,119	2,903,127	277,956	460,476	1,758,248	502,453
Human services	33,883,788	31,080,968	30,935,727	32,364,054	36,696,574	34,768,061	36,704,216	33,934,657	33,431,752	33,790,288
Cultural and recreational	4,811,332	6,139,731	5,391,574	6,449,687	4,667,289	3,710,378	3,786,386	4,338,195	3,623,947	3,926,470
Education	61,302,608	56,113,076	50,754,004	49,903,221	57,785,506	41,598,497	37,497,309	36,345,965	34,963,364	42,430,285
Debt service:										
Interest and fees	2,622,531	1,544,850	1,957,342	2,247,710	3,174,829	2,297,134	2,550,352	2,972,278	6,477,519	3,655,325
Total governmental activities	185,011,006	160,806,249	152,214,101	158,091,518	167,806,213	140,577,055	133,327,609	131,378,549	129,269,461	136,619,050
Landfill	5,406,639	3,013,663	4,788,384	4,118,915	3,962,316	3,677,384	3,288,476	3,751,292	2,542,292	3,419,406
Total business-type activities	5,406,639	3,013,663	4,788,384	4,118,915	3,962,316	3,677,384	3,288,476	3,751,292	2,542,292	3,419,406
Total primary government	\$ 190,417,645	\$ 163,819,912	\$ 157,002,485	\$ 162,210,433	\$ 171,768,529	\$ 144,254,439	\$ 136,616,085	\$ 135,129,841	\$ 131,811,753	\$ 140,038,456

ALAMANCE COUNTY, NORTH CAROLINA

**Government-wide Revenues
Last Ten Fiscal Years**

Table 8

Program Revenues	Fiscal Year Ended June 30									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Charges for services	\$ 22,343,584	\$ 23,784,189	\$ 20,641,503	\$ 21,186,943	\$ 18,012,570	\$ 16,935,362	\$ 17,642,985	\$ 16,295,735	\$ 18,074,080	\$ 16,829,273
Operating grants and contributions	32,188,935	24,306,865	19,759,184	18,390,204	25,259,644	26,789,735	25,917,122	23,587,403	23,516,322	24,766,558
Capital grants and contributions	1,893,004	2,235,745	5,660,713	3,055,991	1,497,462	594,602	693,694	2,736,373	2,775,590	6,704,607
General Revenues										
Taxes										
Property tax	109,718,616	103,043,417	90,854,389	85,894,808	82,311,523	81,154,704	72,673,241	74,289,117	69,297,790	67,365,987
Local option sales tax	39,442,964	32,221,239	31,520,453	29,828,338	28,159,495	27,608,429	25,080,073	22,203,551	20,665,419	20,226,309
Other taxes and licenses	3,027,573	1,904,663	2,076,177	1,856,364	1,662,790	1,511,829	1,345,902	1,178,223	1,019,568	948,664
Unrestricted investment earnings	283,361	1,623,348	1,747,373	916,955	624,008	441,157	367,329	302,120	487,591	524,817
Gain on disposal	-	112,234	97,088	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	25,250	25,250
Special Items	-	-	-	-	-	-	2,374,090	-	-	-
Total	\$ 208,898,037	\$ 189,231,700	\$ 172,356,880	\$ 161,129,603	\$ 157,527,492	\$ 155,035,818	\$ 146,094,436	\$ 140,592,522	\$ 135,861,610	\$ 137,391,465

ALAMANCE COUNTY, NORTH CAROLINA

**General Government Expenditures by Function
Last Ten Fiscal Years**

Table 9

Function	Fiscal Year Ended June 30									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General government	\$ 22,248,988	\$ 18,427,620	\$ 14,431,390	\$ 15,692,403	\$ 16,214,422	\$ 14,270,640	\$ 11,827,530	\$ 11,561,451	\$ 12,039,247	\$ 10,791,109
Public safety	52,390,828	48,495,062	42,967,746	43,060,724	39,414,370	35,798,788	34,114,950	33,523,384	32,177,254	33,952,059
Transportation	287,298	487,589	478,708	478,516	464,448	382,450	395,263	434,365	437,093	402,868
Environmental protection	105,050	69,695	79,488	68,340	71,147	102,011	110,590	102,963	65,426	61,497
Economic and physical development	2,825,001	3,894,592	2,488,307	3,195,802	2,148,930	1,976,579	1,406,175	1,425,503	1,401,187	1,321,691
Human services	33,406,181	31,201,621	30,650,334	31,395,230	35,667,727	35,717,984	36,165,694	32,998,793	32,588,187	32,853,606
Cultural and recreational	6,514,838	5,983,710	4,765,706	5,565,255	4,545,456	4,562,065	4,079,054	4,341,764	3,628,056	3,899,960
Education	61,073,815	56,054,240	50,615,496	49,616,136	57,506,617	41,490,420	37,413,626	36,167,208	34,799,143	42,209,807
Debt service:										
Principal retirement	7,193,036	8,646,313	8,778,538	8,065,151	7,708,731	8,338,144	9,112,718	8,746,977	8,628,892	7,973,727
Interest and fees	1,532,986	1,646,079	2,076,245	2,334,679	2,273,758	2,297,134	2,550,352	2,972,278	7,412,519	3,655,325
Issuance costs	526,337	149,346	-	-	77,796	6,597	3,653	-	329,582	1,798
Total	<u>\$ 188,104,358</u>	<u>\$ 175,055,867</u>	<u>\$ 157,331,958</u>	<u>\$ 159,472,236</u>	<u>\$ 166,093,402</u>	<u>\$ 144,942,812</u>	<u>\$ 137,179,605</u>	<u>\$ 132,274,686</u>	<u>\$ 133,506,586</u>	<u>\$ 137,123,447</u>

ALAMANCE COUNTY, NORTH CAROLINA

**General Government Revenues by Source
Last Ten Fiscal Years**

Table 10

Source	Fiscal Year Ended June 30									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Taxes:										
Property	\$ 109,333,484	\$ 103,513,028	\$ 90,014,904	\$ 85,315,860	\$ 82,647,767	\$ 81,404,277	\$ 72,980,087	\$ 74,684,864	\$ 68,900,545	\$ 67,372,021
Sales	39,442,964	32,221,239	31,520,453	29,828,338	28,159,495	27,608,429	25,080,073	22,203,551	20,665,419	20,226,309
Other Taxes & Licenses	3,027,573	1,904,663	2,076,177	1,856,364	1,662,790	1,511,829	1,345,902	1,178,223	1,019,568	948,664
Total taxes	151,804,021	137,638,930	123,611,534	117,000,562	112,470,052	110,524,535	99,406,062	98,066,638	90,585,532	88,546,994
Intergovernmental	34,545,492	26,811,551	22,483,699	20,505,950	27,027,144	27,643,166	26,709,586	25,998,803	25,982,946	29,332,524
Permits and fees	2,184,531	1,443,288	1,667,286	1,607,876	1,671,605	1,376,273	1,265,919	1,168,353	1,206,080	1,005,656
Sales and services	13,014,722	14,677,612	12,412,101	13,939,854	10,900,358	10,535,924	11,270,029	10,634,229	12,617,948	12,199,323
Contributions	(200,000)	-	3,200,000	1,200,000						
Investment earnings	272,628	1,509,371	1,624,168	847,182	588,334	422,198	362,419	299,144	482,991	521,302
Miscellaneous	780,475	1,971,617	979,893	813,568	482,720	454,708	477,661	353,176	505,727	2,026,872
Total	<u>\$ 202,401,869</u>	<u>\$ 184,052,369</u>	<u>\$ 165,978,681</u>	<u>\$ 155,914,992</u>	<u>\$ 153,140,213</u>	<u>\$ 150,956,804</u>	<u>\$ 139,491,676</u>	<u>\$ 136,520,343</u>	<u>\$ 131,381,224</u>	<u>\$ 133,632,671</u>
Revenues	202,401,869	184,052,369	165,978,681	155,914,992						
Expenditures	<u>188,104,358</u>	<u>175,055,867</u>	<u>157,331,958</u>	<u>159,472,236</u>						
	14,297,511	8,996,502	8,646,723	(3,557,244)						
Other Financing Sources	<u>175,629,206</u>	<u>3,841,191</u>	<u>389,235</u>	<u>4,258,489</u>						
Change in Fund Balances	189,926,717	12,837,693	9,035,958	701,245						

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						Ratio of Assessed Value to Estimated Actual Value	Total Direct Tax Rate
	Real Property	Personal Property	Public Service Companies	Less: Abatements	Total Taxable Assessed Value	Estimated Actual Value		
2021	\$ 11,485,773	\$ 3,407,092	\$ 361,394	\$ 59,986	\$ 15,194,273	\$ 18,744,477	81.1%	0.6700
2020	11,263,775	3,121,536	343,432	82,223	14,646,520	16,879,705	86.8%	0.6700
2019	11,039,662	2,991,521	339,712	51,816	14,319,078	15,610,028	91.7%	0.5900
2018	10,766,824	2,716,640	325,164	58,706	13,749,921	14,248,623	96.5%	0.5800
2017	10,626,260	2,566,916	315,569	76,681	13,432,064	13,477,889	99.7%	0.5800
2016	10,039,630	2,742,524	281,563	54,006	13,009,711	12,868,161	101.1%	0.5800
2015	10,176,788	2,363,810	276,227	30,767	12,786,058	12,016,971	106.4%	0.5300
2014	10,106,947	2,597,277	264,477	46,234	12,922,467	12,054,540	107.2%	0.5400
2013	10,046,849	2,176,338	305,820	56,781	12,472,226	11,586,981	107.6%	0.5200
2012	9,993,751	1,997,173	254,990	68,119	12,177,795	11,276,780	108.0%	0.5200

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, 2017. Tax rates are per \$100 of assessed value.

**Principal Property Taxpayers - Not complete until Tax Levy confirmed
Last Ten Fiscal Years**

Fiscal Year Ended June 30

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
2021	\$ 101,908,025	\$ 100,691,008	98.84%	\$ -	100,691,008	98.8%
2020	98,537,777	97,082,981	98.83%	700,259	97,783,240	99.2%
2019	84,260,473	83,802,384	98.95%	499,124	84,301,508	100.0%
2018	79,919,773	79,114,682	99.03%	182,487	79,297,169	99.2%
2017	77,172,709	77,172,709	98.92%	-	77,172,709	100.0%
2016	75,147,601	74,553,132	98.77%	594,469	75,147,601	100.0%
2015	67,537,045	66,796,202	98.47%	740,843	67,537,045	100.0%
2014	68,259,956	68,259,956	101.42%	-	68,259,956	100.0%
2013	63,040,855	63,040,855	100.02%	-	63,040,855	100.0%
2012	62,007,230	61,580,609	99.31%	426,621	62,007,230	100.0%

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 Fiscal Year Ended June 30									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
County Direct Rates										
Alamance County	0.6600	0.6700	0.5900	0.5800	0.5800	0.5800	0.5300	0.5400	0.5200	0.5200
City and Town Rates										
Village of Alamance	<u>0.2000</u>	<u>0.2000</u>	<u>0.2000</u>	<u>0.2000</u>	<u>0.2000</u>	<u>0.2000</u>	<u>0.2000</u>	<u>0.2000</u>	<u>0.2000</u>	<u>0.2000</u>
Total Direct and Overlapping	0.8600	0.8700	0.7900	0.7800	0.7800	0.7800	0.7300	0.7400	0.7200	0.7200
City of Burlington	<u>0.5973</u>	<u>0.5973</u>	<u>0.5973</u>	<u>0.5973</u>	<u>0.5800</u>	<u>0.5800</u>	<u>0.5800</u>	<u>0.5800</u>	<u>0.5800</u>	<u>0.5800</u>
Total Direct and Overlapping	1.2573	1.2673	1.1873	1.1773	1.1600	1.1600	1.1100	1.1200	1.1000	1.1000
City of Burlington - Downtown	<u>0.1700</u>	<u>0.1700</u>	<u>0.1700</u>	<u>0.1700</u>	<u>0.1600</u>	<u>0.1600</u>	<u>0.1600</u>	<u>0.1600</u>	<u>0.1600</u>	<u>0.1600</u>
Total Direct and Overlapping	0.8300	0.8400	0.7600	0.7500	0.7400	0.7400	0.6900	0.7000	0.6800	0.6800
City of Graham	<u>0.4550</u>	<u>0.4550</u>	<u>0.4550</u>	<u>0.4550</u>	<u>0.4550</u>	<u>0.4450</u>	<u>0.4550</u>	<u>0.4400</u>	<u>0.4400</u>	<u>0.4400</u>
Total Direct and Overlapping	1.1150	1.1250	1.0450	1.0350	1.0350	1.0250	0.9850	0.9800	0.9600	0.9600
Town of Elon	<u>0.4500</u>	<u>0.4500</u>	<u>0.4500</u>	<u>0.4500</u>	<u>0.4200</u>	<u>0.4200</u>	<u>0.4200</u>	<u>0.4200</u>	<u>0.3700</u>	<u>0.3700</u>
Total Direct and Overlapping	1.1100	1.1200	1.0400	1.0300	1.0000	1.0000	0.9500	0.9600	0.8900	0.8900
Town of Gibsonville	<u>0.5300</u>	<u>0.5300</u>	<u>0.5300</u>	<u>0.5300</u>	<u>0.5100</u>	<u>0.5100</u>	<u>0.5100</u>	<u>0.5100</u>	<u>0.5150</u>	<u>0.5150</u>
Total Direct and Overlapping	1.1900	1.2000	1.1200	1.1100	1.0900	1.0900	1.0400	1.0500	1.0350	1.0350
Town of Green Level	<u>0.3600</u>	<u>0.3600</u>	<u>0.3600</u>	<u>0.3600</u>	<u>0.3600</u>	<u>0.3600</u>	<u>0.3400</u>	<u>0.3400</u>	<u>0.3400</u>	<u>0.3400</u>
Total Direct and Overlapping	1.0200	1.0300	0.9500	0.9400	0.9400	0.9400	0.8700	0.8800	0.8600	0.8600
Town of Haw River	<u>0.6300</u>	<u>0.6300</u>	<u>0.4800</u>	<u>0.4800</u>	<u>0.4800</u>	<u>0.4800</u>	<u>0.4800</u>	<u>0.4800</u>	<u>0.4500</u>	<u>0.4500</u>
Total Direct and Overlapping	1.2900	1.3000	1.0700	1.0600	1.0600	1.0600	1.0100	1.0200	0.9700	0.9700
Town of Mebane	<u>0.4700</u>	<u>0.4700</u>	<u>0.4700</u>	<u>0.4700</u>	<u>0.4900</u>	<u>0.4900</u>	<u>0.4900</u>	<u>0.4700</u>	<u>0.4700</u>	<u>0.4700</u>
Total Direct and Overlapping	1.1300	1.1400	1.0600	1.0500	1.0700	1.0700	1.0200	1.0100	0.9900	0.9900
Town of Ossipee	<u>0.2125</u>	<u>0.2125</u>	<u>0.0725</u>	<u>0.0725</u>	<u>0.0725</u>	<u>0.0725</u>	<u>0.0725</u>	<u>0.0725</u>	<u>0.0750</u>	<u>0.0750</u>
Total Direct and Overlapping	0.8725	0.8825	0.6625	0.6525	0.6525	0.6525	0.6025	0.6125	0.5950	0.5950

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 Fiscal Year Ended June 30									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Fire District Rates										
54 East	<u>0.0900</u>	<u>0.0900</u>	<u>0.0900</u>	<u>0.0900</u>	<u>0.0900</u>	<u>0.0900</u>	<u>0.0900</u>	<u>0.0900</u>	<u>0.0900</u>	<u>0.0900</u>
Total Direct and Overlapping	0.7500	0.7600	0.6800	0.6700	0.6700	0.6700	0.6200	0.6300	0.6100	0.6100
Altamahaw-Ossipee	<u>0.1400</u>	<u>0.1400</u>	<u>0.1400</u>	<u>0.1400</u>	<u>0.1175</u>	<u>0.1175</u>	<u>0.1175</u>	<u>0.1075</u>	<u>0.1075</u>	<u>0.1075</u>
Total Direct and Overlapping	0.8000	0.8100	0.7300	0.7200	0.6975	0.6975	0.6475	0.6475	0.6275	0.6275
E.M. Holt	<u>0.1175</u>	<u>0.1175</u>	<u>0.1175</u>	<u>0.1175</u>	<u>0.1175</u>	<u>0.1075</u>	<u>0.1075</u>	<u>0.1075</u>	<u>0.0975</u>	<u>0.0975</u>
Total Direct and Overlapping	0.7775	0.7875	0.7075	0.6975	0.6975	0.6875	0.6375	0.6475	0.6175	0.6175
East Alamance	<u>0.1050</u>	<u>0.1050</u>	<u>0.1050</u>	<u>0.1050</u>	<u>0.1050</u>	<u>0.1050</u>	<u>0.1050</u>	<u>0.0850</u>	<u>0.0850</u>	<u>0.0850</u>
Total Direct and Overlapping	0.7650	0.7750	0.6950	0.6850	0.6850	0.6850	0.6350	0.6250	0.6050	0.6050
Eli Whitney/87 South	<u>0.1100</u>	<u>0.1100</u>	<u>0.0800</u>	<u>0.0800</u>	<u>0.0800</u>	<u>0.0800</u>	<u>0.0800</u>	<u>0.0800</u>	<u>0.0800</u>	<u>0.0800</u>
Total Direct and Overlapping	0.7700	0.7800	0.6700	0.6600	0.6600	0.6600	0.6100	0.6200	0.6000	0.6000
Elon	<u>0.1200</u>	<u>0.1200</u>	<u>0.1100</u>	<u>0.1100</u>	<u>0.1100</u>	<u>0.1100</u>	<u>0.1100</u>	<u>0.1100</u>	<u>0.1050</u>	<u>0.1050</u>
Total Direct and Overlapping	0.7800	0.7900	0.7000	0.6900	0.6900	0.6900	0.6400	0.6500	0.6250	0.6250
Faucette	<u>0.1200</u>	<u>0.1200</u>	<u>0.1100</u>	<u>0.1100</u>	<u>0.1100</u>	<u>0.0925</u>	<u>0.0925</u>	<u>0.0925</u>	<u>0.0875</u>	<u>0.0875</u>
Total Direct and Overlapping	0.7800	0.7900	0.7000	0.6900	0.6900	0.6725	0.6225	0.6325	0.6075	0.6075
Haw River	<u>0.1350</u>	<u>0.1350</u>	<u>0.1350</u>	<u>0.1350</u>	<u>0.1350</u>	<u>0.1350</u>	<u>0.1350</u>	<u>0.1350</u>	<u>0.1350</u>	<u>0.1350</u>
Total Direct and Overlapping	0.7950	0.8050	0.7250	0.7150	0.7150	0.7150	0.6650	0.6750	0.6550	0.6550
North Central Alamance	<u>0.1150</u>	<u>0.1150</u>	<u>0.1150</u>	<u>0.1150</u>	<u>0.1150</u>	<u>0.1050</u>	<u>0.1050</u>	<u>0.1050</u>	<u>0.1050</u>	<u>0.1050</u>
Total Direct and Overlapping	0.7750	0.7850	0.7050	0.6950	0.6950	0.6850	0.6350	0.6450	0.6250	0.6250
North Eastern Alamance	<u>0.1000</u>	<u>0.1000</u>	<u>0.1000</u>	<u>0.1000</u>	<u>0.1000</u>	<u>0.0800</u>	<u>0.0800</u>	<u>0.0800</u>	<u>0.0700</u>	<u>0.0700</u>
Total Direct and Overlapping	0.7600	0.7700	0.6900	0.6800	0.6800	0.6600	0.6100	0.6200	0.5900	0.5900
Snow Camp	<u>0.1250</u>	<u>0.0950</u>	<u>0.0950</u>	<u>0.0950</u>	<u>0.0950</u>	<u>0.0950</u>	<u>0.0950</u>	<u>0.0950</u>	<u>0.0850</u>	<u>0.0850</u>
Total Direct and Overlapping	0.7850	0.7650	0.6850	0.6750	0.6750	0.6750	0.6250	0.6350	0.6050	0.6050
Swepsonville	<u>0.0900</u>	<u>0.0900</u>	<u>0.0900</u>	<u>0.0900</u>	<u>0.0900</u>	<u>0.0900</u>	<u>0.0900</u>	<u>0.0900</u>	<u>0.0900</u>	<u>0.0900</u>
Total Direct and Overlapping	0.7500	0.7600	0.6800	0.6700	0.6700	0.6700	0.6200	0.6300	0.6100	0.6100

Source: Alamance County Tax Department

Note: (1) Property was revalued January 1, 2017, and 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			
	General Obligation Bonded Debt	Revolving and Installment Loan Debt	Capital Leases	Percentage of Actual Property Value ^a	Per Capita ^b	Landfill Bonds	Total ^c	Percentage of Personal Income	Per Capita ^b
2021	\$205,490,867	\$ 6,728,724	\$ 2,382,359	1.41%	1,257.20		\$ 214,601,950	2.85%	1,257.20
2020	36,777,602	7,533,582	2,169,382	0.32%	272.64		46,480,566	0.63%	272.64
2019	42,337,388	7,244,487	1,618,599	0.36%	308.90	-	51,200,474	0.74%	308.90
2018	47,932,174	9,946,932	2,336,724	0.44%	368.66	-	60,215,830	0.94%	368.66
2017	53,426,960	9,422,066	1,688,251	0.48%	399.70	-	64,537,277	1.05%	399.70
2016	42,320,707	12,039,671	1,015,422	0.43%	351.54	-	55,375,800	0.98%	351.54
2015	47,017,077	15,492,582	1,111,144	0.50%	408.38	-	63,620,803	1.18%	408.38
2014	52,238,447	19,057,750	1,497,962	0.59%	473.79	-	72,794,159	1.40%	473.79
2013	56,869,567	22,622,571	1,961,899	0.67%	532.28	-	81,454,037	1.56%	532.28
2012	56,673,504	26,092,079	1,396,451	0.69%	551.77	-	84,162,034	1.62%	551.77

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									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General bonded debt outstanding										
General obligation bonds	\$ 205,490,867	\$ 36,777,602	\$ 42,337,388	\$ 47,932,174	\$ 53,426,960	\$ 42,320,707	\$ 47,017,077	\$ 52,238,447	\$ 56,869,567	\$ 56,673,504
Percentage of estimated actual property value ^a	1.35%	0.25%	0.30%	0.35%	0.40%	0.33%	0.37%	0.40%	0.46%	0.46%
Per capita ^b	1,203.83	215.73	255.43	293.45	330.89	268.67	301.80	340.00	371.63	371.55
Total net debt applicable to debt limit	205,490,867	36,777,602	42,337,388	47,932,174	53,426,960	42,320,707	47,017,077	52,238,447	56,869,567	82,413,079
Legal debt limit ^c	<u>1,215,541,839</u>	<u>1,171,721,636</u>	<u>1,145,526,278</u>	<u>1,099,993,710</u>	<u>1,074,565,159</u>	<u>1,040,776,855</u>	<u>1,022,884,604</u>	<u>1,033,797,353</u>	<u>997,778,046</u>	<u>975,472,955</u>
Legal debt margin ^d	<u>\$ 1,010,050,972</u>	<u>\$ 1,134,944,034</u>	<u>\$ 1,103,188,890</u>	<u>\$ 1,052,061,536</u>	<u>\$ 1,021,138,199</u>	<u>\$ 998,456,148</u>	<u>\$ 975,867,527</u>	<u>\$ 981,558,906</u>	<u>\$ 940,908,479</u>	<u>\$ 893,059,876</u>
Legal debt margin as a percentage of the debt limit	83.09%	96.86%	96.30%	95.64%	95.03%	95.93%	95.40%	94.95%	94.30%	91.55%

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

^a Property value can be found in Table 11

^b Population data can be found in Table 18

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

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

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

June 30, 2021

Table 17

Government Unit:	Debt Outstanding	Estimated Percentage Applicable	Amount Applicable to County
City of Burlington	\$ 2,389,000	89.83%	\$ 2,146,039
City of Mebane	-	83.00%	-
Subtotal overlapping debt			2,146,039
Alamance County direct debt			214,601,950
Total direct and overlapping debt			<u>\$ 216,747,988</u>

Note: Overlapping governments are those that coincide, at least in part, with geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of Alamance County. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

ALAMANCE COUNTY, NORTH CAROLINA

Demographic and Economic Statistics Last Ten Fiscal Years

Table 18

Fiscal Year Ended June 30	Population ^a	Personal Income	Per Capita Personal Income ^b	Median Age ^b	School Enrollment ^c	Unemployment Rate ^d
2021	170,698	7,528,976,686	\$ 44,107	38.8	22,827	5.0%
2020	170,483	7,372,025,886	43,242	40.0	22,797	7.9%
2019	165,749	6,897,644,635	41,615	39.9	22,526	4.4%
2018	163,339	6,420,529,412	39,308	39.7	22,628	4.2%
2017	161,463	6,154,969,560	38,120	39.7	22,571	4.4%
2016	157,522	5,641,020,342	35,811	39.4	22,600	4.4%
2015	155,788	5,412,075,120	34,740	39.4	22,724	5.7%
2014	153,642	5,198,169,786	33,833	39.3	22,611	6.3%
2013	153,029	5,220,278,277	34,113	39.15	21,977	9.5%
2012	152,531	5,195,663,453	34,063	38.7	22,434	10.0%

Sources:

^a N. C. State Demographics Website

^b State Data Center

^c Alamance-Burlington School System with 2009 being estimated

^d N.C. Department of Commerce, Labor & Economic Analysis Division

ALAMANCE COUNTY, NORTH CAROLINA

**Principal Employers
Last Ten Fiscal Years**

Table 19

Fiscal Year Ended June 30															
Employer	2021			2020			2019			2018			2017		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Alamance-Burlington School System	3,500	1	2.11%	3,500	1	2.11%	3,500	1	2.11%	3,500	1	2.14%	3,500	1	2.17%
Laboratory Corp. of America	3,000	2	1.81%	3,000	2	1.81%	3,000	2	1.81%	3,000	2	1.84%	3,000	2	1.86%
Cone Health Alamance Regional	2,000	3	1.21%	2,000	3	1.21%	2,000	3	1.21%	2,000	3	1.22%	2,000	3	1.24%
Elon University	1,500	4	0.90%	1,500	4	0.90%	1,500	4	0.90%	1,500	4	0.92%	1,500	4	0.93%
Wal-Mart	1,200	5	0.72%	1,200	5	0.72%	1,200	5	0.72%	1,200	5	0.73%	1,200	5	0.74%
City of Burlington	1,100	6	0.66%	1,100	6	0.66%	1,100	6	0.66%	1,100	6	0.67%	1,100	6	0.68%
Alamance County Government	950	7	0.57%	950	7	0.57%	950	7	0.57%	950	7	0.58%	950	7	0.59%
Honda Power Equipment	850	8	0.51%	850	8	0.51%	850	8	0.51%	850	8	0.52%	850	8	0.53%
GKN Driveline North America	800	9	0.48%	800	9	0.48%	800	9	0.48%	800	9	0.49%	800	9	0.50%
Alamance Community College	650	10	0.39%	650	10	0.39%	650	10	0.39%	650	10	0.40%	650	10	0.40%
	15,550		9.38%	15,550		9.38%	15,550		9.38%	15,550		9.52%	15,550		9.63%
Employer	2016			2015			2014			2013			2012		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Alamance-Burlington School System	3,329	1	2.11%	3,329	1	2.18%	3,329	1	2.18%	3,260	1	2.13%	3,260	1	2.14%
Laboratory Corp. of America	2,500	2	1.59%	2,500	2	1.64%	2,500	2	1.64%	3,200	2	2.09%	3,200	2	2.10%
Cone Health Alamance Regional	2,240	3	1.42%	2,240	3	1.47%	2,240	3	1.47%	2,057	3	1.34%	2,057	3	1.35%
Elon University	1,403	4	0.89%	1,403	4	0.92%	1,403	4	0.92%	1,290	4	0.84%	1,290	4	0.85%
Wal-Mart	1,000	5	0.63%	1,000	5	0.66%	1,000	5	0.66%	1,000	6	0.65%	1,000	6	0.66%
City of Burlington	806	7	0.51%	806	7	0.53%	806	7	0.53%	875	7	0.57%	875	7	0.57%
Alamance County Government	956	6	0.61%	956	6	0.63%	956	6	0.63%	1,100	5	0.72%	1,100	5	0.72%
Honda Power Equipment	750	9	0.48%	600	10	0.39%	600	10	0.39%	600	9	0.39%	675	8	0.44%
GKN Automotive	800	8	0.51%	800	8	0.52%	800	8	0.52%	500	10	0.33%	500	10	0.33%
Alamance Community College	652	10	0.41%	652	9	0.43%	652	9	0.43%	664	8	0.43%	664	9	0.44%
	14,436		9.16%	14,286		9.37%	14,286		#DIV/0!	14,546		9.51%	14,621		9.59%

Source:
Alamance County Chamber of Commerce

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

Table 20

Function/Program	Fiscal Year Ended June 30									
	2021 ^a	2020 ^a	2019 ^a	2018 ^a	2017 ^a	2016 ^a	2015 ^a	2014 ^a	2013 ^a	2012 ^a
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	4.50	4.00	4.00	3.00	3.00	3.00	2.50	2.50	3.00	3.00
Planning	3.00	3.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.50
Human Resources	7.00	7.00	5.00	5.00	4.00	4.00	4.00	4.00	4.00	4.00
Budget	3.00									
Finance	7.00	9.00	8.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Legal	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	5.00
Register of Deeds	11.50	11.50	11.00	10.50	10.50	10.50	10.50	10.50	10.50	10.50
Revaluation	2.00	2.00	0.33	0.33	1.33	1.50	0.00	0.00	0.00	0.00
MIS	21.00	20.00	19.00	20.00	20.00	20.00	18.00	18.00	18.00	19.00
Printing Services	0.00	1.00	1.00	1.00	1.00	1.00	2.00	1.75	1.75	1.75
Purchasing	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Tax Administration	30.00	30.00	29.00	29.00	28.00	28.00	27.00	27.00	27.00	30.50
GIS/Mapping	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Maintenance	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	14.00
Elections	24.41	17.66	17.00	17.00	17.00	17.00	17.75	18.00	19.68	27.00
Culture & Recreation										
Library	56.68	47.18	47.10	44.48	43.32	46.88	43.98	42.10	43.56	42.47
Recreation	23.01	24.70	38.00	36.50	35.50	22.92	23.08	25.72	27.22	34.50
Economic & Physical Development										
Cooperative Extension	7.00	7.00	4.50	5.00	4.00	4.75	4.75	4.50	3.97	8.00
Soil Conservation	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Public Safety										
Judicial Services						0.00	0.00	0.00	0.00	7.00
Sheriff's Office	146.56	146.56	148.50	148.75	139.28	137.62	134.77	133.14	137.55	140.00
School Resource Officers	12.00	11.00	8.00	8.00	8.00	8.00	7.00	7.00	7.00	7.00
Jail	152.67	154.14	128.50	127.25	126.99	128.56	126.90	126.90	134.83	133.50
Emergency Management	1.00	1.00	1.00	1.00	1.00	1.00	0.00	0.00	0.00	0.00
Fire Marshal	5.00	5.00	5.00	4.50	4.00	4.00	5.00	5.00	4.00	4.00
SARA Management	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.50	1.50
Inspections	11.00	11.00	11.00	10.50	9.66	10.00	10.00	10.00	12.00	13.50
Emergency Medical Service	108.08	110.68	108.00	106.00	89.50	100.32	103.68	98.35	98.02	102.50
Central Communications	39.45	39.45	37.00	38.00	33.00	37.65	37.95	34.93	33.61	35.00

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

Table 20

	Fiscal Year Ended June 30									
	<u>2021^a</u>	<u>2020^a</u>	<u>2019^a</u>	<u>2018^a</u>	<u>2017^a</u>	<u>2016^a</u>	<u>2015^a</u>	<u>2014^a</u>	<u>2013^a</u>	<u>2012^a</u>
Human Services										
Health	86.20	86.10	86.00	84.00	86.50	85.00	84.63	85.33	87.83	88.38
WIC Program	15.80	13.90	16.00	16.00	16.00	16.00	17.00	16.80	16.80	15.00
Dental	13.00	12.00	12.50	11.50	12.00	12.00	12.00	12.00	11.50	11.30
Social Services	232.02	231.02	225.65	227.00	223.60	226.58	197.72	195.63	201.62	193.70
Social Services-Elder Justice	0.00	2.00	1.00	2.00						
Social Services-Family Justice Center	0.00	3.00	3.00	3.00						
Social Services-Family Assessment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	2.00
Social Services-SAMHSA	0.00	0.00	0.00	0.00	0.00	0.00	3.48	3.00	2.48	2.50
Veteran's Services	3.00	3.00	3.00	3.00	2.00	2.00	2.00	2.00	2.00	2.00
Landfill	22.00	22.00	21.00	21.00	20.50	18.50	19.00	18.00	19.00	18.00
Total	1077.86	1065.87	1031.08	1023.31	979.68	986.78	954.69	942.15	968.42	1000.10

Source: Alamance County Payroll Department.

Notes:

^aAs budgeted.

^b Emergency Management was separated from the Fire Marshal Department.

ALAMANCE COUNTY, NORTH CAROLINA

**Operating Indicators by Function/Program
Last Ten Fiscal Years**

Table 21

<u>Function/Program</u>	<u>Fiscal Year Ended June 30</u>									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Fire protection:										
Number of stations	23	23	23	22	22	22	22	21	20	20
Number of fire personnel and officers	439	467	520	483	450	466	447	425	430	450
Number of calls answered	11,749	12,158	13,233	11,929	11,383	10,479	9,736	10,094	10,048	8,899
Number of inspections conducted	1,092	1,180	1,358	956	1,593	972	1,303	1,488	1,443	1,178
Sheriff protection:										
Number of Sheriff personnel and officers	340	310	298	284	274	268	278	267	283.4	271.5
Number of sworn officers	166	138	138	140	135	121	121	125	123	126
Number of law violations:										
Major offenses	744	717	693	774	841	963	958	1,594	1,639	1,155
Civil papers served	8,433	9,989	11,213	9,378	9,071	8,750	8,748	8,933	9,242	9,897
Traffic violations	3,541	910	1,176	1,339	1,749	1,512	1,233	1,726	1,831	1,283
Inspections:										
Building Permits-Residential ^a		451	375	504	588	405	342	308	290	196
Building Permits-Non-Residential ^a		13	13	20	23	12	15	10	18	8

Source: Various County Departments

Note:

^a Building permits are accounted for the calendar year. Calendar 2020 information is not available.

ALAMANCE COUNTY, NORTH CAROLINA

**Capital Asset Statistics by Function/Program
Last Ten Fiscal Years**

Table 22

<u>Function/Program</u>	<u>Fiscal Year Ended June 30</u>									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Sheriff protection										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of patrol cars	213	164	132	132	132	127	114	114	109	114
Parks and recreation										
Acreage	1,701	1,269	1,164	1,164	800	798	657	628	454	454
Acreage-Leased ^a	283	283	258	258	258	258	258	258	258	412
Baseball/Softball diamonds	-	-	-	-	-	-	-	-	1	1
Baseball/Softball diamonds-leased ^a	7	7	7	7	9	9	9	9	8	8
Library										
Branches	5	5	5	5	5	5	5	5	5	5
Emergency Medical Services										
Number of stations ^b	6	6	6	4	4	4	3	3	3	3
Number of ambulances	16	16	15	16	16	13	13	13	13	13
Number of medic trucks	11	9	10	7	7	7	7	7	6	6

^aLeased information added in FY2007-2008.

^bLeased information added in FY2018-2019.

Source: Various County Departments

COMPLIANCE SECTION

Alamance County, North Carolina
Financial Statements and Schedules

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

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

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Independent Auditor's Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Alamance County, North Carolina, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Alamance County's basic financial statements, and have issued our report thereon dated March 28, 2022. Our report includes a reference to other auditors who audited the financial statements of the Alamance County Transportation Authority, as described in our report on Alamance County's financial statements. The financial statements of the Alamance County Tourism Development Authority were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable non-compliance associated with the Alamance County Tourism Development Authority.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Alamance County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, non-compliance with which could have a direct and material effect on the financial statements. 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*.

Purpose of This Report

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

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
March 28, 2022

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

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

Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; Required by the Uniform Guidance and the State Single Audit Implementation Act

Independent Auditor's Report

To the Board of Commissioners
Alamance County
Graham, North Carolina

Report On Compliance for Each Major Federal Program

We have audited Alamance County, North Carolina's, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission that could have a direct and material effect on each of Alamance County's major federal programs for the year ended June 30, 2021. Alamance County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings, Responses, and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Alamance County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act, require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Alamance County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion On Each Major Federal Program

In our opinion, Alamance County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Other Matters

The results of our auditing procedures disclosed an instance of non-compliance, which is required to be reported in accordance with Uniform Guidance and which is described in the accompanying Schedule of Findings, Responses, and Questioned Costs as Finding 2021-003. Our opinion on each major federal program is not modified with respect to this matter.

Alamance County's response to the non-compliance finding identified in our audit is described in the accompanying Corrective Action Plan. Alamance County's response was not subjected to the auditing procedures applied in the audit of compliance and we express no opinion on the response.

Report On Internal Control Over Compliance

Management of Alamance County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Alamance County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, 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 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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control over compliance described in the accompanying Schedule of Findings, Responses, and Questioned Costs as Findings 2021-001, 2021-002 and 2021-003 that we consider to be material weaknesses.

Alamance County's responses to the internal control over compliance findings identified in our audit are described in the accompanying Corrective Action Plan. Alamance County's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P. A.
Hickory, North Carolina
March 28, 2022

Alamance County, North Carolina
Financial Statements and Schedules

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

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

Report on Compliance for Each Major State Program; Report on Internal Control Over Compliance; Required by the Uniform Guidance and the State Single Audit Implementation Act

Independent Auditor's Report

To the Board of Commissioners
Alamance County
Graham, North Carolina

Report on Compliance for Each Major State Program

We have audited Alamance County, North Carolina's, compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission that could have a direct and material effect on each of Alamance County's major state programs for the year ended June 30, 2021. Alamance County's major state programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings, Responses, and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with state statutes, regulations, and the terms and conditions of its state awards, contracts, and applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Alamance County's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; applicable sections of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act, require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about Alamance County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion On Each Major State Program

In our opinion, Alamance County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2021.

Other Matters

The results of our auditing procedures disclosed an instance of non-compliance, which is required to be reported in accordance with Uniform Guidance and which is described in the accompanying Schedule of Findings, Responses, and Questioned Costs as Finding 2021-003. Our opinion on each major state program is not modified with respect to this matter.

Alamance County's response to the non-compliance finding identified in our audit is described in the accompanying Corrective Action Plan. Alamance County's response was not subjected to the auditing procedures applied in the audit of compliance and we express no opinion on the response.

Report On Internal Control Over Compliance

Management of Alamance County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Alamance County's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 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 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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies or and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control over compliance, described in the accompanying Schedule of Findings, Responses, and Questioned Costs as items 2021-002 and 2021-003 that we consider to be material weaknesses.

Alamance County's responses to the internal control over compliance findings identified in our audit are described in the accompanying Corrective Action Plan. Alamance County's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
March 28, 2022

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2021

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

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

Non-compliance material to financial statements noted?

_____ Yes X No

Federal Awards

Internal control over major federal programs:

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

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

 X Yes _____ No

Identification of major federal programs:

<u>Federal Program/Cluster Name</u>	<u>Federal AL #</u>
Medicaid Cluster	93.778
Supplemental Nutrition Assistance Program (SNAP) Cluster	10.561
Special Supplemental Nutrition Program for Women, Infants and Children (WIC)	10.557
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027
COVID-19 Coronavirus Relief Fund	21.019
Foster Care – Title IV - E	93.658
Adoption Assistance	93.659
Immunization Cooperative Agreements	93.268

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

_____ Yes X No

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2021

Section I – Summary of Auditor's Results (continued)

State Awards

Internal control over major state programs:

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

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

Unmodified

Any findings disclosed that are required to be
reported in accordance with the State Single
Audit Implementation Act?

 X Yes No

Identification of major state programs:

Program Name:

Public School Building Capital Fund
Clean Water Management Trust Fund – Cane Mountain Natural Area
Medicaid Cluster
Foster Care and Adoption Cluster

ALAMANCE COUNTY, NORTH CAROLINA

**SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021**

Section II – Financial Statement Findings

None reported.

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2021

Section III – Federal Award Findings, Responses, and Questioned Costs

US Department of Health and Human Services

Passed through the N.C. Dept. of Health and Human Services

Program Name: Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)

AL # 10.557

Grant Number: 403 13A2 5403

Finding: 2021-001

MATERIAL WEAKNESS

Criteria: In accordance with 2 CFR 200, management should have an adequate system of internal control procedures in place to properly review and assess the eligibility of individuals to ensure the accuracy of the benefits being provided is within program requirements. Verification of accuracy of information used in determining eligibility should be performed by management. Evidence of the review should be documented and include authorized signatures.

Condition: The County Health Department did not have adequate review controls in place to ensure the proper eligibility determinations were being made and documented. The County did not have evidence of reviews performed over the program tested for the entire period under audit.

Context: The County did not have evidence of reviews performed over the program for the entire period under audit.

Effect: Casefiles could be missing the required eligibility determination documentation which would allow benefits to be provided to individuals who are not eligible.

Cause: Weakness in implementation of controls over second party review procedures performed by management.

Questioned Costs: None. The finding represents an internal control issue; therefore, no questioned costs are applicable.

Recommendation: Evidence of documentation of reviews should be retained and include electronic signatures of reviewer. Any deficiencies noted during the review should be corrected within a timely manner and documented as such.

Name of Contact Person: Nicole Alston

Views of Responsible Officials and Planned Corrective Action: Management concurs with this finding. Please refer to the Corrective Action Plan.

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2021

Section III – Federal Award Findings, Responses, and Questioned Costs (continued)

US Department of Health and Human Services

Passed through the N.C. Dept. of Health and Human Services

Program Name: Medical Assistance Program

AL # 93.778

Grant Number: XIX-MAP21

Finding: 2021-002

MATERIAL WEAKNESS

Criteria: In accordance with 2 CFR 200, management should have an adequate system of internal control procedures in place to ensure that casefiles include properly reviewed income calculations and household compositions. In accordance with 45 CFR 435, documentation must be maintained to support eligibility determinations.

Condition: The County Department of Social Services failed to properly determine income for one applicant and household composition for two applicants. Upon further review, each of the three applicants were ultimately eligible.

Context: Of the 2,876,174 benefit payments valued at \$318,560,791, we examined 60 payment records (\$4,026 value) and determined that three casefiles (5% valued at \$11.25) did not have properly calculated income or household compositions. One casefile did not have properly calculated income. Two casefiles did not have properly calculated household compositions. Upon further review and recalculation, each of the three applicants were deemed eligible.

Effect: Casefile did not have properly calculated income or household compositions, which could allow benefits to be provided to individuals who are not eligible.

Cause: The caseworker did not correctly enter the income or household composition.

Questioned Costs: None. The finding represents an internal control issue; therefore, no questioned costs are applicable. The County was able to substantiate that the applicants were eligible to receive benefits.

Recommendation: Caseworkers should review their eligibility determinations and ensure all information is entered correctly. Calculations should be reviewed for accuracy before approving benefits.

Name of Contact Person: Adrian Daye

Views of Responsible Officials and Planned Corrective Action: Management concurs with this finding. Please refer to the Corrective Action Plan.

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2021

Section III – Federal Award Findings, Responses, and Questioned Costs (continued)

US Department of Health and Human Services

Passed through the N.C. Dept. of Health and Human Services

Program Name: Medical Assistance Program

AL # 93.778

Grant Number: XIX-MAP21

NON-MATERIAL NON-COMPLIANCE

MATERIAL WEAKNESS

Finding: 2021-003

Criteria: In accordance with 42 CFR 431, benefits should be terminated timely to prevent payment errors. In accordance with 2 CFR 200, management should have an adequate system of internal control procedures in place to ensure that benefits are properly discontinued after the case is terminated.

Condition: One casefile was not properly end dated and the participant moved out of state. As a result, covid extensions continued.

Context: Of the 2,876,174 benefit payments valued at \$318,560,791, we examined 60 payment records (\$4,026 value) and determined that one (2% valued at \$44) of the participants received benefits after the participant moved out of state.

Effect: Benefits not being properly terminated could cause the County to expend funds over the eligible amount.

Cause: The caseworker did not review to ensure that benefits were properly terminated.

Questioned Costs: In accordance with 2 CFR 200, auditors are required to report known questioned costs when likely questioned costs are greater than \$25,000. Even though the sample results only identified \$44 (federal share \$44 and state share \$0) in questioned costs, if tests were extended to the entire population, questioned costs could exceed \$25,000.

Identification of a Repeat Finding: This is a modified and repeated finding from the immediate previous audit, 2020-004.

Recommendation: Caseworkers should review cases to ensure that benefits are properly terminated when participants move out of state.

Name of Contact Person: Adrian Daye

Views of Responsible Officials and Planned Corrective Action: Management concurs with this finding. Please refer to the Corrective Action Plan.

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2021

Section IV – State Award Findings, Responses, and Questioned Costs

N.C. Department of Health and Human Services

Program Name: Medical Assistance Program

Finding: 2021-002 – In accordance with 2 CFR 200, management should have an adequate system of internal control procedures in place to ensure that casefiles include properly reviewed income calculations and household compositions. In accordance with 45 CFR 435, documentation must be maintained to support eligibility determinations. See more details at Finding 2021-002 in Section III – Federal Award Findings, Responses, and Questioned Costs.

Finding: 2021-003 – In accordance with 42 CFR 431, benefits should be terminated timely to prevent payment errors. In accordance with 2 CFR 200, management should have an adequate system of internal control procedures in place to ensure that benefits are properly discontinued after the case is terminated. See more details at Finding 2021-003 in Section III – Federal Award Findings, Responses, and Questioned Costs.

Alamance County

FINANCE DEPARTMENT
124 West Elm Street
Graham, North Carolina 27253
Tel. (336) 570-4026
FAX (336) 570-6360

Susan Evans
Finance Officer

CORRECTIVE ACTION PLAN FOR THE YEAR ENDED JUNE 30, 2021

Section III – Federal Award Findings and Questioned Costs:

Finding: 2021-001

Name of Contact Person: Nicole Alston

Corrective Action/Management's Response: The WIC Director, Clerical Supervisor or designee will randomly audit a minimum of 10 Crossroads records, weekly X 4 weeks, of participants with certification appointments effective June 1, 2021. After 4 weeks, the WIC Director, Clerical Supervisor or designee will randomly audit at least 10 Crossroads records a minimum of quarterly for quality assurance.

Proposed Completion Date: 7/28/21

Finding: 2021-002

Name of Contact Person: Adrian Daye, DSS Director

Corrective Action/Management's Response: Management concurs with this finding. Caseworkers will be reminded of appropriate steps when determining eligibility. Program Manager will implement a targeted QC requirement for supervisors of their fully trained staff of no less than 5 approved cases per worker per month to check income determinations and household composition. Targeted QC will last until there are 2 consecutive months with no findings. This will allow supervisors to have sufficient data to ensure staff are completing reviews appropriately. Process implemented will ensure cases are reevaluated timely and all applicable documents are present in the agency records and used to correctly determine household composition and income eligibility.

Proposed Completion Date: The above procedure will take effect immediately and will be monitored until completion timeframe as stated above has been met. Plan will be reevaluated and methods modified should improvement not be achieved.

Alamance County

FINANCE DEPARTMENT
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Susan Evans
Finance Officer

CORRECTIVE ACTION PLAN FOR THE YEAR ENDED JUNE 30, 2021

Section III – Federal Award Findings and Questioned Costs (continued):

Finding: 2021-003

Name of Contact Person: Adrian Daye, DSS Director

Corrective Action/Management's Response: Caseworkers will be reminded of the appropriate steps when terminating a case to ensure evidence is managed accurately and benefits are properly terminated. Program Manager will implement a targeted QC requirement for supervisors of their fully trained staff of no less than 5 terminated cases per worker per month to check that benefits were properly terminated. Targeted QC will last until there are 2 consecutive months with no findings. This will allow supervisors to have sufficient data to ensure staff are completing reviews appropriately. Process implemented will ensure cases are reevaluated timely and terminated as appropriate with proper termination in the system.

Proposed Completion Date: The above procedure will take effect immediately and will be monitored until completion timeframe as stated above has been met. Plan will be reevaluated and methods modified should improvement not be achieved.

Alamance County

FINANCE DEPARTMENT
124 West Elm Street
Graham, North Carolina 27253
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FAX (336) 570-6360

Susan Evans
Finance Officer

CORRECTIVE ACTION PLAN FOR THE YEAR ENDED JUNE 30, 2021

Section IV – State Award Findings and Questioned Costs

Finding: 2021-002

See Finding 2021-002 in Section III – Federal Award Findings and Questioned Costs of the Corrective Action Plan.

Finding: 2021-003

See Finding 2021-003 in Section III – Federal Award Findings and Questioned Costs of the Corrective Action Plan.

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS FOR THE YEAR ENDED JUNE 30, 2021

Finding: 2020-001

Status: Corrected.

Finding: 2020-002

Status: Corrected.

Finding: 2020-003

Status: Corrected.

Finding: 2020-004

Status: Modified and repeated as Finding 2021-003.

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Grantor/Pass-Through Grantor/Program Title	Federal AL Number	State/ Pass-Through Grantor Number	Fed.(Direct and Pass-Through) Expenditures	State Expenditures	Passed-through to Subrecipients
Federal Awards:					
<u>U. S. Department of Agriculture</u>					
<u>Food and Nutrition Service</u>					
Passed-Through N.C. Department of Health and Human Services:					
Division of Social Services:					
Supplemental Nutrition Assistance Program (SNAP) Cluster:					
Administration:					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - Admin	10.561	175NC406S2514	\$ 1,271,816	\$ -	\$ -
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - Fraud Admin	10.561	175NC406S2514	55,973	-	-
Total Supplemental Nutrition Assistance Program (SNAP) Cluster			1,327,789	-	-
Passed-Through N.C. Department of Health and Human Services:					
Division of Public Health					
Special Supplemental Nutrition Program for Women, Infants, and Children: Administration (WIC)	10.557	403 13A2 5403	772,214	-	-
Total U.S. Department of Agriculture			2,100,003	-	-
<u>U.S. Department of Justice</u>					
Direct Program:					
Equitable Sharing Program	16.922		88,960	-	-
Direct Program:					
Public Safety Partnership and Community Policing Grants	16.710		153,263	-	-
Direct Program:					
Violence Against Women Office:					
Enhanced Training and Services to End Violence and Abuse of Women later in Life	16.528		129,254	-	-
Passed-Through N.C. Department of Public Safety, Governor's Crime Commission:					
Office for Victims of Crime:					
Crime Victim Assistance	16.575	PROJ-013119	428,241	-	-
Total U.S. Department of Justice			799,718	-	-
<u>U.S. Department of Homeland Security</u>					
<u>Federal Emergency Management Agency</u>					
Passed-Through N.C. Department of Public Safety:					
Homeland Security Grant Program	97.067	EMW-2020-SS-00057	46,486	-	-
Emergency Management Performance Grants	97.042	EMA-2019-EP-00002	53,753	-	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	001-99001-00	54,218	-	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	001-99001-00	69,457	-	-
Total U.S. Department of Homeland Security			223,914	-	-
<u>U.S. Department of Housing and Urban Development</u>					
Office of Community Planning and Development:					
Passed-Through N.C. Department of Commerce					
Community Development Block/Entitlement Grants Cluster:					
Community Development Block Grant/ Entitlement Grants	14.218	B16MC370002	5,675	-	-
Total Community Development Block/Entitlement Grants Cluster			5,675	-	-
<u>U.S. Department of State Treasury</u>					
Direct Program:					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027		3,746,244	-	-
Equitable Sharing Program	21.016		35,113	-	-

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Grantor/Pass-Through Grantor/Program Title	Federal AL Number	State/ Pass-Through Grantor Number	Fed.(Direct and Pass-Through) Expenditures	State Expenditures	Passed-through to Subrecipients
Passed-through the North Carolina Office of State Budget and Management NC Pandemic Recovery Office COVID-19-Coronavirus Relief Fund	21.019	02-01	5,409,981	-	1,056,664
Passed-through the North Carolina Department of Health and Human Services Division of Public Health COVID-19 Coronavirus Relief Fund	21.019	1175-4026-HN:1175-4026-P5	201,857	-	-
Total U.S. Department of State Treasury			<u>9,393,195</u>	<u>-</u>	<u>1,056,664</u>
<u>U.S. Election Assistance Commission</u>					
Passed-through the North Carolina State Board of Elections COVID-19 HAVA Grant	90.404	03-25-01	175,532	-	-
COVID-19 Coronavirus Relief Fund	90.404	2021	55,264	-	-
HAVA Grant	90.404	NC20101001-001	45,913	-	-
Total U.S. Election Assistance Commission			<u>276,709</u>	<u>-</u>	<u>-</u>
<u>U. S. Department of Health and Human Services</u>					
<u>Administration for Children and Families</u>					
Passed-Through N.C. Department of Health and Human Services:					
Division of Social Services:					
Administration:					
Social Services Block Grant- Adult Day Care	93.667	G1701NCSOSR	25,753	16,175	-
Social Services Block Grant- Adult Day Care Over 60	93.667	G1701NCSOSR	5,035	2,980	-
Social Services Block Grant- In-Home Services	93.667	G1701NCSOSR	21,415	-	-
Social Services Block Grant- In-Home Services Over 60	93.667	G1701NCSOSR	16,059	-	-
Social Services Block Grant- S S B G Other Services & Training	93.667	G1701NCSOSR	524,639	-	-
Child Support Enforcement- IV-D Administration	93.563	1704NC4005	1,211,708	-	-
Child Support Enforcement- IV-D Offset Fees-Esc	93.563	1704NC4005	12	-	-
Child Support Enforcement- IV-D Offset Fees-Federal	93.563	1704NC4005	12,467	1,048	-
Low-Income Home Energy Assistance - Crisis Intervention Payments	93.568	G17B1NCLIEA	640,725	-	-
Low-Income Home Energy Assistance - Admin	93.568	G17B1NCLIEA	111,511	-	-
Low Income Home Energy Assistance	93.568	G17B1NCLIEA	663,315	-	-
COVID-19 Low-Income Home Energy Assistance - Admin	93.568	G17B1NCLIEA	13,845	-	-
COVID-19 Low Income Home Energy Assistance	93.568	G17B1NCLIEA	250,397	-	-
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	1701NC1420	18,014	4,503	-
			<u>3,514,895</u>	<u>24,706</u>	<u>-</u>
<u>Refugee and Entrant Assistance Cluster³</u>					
Refugee and Entrant Assistance State/Replacement Designee Administered Program	93.566	1701NCRMA	1,461	-	-
Total Refugee and Entrant Assistance Cluster³			<u>1,461</u>	<u>-</u>	<u>-</u>
Direct Benefits:					
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	1701NC1420	16,019	-	-
Total Division of Social Services			<u>3,532,375</u>	<u>24,706</u>	<u>-</u>
<u>Special Children Adoption Fund Cluster³</u>					
Promoting Safe and Stable Families					
Mary Lee Allen Promoting Safe and Stable Families - Admin	93.556	1701NCFPSS	102,481	-	-
Mary Lee Allen Promoting Safe and Stable Families	93.556	1701NCFPSS	22,169	-	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	G1701NCCWSS	33,435	-	-
Total Special Children Adoption Fund Cluster³			<u>158,085</u>	<u>-</u>	<u>-</u>
<u>Temporary Assistance for Needy Families</u>					
Division of Social Services:					
Temporary Assistance for Needy Families (TANF) State Programs:					
TANF-Work First Admin	93.558	1701NCTANF	195,049	-	-
TANF-Work First Service	93.558	1701NCTANF	672,760	-	-
Division of Public Health:					
Temporary Assistance for Needy Families	93.558	1701NCTANF	17,146	-	-
Total Temporary Assistance for Needy Families			<u>884,955</u>	<u>-</u>	<u>-</u>

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Grantor/Pass-Through Grantor/Program Title	Federal AL Number	State/ Pass-Through Grantor Number	Fed.(Direct and Pass-Through) Expenditures	State Expenditures	Passed-through to Subrecipients
<u>Foster Care Adoption and Guardianship Assistance Program Cluster³:</u>					
Division of Social Services:					
Foster Care Title IV-E	93.658	1701NCFOST	92,557	64,914	-
Foster Care Title IV-E	93.658	1701NCFOST	7,356	-	-
Foster Care Title IV-E	93.658	1701NCFOST	392,248	-	-
Foster Care Title IV-E - Direct Benefit Payments	93.658	1701NCFOST	78,386	39,193	-
Foster Care Title IV-E - Direct Benefit Payments	93.658	1701NCFOST	53,102	9,555	-
Foster Care Title IV-E - Direct Benefit Payments	93.658	1701NCFOST	177,792	39,978	-
Foster Care Title IV-E - Direct Benefit Payments	93.658	1701NCFOST	9,992	-	-
Foster Care Title IV-E	93.658	1701NCFOST	277,026	-	-
Adoption Assistance	93.659	1701NCADPT	13,501	-	-
Total Foster Care Adoption and Guardianship Assistance Program Cluster ³			1,101,960	153,640	-
<u>Subsidized Child Care Cluster³</u>					
<u>Child Care Development Fund Cluster:</u>					
Division of Social Services:					
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	G1701NCCDF	276,594	-	-
Total Child Care Development Fund Cluster/Subsidized Childcare Cluster ³			276,594	-	-
Total Administration for Children and Families			5,953,969	178,346	-
<u>Centers for Medicare and Medicaid Services</u>					
Direct Program:					
COVID-19 Provider Relief Fund	93.498		140,114	-	-
Passed-Through N.C. Department of Health and Human Services:					
Division of Medical Assistance:					
<u>Medicaid Cluster:</u>					
Division of Social Services:					
Administration:					
Medical Assistance Program - Adult Home Case Management	93.778	XIX-MAP21	47,229	23,614	-
Medical Assistance Program - Medical Assistance Claim	93.778	XIX-MAP21	56,528	-	-
Medical Assistance Program - Medical Assistance Administration	93.778	XIX-MAP21	2,760,005	-	-
Medical Assistance Program - Medical Transportation Administration	93.778	XIX-MAP21	135,210	-	-
Medical Assistance Program - State County Special Assistance	93.778	XIX-MAP21	86,332	-	-
Total Medicaid Cluster			3,085,304	23,614	-
Children's Health Insurance Program - NC Health Choice	93.767	CHIP21	92,384	1,606	-
Total Centers for Medicaid and Medicaid Services			3,317,802	25,220	-
<u>Centers for Disease Control and Prevention</u>					
Passed-Through N.C. Department of Health and Human Services:					
Division of Public Health:					
Public Health Emergency Preparedness	93.069	1264-2680-EN:1264-2680-EQ	40,250	-	-
Immunization Cooperative Agreements	93.268	715 1331 631D	542,142	-	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	1175-870A-WT:1175-878A-HH	123,052	-	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	551 1460 272B	50	-	-
COVID-19 - Public Health Emergency Response: Cooperative Agreement for Emergency					
Response: Public Health Crisis Response	93.354	1264-2680-CP	123,709	-	-
Injury Prevention and Control Research and State and Community Based Programs	93.136	472 1175 837A	63,221	-	-
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977	610 1311 462	100	-	-
Preventive Health and Health Services Block Grant	93.991	NB01OT009251	30,607	-	-
Total Division of Public Health			923,131	-	-

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Grantor/Pass-Through Grantor/Program Title	Federal AL Number	State/ Pass-Through Grantor Number	Fed.(Direct and Pass-Through) Expenditures	State Expenditures	Passed-through to Subrecipients
<u>Office of Population Affairs</u>					
Passed-Through N.C. Department of Health and Human Services:					
Division of Public Health:					
Family Planning Services	93.217	151 13A1 592	95,517	-	-
Total Office of Population Affairs			95,517	-	-
<u>Health Resources and Services Administration</u>					
Passed-Through N.C. Department of Health and Human Services:					
Division of Public Health:					
Maternal and Child Health Services Block Grant to the States	93.994	101 13A1 5740	108,869	61,493	-
Total Health Resources and Services Administration			108,869	61,493	-
<u>Administration for Community Living</u>					
Division of Aging and Adult Services					
Passed-Through Piedmont Triad Regional Council:					
<u>Aging Cluster:</u>					
Special Programs for the Aging_ Title III, Part B_					
Grants for Supportive Services and Senior Centers-Access	93.044	2020-Region G-001	199,936	11,761	211,697
Special Programs for the Aging_ Title III, Part B_					
Grants for Supportive Services and Senior Centers-In-Home	93.044	2020-Region G-001	41,522	2,442	43,964
Services					
Special Programs for the Aging_ Title III, Part C_ Nutrition	93.045	2020-Region G-001	26,722	-	26,722
Services-Congregate Nutrition					
COVID-19 Special Programs for the Aging_ Title III, Part	93.045	2020-Region G-001	76,011	-	76,011
C_ Nutrition Services-Congregate Nutrition					
Special Programs for the Aging_ Title III, Part C_ Nutrition	93.045	2020-Region G-001	296,254	13,639	309,893
Services-Home Delivered Nutrition					
COVID-19 Special Programs for the Aging_ Title III, Part	93.045	2020-Region G-001	119,007	-	119,007
C_ Nutrition Services-Home Delivered Nutrition					
COVID-19 Special Programs for the Aging Caregiver Support,	93.044	2020-Region G-001	6,583	-	6,583
Title III, Part E					
Nutrition Services Incentive Program	93.053	2020-Region G-001	68,103	-	68,103
Total Aging Cluster			834,138	27,842	861,980
Social Services Block Grant	93.667	2020-Region G-001	21,414	612	22,026
National Family Caregivers Support, Title III, Part E	93.052	NC-07(20)	49,939	3,329	53,268
COVID-19 National Family Caregiver Support, Title III, Part E	93.052	2020-Region G-001	44,341	-	44,341
Total Administration for Community Living			949,832	31,783	981,615
Total U. S. Department of Health and Human Services			11,349,120	296,842	981,615
<u>National Endowment for the Humanities</u>					
Passed-Through NC Department of Natural and Cultural Resources:					
Institute of Museum and Library Services					
Grants to States	45.310	LS-00-19-0034-19	52,401	-	-
Total Federal Awards			24,200,735	296,842	2,038,279
State Awards:					
<u>N.C. Department of Natural and Cultural Resources</u>					
NC Clean Water Management Trust Fund:					
Cane Mountain Natural Area			-	1,200,000	-
Division of Parks and Recreation/NC Trails Committee:					
Cane Mountain Natural Area-Phase I			-	99,315	-
Division of State Library:					
Library Grant Hotspot Program			-	9,817	-
State Aid to Public Libraries			-	175,947	-
Total N. C. Department of Cultural and Natural Resources			-	1,485,079	-

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Grantor/Pass-Through Grantor/Program Title	Federal AL Number	State/ Pass-Through Grantor Number	Fed.(Direct and Pass-Through) Expenditures	State Expenditures	Passed-through to Subrecipients
<u>N.C. Department of Health and Human Services</u>					
Abandoned Mobile Home Grant			-	14,500	-
Total N. C. Department of Environmental Quality			-	14,500	-
<u>N.C. Department of Health and Human Services</u>					
Division of Public Health:					
Food and Lodging Fees			-	37,549	-
Aid-to-Counties			-	133,327	-
Child Health			-	16,290	-
General Communicable Disease Control			-	3,708	-
Healthy Community Activities			-	3,747	-
HIV/STD State			-	12,500	-
STD Drugs			-	202	-
Minority Diabetes Prevention Program			-	99,957	-
Healthy Beginnings			-	63,734	-
Women's Health Service Fund			-	17,532	-
School Nurse Funding Initiative			-	100,000	-
Maternal Health			-	47,749	-
Family Planning-State			-	36,025	-
TB Control			-	31,182	-
Total Division of Public Health			-	603,502	-
Division of Social Services:					
Administration:					
ST Child Welfare/CPS/CS LD			-	144,110	-
DCD Smart Start			-	65,267	-
COVID-19 APS/CPS			-	95,047	-
AFDC Incent/Prog-Integrit			-	557	-
Direct Benefit Payments:					
Extended FC/Max Non IV-E			-	9,227	-
F/C At Risk Maximization			-	5,041	-
SFHF Maximization			-	135,338	-
Extended FC > 20 Stipend			-	3,400	-
State Foster Home			-	91,700	-
Total Division of Social Services			-	549,687	-
Division of Aging and Adult Services:					
Home Delivered Meals			-	143,937	143,937
In-Home Services State Funds			-	214,623	214,623
State Appropriation - Access			-	56,043	56,043
Fan Heat Relief			-	1,363	1,363
Senior Center General Purpose			-	10,515	10,515
Total Division of Aging and Adult Services			-	426,481	426,481
Total N.C. Department of Health and Human Services			-	1,579,670	426,481
<u>N.C. Department of Agricultural and Consumer Services</u>					
Pesticide Container Recycling Program			-	5,984	-
Total N.C. Department of Public Instruction			-	5,984	-
<u>N.C. Department of Public Instruction</u>					
Public School Building Capital Fund:					
Public School Building Capital Fund			-	1,893,004	-
Total N.C. Department of Public Instruction			-	1,893,004	-
<u>N.C. Department of Public Safety</u>					
Passed through the Emergency Management Office					
Tier II Non-Competitive Grant		T2-2017-1707	-	1,000	-
Passed through the Office of Juvenile Justice					
Juvenile Crime Prevention Council Program			-	395,585	395,585
Total State Awards			-	5,374,822	822,066
Total Federal and State Awards			\$ 24,200,735	\$ 5,671,664	\$ 2,860,345

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Grantor/Pass-Through Grantor/Program Title	Federal AL Number	State/ Pass-Through Grantor Number	Fed.(Direct and Pass-Through) Expenditures	State Expenditures	Passed-through to Subrecipients
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Note 1: Basis of Presentation

The accompanying Schedule of Expenditures of Federal and State Awards (SEFSA) includes the federal and state grant activity of Alamance County under the programs of the federal government and the State of North Carolina for the year ended June 30, 2021. The information in this SEFSA is presented in accordance with the requirements of Title 2 US *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the State Single Audit Implementation Act. Because the schedule presents only a selected portion of the operations of Alamance County, it is not intended to and does not present the net position, changes in net position or cash flows of Alamance County.

Note 2: Summary of Significant Accounting Policies

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursements. Alamance County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 3: Cluster of Programs

The following are clustered by the NC Department of Health and Human Services and are treated separately for state audit requirement purposes: Subsidized Child Care, Foster Care Adoption and Guardianship Assistance Cluster, Special Children Adoption Fund, and Refugee and Entrant Assistance.