

ALAMANCE COUNTY
NORTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2022

PREPARED BY ALAMANCE COUNTY FINANCE DEPARTMENT

ALAMANCE COUNTY, NORTH CAROLINA

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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

November 30, 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, 2022. 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, 2022, 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, 2022 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.



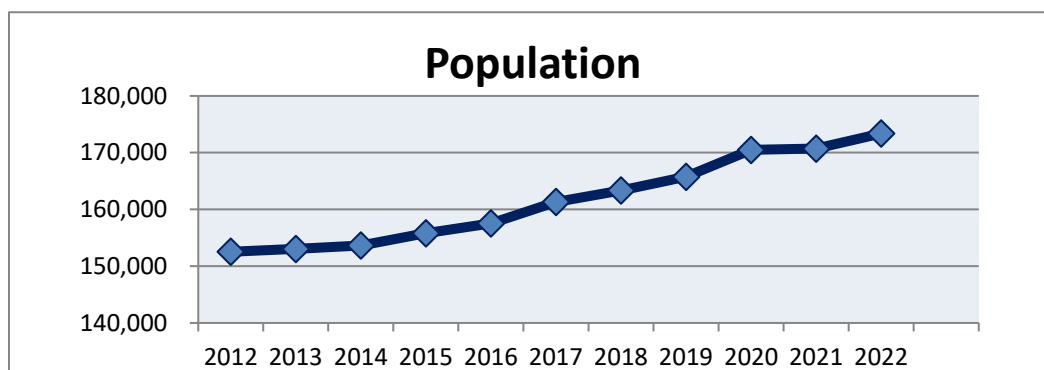
Alamance County was founded in 1849 by an act of the General Assembly and covers a land area of 431 square miles. The county seat is the City of Graham, founded in 1851. The county has 10 municipalities located within its borders. The City of Burlington is the largest municipality and the Town of Ossipee, 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 1,017 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 2022 population for the County was 173,384, representing an 13.67% increase from the 2012 estimated population of 152,531. Projections indicate a constant level of growth for 2022-2023. 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 2022 was 4.1 percent, the same as the statewide average. 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, increased by \$4,312,627.93 or 10.93%.

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 2021-2022, the Board of Commissioners reduced the ad valorem tax rate by \$0.01 from \$0.67 to \$0.66. 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 and meet with the Oversight Committee to further the capital needs within our agencies.

The Future

The fiscal year 2022-2023 budget was adopted with a tax rate of \$0.65. Some major features of the 2022-2023 budget include:

- Personnel – 15 new positions within the areas of Administration, Public Safety, Information Technology Systems, Human Services, Cultural and Landfill. Reclassifications for Library and Elections staff. Provides Cost-of-Living adjustments for existing full-time employees.
- Capital Outlay – Maintains County Pay-Go Capital Improvement Projects allocation of \$250,000 and \$50,000 for Alamance Parks facility maintenance, \$224,950 for equipment and non-emergency response vehicles and \$708,281 for emergency response vehicles.
- Transfer to Other Funds – Allocation of \$1,479,223 for the County Buildings Capital Reserve Fund, \$2,721,481 for Schools Capital Reserve Fund, and \$330,302 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. The County submitted the 2021 report and is currently waiting on the results. 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. The County submitted the 2021 report and is currently waiting on the results. 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

ALAMANCE COUNTY, NORTH CAROLINA

PRINCIPAL OFFICIALS

Board of County Commissioners 2021-2022



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

Heidi N. York, *County Manager*

Sherry T. Hook, *Deputy County Manager*

Brian T. Baker, *Assistant County Manager*

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

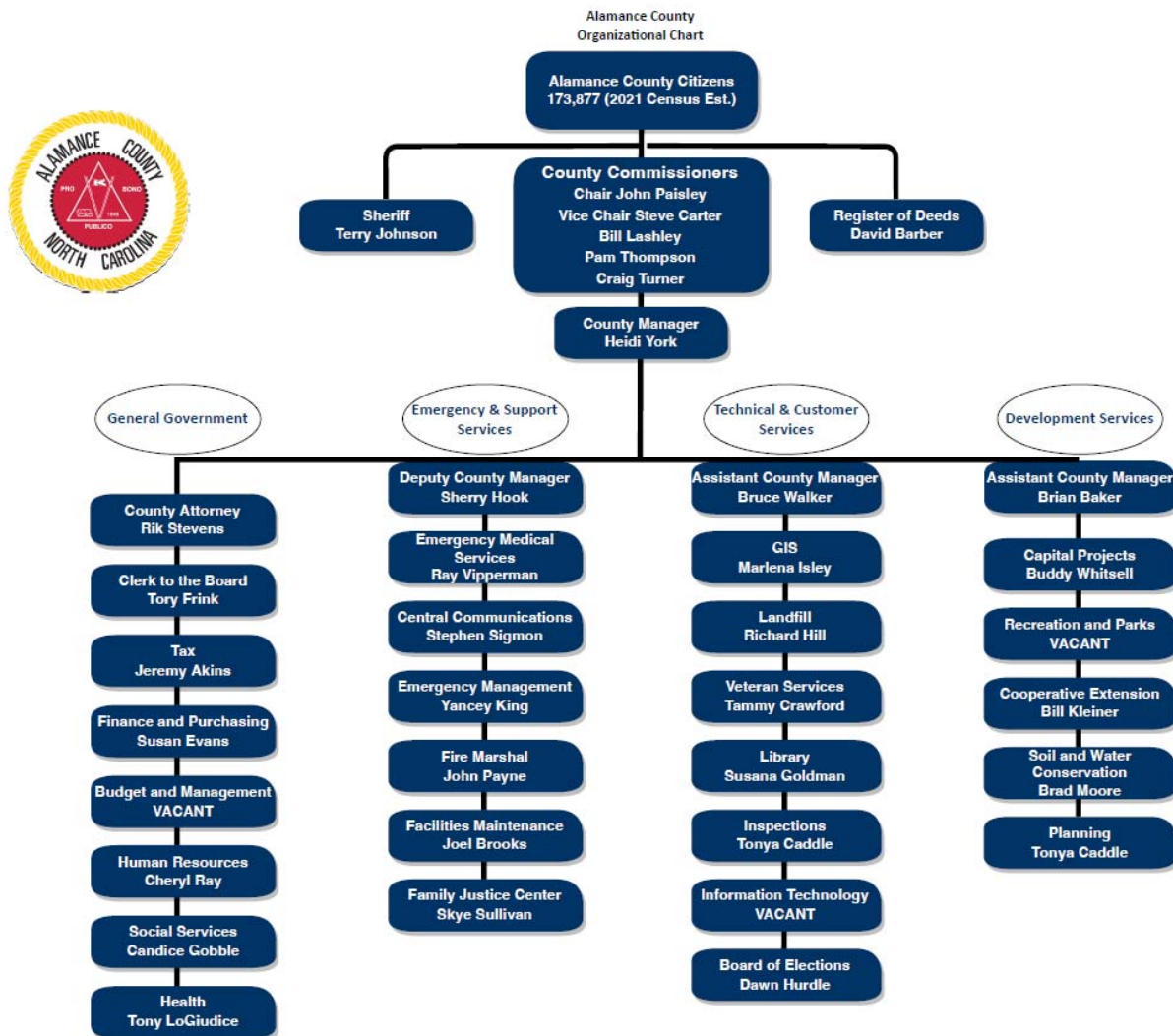
James F. Stephens, *County Attorney*

Tory M. Frink, *Clerk to the Board*

Susan R. Evans, *Finance Officer*

ALAMANCE COUNTY, NORTH CAROLINA

Organization Chart



Revised October
2022

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

Report on the Audit of the Financial Statements

Opinions

We have audited the 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, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying 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, 2022, 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.

We did not audit the financial statements of the Alamance County Transportation Authority, which represents 55%, 42% and 72%, respectively, of the assets, net position, and revenues of the discretely presented component units as of June 30, 2022, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors 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 the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the Alamance County Tourism Development Authority were not audited in accordance with *Government Auditing Standards*.

Change in Accounting Principle

As discussed in Note 18 to the financial statements, in 2022 the County adopted new accounting guidance, GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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 County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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 Governmental 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 Total Pension Liability as a Percentage of Covered-Employee Payroll, 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 is the responsibility of management and, 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 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 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, as required by Title 2 U.S. *Code of Federal Regulations 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied to 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 the other auditors. In our opinion, based on our audit 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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 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
November 30, 2022

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, 2022. 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

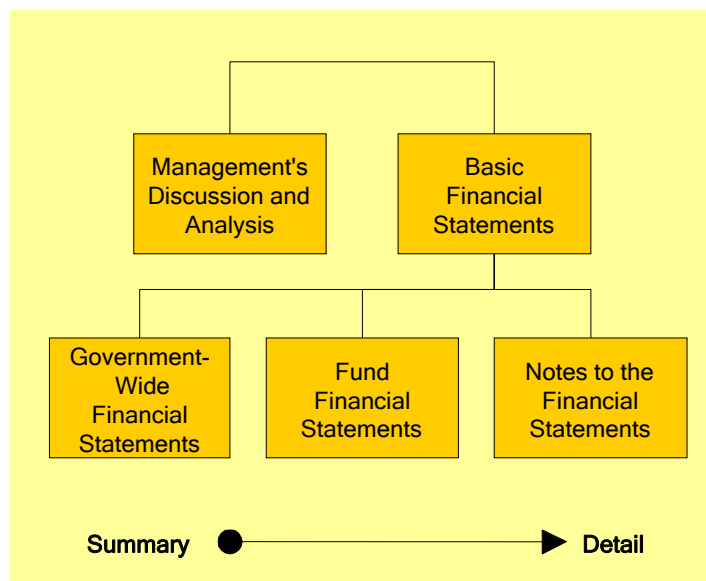
- The assets and deferred outflows of resources of Alamance County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$(11,745,010) (net position).
- The government's total net position decreased by \$(35,053,596), primarily due to capital project spending as well as increases in property tax revenues, and investment in capital assets.
- As of the close of the current fiscal year, Alamance County's governmental funds reported combined ending fund balances of \$208,479,537, a decrease of \$57,433,450 in comparison with the prior year. Approximately 51% of this total amount, or \$106,510,032, is non-spendable or restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$41,819,209, or 22%, of total General Fund expenditures for the fiscal year.
- Alamance County's total bond and financing debt decreased by \$11,880,593 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 \$(11,745,010) as of June 30, 2022. The County's net position for governmental activities decreased by \$36,280,853 for the fiscal year ended June 30, 2022. 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, 2022 include outstanding general obligation debt of approximately \$166 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	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 262,305,080	\$ 292,949,174	\$ 28,336,300	\$ 26,921,445	\$290,641,380	\$319,870,619
Capital assets	55,404,204	53,149,993	9,533,816	8,948,005	64,938,020	62,097,998
Total Assets	<u>317,709,284</u>	<u>346,099,167</u>	<u>37,870,116</u>	<u>35,869,450</u>	<u>355,579,400</u>	<u>381,968,617</u>
Total deferred outflow s of resources	<u>31,737,315</u>	<u>33,591,254</u>	<u>601,543</u>	<u>627,402</u>	<u>32,338,858</u>	<u>34,218,656</u>
Long-term liabilities outstanding	302,291,305	324,209,845	15,378,596	14,758,609	317,669,901	338,968,454
Other liabilities	61,645,492	36,474,847	178,910	222,947	61,824,402	36,697,794
Total liabilities	<u>363,936,797</u>	<u>360,684,692</u>	<u>15,557,506</u>	<u>14,981,556</u>	<u>379,494,303</u>	<u>375,666,248</u>
Total deferred inflow s of resources	<u>25,382,497</u>	<u>16,454,020</u>	<u>507,103</u>	<u>332,453</u>	<u>25,889,600</u>	<u>16,786,473</u>
Net position:						
Net investment in capital assets	52,560,069	47,472,996	9,534,325	8,948,005	62,094,394	56,421,001
Restricted	25,251,849	21,606,991	-	-	25,251,849	21,606,991
Unrestricted	<u>(111,967,028)</u>	<u>(66,528,278)</u>	<u>12,875,775</u>	<u>12,234,838</u>	<u>(99,091,253)</u>	<u>(54,293,440)</u>
Total net position	<u>\$ (34,155,110)</u>	<u>\$ 2,551,709</u>	<u>\$ 22,410,100</u>	<u>\$ 21,182,843</u>	<u>\$ (11,745,010)</u>	<u>\$ 23,734,552</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 99.11%
- GASB 87 implementation
- Decrease in Capital Projects fund balances

Alamance County Changes in Net Position
Figure 3

	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenues:						
Program revenues:						
Charges for services	\$ 18,026,898	\$ 16,532,190	\$ 6,588,542	\$ 5,811,394	\$ 24,615,440	\$ 22,343,584
Operating grants and contributions	36,287,550	32,188,935	-	-	36,287,550	32,188,935
Capital grants and contributions	1,200,820	1,893,004	-	-	1,200,820	1,893,004
Total program revenues	<u>55,515,268</u>	<u>50,614,129</u>	<u>6,588,542</u>	<u>5,811,394</u>	<u>62,103,810</u>	<u>56,425,523</u>
General revenues:						
Taxes:						
Property taxes for general purposes	111,349,713	109,718,616	-	-	111,349,713	109,718,616
Sales taxes for general purposes	43,755,593	39,442,964	-	-	43,755,593	39,442,964
Other taxes	4,732,534	3,027,573	-	-	4,732,534	3,027,573
Unrestricted investment earnings	430,937	281,008	19,802	2,353	450,739	283,361
Total revenues	<u>215,784,045</u>	<u>203,084,290</u>	<u>6,608,344</u>	<u>5,813,747</u>	<u>222,392,389</u>	<u>208,898,037</u>
Expenses:						
General government	17,746,274	22,797,731	-	-	17,746,274	22,797,731
Public safety	52,725,003	55,000,524	-	-	52,725,003	55,000,524
Transportation	511,354	744,879	-	-	511,354	744,879
Economic and physical development	2,997,464	3,284,982	-	-	2,997,464	3,284,982
Environmental protection	100,909	562,631	-	-	100,909	562,631
Human services	36,485,611	33,883,788	-	-	36,485,611	33,883,788
Cultural and recreational	4,978,917	4,811,332	-	-	4,978,917	4,811,332
Education	129,803,289	61,302,608	-	-	129,803,289	61,302,608
Interest on long-term debt	6,716,077	2,622,531	-	-	6,716,077	2,622,531
Landfill	-	-	5,381,087	5,406,639	5,381,087	5,406,639
Total expenses	<u>252,064,898</u>	<u>185,011,006</u>	<u>5,381,087</u>	<u>5,406,639</u>	<u>257,445,985</u>	<u>190,417,645</u>
Change in net position	<u>(36,280,853)</u>	<u>18,073,284</u>	<u>1,227,257</u>	<u>407,108</u>	<u>(35,053,596)</u>	<u>18,480,392</u>
Net Position:						
Beginning of year - July 1	2,551,709	(15,848,379)	21,182,843	20,775,735	23,734,552	4,927,356
Restatement	(425,966)	326,804	-	-	(425,966)	326,804
Beginning of year , as restated	<u>2,125,743</u>	<u>(15,521,575)</u>	<u>21,182,843</u>	<u>20,775,735</u>	<u>23,308,586</u>	<u>5,254,160</u>
End of year - June 30	<u><u>\$(34,155,110)</u></u>	<u><u>\$ 2,551,709</u></u>	<u><u>\$ 22,410,100</u></u>	<u><u>\$ 21,182,843</u></u>	<u><u>\$(11,745,010)</u></u>	<u><u>\$ 23,734,552</u></u>

Governmental Activities. Governmental activities decreased the County's net position by \$36,280,853. Key elements of the decrease are as follows:

- Increases in Property and Sales tax revenues
- Increases in capital project funds for operating grants
- GASB 87 Implementation

Business-Type Activities. Business-type activities increased Alamance County's net position by \$1,227,257. 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 \$68,477,777, while total fund balance reached \$84,774,404, an increase of \$13,228,137 compared to the prior year. The County currently has an available fund balance of 36.3% of General Fund expenditures, while total fund balance represents 44.9% of the same amount.

At June 30, 2022, the governmental funds of Alamance County reported a combined fund balance of \$208,479,537 a 22% decrease from last year. The reason for this decrease of fund balance is the increase in the General Fund of \$13,228,137, an increase in the American Rescue Plan Fund of \$31,850, an increase in the State Capital Infrastructure Fund of \$23,277, an decrease in the Schools Capital Projects Fund of \$58,510,701, a decrease in the other governmental funds of \$12,206,013. 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 American Rescue Plan Fund and the State Capital Infrastructure Fund is due to interest earned. The Schools Capital Projects fund decreased due to capital project expenditures. The decrease in other governmental funds is due to capital project expenditures.

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 \$11,048,736 and expenditures by \$15,534,186. Other financing sources/uses increased by \$4,485,450.

The County maintains a balanced budget. Excluding Other Financing Sources, the amended revenue and expenditure budgets totaled \$189,311,424 and \$197,382,779, respectively. While the County did experience significant budgetary variances between the final amended budget and actuals, revenues exceeded the amended budget by \$7,346,433 or 3.88% and expenditures were under budget by \$13,477,418 or 6.83%. 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 and jail rental fees as a continued result of the COVID-19 pandemic. However, sales tax revenues have continued to increase as well as permits and building fees increased by 8.9%. Monies received from the American Rescue Plan fund were used for public safety and emergency response salaries that met eligible allowable cost requirements.

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 \$12,875,775, an increase of \$640,937 compared to the prior year. The total increase in net position for the fund was \$1,227,257. Unrestricted net position of the internal service funds at the end of the year amounted to \$7,247,962, an increase of \$1,782,516 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, 2022 totals \$64,938,020 (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 land and building for new Board of Elections offices
- Completion of the Ann Petree Building
- Improvement to county buildings

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

Figure 4

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 5,564,697	\$ 5,207,447	\$ 2,765,112	\$ 2,765,112	\$ 8,329,809	\$ 7,972,559
Construction in progress	994,600	1,392,676	117,025	162,424	1,111,625	1,555,100
Buildings	25,967,051	23,815,473	953,499	977,631	26,920,550	24,793,104
Other improvements	10,112,524	10,155,102	31,754	34,876	10,144,278	10,189,978
Easements	721,990	761,228	-	-	721,990	761,228
Equipment	3,758,686	6,040,556	79,327	76,664	3,838,013	6,117,220
Vehicles and motor equipment	8,205,532	5,695,164	2,569,275	2,552,447	10,774,807	8,247,611
Infrastructure	79,124	82,347	-	-	79,124	82,347
Landfill	-	-	3,017,824	2,378,851	3,017,824	2,378,851
Total	<u>\$ 55,404,204</u>	<u>\$ 53,149,993</u>	<u>\$ 9,533,816</u>	<u>\$ 8,948,005</u>	<u>\$ 64,938,020</u>	<u>\$ 62,097,998</u>

Additional information on the County's capital assets can be found in Note 6 of the Basic Financial Statements.

Long-Term Debt. As of June 30, 2022, Alamance County had total debt outstanding of \$202,721,360, 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	
	2022	2021	2022	2021	2022	2021
General obligation bonds, net	\$ 191,994,059	\$ 205,490,867	\$ -	\$ -	\$ 191,994,059	\$ 205,490,867
Installment financing agreements	3,090,684	4,277,537	-	-	3,090,684	4,277,537
Qualified school construction bonds	1,897,977	2,451,190	-	-	1,897,977	2,451,190
Lease liabilities	5,736,099	-	2,541	-	5,738,640	-
Capital leases	-	2,382,359	-	-	-	2,382,359
Total	<u>\$ 202,718,819</u>	<u>\$ 214,601,953</u>	<u>\$ 2,541</u>	<u>\$ -</u>	<u>\$ 202,721,360</u>	<u>\$ 214,601,953</u>

Alamance County's total debt decreased by \$11,880,593 (6%) during the past fiscal year, due to no current issuances of debt.

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 \$1,060,113,274.

Additional information regarding Alamance County's long-term debt can be found in footnote 13 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 4.39%.
- In FY 21-22, the County experienced a 17.94% increase in sales tax revenues from FY 20-21 actuals. In FY 22-23, sales tax revenues are projected to remain strong.

Budget Highlights for the Fiscal Year Ending June 30, 2023

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 0.65 cents per one hundred dollars (\$100) valuation for next fiscal year. Revenues are budgeted to increase from the previous fiscal year by \$18,973,669, with the majority of this increase in sales tax revenues. Budgeted expenditures in the General Fund increase by 10.3% to \$203,238,689. The majority of this increase is due COLA adjustments for employees. The County also increased funding for public safety, human services, school system and community college.

Business-Type Activities. There is no expected change for landfill operations. There will be a slight increase in rates.

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, 2022

			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	\$ 116,694,531	\$ 27,816,987	\$ 144,511,518	\$ 1,804,919	\$ 256,708	\$ 146,573,145
Receivables, net	17,887,088	519,313	18,406,401	72,864	684,916	19,164,181
Notes receivable-short term	60,152	-	60,152	-	-	60,152
Due from component unit	300,000	-	300,000	-	-	300,000
Leases receivable	35,896	-	35,896	-	-	35,896
Restricted cash and cash equivalents	126,750,814	-	126,750,814	-	-	126,750,814
Total current assets	261,728,481	28,336,300	290,064,781	1,877,783	941,624	292,884,188
Non-current assets:						
Leases receivable, net of current portion	198,401	-	198,401	-	-	198,401
Deposits	-	-	-	-	5,150	5,150
Notes receivable- long term	90,228	-	90,228	-	-	90,228
Net pension asset - ROD	287,970	-	287,970	-	-	287,970
Right to use assets, net of amortization	5,717,585	3,050	5,720,635	-	371,946	6,092,581
Capital assets:						
Land and other assets not being depreciated	6,559,297	2,882,137	9,441,434	-	-	9,441,434
Other capital assets, net of depreciation	48,844,907	6,651,679	55,496,586	9,016	966,010	56,471,612
Total capital assets	55,404,204	9,533,816	64,938,020	9,016	966,010	65,913,046
Total non-current assets	61,698,388	9,536,866	71,235,254	9,016	1,343,106	72,587,376
Total assets	323,426,869	37,873,166	361,300,035	1,886,799	2,284,730	365,471,564
Deferred Outflows of Resources:						
OPEB deferrals	15,353,210	313,331	15,666,541	-	-	15,666,541
Pension deferrals	16,150,351	288,212	16,438,563	-	-	16,438,563
Unamortized bond refunding charges	233,754	-	233,754	-	-	233,754
Total deferred outflows of resources	31,737,315	601,543	32,338,858	-	-	32,338,858
Liabilities:						
Current liabilities:						
Accounts payable and accrued expenses	5,063,806	136,749	5,200,555	19,949	180,017	5,400,521
Payable from restricted assets	332,816	-	332,816	-	-	332,816
Advance from primary government	-	-	-	-	300,000	300,000
Advance from grantor	37,296,977	-	37,296,977	-	-	37,296,977
Unearned revenue	340,964	-	340,964	-	-	340,964
Current portion of long-term liabilities	18,610,929	42,161	18,653,090	2,304	51,482	18,706,876
Total current liabilities	61,645,492	178,910	61,824,402	22,253	531,499	62,378,154
Long-term liabilities:						
Net pension liability - LGERS	9,378,697	191,402	9,570,099	-	-	9,570,099
Total pension liability - LEOSA	6,305,351	-	6,305,351	-	-	6,305,351
Total pension liability - Detention Bridge Allowance	1,089,032	-	1,089,032	-	-	1,089,032
Total OPEB liability	97,956,888	1,999,120	99,956,008	-	-	99,956,008
Due in more than one year	187,561,337	13,188,074	200,749,411	-	349,091	201,098,502
Total long-term liabilities	302,291,305	15,378,596	317,669,901	-	349,091	318,018,992
Total liabilities	363,936,797	15,557,506	379,494,303	22,253	880,590	380,397,146

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

ALAMANCE COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION
JUNE 30, 2022

	Governmental Activities	Business-Type Activities	Total Primary Government	Component Units		Total Reporting Unit
				Tourism Development Authority	Transportation Authority	
Deferred Inflows of Resources:						
OPEB deferrals	11,228,273	229,148	11,457,421	-	-	11,457,421
Pension deferrals	13,922,466	277,955	14,200,421	-	-	14,200,421
Leases	231,758	-	231,758	-	-	231,758
Unearned revenue	-	-	-	-	38,241	38,241
Total deferred inflows of resources	<u>25,382,497</u>	<u>507,103</u>	<u>25,889,600</u>	<u>-</u>	<u>38,241</u>	<u>25,927,841</u>
Net Position:						
Net investment in capital assets	52,560,069	9,534,325	62,094,394	9,016	966,010	63,069,420
Restricted for:						
Stabilization by state statute	16,380,868	-	16,380,868	72,864	-	16,453,732
General government	1,802,232	-	1,802,232	-	-	1,802,232
Public safety	1,377,452	-	1,377,452	-	-	1,377,452
Economic and physical development	300,948	-	300,948	-	-	300,948
Transportation	26,931	-	26,931	-	-	26,931
Human services	4,657,172	-	4,657,172	-	-	4,657,172
Tourism promotion	-	-	-	1,782,666	-	1,782,666
Cultural and recreation	376,193	-	376,193	-	-	376,193
Register of Deeds' Pension Plan	330,053	-	330,053	-	-	330,053
Unrestricted	<u>(111,967,028)</u>	<u>12,875,775</u>	<u>(99,091,253)</u>	<u>-</u>	<u>399,889</u>	<u>(98,691,364)</u>
Total net position	<u>\$ (34,155,110)</u>	<u>\$ 22,410,100</u>	<u>\$ (11,745,010)</u>	<u>\$ 1,864,546</u>	<u>\$ 1,365,899</u>	<u>\$ (8,514,565)</u>

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

Alamance County, North Carolina
Financial Statements and Schedules

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ALAMANCE COUNTY, NORTH CAROLINA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General government	\$ 17,746,274	\$ 4,061,601	\$ -	\$ -
Public safety	52,725,003	12,886,231	13,274,942	-
Transportation	511,354	-	-	-
Economic and physical development	2,997,464	-	685,108	-
Environmental protection	100,909	-	-	-
Human services	36,485,611	968,996	22,327,500	(260,758)
Cultural and recreational	4,978,917	110,070	-	-
Education	129,803,289	-	-	1,461,578
Interest on long-term debt	6,716,077	-	-	-
Total governmental activities	<u>252,064,898</u>	<u>18,026,898</u>	<u>36,287,550</u>	<u>1,200,820</u>
Business-Type Activities:				
Landfill	5,381,087	6,588,542	-	-
Total business-type activities	<u>5,381,087</u>	<u>6,588,542</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 257,445,985</u>	<u>\$ 24,615,440</u>	<u>\$ 36,287,550</u>	<u>\$ 1,200,820</u>
Component Units:				
Tourism Development Authority	\$ 611,745	\$ -	\$ -	\$ -
Transportation Authority	2,494,621	1,809,428	205,488	193,643
Total component units	<u>\$ 3,106,366</u>	<u>\$ 1,809,428</u>	<u>\$ 205,488</u>	<u>\$ 193,643</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, 2022

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	\$ (13,684,673)	\$ -	\$ (13,684,673)	\$ -	\$ -	\$ (13,684,673)
Public safety	(26,563,830)	-	(26,563,830)	-	-	(26,563,830)
Transportation	(511,354)	-	(511,354)	-	-	(511,354)
Economic and physical development	(2,312,356)	-	(2,312,356)	-	-	(2,312,356)
Environmental protection	(100,909)	-	(100,909)	-	-	(100,909)
Human services	(13,449,873)	-	(13,449,873)	-	-	(13,449,873)
Cultural and recreational	(4,868,847)	-	(4,868,847)	-	-	(4,868,847)
Education	(128,341,711)	-	(128,341,711)	-	-	(128,341,711)
Interest on long-term debt	(6,716,077)	-	(6,716,077)	-	-	(6,716,077)
Total governmental activities	(196,549,630)	-	(196,549,630)	-	-	(196,549,630)
Business-Type Activities:						
Landfill	-	1,207,455	1,207,455	-	-	1,207,455
Total business-type activities	-	1,207,455	1,207,455	-	-	1,207,455
Total primary government	(196,549,630)	1,207,455	(195,342,175)	-	-	(195,342,175)
Component Units:						
Tourism Development Authority				(611,745)	-	(611,745)
Transportation Authority				-	(286,062)	(286,062)
Total component units				(611,745)	(286,062)	(897,807)
General Revenues:						
Taxes:						
Property taxes, levied for general purposes	111,349,713	-	111,349,713	-	-	111,349,713
Local option sales tax	43,755,593	-	43,755,593	-	-	43,755,593
Other taxes and licenses	4,732,534	-	4,732,534	843,991	-	5,576,525
Investment earnings, unrestricted	430,937	19,802	450,739	679	21	451,439
Gain on disposal	-	-	-	-	9,789	9,789
Miscellaneous	-	-	-	4,090	-	4,090
Total general revenues	160,268,777	19,802	160,288,579	848,760	9,810	161,147,149
Change in net position	(36,280,853)	1,227,257	(35,053,596)	237,015	(276,252)	(35,092,833)
Net Position:						
Beginning of year - July 1	2,551,709	21,182,843	23,734,552	1,627,531	1,658,489	27,020,572
Restatement	(425,966)	-	(425,966)	-	(16,338)	(442,304)
Beginning of year - restated	2,125,743	21,182,843	23,308,586	1,627,531	1,642,151	26,578,268
End of year - June 30	\$ (34,155,110)	\$ 22,410,100	\$ (11,745,010)	\$ 1,864,546	\$ 1,365,899	\$ (8,514,565)

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, 2022

	Major				Nonmajor	Total
	General Fund	American Rescue Plan Fund	State Capital Infrastructure Fund	Schools Capital Projects Fund	Other Governmental Funds	Governmental Funds
Assets:						
Current assets:						
Cash and cash equivalents	\$ 66,014,574	\$ 32,040	\$ -	\$ 14,374,760	\$ 28,291,930	\$ 108,713,304
Taxes receivable, net	1,858,891	-	-	-	217,535	2,076,426
Receivables, net	13,595,046	-	-	-	67,529	13,662,575
Due from component unit	300,000	-	-	-	-	300,000
Notes receivable	150,380	-	-	-	-	150,380
Leases receivable	35,896	-	-	-	-	35,896
Due from other governments	1,969,537	-	-	-	169,631	2,139,168
Due from other funds	137,019	-	-	-	-	137,019
Restricted cash and cash equivalents	7,607,647	21,949,402	15,682,547	69,632,248	11,878,970	126,750,814
Total current assets	91,668,990	21,981,442	15,682,547	84,007,008	40,625,595	253,965,582
Noncurrent assets:						
Leases receivable, net of current portion	198,401	-	-	-	-	198,401
Total assets	\$ 91,867,391	\$ 21,981,442	\$ 15,682,547	\$ 84,007,008	\$ 40,625,595	\$ 254,163,983
Liabilities, Deferred Inflows of Resources, and Fund Balances						
Liabilities:						
Accounts payable and accrued liabilities	\$ 2,497,634	\$ -	\$ -	\$ -	\$ 287,269	\$ 2,784,903
Payable from restricted assets	-	332,816	-	-	-	332,816
Unearned revenue	-	-	-	-	340,964	340,964
Advance from grantor	21,121	21,616,586	15,659,270	-	-	37,296,977
Due to other funds	-	-	-	-	137,019	137,019
Total liabilities	2,518,755	21,949,402	15,659,270	-	765,252	40,892,679
Deferred Inflows of Resources:						
Taxes receivable	1,858,891	-	-	-	217,535	2,076,426
EMS receivable	2,149,748	-	-	-	-	2,149,748
Leases	231,758	-	-	-	-	231,758
Other accounts receivable	333,835	-	-	-	-	333,835
Total deferred inflows of resources	4,574,232	-	-	-	217,535	4,791,767
Fund Balances:						
Non-spendable - not in spendable form:						
Leases	2,539	-	-	-	-	2,539
Notes receivable	150,380	-	-	-	-	150,380
Restricted:						
Stabilization by state statute	16,143,708	-	-	-	237,160	16,380,868
Restricted, all other	7,607,647	-	23,277	69,632,248	12,713,073	89,976,245
Committed	12,580,495	32,040	-	14,374,760	26,857,468	53,844,763
Assigned	6,470,426	-	-	-	-	6,470,426
Unassigned	41,819,209	-	-	-	(164,893)	41,654,316
Total fund balances	84,774,404	32,040	23,277	84,007,008	39,642,808	208,479,537
Total liabilities, deferred inflows of resources, and fund balances	\$ 91,867,391	\$ 21,981,442	\$ 15,682,547	\$ 84,007,008	\$ 40,625,595	\$ 254,163,983

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

ALAMANCE COUNTY, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2022

	<u>Total Governmental Funds</u>
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position:	
Total fund balance, governmental funds	\$ 208,479,537
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.	55,404,204
Right to use leased assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	5,717,585
Deferred charges on refunding reported in governmental activities are not reported in the funds.	233,754
Net pension asset - ROD	287,970
Net pension liability - LGERS	(9,378,697)
Total pension liability - LEOSSA	(6,305,351)
Total pension liability - Detention Bridge Allowance	(1,089,032)
Deferred outflows of resources related to pensions are not reported in the funds.	16,150,351
Deferred outflows of resources related to OPEB are not reported in the funds.	15,353,210
Deferred inflows related to pensions are not reported in the funds.	(13,922,466)
Deferred inflows related to OPEB are not reported in the funds.	(11,228,273)
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.	7,247,962
Other long-term assets are not available to pay for current expenditures and, therefore, are deferred inflows of resources in the funds.	4,560,009
Total OPEB liability	(97,956,888)
Long-term liabilities and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	(206,172,266)
Other long-term liabilities (accrued interest) are not due and payable in the current period and, therefore, are not reported in the funds.	(1,536,719)
Net position of governmental activities	<u>\$ (34,155,110)</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, 2022

	Major				Nonmajor	Total
	General Fund	American Rescue Plan Fund	State Capital Infrastructure Fund	Schools Capital Projects Fund	Other Governmental Funds	Governmental Funds
Revenues:						
Ad valorem taxes	\$ 103,813,114	\$ -	\$ -	\$ -	\$ 7,489,340	\$ 111,302,454
Local option sales taxes	43,755,593	-	-	-	-	43,755,593
Other taxes and licenses	4,732,534	-	-	-	-	4,732,534
Unrestricted intergovernmental	235,027	-	-	-	-	235,027
Restricted intergovernmental	26,434,137	7,562,306	800,000	1,461,578	1,491,107	37,749,128
Permits and fees	1,862,411	-	-	-	-	1,862,411
Sales and services	14,041,711	-	-	-	-	14,041,711
Contributions	-	-	-	-	(260,758)	(260,758)
Investment earnings	191,355	31,850	23,277	114,102	57,849	418,433
Miscellaneous	1,591,975	-	-	-	-	1,591,975
Total revenues	<u>196,657,857</u>	<u>7,594,156</u>	<u>823,277</u>	<u>1,575,680</u>	<u>8,777,538</u>	<u>215,428,508</u>
Expenditures:						
Current:						
General government	18,706,122	653,166	-	-	1,148,360	20,507,648
Public safety	46,373,880	-	800,000	-	7,809,865	54,983,745
Transportation	485,283	-	-	-	-	485,283
Environmental protection	78,832	-	-	-	-	78,832
Economic and physical development	2,965,231	-	-	-	-	2,965,231
Human services	35,706,946	-	-	-	2,126,939	37,833,885
Cultural and recreation	5,300,069	-	-	-	-	5,300,069
Education	51,911,590	-	-	67,109,536	10,769,127	129,790,253
Capital outlay	4,820,943	-	-	-	468,611	5,289,554
Debt service:						
Principal	15,516,224	-	-	-	208,625	15,724,849
Interest and other charges	6,861,184	-	-	-	1,689	6,862,873
Total expenditures	<u>188,726,304</u>	<u>653,166</u>	<u>800,000</u>	<u>67,109,536</u>	<u>22,533,216</u>	<u>279,822,222</u>
Revenues over (under) expenditures	<u>7,931,553</u>	<u>6,940,990</u>	<u>23,277</u>	<u>(65,533,856)</u>	<u>(13,755,678)</u>	<u>(64,393,714)</u>
Other Financing Sources (Uses):						
Transfers from other funds	8,368,208	-	-	8,482,223	12,063,277	28,913,708
Transfers to other funds	(9,563,277)	(6,909,140)	-	(1,459,068)	(10,982,223)	(28,913,708)
Lease liabilities issued	6,491,653	-	-	-	468,611	6,960,264
Total other financing sources (uses)	<u>5,296,584</u>	<u>(6,909,140)</u>	<u>-</u>	<u>7,023,155</u>	<u>1,549,665</u>	<u>6,960,264</u>
Net change in fund balances	13,228,137	31,850	23,277	(58,510,701)	(12,206,013)	(57,433,450)
Fund Balances:						
Beginning of year - July 1	<u>71,546,267</u>	<u>190</u>	<u>-</u>	<u>142,517,709</u>	<u>51,848,821</u>	<u>265,912,987</u>
End of year - June 30	<u>\$ 84,774,404</u>	<u>\$ 32,040</u>	<u>\$ 23,277</u>	<u>\$ 84,007,008</u>	<u>\$ 39,642,808</u>	<u>\$ 208,479,537</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, 2022**

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)	\$ (57,433,450)
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.	8,557,885
Right to use leased asset capital outlay	6,960,264
Amortization of right to use leased assets is not reported as an expenditure in the governmental funds statement	(1,242,679)
Loss on the disposal of capital assets during the year, not recognized on the modified accrual basis	(383,149)
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.	(3,257,818)
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	47,259
Change in deferred outflow - pension	2,399,217
Change in deferred inflows - pension	(13,341,924)
Change in net pension asset (liability)	12,500,424
Expenses related to compensated absences that do not require current financial are not reported as expenditures in the governmental funds statement.	29,534
Pension expense - LEOSSA	(648,945)
Pension expense - Detention Bridge Allowance	(144,847)
OPEB plan expense	(1,820,412)
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.	15,724,849
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.	(6,960,264)
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.	881,808
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.	146,796
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>1,782,516</u>
Change in net position of governmental activities (Exhibit B)	<u>\$ (36,280,853)</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, 2022

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget Over/Under
Revenues:				
Ad valorem taxes	\$ 102,059,483	\$ 102,169,483	\$ 103,813,114	\$ 1,643,631
Local option sales taxes	35,930,400	37,830,400	43,755,593	5,925,193
Other taxes and licenses	3,013,212	3,837,049	4,732,534	895,485
Unrestricted intergovernmental	265,000	265,000	235,027	(29,973)
Restricted intergovernmental	20,408,875	26,856,569	26,434,137	(422,432)
Permits and fees	1,710,000	1,710,000	1,862,411	152,411
Sales and services	13,883,181	14,895,681	14,041,711	(853,970)
Investment earnings	265,511	265,511	191,355	(74,156)
Miscellaneous	727,026	1,481,731	1,591,975	110,244
Total revenues	178,262,688	189,311,424	196,657,857	7,346,433
Expenditures:				
Current:				
General government	20,037,017	23,099,547	18,706,122	4,393,425
Public safety	43,118,244	48,263,781	46,373,880	1,889,901
Transportation	259,698	505,447	485,283	20,164
Environmental protection	89,538	166,471	78,832	87,639
Economic and physical development	3,753,455	4,075,280	2,965,231	1,110,049
Human services	36,627,458	41,801,554	35,706,946	6,094,608
Cultural and recreational	5,548,647	6,356,571	5,300,069	1,056,502
Intergovernmental:				
Education	51,211,998	51,911,590	51,911,590	-
Debt service:				
Principal	14,355,069	14,355,069	15,516,224	(1,161,155)
Interest and other charges	6,847,469	6,847,469	6,861,184	(13,715)
Total expenditures	181,848,593	197,382,779	183,905,361	13,477,418
Revenues over (under) expenditures	(3,585,905)	(8,071,355)	12,752,496	20,823,851
Other Financing Sources (Uses):				
Transfers from other funds	1,459,068	1,487,768	8,368,208	6,880,440
Transfers (to) other funds	(2,416,427)	(9,941,501)	(9,563,277)	378,224
Lease liabilities issued	-	-	1,670,710	1,670,710
Appropriated fund balance	4,543,264	16,525,088	-	(16,525,088)
Total other financing sources (uses)	3,585,905	8,071,355	475,641	(7,595,714)
Net change in fund balance	\$ -	\$ -	13,228,137	\$ 13,228,137
Fund Balance:				
Beginning of year - July 1			71,546,267	
End of year - June 30			\$ 84,774,404	

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

ALAMANCE COUNTY, NORTH CAROLINA

STATEMENT OF FUND NET POSITION

PROPRIETARY FUNDS

JUNE 30, 2022

	Major Enterprise Fund	Governmental Activities
	Landfill Fund	Internal Service Funds
Assets:		
Current assets:		
Cash and cash equivalents	\$ 27,816,987	\$ 7,981,227
Receivables, net	519,313	8,919
Total current assets	28,336,300	7,990,146
Non-current assets:		
Right to use assets, net of amortization	3,050	-
Capital assets:		
Land and other assets not depreciated	2,882,137	-
Other capital assets, net of depreciation	6,651,679	-
Total capital assets	9,533,816	-
Total non-current assets	9,536,866	-
Total assets	37,873,166	7,990,146
Deferred Outflows of Resources:		
OPEB deferrals	313,331	-
Pension deferrals	288,212	-
Total deferred outflows of resources	601,543	-
Liabilities:		
Current liabilities:		
Accounts payable	136,749	742,184
Compensated absences payable	40,896	-
Lease liabilities	1,265	-
Total current liabilities	178,910	742,184
Non-current liabilities:		
Net pension liability	191,402	-
Accrued landfill closure and post-closure care costs	13,153,337	-
Compensated absences payable	33,461	-
Lease liabilities	1,276	-
Total OPEB liability	1,999,120	-
Total non-current liabilities	15,378,596	-
Total liabilities	15,557,506	742,184
Deferred Inflows of Resources:		
OPEB deferrals	229,148	-
Pension deferrals	277,955	-
Total deferred inflows of resources	507,103	-
Net Position:		
Investment in capital assets	9,534,325	-
Unrestricted	12,875,775	7,247,962
Total net position	\$ 22,410,100	\$ 7,247,962

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, 2022

	Major Enterprise Fund	Governmental Activities
	Landfill Fund	Internal Service Funds
Operating Revenues:		
Landfill user charges	\$ 5,372,527	\$ -
Insurance premiums	-	13,888,838
Excess claims reimbursements	-	133,146
Miscellaneous	1,216,015	766,706
Total operating revenues	<u>6,588,542</u>	<u>14,788,690</u>
Operating Expenses:		
Administration	160,638	16,605
Operations:		
Salaries and benefits	1,402,848	12,975,913
Supplies and materials	40,750	-
Current obligations and services	1,183,191	-
State mandated MSW/C&D charges	268,622	-
Fixed charges and other expenses	714,519	26,160
Landfill closure and post-closure care costs	813,136	-
Depreciation and amortization	797,368	-
Total operating expenses	<u>5,381,072</u>	<u>13,018,678</u>
Operating income (loss)	<u>1,207,470</u>	<u>1,770,012</u>
Non-Operating Revenues (Expenses):		
Interest and investment revenue	19,802	12,504
Interest expense	(15)	-
Total non-operating revenues	<u>19,787</u>	<u>12,504</u>
Change in net position	1,227,257	1,782,516
Net Position:		
Beginning of year - July 1	<u>21,182,843</u>	<u>5,465,446</u>
End of year - June 30	<u>\$ 22,410,100</u>	<u>\$ 7,247,962</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, 2022

	Major Enterprise Fund	Governmental Activities
	Landfill Fund	Internal Service Funds
Cash Flows from Operating Activities:		
Cash received from customers	\$ 6,448,252	\$ 14,655,544
Cash paid for goods and services	(2,859,254)	(12,935,575)
Cash paid to employees for services	(953,073)	-
Other operating revenue	-	133,146
Net cash provided (used) by operating activities	<u>2,635,925</u>	<u>1,853,115</u>
Cash Flows from Capital and Related Financing Activities:		
Acquisition and construction of capital assets	(1,382,417)	-
Principal paid on lease liabilities	1,271	-
Interest paid on lease liabilities	(15)	-
Net cash provided (used) by capital and related financing activities	<u>(1,381,161)</u>	<u>-</u>
Cash Flows from Investing Activities:		
Interest on investments	<u>19,802</u>	<u>12,504</u>
Net increase (decrease) in cash and cash equivalents	1,274,566	1,865,619
Cash and Cash Equivalents:		
Beginning of year - July 1	<u>26,542,421</u>	<u>6,115,608</u>
End of year - June 30	<u>\$ 27,816,987</u>	<u>\$ 7,981,227</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating income (loss)	\$ 1,207,470	\$ 1,770,012
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation and amortization	797,368	-
Landfill closure and post-closure care costs	813,136	-
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(140,289)	-
Increase (decrease) in accounts payable and accrued liabilities	(48,778)	83,103
(Increase) decrease in deferred outflows of resources for pensions	(48,557)	-
Increase (decrease) in net pension liability	(256,348)	-
Increase (decrease) in deferred inflows of resources for pensions	273,074	-
Increase (decrease) in accrued vacation pay	1,698	-
(Increase) decrease in deferred outflows of resources for OPEB	74,416	-
Increase (decrease) in deferred inflows of resources for OPEB	(98,424)	-
Increase (decrease) in total OPEB liability	61,159	-
Total adjustments	<u>1,428,455</u>	<u>83,103</u>
Net cash provided (used) by operating activities	<u>\$ 2,635,925</u>	<u>\$ 1,853,115</u>
Non-Cash Items:		
Right to use asset acquired in exchange for a lease liability	<u>\$ 3,812</u>	<u>\$ -</u>

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

ALAMANCE COUNTY, NORTH CAROLINA

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2022

	Custodial Funds
Assets:	
Cash and cash equivalents	\$ 669,888
Receivables, net	<u>398,846</u>
Total assets	<u>1,068,734</u>
Liabilities:	
Intergovernmental payable	<u>555,686</u>
Net Position:	
Restricted for:	
Assets held in trust for beneficiaries	114,201
Individuals, organizations, and other governments	<u>398,847</u>
Total net position	<u>\$ 513,048</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, 2022

	Custodial Funds
Additions:	
Permits and fees	\$ 36,910
Miscellaneous	1,612,079
Investment earnings	13
Ad valorem taxes collected for other governments	18,931,097
Total additions	<u>20,580,099</u>
Deductions:	
Benefits	1,667,569
Tax distributions to other governments	18,829,208
Total deductions	<u>20,496,777</u>
Net increase (decrease) in fiduciary net position	83,322
Net position - beginning	<u>429,726</u>
Net position - ending	<u>\$ 513,048</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, 2022

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, 2022

- **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, 2022

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, State Capital Infrastructure Fund, American Rescue Plan 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 State Capital Infrastructure Fund accounts for funds used in various capital projects. 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 five nonmajor special revenue funds: Fire Districts Fund, Indigent Trust Fund, Opioid Settlement Fund, Grant 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 five capital project funds within the nonmajor governmental fund types: Capital Reserve Funds, Mental Health Diversion Center Fund, Alamance Community College Fund, Renovation and Repair Projects Fund, and the Rudd Street Building Fund.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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, 2022

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, 2022

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, American Rescue Plan Fund, Opioid Settlement 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, American Rescue Plan Fund, Opioid Settlement 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)(8)] 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 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.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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. Unspent settlement proceeds in the Opioid Settlement Fund are 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	\$ 265,063
	Future tax revaluation	371,329
	Unspent grant proceeds	6,971,255
American Rescue Plan Fund	Unspent grant proceeds	21,949,402
Opioid Settlement Fund	Unspent settlement proceeds	340,964
State Capital Infrastructure Fund	Unspent grant proceeds	15,682,547
Schools Capital Project Fund	Unexpended debt proceeds	69,632,248
Alamance Community College Capital Project Fund	Unexpended debt proceeds	11,538,006
Total governmental activities		<u>\$ 126,750,814</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, 2021. 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.

Lease Receivable. The County's lease receivable is measured at the present value of lease payments expected to be received during the lease term. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

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

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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.

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:

<u>Asset</u>	<u>Estimated Useful Lives</u>
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

Right to Use Assets. The County has recorded right to use lease assets as a result of implementing GASB 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease.

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 assets 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 assets that applies to a future period and so will not be recognized as revenue until then. The County has six items that meet the criterion for this category: OPEB related deferrals, pension related deferrals, taxes receivable, EMS receivables, leases, and other receivables.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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.

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.

Leases – portion of fund balance that is not an available resource because it represents the year-end balance of the lease receivable in excess of the deferred inflow of resources for the lease receivable, which is not a spendable resource.

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

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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 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.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Restricted fund balance at June 30, 2022 is as follows:

Purpose	General Fund	Schools Capital Projects Fund	State Capital Infrastructure Fund	Other Governmental Funds
Restricted, All Other:				
Education	\$ -	\$ 69,632,248	\$ -	\$ 11,538,006
Public safety	842,183	-	23,277	665,294
General government	1,913,993	-	-	-
Human services	4,147,399	-	-	509,773
Transportation	26,931	-	-	-
Economic and physical development	300,948	-	-	-
Cultural and recreation	376,193	-	-	-
Total	\$ 7,607,647	\$ 69,632,248	\$ 23,277	\$ 12,713,073

Restricted net position on Exhibit A varies from restricted fund balance on Exhibit C by the amount of unspent debt proceeds of \$81,435,317 as of June 30, 2022 and Register of Deeds Pension Plan of \$330,053 for a net difference of \$81,105,264.

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, Rudd Street Building Fund, and the American Rescue Plan 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.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Committed fund balance at June 30, 2022 is as follows:

Purpose	General Fund	Schools Capital Projects Fund	American Rescue Plan Fund	Other Governmental Funds
Education	\$ -	\$ 14,374,760	\$ -	\$ 2,429,989
General government	8,445,295	-	32,040	23,227,479
Public safety	948,232	-	-	-
Human services	2,678,557	-	-	1,200,000
Tax revaluation	90,391	-	-	-
Economic and physical development	418,020	-	-	-
Total	<u>\$ 12,580,495</u>	<u>\$ 14,374,760</u>	<u>\$ 32,040</u>	<u>\$ 26,857,468</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.

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.

Purpose	General Fund
General government	\$ 1,017,914
Public safety	366,685
Economic and physical development	100,000
Subsequent years' expenditures	4,985,827
Total	<u>\$ 6,470,426</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, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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	\$ 84,774,404
Less:	
Notes receivable	150,380
Leases	2,539
Stabilization by state statute	<u>16,143,708</u>
Total available fund balance - General Fund	<u><u>\$ 68,477,777</u></u>

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

	General
	Fund
Encumbrances	<u><u>\$ 2,625,689</u></u>

ACCOUNTING ESTIMATES

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

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.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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 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, 2022, the County's deposits had a carrying amount of \$27,550,034 and a bank balance of \$29,791,603. Of the bank balance, \$1,193,601 was covered by federal depository insurance and the remainder was covered by collateral held under the Pooling Method.

At June 30, 2022, the County had \$6,742 cash on hand.

Investments. At June 30, 2022, the County had the following investments and maturities:

	Valuation		Less	
	Measurement Method	Fair Value	Than 1 Year	1-5
Commercial paper	Fair Value-Level 2	\$ 73,028,702	\$ 73,028,702	\$ -
NCCMT - Government Portfolio	Fair Value-Level 1	171,346,742	171,346,742	-
Total		<u>\$ 244,375,444</u>	<u>\$ 244,375,444</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.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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.

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, 2022, 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 20% of the County's investments are in commercial paper. Issuers are LMA Americas LLC and MetLife,. These investments are 5.1% and 5.5%, 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.

Year of Levy	Tax	Interest	Total
2019	\$ 2,174,578	\$ 712,237	\$ 2,886,815
2020	2,458,236	583,881	3,042,117
2021	2,473,347	364,850	2,838,197
2022	2,443,572	140,520	2,584,092
Total	\$ 9,216,697	\$ 2,352,345	\$ 11,569,042

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Note 4. Receivables

Receivables at the government-wide level at June 30, 2022 were as follows:

	Government-Wide Financial Statements		
	Governmental Activities	Business-Type Activities	Total
Receivables:			
Accounts	\$ 31,277,842	\$ 656,956	\$ 31,934,798
Taxes	2,665,452	-	2,665,452
Due from other governments	2,139,168	-	2,139,168
Gross receivables	36,082,462	656,956	36,739,418
Less: allowance for uncollectibles	(18,195,374)	(137,643)	(18,333,017)
Net total receivables	<u>\$ 17,887,088</u>	<u>\$ 519,313</u>	<u>\$ 18,406,401</u>

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

Local option sales tax	\$ 443,008
Other governments	1,696,160
Total	<u>\$ 2,139,168</u>

At June 30, 2022, 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	\$ 725
Town of Haw River Fund	5,653
Altamahaw-Ossipee Sanitary District Fund	299
Town of Green Level Fund	10,780
City of Graham Fund	10,807
City of Burlington Fund	52,114
Town of Elon Fund	2,066
City of Mebane Fund	18,828
Town of Gibsonville Fund	6,581
Total	<u>\$ 107,853</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Note 5. Lease Receivable

For the year ended June 30, 2022, the financial statements include the adoption of GASB Statement No. 87, *Leases*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

On July 1, 2021, Alamance County, NC entered into a 112-month lease as Lessor for the use of Alfred Road. An initial lease receivable was recorded in the amount of \$244,534. As of June 30, 2022, the value of the lease receivable is \$220,999. The lessee is required to make monthly fixed payments of \$2,236. The lease has an interest rate of 1.5273%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of June 30, 2022 was \$218,489, and Alamance County recognized lease revenue of \$26,045 during the fiscal year. The lessee has 1 extension option(s), each for 60 months.

On July 1, 2021, Alamance County, NC entered into a 25-month lease as Lessor for the use of 209 North Graham - Hopedale Road. An initial lease receivable was recorded in the amount of \$25,519. As of June 30, 2022, the value of the lease receivable is \$13,298. The lessee is required to make monthly fixed payments of \$1,026. The lease has an interest rate of 0.5140%. The Buildings' estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of June 30, 2022 was \$13,269, and Alamance County recognized lease revenue of \$12,249 during the fiscal year.

Year Ending	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
June 30			
2023	\$ 35,896	\$ 3,250	\$ 39,146
2024	25,012	2,848	27,860
2025	24,355	2,478	26,833
2026	25,908	2,099	28,007
2027	27,155	1,691	28,846
2028-2032	95,971	2,587	98,558
Total	<u>\$ 234,297</u>	<u>\$ 14,953</u>	<u>\$ 249,250</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Note 6. Capital Assets

Primary Government

Capital asset activity for the year ended June 30, 2022 was as follows:

	<u>July 1, 2021</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>June 30, 2022</u>
Governmental Activities:					
Non-Depreciable Capital Assets:					
Land	\$ 5,207,447	\$ 357,250	\$ -	\$ -	\$ 5,564,697
Construction in progress	1,392,676	994,600	-	(1,392,676)	994,600
Total non-depreciable capital assets	<u>6,600,123</u>	<u>1,351,850</u>	<u>-</u>	<u>(1,392,676)</u>	<u>6,559,297</u>
Depreciable Capital Assets:					
Buildings	49,197,187	1,689,232	-	1,392,676	52,279,095
Other improvements	14,904,866	546,837	-	-	15,451,703
Easements	1,179,227	-	-	-	1,179,227
Equipment	9,361,694	1,214,067	(1,491,844)	-	9,083,917
Vehicles and motor equipment	11,941,116	3,755,899	(576,089)	-	15,120,926
Infrastructure	158,649	-	-	-	158,649
Total depreciable capital assets	<u>86,742,739</u>	<u>7,206,035</u>	<u>(2,067,933)</u>	<u>1,392,676</u>	<u>93,273,517</u>
Less Accumulated Depreciation:					
Buildings	(25,381,714)	(930,330)	-	-	(26,312,044)
Other improvements	(4,749,764)	(589,415)	-	-	(5,339,179)
Easements	(417,999)	(39,238)	-	-	(457,237)
Equipment	(5,983,845)	(628,637)	1,287,251	-	(5,325,231)
Vehicles and motor equipment	(6,245,952)	(1,066,975)	397,533	-	(6,915,394)
Infrastructure	(76,302)	(3,223)	-	-	(79,525)
Total accumulated depreciation	<u>(42,855,576)</u>	<u>\$ (3,257,818)</u>	<u>\$ 1,684,784</u>	<u>\$ -</u>	<u>(44,428,610)</u>
Total depreciable capital assets, net	<u>43,887,163</u>				<u>48,844,907</u>
Governmental activities capital assets, net	<u>\$ 50,487,286</u>				<u>\$ 55,404,204</u>

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

General government	\$ 1,732,317
Public safety	1,328,988
Economic and physical development	5,363
Human services	98,650
Cultural (parks and recreation)	92,500
Total depreciation expense	<u>\$ 3,257,818</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Capital asset activity for business-type activities for the year ended June 30, 2022 was as follows:

	<u>July 1, 2021</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>June 30, 2022</u>
Business-Type Activities:					
Landfill:					
Non-Depreciable Capital Assets:					
Land	\$ 2,765,112	\$ -	\$ -	\$ -	\$ 2,765,112
Construction in progress	162,424	-	-	(45,399)	117,025
Total non-depreciable capital assets	<u>2,927,536</u>	<u>-</u>	<u>-</u>	<u>(45,399)</u>	<u>2,882,137</u>
Depreciable Capital Assets:					
Landfill construction	13,623,455	882,312	-	45,399	14,551,166
Buildings	1,209,176	-	-	-	1,209,176
Other improvements	788,777	-	-	-	788,777
Fixtures and equipment	326,170	17,351	-	-	343,521
Vehicles and motor equipment	<u>7,210,015</u>	<u>482,754</u>	<u>(190,385)</u>	<u>-</u>	<u>7,502,384</u>
Total depreciable capital assets	<u>23,157,593</u>	<u>1,382,417</u>	<u>(190,385)</u>	<u>45,399</u>	<u>24,395,024</u>
Less Accumulated Depreciation:					
Landfill construction	(11,244,604)	(288,738)	-	-	(11,533,342)
Buildings	(231,545)	(24,132)	-	-	(255,677)
Other improvements	(753,901)	(3,122)	-	-	(757,023)
Fixtures and equipment	(249,506)	(14,688)	-	-	(264,194)
Vehicles and motor equipment	<u>(4,657,568)</u>	<u>(465,926)</u>	<u>190,385</u>	<u>-</u>	<u>(4,933,109)</u>
Total accumulated depreciation	<u>(17,137,124)</u>	<u>\$ (796,606)</u>	<u>\$ 190,385</u>	<u>\$ -</u>	<u>(17,743,345)</u>
Total capital assets being depreciated, net	<u>6,020,469</u>				<u>6,651,679</u>
Landfill capital assets, net	<u>\$ 8,948,005</u>				<u>\$ 9,533,816</u>

Construction Commitments

The government has active construction projects as of June 30, 2022. At year-end, the government's commitments with contractors are as follows:

<u>Projects</u>	<u>Spent To-Date</u>	<u>Remaining Commitment</u>
HSC HVAC Project	<u>\$ 540,089</u>	<u>\$ 982,090</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Net Investment in Capital Assets

The total net investment in capital assets at June 30, 2022 is composed of the following elements:

	Governmental Activities	Business-Type Activities
Capital assets and right to use assets	\$ 61,121,789	\$ 9,536,866
Total debt, gross	202,718,819	2,541
Long-term debt for assets not owned by the County	193,892,036	-
Capital related unspent debt proceeds	265,063	-
Total capital debt	8,561,720	2,541
Net investment in capital assets	\$ 52,560,069	\$ 9,534,325

Note 7. Right to Use Assets

The County has recorded seventy right to use leased assets. The assets are right to use assets for leased equipment. The related leases are discussed in the lease subsection of the liabilities section of this note. The right to use lease assets are amortized on a straight-line basis over the terms of the related leases.

Right to use asset activity for the Primary Government for the year ended June 30, 2022, was as follows:

	July 1, 2021	Additions	Retirements	June 30, 2022
Governmental Activities:				
Right to Use Assets				
Leased land and buildings	\$ -	\$ 2,616,250	\$ -	\$ 2,616,250
Leased vehicles	-	88,642	-	88,642
Leased equipment	-	4,255,372	-	4,255,372
Total right to use assets	-	6,960,264	-	6,960,264
Less Accumulated Amortization:				
Leased land and buildings	-	(523,250)	-	(523,250)
Leased vehicles	-	(8,864)	-	(8,864)
Leased equipment	-	(710,565)	-	(710,565)
Total accumulated amortization	-	(1,242,679)	-	(1,242,679)
Right to Use Assets, net	\$ -	\$ 5,717,585	\$ -	\$ 5,717,585
	July 1, 2021	Additions	Retirements	June 30, 2022
Business-Type Activities:				
Landfill:				
Right to Use Assets				
Leased equipment	\$ -	\$ 3,812	\$ -	\$ 3,812
Less Accumulated Amortization:				
Leased equipment	-	(762)	-	(762)
Right to Use Assets, net	\$ -	\$ 3,050	\$ -	\$ 3,050

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Note 8. Accounts Payable and Accrued Liabilities

Payables and other accrued liabilities at the government-wide level at June 30, 2022 were as follows:

Governmental Activities:

Vendors	\$ 1,898,658
Due to other governments	290,650
Accrued payroll and related liabilities	736,779
Accrued interest	1,536,719
Incurred but not reported	601,000
Total governmental activities	<u>\$ 5,063,806</u>

Business-Type Activities:

Landfill vendors	<u>\$ 136,749</u>
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Note 9. 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 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

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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, 2022, was 12.10% of compensation for law enforcement officers and 11.35% 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 \$5,308,314 for the year ended June 30, 2022.

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.

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

At June 30, 2022, the County reported a liability of \$9,570,099 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. The total pension liability was then rolled forward to the measurement date of June 30, 2021 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, 2022, the County's proportion was 0.62403% (measured as of June 30, 2021), which was a decrease of 0.00247% from its proportion as of June 30, 2021 (measured as of June 30, 2020).

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

For the year ended June 30, 2022, the County recognized pension expense of \$3,716,787. At June 30, 2022, 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	\$ 3,044,592	\$ -
Changes of assumptions	6,012,467	-
Net difference between projected and actual earnings on pension plan investments	-	13,672,797
Changes in proportion and differences between County contributions and proportionate share of contributions	45,240	224,982
County contributions subsequent to the measurement date	5,308,314	-
Total	<u>\$ 14,410,613</u>	<u>\$ 13,897,779</u>

\$5,308,314 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, 2023. 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
2023	\$ 797,495
2024	(347,237)
2025	(1,061,780)
2026	(4,183,958)
2027	-
Thereafter	-
Total	<u>\$ (4,795,480)</u>

Actuarial Assumptions. The total pension liability in the December 31, 2020 actuarial valuation 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
Investment rate of return	6.50 percent, net of pension plan investment expense, including inflation

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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, 2020 valuation, with the exception of the discount rate, were based on the results of an actuarial experience study for the period January 1, 2015 through December 31, 2019.

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, 2021 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%
Opportunistic fixed income	7.0%	6.0%
Inflation sensitive	<u>6.0%</u>	4.0%
Total	<u>100.0%</u>	

The information above is based on 30-year expectations developed with the consulting actuary as part of a study conducted in 2016, and is part of the asset, liability and investment policy of the North Carolina Retirement Systems. 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 3.05%. Return projections do not include any excess return expectations over benchmark averages. All rates of return and inflation are annualized.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Discount Rate. The discount rate used to measure the total pension liability was 6.50%. 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 6.50 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 (5.50 percent) or 1-percentage-point higher (7.50 percent) than the current rate:

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
County's proportionate share of the net pension liability (asset)	<u>\$ 37,150,328</u>	<u>\$ 9,570,099</u>	<u>\$ (13,126,827)</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.

All full-time law enforcement officers of the County are covered by the Separation Allowance. At December 31, 2020, the Separation Allowance's membership consisted of:

Retirees receiving benefits	17
Active plan members	<u>137</u>
Total	<u>154</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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, 2020 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	3.25 to 7.75 percent, including inflation and productivity factor
Discount rate	2.25 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, 2020 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.

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.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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 \$235,172 as benefits came due.

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

At June 30, 2022, the County reported a total pension liability of \$6,305,351. The total pension liability was measured as of December 31, 2021 based on a December 31, 2020 actuarial valuation. The total pension liability was rolled forward to December 31, 2021 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2022, the County recognized pension expense of \$899,289.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 400,349	\$ 72,074
Changes of assumptions and other inputs	1,182,788	195,384
County benefit payments and administrative expenses made subsequent to the measurement date	172,339	-
Total	<u>\$ 1,755,476</u>	<u>\$ 267,458</u>

\$172,339 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, 2023. 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
2023	\$ 431,578
2024	359,978
2025	310,906
2026	250,631
2027	(37,414)
Thereafter	-
Total	<u>\$ 1,315,679</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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 2.25 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 (1.25 percent) or 1-percentage-point higher (3.25 percent) than the current rate:

	1% Decrease (1.25%)	Discount Rate (2.25%)	1% Increase (3.25%)
Total pension liability	\$ 6,877,694	\$ 6,305,351	\$ 5,784,369

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

	2022
Beginning balance	\$ 6,326,899
Service cost	336,793
Interest	119,840
Difference between expected and actual experience	(65,599)
Changes of assumptions and other inputs	(177,410)
Benefit payments	(235,172)
Ending balance	\$ 6,305,351

Changes of Assumptions. Changes of assumptions and other inputs reflect a change in the Municipal Bond Index Rate from 1.93% at December 31, 2020 to 2.25% at December 31, 2021.

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.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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, 2022 were \$906,356, which consisted of \$407,380 from the County and \$498,976 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, 2021, the Separation Allowance's membership consisted of:

Retirees receiving benefits	2
Active plan members	<u>90</u>
Total	<u><u>92</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, 2021 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	2.25 percent

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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, 2021 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 ended 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.

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 \$41,124 as benefits came due.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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

At June 30, 2022, the County reported a total pension liability of \$1,089,032. The total pension liability was measured as of December 31, 2021 based on a December 31, 2021 actuarial valuation. For the year ended June 30, 2022, the County recognized pension expense of \$185,515.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 76,918	\$ -
Changes of assumptions and other inputs	120,821	24,640
County benefit payments and administrative expenses made subsequent to the measurement date	22,108	-
Total	<u>\$ 219,847</u>	<u>\$ 24,640</u>

\$22,108 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, 2023. 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
2023	\$ 102,381
2024	58,348
2025	12,370
2026	-
2027	-
Thereafter	-
Total	<u>\$ 173,099</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 2.25 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 (1.25 percent) or 1-percentage-point higher (3.25 percent) than the current rate:

	1% Decrease (1.25%)	Discount Rate (2.25%)	1% Increase (3.25%)
Total pension liability	<u>\$ 1,199,298</u>	<u>\$ 1,089,032</u>	<u>\$ 989,924</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Detention Officer Social Security Bridge Allowance	
	2022
Beginning balance	\$ 980,120
Service cost	59,285
Interest	18,519
Changes of assumptions and other inputs	72,232
Benefit payments	(41,124)
Ending balance	<u>\$ 1,089,032</u>

Changes of Assumptions. Changes of assumptions and other inputs reflect a change in the Municipal Bond Index Rate from 1.93% at December 31, 2020 to 2.25% at December 31, 2021.

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 Governmental 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.

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 \$18,158 for the year ended June 30, 2022.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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

At June 30, 2022, the County reported an asset of \$287,970 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2021. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2020. The total pension liability was then rolled forward to the measurement date of June 30, 2021 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, 2021, the County's proportion was 1.49883%, which was a decrease of 0.02230% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the County recognized pension expense of \$20,138. At June 30, 2022, 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	\$ 3,073	\$ 3,492
Changes of assumptions	20,999	-
Net difference between projected and actual earnings on pension plan investments	-	884
Changes in proportion and differences between County contributions and proportionate share of contributions	10,397	6,168
County contributions subsequent to the measurement date	<u>18,158</u>	<u>-</u>
Total	<u><u>\$ 52,627</u></u>	<u><u>\$ 10,544</u></u>

\$18,158 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, 2023. 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
2023	\$ 10,859
2024	7,025
2025	(674)
2026	6,715
2027	-
Thereafter	<u>-</u>
Total	<u><u>\$ 23,925</u></u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Actuarial Assumptions. The total pension liability in the December 31, 2020 actuarial valuation 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
Investment rate of return	3.00 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, 2020 valuation were based on the results of an actuarial experience study as of December 31, 2019.

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, 2021 is 1.4%.

The information above is based on 30-year expectations developed with the consulting actuary as part of a study conducted in 2016, and is part of the asset, liability and investment policy of the North Carolina Retirement Systems. 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 3.05%. Return projections do not include any excess return expectations over benchmark averages. All rates of return and inflation are annualized.

Discount Rate. The discount rate used to measure the total pension liability was 3.00%. 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.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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 3.00 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 (2.00 percent) or 1-percentage-point higher 4.00 percent than the current rate:

	1% Decrease (2.00%)	Discount Rate (3.00%)	1% Increase (4.00%)
County's proportionate share of the net pension liability (asset)	<u>\$ 228,736</u>	<u>\$ (287,970)</u>	<u>\$ 337,746</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.

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, 2022

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, 2021, 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, 2021, with an actuarial valuation date of December 31, 2020. 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)	\$ 9,570,099	N/A	N/A	\$ 287,970	\$ 9,858,069
Proportion of the net pension liability (asset)	0.62403%	N/A	N/A	1.49883%	-
Total pension liability	N/A	\$ 6,305,351	\$ 1,089,032	N/A	7,394,383
Pension expense	3,716,787	899,289	185,515	20,138	4,821,729

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

At June 30, 2022, 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	\$ 3,044,592	\$ 400,349	\$ 76,918	\$ 3,073	\$ 3,524,932
Changes of assumptions	6,012,467	1,182,788	120,821	20,999	7,337,075
Changes in proportion and differences between County contributions and proportionate share of contributions	45,240	-	-	10,397	55,637
County contributions (LGERS, ROD) and benefit payments and administration costs (LEOSSA) subsequent to the measurement date	5,308,314	172,339	22,108	18,158	5,520,919
Total	<u>\$ 14,410,613</u>	<u>\$ 1,755,476</u>	<u>\$ 219,847</u>	<u>\$ 52,627</u>	<u>\$ 16,438,563</u>
Deferred Inflows of Resources:					
Differences between expected and actual experience	\$ -	\$ 72,074	\$ -	\$ 3,492	\$ 75,566
Changes of assumptions	-	195,384	24,640	-	220,024
Net difference between projected and actual earnings on pension plan investments	13,672,797	-	-	884	13,673,681
Changes in proportion and differences between County contributions and proportionate share of contributions	224,982	-	-	6,168	231,150
Total	<u>\$ 13,897,779</u>	<u>\$ 267,458</u>	<u>\$ 24,640</u>	<u>\$ 10,544</u>	<u>\$ 14,200,421</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, 2022

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 Governmental 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:

<u>Years of Service At Retirement</u>	<u>County Contribution</u>	<u>Retiree Contribution</u>
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, 2022

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%

Employees hired on or after January 1, 2014 are not eligible for benefits once they become eligible for Medicare. This applies to all retirements that are not due to a work-related disability.

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, 2021:

<u>Tier</u>	<u>Pre-65 Health Cost</u>	<u>Dental Cost*</u>	<u>Post-65 Health Cost</u>
Retiree	\$ 777.00	\$ 49.50	\$ 262.35
Retiree + Spouse	1,227.00	81.25	525.00
Retiree + Child(ren)	1,142.00	73.75	-
Retiree + Family	1,527.00	101.00	-

*Dental coverage is only offered to those who retire due to a work-related disability.

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.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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	<u>883</u>
Total	<u><u>1,341</u></u>

Total OPEB Liability

The County's total OPEB liability of \$99,956,008 was measured as of June 30, 2021 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	0.75 percent
Wage inflation	3.25 percent
Salary increases, including wage inflation:	
General employees	3.25%-8.41%
Law enforcement officers	3.25%-7.90%
Firefighters	3.25%-8.15%
Discount rate	2.16 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, 2021	<u>\$ 96,898,043</u>
Changes for the year:	
Service cost	3,248,834
Interest	2,191,922
Differences between expected and actual experience	(398,379)
Changes of assumptions or other inputs	(44,077)
Benefit payments	<u>(1,940,335)</u>
Net changes	<u>3,057,965</u>
Balance at June 30, 2022	<u><u>\$ 99,956,008</u></u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Changes in assumptions and other inputs reflect a change in the Municipal Bond Index Rate from 2.21% to 2.16%.

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.

Mortality rates were based on the Pub-2010 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2019.

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, 2015 through December 31, 2019, 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 (1.16 percent) or 1-percentage-point higher (3.16 percent) than the current discount rate:

	1% Decrease (1.16%)	Discount Rate (2.16%)	1% Increase (3.16%)
Total OPEB liability	<u>\$ 119,425,759</u>	<u>\$ 99,956,008</u>	<u>\$ 84,791,830</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>\$ 82,899,941</u>	<u>\$ 99,956,008</u>	<u>\$ 122,265,595</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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

For the year ended June 30, 2022, the County recognized OPEB expense of \$3,757,764. At June 30, 2022, 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	\$ -	\$ 7,645,052
Changes of assumptions	13,755,287	3,812,369
Benefit payments and plan administrative expense made subsequent to the measurement date	<u>1,911,254</u>	<u>-</u>
Total	<u>\$ 15,666,541</u>	<u>\$ 11,457,421</u>

\$1,911,254 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, 2023. 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
2023	\$ (1,682,992)
2024	(1,051,435)
2025	2,498,320
2026	2,582,084
2027	(48,111)
Thereafter	<u>-</u>
Total	<u>\$ 2,297,866</u>

Note 10. 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.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

The \$10,708,802 reported for the Austin Quarter MSW Landfill Facility as landfill closure and post-closure care liability at June 30, 2022 represents a cumulative amount reported to date based on the use of 93.46% 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 \$2,109,428 reported for the Austin Quarter C&D Landfill Facility as landfill closure and post-closure care liability at June 30, 2022 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 2022. The County expects to close the Austin Quarter MSW Landfill Facility in the year 2072 and the Austin Quarter C&D Landfill Facility in 2023, 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, 2022, the estimated closure and post-closure care liability for this facility amounted to \$335,107. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

The total landfill closure and post-closure care liability for the County's landfills as of June 30, 2022 amounted to \$13,153,337.

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 11. Deferred Outflows and Inflows of Resources

Deferred outflows of resources are comprised of the following:

Source	Amount
Pension deferrals	\$ 16,438,563
OPEB deferrals	15,666,541
Unamortized bond refunding charges	233,754
Total	<u>\$ 32,338,858</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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

<u>Source</u>	<u>Amount</u>
Property taxes receivable (General Fund)	\$ 1,858,891
Property taxes receivable (Nonmajor Governmental Funds)	217,535
EMS receivable (General Fund)	2,149,748
Other receivables (General Fund)	333,835
Leases	231,758
Pension deferrals	14,200,421
OPEB deferrals	11,457,421
Total	<u>\$ 30,449,609</u>

Note 12. Contingent Liabilities

At June 30, 2022, 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 13. Long-Term Obligations

Leases

The County has entered into agreements to lease certain equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

On July 1, 2021, Alamance County, NC entered into a 59-month lease as Lessee for the use of Unit 6, Professional Square Condo. An initial lease liability was recorded in the amount of \$139,702. As of June 30, 2022, the value of the lease liability is \$138,057. Alamance County is required to make monthly fixed payments of \$3,000. The lease has an interest rate of 1.0586%. The building estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$139,702 with accumulated amortization of \$28,414 is included with buildings on the Lease Class activities table found below. Alamance County has 4 extension option(s), each for 12 months.

On July 1, 2021, Alamance County, NC entered into a 114-month lease as Lessee for the use of 1813 Frank Holt Dr. An initial lease liability was recorded in the amount of \$962,635.32. As of June 30, 2022, the value of the lease liability is \$877,765. Alamance County is required to make monthly fixed payments of \$8,098. The lease has an interest rate of 1.6037%. The land estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$962,635 with accumulated amortization of \$101,330 is included with Land on the Lease Class activities table found below. Alamance County has 1 extension option(s), each for 60 months.

On July 1, 2021, Alamance County, NC entered into a 24-month lease as Lessee for the use of Canon Copier - TM-305. An initial lease liability was recorded in the amount of \$5,553. As of June 30, 2022, the value of the lease liability is \$2,786. Alamance County is required to make monthly fixed payments of

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

\$233. The lease has an interest rate of 0.5140%. The equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$5,559 with accumulated amortization of \$2,734 is included with equipment on the Lease Class activities table found below. Alamance County has the option to purchase the equipment for \$1.00.

On July 13, 2021, Alamance County, NC entered into a 36-month lease as Lessee for the use of Toshiba Copiers - Tax Department. An initial lease liability was recorded in the amount of \$8,040. As of June 30, 2022, the value of the lease liability is \$5,360. Alamance County is required to make semi-annual fixed payments of \$1,730. The lease has an interest rate of 0.7270%. The equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$8,040 with accumulated amortization of \$2,591 is included with equipment on the Lease Class activities table found below.

On May 9, 2022, Alamance County, NC entered into a 60-month lease as Lessee for the use of Canon Copier - GIS Department. An initial lease liability was recorded in the amount of \$21,205. As of June 30, 2022, the value of the lease liability is \$18,955. Alamance County is required to make semi-annual fixed payments of \$2,250. The lease has an interest rate of 2.6860%. The equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$21,205 with accumulated amortization of \$613 is included with equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 21-month lease as Lessee for the use of Toshiba Copier - Board of Election. An initial lease liability was recorded in the amount of \$2,887. As of June 30, 2022, the value of the lease liability is \$964. Alamance County is required to make semi-annual fixed payments of \$1,101. The lease has an interest rate of 0.5140%. The equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$2,887 with accumulated amortization of \$1,650 is included with equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 30-month lease as Lessee for the use of Copier - Sharp MX-3571. An initial lease liability was recorded in the amount of \$6,331. As of June 30, 2022, the value of the lease liability is \$3,812. Alamance County is required to make monthly fixed payments of \$213. The lease has an interest rate of 0.7270%. The equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$6,331 with accumulated amortization of \$2,467 is included with equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 25-month lease as Lessee for the use of Copier - Ricoh DD 3334. An initial lease liability was recorded in the amount of \$12,084. As of June 30, 2022, the value of the lease liability is \$6,299. Alamance County is required to make monthly fixed payments of \$486. The lease has an interest rate of 0.5135%. The equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$12,084 with accumulated amortization of \$5,620 is included with equipment on the Lease Class activities table found below.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

On July 1, 2021, Alamance County, NC entered into a 22-month lease as Lessee for the use of Ricoh - Color Print Production Copier. An initial lease liability was recorded in the amount of \$44,159. As of June 30, 2022, the value of the lease liability is \$20,121. Alamance County is required to make monthly fixed payments of \$2,153. The lease has an interest rate of 0.5140%. The equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$44,159 with accumulated amortization of \$23,378 is included with equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 28-month lease as Lessee for the use of Pitney Bowes - Mail Machine. An initial lease liability was recorded in the amount of \$17,674. As of June 30, 2022, the value of the lease liability is \$9,838. Alamance County is required to make quarterly fixed payments of \$1,975. The lease has an interest rate of 0.5140%. The equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$17,674 with accumulated amortization of \$7,416 is included with equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 22-month lease as Lessee for the use of Vesta Equipment - Sch 311. An initial lease liability was recorded in the amount of \$338,952. As of June 30, 2022, the value of the lease liability is \$169,693. Alamance County is required to make quarterly fixed payments of \$42,560. The lease has an interest rate of 0.5140%. The computer equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$338,952 with accumulated amortization of \$184,883 is included with computer equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 19-month lease as Lessee for the use of Toshiba Copier - Inspections Department. An initial lease liability was recorded in the amount of \$2,795. As of June 30, 2022, the value of the lease liability is \$932. Alamance County is required to make semi-annual fixed payments of \$1,069. The lease has an interest rate of 0.5140%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$2,795 with accumulated amortization of \$1,765 is included with equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 383-month lease as Lessee for the use of Mebane Tower. An initial lease liability was recorded in the amount of \$989,104. As of June 30, 2022, the value of the lease liability is \$982,784. Alamance County is required to make monthly fixed payments of \$2,470. The lease has an interest rate of 2.5833%. The land estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$989,104 with accumulated amortization of \$30,990 is included with Land on the Lease Class activities table found below. Alamance County has 6 extension option(s), each for 60 months.

On July 1, 2021, Alamance County, NC entered into a 349-month lease as Lessee for the use of 2611 N. Nc 62 Hwy. An initial lease liability was recorded in the amount of \$524,808. As of June 30, 2022, the value of the lease liability is \$519,804. Alamance County is required to make monthly fixed payments of \$1,400. The lease has an interest rate of 2.5628%. The land estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$524,808 with accumulated amortization of \$18,045 is included with land on the Lease Class activities table found below. Alamance County has 4 extension option(s), each for 60 months.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

On December 1, 2021, Alamance County, NC entered into a 60-month lease as Lessee for the use of Motorola - Dispatch Console Equipment. An initial lease liability was recorded in the amount of \$846,695. As of June 30, 2022, the value of the lease liability is \$846,695. Alamance County is required to make annual fixed payments of \$217,939. The lease has an interest rate of 1.1770%. The equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$846,695 with accumulated amortization of \$98,781 is included with equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 36-month lease as Lessee for the use of Toshiba Copiers - May Memorial. An initial lease liability was recorded in the amount of \$15,286. As of June 30, 2022, the value of the lease liability is \$10,191. Alamance County is required to make semi-annual fixed payments of \$3,111. The lease has an interest rate of 0.7270%. The equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$15,286 with accumulated amortization of \$5,095 is included with equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 23-month lease as Lessee for the use of Toshiba Copiers - Park and Recreation. An initial lease liability was recorded in the amount of \$4,430. As of June 30, 2022, the value of the lease liability is \$2,220. Alamance County is required to make monthly fixed payments of \$253. The lease has an interest rate of 0.5140%. The equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$4,430 with accumulated amortization of \$2,262 is included with equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 15-month lease as Lessee for the use of Hardware - Sch 162. An initial lease liability was recorded in the amount of \$73,106. As of June 30, 2022, the value of the lease liability is \$14,635. Alamance County is required to make quarterly fixed payments of \$14,650. The lease has an interest rate of 0.3870%. The computer equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$73,106 with accumulated amortization of \$58,485 is included with computer equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into an 18-month lease as Lessee for the use of HP Computer - Sch 163. An initial lease liability was recorded in the amount of \$82,750. As of June 30, 2022, the value of the lease liability is \$27,619. Alamance County is required to make quarterly fixed payments of \$13,836. The lease has an interest rate of 0.5140%. The computer equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$82,750 with accumulated amortization of \$55,167 is included with computer equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 21-month lease as Lessee for the use of HP Computer - Sch 164. An initial lease liability was recorded in the amount of \$100,539. As of June 30, 2022, the value of the lease liability is \$43,143. Alamance County is required to make quarterly fixed payments of \$14,418. The lease has an interest rate of 0.5140%. The computer equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$100,539 with accumulated amortization of \$57,451 is included with computer equipment on the Lease Class activities table found below.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

On July 1, 2021, Alamance County, NC entered into a 27-month lease as Lessee for the use of HP Computer - Sch 166. An initial lease liability was recorded in the amount of \$61,887. As of June 30, 2022, the value of the lease liability is \$34,426. Alamance County is required to make quarterly fixed payments of \$6,912. The lease has an interest rate of 0.5140%. The computer equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$61,887 with accumulated amortization of \$27,505 is included with computer equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 33-month lease as Lessee for the use of Computer Equipment - Sch 168. An initial lease liability was recorded in the amount of \$93,061. As of June 30, 2022, the value of the lease liability is \$59,328. Alamance County is required to make quarterly fixed payments of \$8,537. The lease has an interest rate of 0.7270%. The computer equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$93,061 with accumulated amortization of \$33,840 is included with computer equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 36-month lease as Lessee for the use of HP Computer - Sch 169. An initial lease liability was recorded in the amount of \$160,922. As of June 30, 2022, the value of the lease liability is \$107,475. Alamance County is required to make quarterly fixed payments of \$13,544. The lease has an interest rate of 0.7270%. The computer equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$160,922 with accumulated amortization of \$53,641 is included with computer equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 39-month lease as Lessee for the use of HP Computer - Sch 170. An initial lease liability was recorded in the amount of \$46,087. As of June 30, 2022, the value of the lease liability is \$31,964. Alamance County is required to make quarterly fixed payments of \$3,584. The lease has an interest rate of 0.7270%. The computer equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$46,087 with accumulated amortization of \$14,181 is included with computer equipment on the Lease Class activities table found below.

On October 1, 2021, Alamance County, NC entered into a 39-month lease as Lessee for the use of HP Computer - Sch 171. An initial lease liability was recorded in the amount of \$44,606. As of June 30, 2022, the value of the lease liability is \$34,344. Alamance County is required to make quarterly fixed payments of \$3,470. The lease has an interest rate of 0.7430%. The computer equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$44,606 with accumulated amortization of \$10,294 is included with computer equipment on the Lease Class activities table found below.

On January 1, 2022, Alamance County, NC entered into a 39-month lease as Lessee for the use of Sharp Electronics - Sch 172. An initial lease liability was recorded in the amount of \$14,047. As of June 30, 2022, the value of the lease liability is \$11,886. Alamance County is required to make quarterly fixed payments of \$1,095. The lease has an interest rate of 0.8770%. The computer equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$14,047 with accumulated amortization of \$2,161 is included with computer equipment on the Lease Class activities table found below.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

On January 1, 2022, Alamance County, NC entered into a 39-month lease as Lessee for the use of Dell Computer - Sch 173. An initial lease liability was recorded in the amount of \$150,864. As of June 30, 2022, the value of the lease liability is \$127,653. Alamance County is required to make quarterly fixed payments of \$11,758. The lease has an interest rate of 0.8770%. The computer equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$150,864 with accumulated amortization of \$23,210 is included with computer equipment on the Lease Class activities table found below.

On April 1, 2022, Alamance County, NC entered into a 39-month lease as Lessee for the use of Dell Computer - Sch 174. An initial lease liability was recorded in the amount of \$105,656. As of June 30, 2022, the value of the lease liability is \$97,232. Alamance County is required to make quarterly fixed payments of \$8,424. The lease has an interest rate of 2.4170%. The computer equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$105,656 with accumulated amortization of \$8,127 is included with computer equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 33-month lease as Lessee for the use of Panasonic Computer - Sch 227. An initial lease liability was recorded in the amount of \$175,930. As of June 30, 2022, the value of the lease liability is \$112,158. Alamance County is required to make quarterly fixed payments of \$16,139. The lease has an interest rate of 0.7270%. The computer equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$175,930 with accumulated amortization of \$63,974 is included with computer equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 39-month lease as Lessee for the use of Panasonic Computer - Sch 229. An initial lease liability was recorded in the amount of \$20,587. As of June 30, 2022, the value of the lease liability is \$14,278. Alamance County is required to make quarterly fixed payments of \$1,601. The lease has an interest rate of 0.7270%. The computer equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$20,587 with accumulated amortization of \$6,334 is included with computer equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 48-month lease as Lessee for the use of Panasonic Computer - Sch 230. An initial lease liability was recorded in the amount of \$54,901. As of June 30, 2022, the value of the lease liability is \$41,266. Alamance County is required to make quarterly fixed payments of \$3,489. The lease has an interest rate of 0.8930%. The computer equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$54,901 with accumulated amortization of \$13,725 is included with computer equipment on the Lease Class activities table found below.

On October 1, 2021, Alamance County, NC entered into a 54-month lease as Lessee for the use of Panasonic Computer - Sch 231. An initial lease liability was recorded in the amount of \$71,613. As of June 30, 2022, the value of the lease liability is \$59,757. Alamance County is required to make quarterly fixed payments of \$4,071. The lease has an interest rate of 1.0900%. The computer equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$71,613 with accumulated amortization of \$11,935 is included with computer equipment on the Lease Class activities table found below.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

On July 1, 2021, Alamance County, NC entered into a 15-month lease as Lessee for the use of Hardware - Sch 309. An initial lease liability was recorded in the amount of \$18,833. As of June 30, 2022, the value of the lease liability is \$3,770. Alamance County is required to make quarterly fixed payments of \$3,774. The lease has an interest rate of 0.3870%. The computer equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$18,833 with accumulated amortization of \$15,067 is included with computer equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 21-month lease as Lessee for the use of Hardware - Sch 310. An initial lease liability was recorded in the amount of \$29,882. As of June 30, 2022, the value of the lease liability is \$12,823. Alamance County is required to make quarterly fixed payments of \$4,285. The lease has an interest rate of 0.5140%. The computer equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$29,882 with accumulated amortization of \$17,075 is included with computer equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 36-month lease as Lessee for the use of Hardware - Sch 312. An initial lease liability was recorded in the amount of \$9,507. As of June 30, 2022, the value of the lease liability is \$6,350. Alamance County is required to make quarterly fixed payments of \$800. The lease has an interest rate of 0.7270%. The computer equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$9,507 with accumulated amortization of \$3,169 is included with computer equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 45-month lease as Lessee for the use of Motorola Equipment - Sch 313. An initial lease liability was recorded in the amount of \$108,929. As of June 30, 2022, the value of the lease liability is \$80,058. Alamance County is required to make quarterly fixed payments of \$7,376. The lease has an interest rate of 0.8930%. The Computer Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$108,929 with accumulated amortization of \$29,048 is included with Computer Equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 39-month lease as Lessee for the use of Hardware - Sch 314. An initial lease liability was recorded in the amount of \$30,375. As of June 30, 2022, the value of the lease liability is \$21,067. Alamance County is required to make quarterly fixed payments of \$2,362. The lease has an interest rate of 0.7270%. The computer equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$30,375 with accumulated amortization of \$9,346 is included with computer equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 39-month lease as Lessee for the use of Hardware - Sch 315. An initial lease liability was recorded in the amount of \$26,937. As of June 30, 2022, the value of the lease liability is \$18,683. Alamance County is required to make quarterly fixed payments of \$2,095. The lease has an interest rate of 0.7270%. The computer equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$26,937 with accumulated amortization of \$8,288 is included with computer equipment on the Lease Class activities table found below.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

On July 1, 2021, Alamance County, NC entered into a 42-month lease as Lessee for the use of Panasonic Equipment - Sch 316. An initial lease liability was recorded in the amount of \$159,549. As of June 30, 2022, the value of the lease liability is \$114,216. Alamance County is required to make quarterly fixed payments of \$11,562. The lease has an interest rate of 0.8930%. The Computer Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$159,549 with accumulated amortization of \$45,585 is included with Computer Equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 48-month lease as Lessee for the use of Dell Computer - Sch 317. An initial lease liability was recorded in the amount of \$64,323. As of June 30, 2022, the value of the lease liability is \$48,349. Alamance County is required to make quarterly fixed payments of \$4,088. The lease has an interest rate of 0.8930%. The Computer Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$64,323 with accumulated amortization of \$16,081 is included with Computer Equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 48-month lease as Lessee for the use of NetApp Equipment - Sch 318. An initial lease liability was recorded in the amount of \$101,124. As of June 30, 2022, the value of the lease liability is \$76,010. Alamance County is required to make quarterly fixed payments of \$6,426. The lease has an interest rate of 0.8930%. The Computer Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$101,124 with accumulated amortization of \$25,281 is included with Computer Equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 48-month lease as Lessee for the use of Dell Computer - Sch 319. An initial lease liability was recorded in the amount of \$459,219. As of June 30, 2022, the value of the lease liability is \$345,175. Alamance County is required to make quarterly fixed payments of \$29,183. The lease has an interest rate of 0.8930%. The Computer Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$459,219 with accumulated amortization of \$114,805 is included with Computer Equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 63-month lease as Lessee for the use of Cisco Equipment - Sch 320. An initial lease liability was recorded in the amount of \$22,835. As of June 30, 2022, the value of the lease liability is \$18,534. Alamance County is required to make quarterly fixed payments of \$1,116. The lease has an interest rate of 1.0590%. The Computer Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$22,835 with accumulated amortization of \$4,350 is included with Computer Equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 60-month lease as Lessee for the use of Panasonic Equipment - Sch 321. An initial lease liability was recorded in the amount of \$48,484. As of June 30, 2022, the value of the lease liability is \$38,888. Alamance County is required to make quarterly fixed payments of \$2,486. The lease has an interest rate of 1.0590%. The Computer Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$48,484 with accumulated amortization of \$9,697 is included with Computer Equipment on the Lease Class activities table found below.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

On July 1, 2021, Alamance County, NC entered into a 63-month lease as Lessee for the use of Cisco Equipment - Sch 322. An initial lease liability was recorded in the amount of \$49,525. As of June 30, 2022, the value of the lease liability is \$40,196. Alamance County is required to make quarterly fixed payments of \$2,421. The lease has an interest rate of 1.0590%. The Computer Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$49,525 with accumulated amortization of \$9,433 is included with Computer Equipment on the Lease Class activities table found below.

On October 1, 2021, Alamance County, NC entered into a 63-month lease as Lessee for the use of HPE Equipment - Sch 323. An initial lease liability was recorded in the amount of \$62,491. As of June 30, 2022, the value of the lease liability is \$53,635. Alamance County is required to make quarterly fixed payments of \$3,057. The lease has an interest rate of 1.0900%. The Computer Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$62,491 with accumulated amortization of \$8,927 is included with Computer Equipment on the Lease Class activities table found below.

On January 1, 2022, Alamance County, NC entered into a 63-month lease as Lessee for the use of NetApp Equipment - Sch 324. An initial lease liability was recorded in the amount of \$49,721. As of June 30, 2022, the value of the lease liability is \$44,984. Alamance County is required to make quarterly fixed payments of \$2,438. The lease has an interest rate of 1.1770%. The Computer Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$49,721 with accumulated amortization of \$4,735 is included with Computer Equipment on the Lease Class activities table found below.

On January 1, 2022, Alamance County, NC entered into a 63-month lease as Lessee for the use of Panasonic Equipment - Sch 325. An initial lease liability was recorded in the amount of \$189,120. As of June 30, 2022, the value of the lease liability is \$171,104. Alamance County is required to make quarterly fixed payments of \$9,273. The lease has an interest rate of 1.1770%. The Computer Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$189,120 with accumulated amortization of \$18,011 is included with Computer Equipment on the Lease Class activities table found below.

On January 26, 2022, Alamance County, NC entered into a 24-month lease as Lessee for the use of County Motor Company-7149. An initial lease liability was recorded in the amount of \$14,774. As of June 30, 2022, the value of the lease liability is \$11,256. Alamance County is required to make monthly fixed payments of \$600. The lease has an interest rate of 1.5300%. The Vehicles estimated useful life was 24 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$14,774 with accumulated amortization of \$3,180 is included with Vehicles on the Lease Class activities table found below.

On January 26, 2022, Alamance County, NC entered into a 24-month lease as Lessee for the use of County Motor Company-6475. An initial lease liability was recorded in the amount of \$14,774. As of June 30, 2022, the value of the lease liability is \$11,256. Alamance County is required to make monthly fixed payments of \$600. The lease has an interest rate of 1.5300%. The Vehicles estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$14,774 with accumulated amortization of \$3,180 is included with Vehicles on the Lease Class activities table found below.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

On January 26, 2022, Alamance County, NC entered into a 24-month lease as Lessee for the use of County Motor Company-1064. An initial lease liability was recorded in the amount of \$14,774. As of June 30, 2022, the value of the lease liability is \$11,256. Alamance County is required to make monthly fixed payments of \$600. The lease has an interest rate of 1.5300%. The Vehicles estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$14,774 with accumulated amortization of \$3,180 is included with Vehicles on the Lease Class activities table found below.

On January 26, 2022, Alamance County, NC entered into a 24-month lease as Lessee for the use of County Motor Company-8372. An initial lease liability was recorded in the amount of \$14,774. As of June 30, 2022, the value of the lease liability is \$11,256. Alamance County is required to make monthly fixed payments of \$600. The lease has an interest rate of 1.5300%. The Vehicles estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$14,774 with accumulated amortization of \$3,180 is included with Vehicles on the Lease Class activities table found below.

On January 26, 2022, Alamance County, NC entered into a 24-month lease as Lessee for the use of County Motor Company-4911. An initial lease liability was recorded in the amount of \$14,774. As of June 30, 2022, the value of the lease liability is \$11,256. Alamance County is required to make monthly fixed payments of \$600. The lease has an interest rate of 1.5300%. The Vehicles estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$14,774 with accumulated amortization of \$3,180 is included with Vehicles on the Lease Class activities table found below.

On July 13, 2021, Alamance County, NC entered into a 36-month lease as Lessee for the use of Toshiba Copier-Sheriff. An initial lease liability was recorded in the amount of \$2,715. As of June 30, 2022, the value of the lease liability is \$1,817. Alamance County is required to make monthly fixed payments of \$76. The lease has an interest rate of 0.9200%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$2,715 with accumulated amortization of \$885 is included with Equipment on the Lease Class activities table found below.

On July 13, 2021, Alamance County, NC entered into a 36-month lease as Lessee for the use of Toshiba Business Solutions-Coop Ext. An initial lease liability was recorded in the amount of \$3,994. As of June 30, 2022, the value of the lease liability is \$2,663. Alamance County is required to make semi-annual fixed payments of \$673. The lease has an interest rate of 0.9200%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$3,994 with accumulated amortization of \$1,287 is included with Equipment on the Lease Class activities table found below.

On July 13, 2021, Alamance County, NC entered into a 36-month lease as Lessee for the use of Toshiba Copier-IT. An initial lease liability was recorded in the amount of \$4,438. As of June 30, 2022, the value of the lease liability is \$3,170. Alamance County is required to make semi-annual fixed payments of \$643. The lease has an interest rate of 0.9200%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$4,438 with accumulated amortization of \$1,430 is included with Equipment on the Lease Class activities table found below.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

On July 13, 2021, Alamance County, NC entered into a 36-month lease as Lessee for the use of Toshiba Copier-Landfill. An initial lease liability was recorded in the amount of \$3,812. As of June 30, 2022, the value of the lease liability is \$2,542. Alamance County is required to make semi-annual fixed payments of \$643. The lease has an interest rate of 0.9200%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$3,812 with accumulated amortization of \$1,228 is included with Equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 22-month lease as Lessee for the use of Toshiba Copier-Recreation. An initial lease liability was recorded in the amount of \$505. As of June 30, 2022, the value of the lease liability is \$254. Alamance County is required to make tri-annual fixed payments of \$86. The lease has an interest rate of 2.7450%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$505 with accumulated amortization of \$275 is included with Equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 26-month lease as Lessee for the use of Toshiba Copier-Finance. An initial lease liability was recorded in the amount of \$3,277. As of June 30, 2022, the value of the lease liability is \$1,640. Alamance County is required to make semi-annual fixed payments of \$824. The lease has an interest rate of 0.5900%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$3,277 with accumulated amortization of \$1,513 is included with Equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 36-month lease as Lessee for the use of Toshiba Copier-Detention. An initial lease liability was recorded in the amount of \$2,245. As of June 30, 2022, the value of the lease liability is \$1,501. Alamance County is required to make monthly fixed payments of \$63. The lease has an interest rate of 0.7000%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$2,245 with accumulated amortization of \$748 is included with Equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 18-month lease as Lessee for the use of Toshiba Copier-Dental Clinic. An initial lease liability was recorded in the amount of \$1,263. As of June 30, 2022, the value of the lease liability is \$425. Alamance County is required to make semi-annual fixed payments of \$429. The lease has an interest rate of 2.0700%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$1,263 with accumulated amortization of \$842 is included with Equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 14-month lease as Lessee for the use of Toshiba Copier-Detention-Special Services. An initial lease liability was recorded in the amount of \$873. As of June 30, 2022, the value of the lease liability is \$126. Alamance County is required to make monthly fixed payments of \$63. The lease has an interest rate of 1.8700%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$873 with accumulated amortization of \$748 is included with Equipment on the Lease Class activities table found below.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

On June 1, 2022, Alamance County, NC entered into a 36-month lease as Lessee for the use of Toshiba-Veteran's Services. An initial lease liability was recorded in the amount of \$2,496. As of June 30, 2022, the value of the lease liability is \$2,066. Alamance County is required to make semi-annual fixed payments of \$429. The lease has an interest rate of 2.5900%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$2,496 with accumulated amortization of \$69 is included with Equipment on the Lease Class activities table found below.

On May 9, 2022, Alamance County, NC entered into a 60-month lease as Lessee for the use of DEX-Plotter. An initial lease liability was recorded in the amount of \$21,235. As of June 30, 2022, the value of the lease liability is \$18,985. Alamance County is required to make semi-annual fixed payments of \$2,250. The lease has an interest rate of 2.6200%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$21,235 with accumulated amortization of \$613 is included with Equipment on the Lease Class activities table found below.

On June 1, 2022, Alamance County, NC entered into a 36-month lease as Lessee for the use of Toshiba Copier-Human Resources. An initial lease liability was recorded in the amount of \$4,368. As of June 30, 2022, the value of the lease liability is \$3,617. Alamance County is required to make semi-annual fixed payments of \$752. The lease has an interest rate of 2.5900%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$4,368 with accumulated amortization of \$121 is included with Equipment on the Lease Class activities table found below.

On January 26, 2022, Alamance County, NC entered into a 24-month lease as Lessee for the use of County Motor Company-1783. An initial lease liability was recorded in the amount of \$14,774. As of June 30, 2022, the value of the lease liability is \$11,256. Alamance County is required to make monthly fixed payments of \$600. The lease has an interest rate of 1.5300%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$14,774 with accumulated amortization of \$3,180 is included with Equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 21-month lease as Lessee for the use of Computer - Sch 165. An initial lease liability was recorded in the amount of \$31,329. As of June 30, 2022, the value of the lease liability is \$15,692. Alamance County is required to make quarterly fixed payments of \$3,940. The lease has an interest rate of 0.7100%. The Computer Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$31,329 with accumulated amortization of \$17,459 is included with Computer Equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 15-month lease as Lessee for the use of Computer - Sch 167. An initial lease liability was recorded in the amount of \$59,880. As of June 30, 2022, the value of the lease liability is \$24,008. Alamance County is required to make quarterly fixed payments of \$12,032. The lease has an interest rate of 0.6200%. The Computer Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$59,880 with accumulated amortization of \$46,659 is included with Computer Equipment on the Lease Class activities table found below.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

On July 1, 2021, Alamance County, NC entered into a 33-month lease as Lessee for the use of Computers - Sch 228. An initial lease liability was recorded in the amount of \$115,754. As of June 30, 2022, the value of the lease liability is \$77,316. Alamance County is required to make quarterly fixed payments of \$9,748. The lease has an interest rate of 0.7650%. The Computer Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$115,754 with accumulated amortization of \$41,259 is included with Computer Equipment on the Lease Class activities table found below.

On July 1, 2021, Alamance County, NC entered into a 58-month lease as Lessee for the use of Canon Plotter - Register of Deeds. An initial lease liability was recorded in the amount of \$8,729. As of June 30, 2022, the value of the lease liability is \$6,990. Alamance County is required to make monthly fixed payments of \$153. The lease has an interest rate of 1.2900%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of \$8,729 with accumulated amortization of \$1,789 is included with Equipment on the Lease Class activities table found below.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2022, were as follows:

Year Ending June 30	Governmental Activities		
	Principal	Interest	Total
2023	\$ 1,451,453	\$ 81,958	\$ 1,533,411
2024	1,050,465	69,134	1,119,599
2025	766,977	58,539	825,516
2026	463,178	50,639	513,817
2027	167,813	44,838	212,651
2028-2032	518,643	189,884	708,527
2033-2037	185,392	158,784	344,176
2038-2042	269,184	129,810	398,994
2043-2047	373,773	88,771	462,544
2048-2052	422,337	34,598	456,935
2053-2054	66,884	869	67,753
Total	<u>\$ 5,736,099</u>	<u>\$ 907,824</u>	<u>\$ 6,643,923</u>

Year Ending June 30	Business-Type Activities		
	Principal	Interest	Total
2023	\$ 1,265	\$ 21	\$ 1,286
2024	1,276	9	1,285
Total	<u>\$ 2,541</u>	<u>\$ 30</u>	<u>\$ 2,571</u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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%	\$ 1,130,988
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%	574,345
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%	591,143
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>794,208</u>
Total governmental activities	<u><u>\$ 3,090,684</u></u>

The County's outstanding note from direct placements related to governmental activities of \$1,130,988 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 \$574,345 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 \$591,143 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 \$794,208 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.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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

Year Ending June 30	Governmental Activities	
	Principal	Interest
2023	\$ 1,210,059	\$ 52,453
2024	1,033,061	28,790
2025	321,997	11,582
2026	92,311	7,689
2027	93,728	6,272
2028-2031	339,528	10,469
Total	<u>\$ 3,090,684</u>	<u>\$ 117,255</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, 2022 was \$1,897,977.

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.

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
2023	\$ 553,213	\$ 98,348
2024	553,213	68,087
2025	553,213	37,826
2026	238,338	6,518
Total	<u>\$ 1,897,977</u>	<u>\$ 210,779</u>

General Obligation Indebtedness

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

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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, 2022 was \$11,765,000.

The County's general obligation bonds payable at June 30, 2022 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. \$ 11,765,000

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. 11,250,000

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. 143,595,000

Total general obligation bonds \$ 166,610,000

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
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	8,385,000	3,898,375
2028-2032	41,925,000	13,499,094
2033-2037	40,960,000	5,553,025
2038-2041	<u>30,210,000</u>	<u>1,510,300</u>
Total	<u><u>\$ 166,610,000</u></u>	<u><u>\$ 45,299,494</u></u>

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

The following is a summary of changes in the County's long-term obligations as of June 30, 2022:

	<u>July 1, 2021</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2022</u>	<u>Due In Less Than One Year</u>
Governmental Activities:					
General obligation debt	\$ 179,225,000	\$ -	\$ 12,615,000	\$ 166,610,000	\$ 12,615,000
Premium on general obligation bonds	26,265,867	-	881,808	25,384,059	881,808
Direct placement qualified school construction bonds	2,451,190	-	553,213	1,897,977	553,213
Lease liabilities	-	6,960,264	1,224,165	5,736,099	1,451,453
Direct placement installment loans	4,423,155	-	1,332,471	3,090,684	1,210,059
Total pension liability (DBA)	980,120	150,036	41,124	1,089,032	-
Total pension liability (LEOSSA)	6,326,899	213,624	235,172	6,305,351	-
Net pension liability (LGERS)	21,939,764	-	12,561,067	9,378,697	-
Compensated absences	3,482,981	1,886,106	1,915,640	3,453,447	1,899,396
Total OPEB liability	94,960,082	2,996,806	-	97,956,888	-
Total governmental activities	<u>\$ 340,055,058</u>	<u>\$ 12,206,836</u>	<u>\$ 31,359,660</u>	<u>\$ 320,902,234</u>	<u>\$ 18,610,929</u>
Business-Type Activities:					
Accrued landfill closure and post-closure care cost	\$ 12,340,201	\$ 813,136	\$ -	\$ 13,153,337	\$ -
Compensated absences	72,659	41,660	39,962	74,357	40,896
Net pension liability (LGERS)	447,750	-	256,348	191,402	-
Lease liabilities	-	3,812	1,271	2,541	1,265
Total OPEB liability	1,937,961	61,159	-	1,999,120	-
Total business-type activities	<u>\$ 14,798,571</u>	<u>\$ 919,767</u>	<u>\$ 297,581</u>	<u>\$ 15,420,757</u>	<u>\$ 42,161</u>

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 \$1,060,113,274 at June 30, 2022.

Note 14. 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>	
Grant Special Revenue Fund	<u>\$ 137,019</u>	<u>\$ -</u>	Cash advance
General Fund	<u>\$ -</u>	<u>\$ 137,019</u>	Cash advance

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Transfers To/From Other Funds

Transfers in (out) for the year ended June 30, 2022 are summarized below:

	Interfund Transfers	
	From	To
General Fund	\$ 9,563,277	\$ 8,368,208
Major Schools Capital Project Fund	1,459,068	8,482,223
Major American Rescue Plan Fund	6,909,140	-
Nonmajor Special Revenue Funds	-	74,401
Nonmajor Capital Project Funds	10,982,223	11,988,876
Total interfund transfers	<u>\$ 28,913,708</u>	<u>\$ 28,913,708</u>

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 transfer from the American Rescue Plan Fund was for reimbursement of salaries and benefits.

Note 15. Joint Ventures

Alamance-Caswell Local Management Now Known as PBH aka Cardinal Innovations. Alamance County has settled its lawsuit with PBH over issues of accounting for fund balance and assets of the ACLME that were taken by PBH. 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, 2022.

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 \$3,529,556 and \$334,000 to the Community College for operating and repair and maintenance, respectively, during the fiscal year ended June 30, 2022. 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, 2022. 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.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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 \$35,440 to the Council during the fiscal year ended June 30, 2022.

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, 2022.

Note 16. 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.

All funds participate in the program and make payments to the Employee Insurance Fund based on estimates of the amounts needed to pay prior and current-year claims and to maintain adequate reserves for catastrophe losses. 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 \$601,000 reported in the Fund at June 30, 2022 includes an amount for claims that have been incurred, but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

settlement trends, including frequency and amount of payouts and other economic and social factors. Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred, but not reported (IBNR's).

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

Year Ended June 30	Claims Liability Beginning of Year	Current Year Claims (Including IBNR's)	Claims Payment	Claims Liability End of Year
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
2022	576,000	9,200,441	(9,175,441)	601,000

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 17. Summary Disclosure of Significant Contingencies

Federal and State-Assisted Programs

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

Note 18. Change in Accounting Principle

For the year ended June 30, 2022, the financial statements include the adoption of GASB Statement No. 87, *Leases*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Note 19. Related Party Transactions

The County and its discretely presented component units engaged in the following transactions during the year ended June 30, 2022:

Tourism Development Authority:

Occupancy tax payables	\$ 72,864
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Transportation Authority:

Payments for transportation provided to Authority customers	\$ 100,246
Advance from primary government	300,000
Payments to support the administration function of the Authority	<u>30,800</u>
Total	<u>\$ 431,046</u>

Note 20. Opioid Settlement Funds

In April 2022, drug manufacturer Johnson & Johnson, and three drug distributors, McKesson, AmerisourceBergen, and Cardinal Health, finalized a \$26 billion-dollar nationwide settlement related to multiple opioid lawsuits. These funds will be disbursed to each participating state over an 18-year period according to an allocation agreement reached with all participating states. The majority of these funds are intended for opioid abatement and the distribution of the funds will be front loaded.

North Carolina's Memorandum of Agreement (MOA) between the state and local governments for the settlement funds allocates the funds as follows:

- 15% directly to the State ("State Abatement Fund")
- 80% to abatement funds established by Local Governments ("Local Abatement Funds")
- 5% to a County Incentive Fund.

The County received \$340,964 as part of this settlement in Fiscal Year 2022. Per the terms of the MOA, the County created a special revenue fund, the Opioid Settlement Fund, to account for these funds. All funds are to be used for opioid abatement and remediation activities. Funds are restricted until expended. No funds have been expended as of June 30th, 2022. The MOA offered the County two options of expending the funds. The County has not yet selected an option.

Note 21. Prior Period Adjustment

During the fiscal year ended June 30, 2022, the County implemented GASB 87, *Leases*. As a result, the County restated the beginning net position related to prior year capital leases. An adjustment to beginning net position has been recorded to take the related debt and capital asset balances off the books, the net effect of which decreased net position by \$425,966.

ALAMANCE COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Note 22. Stewardship, Compliance, and Accountability

A. Excess of Expenditures over Appropriations

For the fiscal year ended June 30, 2022, the expenditures made in the County's General Fund exceeded the authorized appropriations made by the governing board by the following:

General Fund:	
Central Communications	\$ 431,701
Debt service	<u>1,174,870</u>
Total General Fund	<u>\$ 1,606,571</u>

These over expenditures occurred because the government failed to amend its annual budget to properly budget for the acquisition of right to use leased assets as capital outlay and the related lease liabilities issued as other financing sources as required under GASB 87. Management and staff will more closely evaluate future lease agreements to ensure compliance in future years.

Note 23. Significant Effects of Subsequent Events

In FY 2020/21, The American Rescue Plan Act (ARPA) established the Coronavirus State and Local Fiscal Recovery Funds to support urgent COVID-19 response efforts and replace lost revenue for the eligible state, local, territorial, and tribal governments. The County was allocated \$32,925,136 of fiscal recovery funds to be paid in two equal installments. The first installment of \$16,462,568 was received in May 2021. The second installment was received in June 2022. County staff and the Board of Commissioners have elected to use \$10,000,000 of the ARPA funds for revenue replacement. The County spent \$49,860 for EMR billing, \$62,617 for a Communicable Health Nurse and Grant administration positions, \$540,688 for a HVAC Ventilation upgrade project. The \$6,909,140 used for eligible salaries was transferred to the General Fund from the ARPA Fund. County staff and the Board of Commissioners will continue to evaluate projects for the utilization of these funds.

Alamance County, North Carolina
Financial Statements and Schedules

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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 SIX FISCAL YEARS

	Law Enforcement Officers' Special Separation Allowance					
	2022	2021	2020	2019	2018	2017
Beginning balance	\$ 6,326,899	\$ 4,224,678	\$ 4,099,774	\$ 3,599,354	\$ 3,141,424	\$ 3,113,201
Service cost	336,793	201,866	167,771	188,506	151,650	147,324
Interest on the total pension liability	119,840	133,790	144,159	110,549	117,996	108,458
Difference between expected and actual experience in the measurement of the total pension liability	(65,599)	343,710	(38,413)	567,343	120,427	-
Changes in assumptions or other inputs	(177,410)	1,664,225	130,131	(164,029)	236,909	(77,222)
Benefit payments	(235,172)	(241,370)	(278,744)	(201,949)	(169,052)	(150,337)
Ending balance of the total pension liability	<u>\$ 6,305,351</u>	<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 SIX FISCAL YEARS**

	Law Enforcement Officers' Special Separation Allowance					
	2022	2021	2020	2019	2018	2017
Total pension liability	\$ 6,305,351	\$ 6,326,899	\$ 4,224,678	\$ 4,099,774	\$ 3,599,354	\$ 3,141,424
Covered-employee payroll	7,762,663	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	81.23%	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 TWO FISCAL YEARS

	Detention Officer Social Security Bridge Allowance	
	2022	2021
Beginning balance	\$ 980,120	\$ -
Service cost	59,285	40,252
Interest on the total pension liability	18,519	21,349
Difference between expected and actual experience in the measurement of the total pension liability	106,276	-
Changes in assumptions or other inputs	(34,044)	928,749
Benefit payments	(41,124)	(10,230)
Ending balance of the total pension liability	<u>\$ 1,089,032</u>	<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 TWO FISCAL YEARS**

	Detention Officer Social Security Bridge Allowance	
	2022	2021
Total pension liability	\$ 1,089,032	\$ 980,120
Covered-employee payroll	4,839,837	5,221,961
Total pension liability as a percentage of covered-employee payroll	22.50%	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 FIVE FISCAL YEARS

	Other Post-Employment Benefits				
	2022	2021	2020	2019	2018
Service cost	\$ 3,248,834	\$ 2,301,311	\$ 2,680,092	\$ 3,782,190	\$ 4,308,669
Interest	2,191,922	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	(398,379)	(325,051)	(15,049)	(18,625,097)	(1,286,433)
Changes of assumptions or other inputs	(44,077)	16,791,684	5,188,159	(4,071,374)	(9,417,733)
Benefit payments	(1,940,335)	(2,161,101)	(2,012,571)	(1,463,605)	(816,172)
Net change in total OPEB liability	3,057,965	19,363,600	5,230,791	(17,216,783)	(4,396,948)
Total OPEB liability - beginning	96,898,043	77,534,443	72,303,652	89,520,435	93,917,383
Total OPEB liability - ending	<u>\$99,956,008</u>	<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	\$ 39,109,463	\$ 39,125,304	\$ 39,125,304	\$ 41,382,216
Total OPEB liability as a percentage of covered-employee payroll	255.58%	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
2022	2.16%
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 NINE FISCAL YEARS***

	Local Governmental Employees' Retirement System				
	2022	2021	2020	2019	2018
Alamance's proportion of the net pension liability (asset) (%)	0.62403%	0.62650%	0.62302%	0.64729%	0.66312%
Alamance's proportion of the net pension liability (asset) (\$)	\$ 9,570,099	\$ 22,387,514	\$ 17,014,190	\$ 15,355,933	\$ 10,130,637
Alamance's covered payroll	\$41,747,592	\$ 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	22.92%	50.79%	40.55%	36.95%	24.85%
Plan fiduciary net position as a percentage of the total pension liability**	95.51%	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 NINE FISCAL YEARS***

	Local Governmental 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 NINE FISCAL YEARS**

Local Governmental Employees' Retirement System					
	2022	2021	2020	2019	2018
Contractually required contribution	\$ 5,308,314	\$ 4,249,146	\$ 3,984,724	\$ 3,291,220	\$ 3,165,830
Contributions in relation to the contractually required contribution	<u>5,308,314</u>	<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>	<u>\$ -</u>
Alamance County's covered payroll	\$46,746,013	\$ 41,747,592	\$ 44,080,289	\$ 41,960,207	\$ 41,563,134
Contributions as a percentage of covered payroll	11.36%	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 NINE FISCAL YEARS**

Local Governmental Employees' Retirement System				
	2017	2016	2015	2014
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 NINE FISCAL YEARS*

	Register of Deeds' Supplemental Pension Fund				
	2022	2021	2020	2019	2018
County's proportion of the net pension liability (asset) %	1.498%	1.521%	1.424%	1.576%	1.552%
County's proportionate share of the net pension liability (asset)	\$ (287,970)	\$ (348,613)	\$ (281,067)	\$ (260,950)	\$ (264,834)
County's covered payroll	\$ 79,565	\$ 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	(361.93%)	(472.59%)	(389.09%)	(363.37%)	(377.11%)
Plan fiduciary net position as a percentage of the total pension liability	156.53%	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 NINE 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 NINE FISCAL YEARS**

Register of Deeds' Supplemental Pension Fund					
	2022	2021	2020	2019	2018
Contractually required contribution	\$ 18,158	\$ 17,988	\$ 14,565	\$ 13,532	\$ 13,483
Contributions in relation to the contractually required contribution	<u>18,158</u>	<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>	<u>\$ -</u>
County's covered payroll	\$ 74,935	\$ 79,565	\$ 73,766	\$ 72,237	\$ 71,813
Contributions as a percentage of covered payroll	24.23%	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 NINE FISCAL YEARS**

Register of Deeds' Supplemental Pension Fund				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
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

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2021

	2022			2021
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Ad valorem taxes:				
Taxes, net of discounts	\$ 101,909,426	\$ 103,479,507	\$ 1,570,081	\$ 101,629,087
Penalties and interest	260,057	333,607	73,550	350,484
Total	102,169,483	103,813,114	1,643,631	101,979,571
Local option sales tax:				
Article 39 and 44	16,350,024	18,289,436	1,939,412	17,402,830
Article 40.5 percent	9,803,814	11,004,081	1,200,267	9,558,353
Article 42.5 percent	11,676,562	12,074,020	397,458	10,993,971
Medicaid hold harmless	-	2,388,056	2,388,056	1,487,810
Total	37,830,400	43,755,593	5,925,193	39,442,964
Other taxes and licenses:				
Real estate transfer taxes	1,176,212	2,000,564	824,352	1,176,246
Privilege licenses	5,500	6,347	847	6,947
Local occupancy tax	1,295,754	1,305,069	9,315	854,524
Rental vehicle tax	171,500	232,471	60,971	184,469
Fines and forfeitures	1,188,083	1,188,083	-	805,387
Total	3,837,049	4,732,534	895,485	3,027,573
Unrestricted intergovernmental revenues:				
Beer and wine tax	265,000	235,027	(29,973)	263,553
Restricted intergovernmental revenues:				
State	3,217,581	3,736,312	518,731	4,407,087
Federal	19,634,654	18,383,513	(1,251,141)	14,443,087
Court facilities fees	210,000	207,675	(2,325)	185,398
ABC bottle tax	45,000	54,307	9,307	55,591
Other	3,749,334	4,052,330	302,996	2,643,764
Total	26,856,569	26,434,137	(422,432)	21,734,927
Permits and fees:				
Building permits and inspection fees	850,000	847,075	(2,925)	1,183,578
Register of Deeds	860,000	1,015,336	155,336	1,000,953
Total	1,710,000	1,862,411	152,411	2,184,531

ALAMANCE COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2021

	2022			2021
	Budget	Actual	Variance Over/Under	Actual
Sales and services:				
Rents, concessions, and fees	2,910,931	2,518,640	(392,291)	1,830,955
Jail and sheriff fees	6,733,750	5,931,063	(802,687)	5,885,892
Ambulance fees	5,251,000	5,592,008	341,008	5,297,875
Total	14,895,681	14,041,711	(853,970)	13,014,722
Investment Earnings	265,511	191,355	(74,156)	255,703
Miscellaneous	1,481,731	1,652,127	170,396	840,627
Total revenues	189,311,424	196,718,009	7,406,585	182,744,171
Expenditures:				
Current:				
General government:				
Governing body	264,824	250,572	14,252	233,185
County Manager	4,685,075	4,053,920	631,155	3,543,193
Administrative services/planning	452,963	354,204	98,759	301,332
Human resources	826,677	781,019	45,658	531,561
Budget	286,653	252,301	34,352	256,407
Finance	1,134,150	1,070,895	63,255	1,165,055
Purchasing	95,345	94,862	483	90,790
Tax administration	2,659,889	2,628,483	31,406	2,478,520
Revaluation	401,250	229,207	172,043	201,696
GIS mapping	402,885	367,819	35,066	292,806
Legal	874,975	623,663	251,312	560,500
Facility fees	47,656	22,787	24,869	32,531
District court judges	1,600	1,353	247	1,304
Court services	286,300	268,606	17,694	143,682
Elections	1,405,214	936,119	469,095	1,320,456
Register of Deeds	899,889	775,738	124,151	908,404
Central services:				
Management information systems	4,639,077	3,008,077	1,631,000	3,575,616
Public buildings	3,735,125	2,986,497	748,628	2,458,889
Total	23,099,547	18,706,122	4,393,425	18,095,927

ALAMANCE COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2021

	2022			2021
	Budget	Actual	Variance Over/Under	Actual
Public safety:				
Judicial services	63,102	40,215	22,887	42,596
Sheriff	16,199,044	15,355,861	843,183	12,162,263
School resource officers	1,214,713	1,034,376	180,337	754,094
County jail	13,531,373	12,734,422	796,951	11,255,348
Emergency management	230,670	204,890	25,780	190,313
Emergency service	460,230	446,577	13,653	666,629
Fire service	49,537	44,437	5,100	41,717
SARA management	628,081	505,811	122,270	255,245
Inspections	1,029,490	835,169	194,321	832,885
Emergency medical service	9,338,003	9,286,409	51,594	5,760,598
Animal shelter	786,713	785,965	748	3,529,128
Central communications	3,125,657	3,557,358	(431,701)	2,941,234
Paramedicine	108,000	95,254	12,746	88,826
Other	1,499,168	1,447,136	52,032	530,010
Total	48,263,781	46,373,880	1,889,901	39,050,886
Transportation:				
Transportation services	245,749	225,585	20,164	27,600
Airport	259,698	259,698	-	259,698
Total	505,447	485,283	20,164	287,298
Environmental protection	166,471	78,832	87,639	105,050
Economic and physical development:				
Industrial development	1,683,046	1,139,261	543,785	1,334,148
Cooperative extension	408,240	393,882	14,358	372,647
Soil conservation	451,803	298,858	152,945	264,152
Tourism Development Authority	846,637	843,991	2,646	552,620
Other	685,554	289,239	396,315	301,434
Total	4,075,280	2,965,231	1,110,049	2,825,001

ALAMANCE COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2021

	2022			2021
	Budget	Actual	Variance Over/Under	Actual
Human services:				
Health	11,364,272	9,075,658	2,288,614	7,634,659
WIC Program	732,938	639,491	93,447	653,650
Dental Clinic Program	2,229,013	1,761,970	467,043	1,018,797
Social Services	23,525,210	20,562,967	2,962,243	18,277,782
Home and Community Care	1,341,362	1,294,834	46,528	1,158,812
Veterans Service Office	312,030	311,677	353	212,512
Office of Juvenile Justice Programs	433,678	432,372	1,306	395,585
Mental Health Authority	1,217,808	1,147,734	70,074	1,132,593
Other	645,243	480,243	165,000	339,310
Total	41,801,554	35,706,946	6,094,608	30,823,700
Cultural and recreational:				
Recreation	2,830,167	1,983,762	846,405	3,304,121
Library	3,219,545	3,010,453	209,092	3,010,423
Other	306,859	305,854	1,005	200,294
Total	6,356,571	5,300,069	1,056,502	6,514,838
Education:				
Alamance-Burlington School System:				
Current expense	44,436,525	44,436,525	-	42,808,529
Repair and maintenance	3,300,000	3,300,000	-	3,300,000
Alamance Community College:				
Current expense	3,529,556	3,529,556	-	3,424,312
Repair and maintenance	645,509	645,509	-	353,179
Total	51,911,590	51,911,590	-	49,886,020
Debt service:				
Principal retirement	14,355,069	15,516,224	(1,161,155)	6,808,848
Interest and fees	6,847,469	6,861,184	(13,715)	1,532,986
Total	21,202,538	22,377,408	(1,174,870)	8,341,834
Total expenditures	197,382,779	183,905,361	13,477,418	155,930,554

ALAMANCE COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2021

	2022			2021
	Budget	Actual	Variance Over/Under	Actual
Revenues over (under) expenditures	(8,071,355)	12,812,648	20,884,003	26,813,617
Other Financing Sources (Uses):				
Transfers from other funds:				
Capital project funds	1,459,068	1,459,068	-	1,459,068
Special revenue funds	-	6,909,140	6,909,140	-
Other funds	28,700	-	(28,700)	335,600
Transfers to other funds:				
Special revenue funds	(74,401)	(74,401)	-	(92,926)
Capital project funds	(9,867,100)	(9,488,876)	378,224	(15,139,931)
Internal service funds	-	-	-	(200,000)
Total net transfers	(8,453,733)	(1,195,069)	7,258,664	(13,638,189)
Long-term debt issued	-	-	-	923,990
Lease liabilities issued	-	1,670,710	1,670,710	-
Capital lease obligations issued	-	-	-	597,165
Appropriated fund balance	16,525,088	-	(16,525,088)	-
Total other financing sources (uses)	8,071,355	475,641	(7,595,714)	(12,117,034)
Net change in fund balance	\$ -	13,288,289	\$ 13,288,289	14,696,583
Reconciliation from Budgetary Basis to Modified Accrual:				
Payment from notes receivable		(60,152)		(60,152)
Implementation of lease standard:				
Lease liability issued		4,820,943		-
Capital outlay		(4,820,943)		-
Net change in fund balance- modified accrual basis		13,228,137		14,636,431
Fund Balance:				
Beginning of year - July 1		71,546,267		56,909,836
End of year - June 30		\$ 84,774,404		\$ 71,546,267

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, 2022

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues:					
Restricted intergovernmental:					
Public School Building Capital Fund lottery	\$ 25,461,326	\$ 23,567,458	\$ 1,461,578	\$ 25,029,036	\$ (432,290)
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	39,531,354	59,433,828	1,461,578	60,895,406	21,364,052
Investment earnings	3,950,331	3,952,257	114,102	4,066,359	116,028
Sales tax refund	577,254	577,254	-	577,254	-
Total revenues	44,058,939	63,963,339	1,575,680	65,539,019	21,480,080
Expenditures:					
Five-year capital improvement plan	12,011,519	12,011,519	-	12,011,519	-
State Lottery Projects:					
Alexander Wilson Elementary	282,607	225,750	-	225,750	56,857
AO Elementary School	1,555,110	1,238,860	-	1,238,860	316,250
Broadview Middle School	496,362	479,511	-	479,511	16,851
EM Yoder Elementary	87,071	87,071	-	87,071	-
Eastern High School	348,281	273,564	-	273,564	74,717
Eastlawn Elementary	141,013	102,347	-	102,347	38,666
E.M. Holt Elementary	102,966	102,966	-	102,966	-
Elon Elementary	92,479	92,479	-	92,479	-
B. Everett Jordan Elementary	1,408,296	1,408,296	-	1,408,296	-
Garrett Elementary School	70,000	70,000	-	70,000	-
Graham High School	2,939,511	279,511	-	279,511	2,660,000
Graham Middle School	74,430	74,089	-	74,089	341
Grove Park Elementary	124,774	124,774	-	124,774	-
Cummings High School	1,216,277	1,142,414	-	1,142,414	73,863
Smith Elementary	153,620	153,620	-	153,620	-
North Graham Elementary	161,773	105,954	-	105,954	55,819
Pleasant Grove Elementary	3,797	3,797	-	3,797	-
R Homer Andrews Elementary	151,394	151,394	-	151,394	-
Ray Street Academy	127,823	127,823	-	127,823	-
Sellers-Gunn Center	2,019	2,019	-	2,019	-
South Graham Elementary	204,964	204,964	-	204,964	-
South Mebane Elementary	130,731	130,731	-	130,731	-
Southern High School	477,473	475,937	1,537	477,474	(1)
Southern Middle School	147,612	147,612	-	147,612	-
Sylvan Elementary	1,184,383	111,933	-	111,933	1,072,450
Turrentine Middle School	213,226	213,226	-	213,226	-
Williams High School	259,333	92,233	-	92,233	167,100
Western High School	622,027	617,159	973	618,132	3,895
Western Middle School	1,203,833	75,000	-	75,000	1,128,833
Woodlawn Middle School	224,161	224,161	-	224,161	-
2006 bond reallocation projects	4,363,089	4,292,719	-	4,292,719	70,370
2018 bonds	149,822,005	13,466,308	67,018,026	80,484,334	69,337,671
Capital reserve projects	11,523,809	2,068,506	89,000	2,157,506	9,366,303
Completed projects	155,887,872	157,729,942	-	157,729,942	(1,842,070)
School bond interest costs	5,083,733	5,083,733	-	5,083,733	-
School debt issue costs	1,737,818	1,662,620	-	1,662,620	75,198
Total expenditures	356,327,348	204,854,542	67,109,536	271,964,078	84,363,270

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, 2022

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Over/Under
Revenues over (under) expenditures	(312,268,409)	(140,891,203)	(65,533,856)	(206,425,059)	105,843,350
Other Financing Sources (Uses):					
Transfers in:					
From General Fund	9,799,932	10,155,095	-	10,155,095	355,163
From County Buildings Capital Projects Fund	92,332	92,332	-	92,332	-
From Schools Capital Reserve Fund	59,189,764	50,667,543	8,482,223	59,149,766	(39,998)
Transfers out:					
To General Fund	(21,960,921)	(20,501,853)	(1,459,068)	(21,960,921)	-
To Schools Capital Reserve Fund	(18,226,695)	(18,226,695)	-	(18,226,695)	-
Long-term debt issued	296,030,827	273,879,320	-	273,879,320	(22,151,507)
Refunding bonds issued	33,830,000	33,830,000	-	33,830,000	-
Premium	25,849,610	25,849,610	-	25,849,610	-
Payment to refunded bond escrow agent	(72,336,440)	(72,336,440)	-	(72,336,440)	-
Total other financing sources (uses)	312,268,409	283,408,912	7,023,155	290,432,067	(21,836,342)
Net change in fund balance	\$ -	\$ 142,517,709	(58,510,701)	\$ 84,007,008	\$ 84,007,008
Fund Balance:					
Beginning of year - July 1			142,517,709		
End of year - June 30			\$ 84,007,008		

ALAMANCE COUNTY, NORTH CAROLINA

MAJOR STATE CAPITAL INFRASTRUCTURE CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues:					
Restricted intergovernmental:					
Emergency Equipment Project	\$ 800,000	\$ -	\$ 800,000	\$ 800,000	\$ -
Investment earnings	-	-	23,277	23,277	23,277
Total revenues	800,000	-	823,277	823,277	23,277
Expenditures:					
Emergency Equipment Project					
Construction	800,000	-	800,000	800,000	-
Net change in fund balance	\$ -	\$ -	23,277	\$ 23,277	\$ 23,277
Fund Balance:					
Beginning of year - July 1			-		
End of year - June 30			\$ 23,277		

Alamance County, North Carolina
Financial Statements and Schedules

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MAJOR SPECIAL REVENUE FUND

Alamance County, North Carolina
Financial Statements and Schedules

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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, 2022

	<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:					
American Rescue Plan Act	\$ 32,925,135	\$ 3,746,244	\$ 7,562,306	\$ 11,308,550	\$ 21,616,585
Investment earnings	-	189	31,850	32,039	32,039
Total revenues	<u>32,925,135</u>	<u>3,746,433</u>	<u>7,594,156</u>	<u>11,340,589</u>	<u>21,584,546</u>
Expenditures:					
ARP Grant:					
Salaries and benefits	4,052,550	-	62,617	62,617	(3,989,933)
Operating expenditures	20,071,235	3,746,243	-	3,746,243	(16,324,992)
Capital outlay	<u>1,892,210</u>	<u>-</u>	<u>590,549</u>	<u>590,549</u>	<u>(1,301,661)</u>
Total ARP Grant expenditures	<u>26,015,995</u>	<u>3,746,243</u>	<u>653,166</u>	<u>4,399,409</u>	<u>(21,616,586)</u>
Total expenditures	<u>26,015,995</u>	<u>3,746,243</u>	<u>653,166</u>	<u>4,399,409</u>	<u>(21,616,586)</u>
Revenues over (under) expenditures	6,909,140	190	6,940,990	6,941,180	32,040
Other Financing Sources (Uses):					
Transfers out:					
To General Fund	<u>(6,909,140)</u>	<u>-</u>	<u>(6,909,140)</u>	<u>(6,909,140)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 190</u>	31,850	<u>\$ 32,040</u>	<u>\$ 32,040</u>
Fund Balance:					
Beginning of year - July 1			<u>190</u>		
End of year - June 30			<u>\$ 32,040</u>		

Alamance County, North Carolina
Financial Statements and Schedules

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NONMAJOR GOVERNMENTAL FUNDS

ALAMANCE COUNTY, NORTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2022

	Special Revenue Funds					
	Emergency Telephone System Fund	Fire Districts Funds	Indigent Trust Fund	Opioid Settlement Fund	Grant Fund	Total
Assets:						
Cash and cash equivalents	\$ 809,951	\$ 109,755	\$ 494,841	\$ -	\$ -	\$ 1,414,547
Taxes receivable, net	-	217,535	-	-	-	217,535
Accounts receivable, net	67,529	-	-	-	-	67,529
Due from other governments	-	-	-	-	169,631	169,631
Restricted cash and cash equivalents	-	-	-	340,964	-	340,964
Total assets	<u>\$ 877,480</u>	<u>\$ 327,290</u>	<u>\$ 494,841</u>	<u>\$ 340,964</u>	<u>\$ 169,631</u>	<u>\$ 2,210,206</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:						
Liabilities:						
Accounts payable	\$ 144,657	\$ 109,755	\$ -	\$ -	\$ 27,874	\$ 282,286
Unearned revenues	-	-	-	340,964	-	340,964
Due to other funds	-	-	-	-	137,019	137,019
Total liabilities	<u>144,657</u>	<u>109,755</u>	<u>-</u>	<u>340,964</u>	<u>164,893</u>	<u>760,269</u>
Deferred Inflows of Resources:						
Taxes receivable	-	217,535	-	-	-	217,535
Fund Balances:						
Restricted:						
Stabilization by state statute	67,529	-	-	-	169,631	237,160
Restricted, all other	665,294	-	494,841	-	-	1,160,135
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	(164,893)	(164,893)
Total fund balances	<u>732,823</u>	<u>-</u>	<u>494,841</u>	<u>-</u>	<u>4,738</u>	<u>1,232,402</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 877,480</u>	<u>\$ 327,290</u>	<u>\$ 494,841</u>	<u>\$ 340,964</u>	<u>\$ 169,631</u>	<u>\$ 2,210,206</u>

ALAMANCE COUNTY, NORTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2022

	Capital Projects Funds						Total Nonmajor Governmental Funds
	Capital Reserve Funds	Mental Health Diversion Center Fund	Renovation and Repair Projects Fund	Alamance Community College Fund	Rudd Street Building Fund	Total	
Assets:							
Cash and cash equivalents	\$ 22,821,124	\$ 1,200,000	\$ 411,338	\$ 2,429,989	\$ 14,932	\$ 26,877,383	\$ 28,291,930
Taxes receivable, net	-	-	-	-	-	-	217,535
Accounts receivable, net	-	-	-	-	-	-	67,529
Due from other governments	-	-	-	-	-	-	169,631
Restricted cash and cash equivalents	-	-	-	11,538,006	-	11,538,006	11,878,970
Total assets	<u>\$ 22,821,124</u>	<u>\$ 1,200,000</u>	<u>\$ 411,338</u>	<u>\$ 13,967,995</u>	<u>\$ 14,932</u>	<u>\$ 38,415,389</u>	<u>\$ 40,625,595</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ 4,983	\$ -	\$ -	\$ 4,983	\$ 287,269
Unearned revenues	-	-	-	-	-	-	340,964
Due to other funds	-	-	-	-	-	-	137,019
Total liabilities	<u>-</u>	<u>-</u>	<u>4,983</u>	<u>-</u>	<u>-</u>	<u>4,983</u>	<u>765,252</u>
Deferred Inflows of Resources:							
Taxes receivable	-	-	-	-	-	-	217,535
Fund Balances:							
Restricted:							
Stabilization by state statute	-	-	-	-	-	-	237,160
Restricted, all other	-	-	-	11,538,006	14,932	11,552,938	12,713,073
Committed	22,821,124	1,200,000	406,355	2,429,989	-	26,857,468	26,857,468
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(164,893)
Total fund balances	<u>22,821,124</u>	<u>1,200,000</u>	<u>406,355</u>	<u>13,967,995</u>	<u>14,932</u>	<u>38,410,406</u>	<u>39,642,808</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 22,821,124</u>	<u>\$ 1,200,000</u>	<u>\$ 411,338</u>	<u>\$ 13,967,995</u>	<u>\$ 14,932</u>	<u>\$ 38,415,389</u>	<u>\$ 40,625,595</u>

ALAMANCE COUNTY, NORTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	Special Revenue Funds					
	Emergency Telephone System Fund	Fire Districts Funds	Indigent Trust Fund	Opioid Settlement Fund	Grant Fund	Total
Revenues:						
Ad valorem taxes	\$ -	\$ 6,443,874	\$ 1,045,466	\$ -	\$ -	\$ 7,489,340
Restricted intergovernmental	805,999	-	-	-	685,108	1,491,107
Contributions	-	-	-	-	-	-
Investment earnings	1,297	-	-	-	-	1,297
Total revenues	<u>807,296</u>	<u>6,443,874</u>	<u>1,045,466</u>	<u>-</u>	<u>685,108</u>	<u>8,981,744</u>
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	635,899	6,443,874	-	-	730,092	7,809,865
Human services	-	-	956,867	-	-	956,867
Intergovernmental:						
Education	-	-	-	-	-	-
Capital outlay	468,611	-	-	-	-	468,611
Debt service:						
Principal payments on lease	208,625	-	-	-	-	208,625
Interest and other charges	1,689	-	-	-	-	1,689
Total expenditures	<u>1,314,824</u>	<u>6,443,874</u>	<u>956,867</u>	<u>-</u>	<u>730,092</u>	<u>9,445,657</u>
Revenues over (under) expenditures	<u>(507,528)</u>	<u>-</u>	<u>88,599</u>	<u>-</u>	<u>(44,984)</u>	<u>(463,913)</u>
Other Financing Sources (Uses):						
Lease liabilities issued	468,611	-	-	-	-	468,611
Transfers in	24,921	-	-	-	49,480	74,401
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>493,532</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>49,480</u>	<u>543,012</u>
Net change in fund balances	<u>(13,996)</u>	<u>-</u>	<u>88,599</u>	<u>-</u>	<u>4,496</u>	<u>79,099</u>
Fund Balances:						
Beginning of year - July 1	<u>746,819</u>	<u>-</u>	<u>406,242</u>	<u>-</u>	<u>242</u>	<u>1,153,303</u>
End of year - June 30	<u>\$ 732,823</u>	<u>\$ -</u>	<u>\$ 494,841</u>	<u>\$ -</u>	<u>\$ 4,738</u>	<u>\$ 1,232,402</u>

ALAMANCE COUNTY, NORTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	Capital Projects Funds						Total Nonmajor Governmental Funds
	Capital Reserve Funds	Mental Health Diversion Center Fund	Renovation and Repair Projects Fund	Alamance Community College Fund	Rudd Street Building Fund	Total	
Revenues:							
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,489,340
Restricted intergovernmental	-	-	-	-	-	-	1,491,107
Contributions	-	-	-	-	(260,758)	(260,758)	(260,758)
Investment earnings	35,833	-	-	20,719	-	56,552	57,849
Total revenues	35,833	-	-	20,719	(260,758)	(204,206)	8,777,538
Expenditures:							
Current:							
General government	-	-	1,148,360	-	-	1,148,360	1,148,360
Public safety	-	-	-	-	-	-	7,809,865
Human services	-	-	-	-	1,170,072	1,170,072	2,126,939
Intergovernmental:						-	-
Education	-	-	-	10,769,127	-	10,769,127	10,769,127
Capital outlay	-	-	-	-	-	-	468,611
Debt service:							
Principal payments on lease	-	-	-	-	-	-	208,625
Interest and other charges	-	-	-	-	-	-	1,689
Total expenditures	-	-	1,148,360	10,769,127	1,170,072	13,087,559	22,533,216
Revenues over (under) expenditures	35,833	-	(1,148,360)	(10,748,408)	(1,430,830)	(13,291,765)	(13,755,678)
Other Financing Sources (Uses):							
Lease liabilities issued	-	-	-	-	-	-	468,611
Transfers in	8,405,066	-	1,083,810	2,500,000	-	11,988,876	12,063,277
Transfers out	(10,982,223)	-	-	-	-	(10,982,223)	(10,982,223)
Total other financing sources (uses)	(2,577,157)	-	1,083,810	2,500,000	-	1,006,653	1,549,665
Net change in fund balances	(2,541,324)	-	(64,550)	(8,248,408)	(1,430,830)	(12,285,112)	(12,206,013)
Fund Balances:							
Beginning of year - July 1	25,362,448	1,200,000	470,905	22,216,403	1,445,762	50,695,518	51,848,821
End of year - June 30	\$ 22,821,124	\$ 1,200,000	\$ 406,355	\$ 13,967,995	\$ 14,932	\$ 38,410,406	\$ 39,642,808

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, 2022
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2021

	2022			2021
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Restricted intergovernmental	\$ 661,774	\$ 805,999	\$ 144,225	\$ 787,025
Investment earnings	1,000	1,297	297	1,657
Total revenues	<u>662,774</u>	<u>807,296</u>	<u>144,522</u>	<u>788,682</u>
Expenditures:				
Implemental functions	25,000	21,499	3,501	38,699
Telephone	223,937	197,422	26,515	404,614
Software maintenance	235,567	231,862	3,705	329,020
Hardware maintenance	384,182	164,783	219,399	280,055
Training	25,000	20,333	4,667	18,373
Contracted services	193,785	-	193,785	-
Lease expenditures	468,611	468,611	-	-
Lease-principal	208,625	208,625	-	-
Lease-interest	1,689	1,689	-	-
Total expenditures	<u>1,766,396</u>	<u>1,314,824</u>	<u>451,572</u>	<u>1,070,761</u>
Revenues over (under) expenditures	<u>(1,103,622)</u>	<u>(507,528)</u>	<u>596,094</u>	<u>(282,079)</u>
Other Financing Sources (Uses):				
Transfer from General Fund	24,921	24,921	-	51,694
Lease liabilities issued	468,611	468,611	-	-
Appropriated fund balance	610,090	-	(610,090)	-
Total other financing sources (uses)	<u>1,103,622</u>	<u>493,532</u>	<u>(610,090)</u>	<u>51,694</u>
Net change in fund balance	<u>\$ -</u>	<u>(13,996)</u>	<u>\$ (13,996)</u>	<u>(230,385)</u>
Fund Balance:				
Beginning of year - July 1		<u>746,819</u>		<u>977,204</u>
End of year - June 30		<u>\$ 732,823</u>		<u>\$ 746,819</u>

PSAP RECONCILIATION
JUNE 30, 2022

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)

	\$ 24,390
Secondary PSAP balance	(30,781)
Beginning balance, PSAP revenue-expenditure report	<u>700,720</u>
Ending balance, PSAP revenue-expenditure report	<u>\$ 694,329</u>

ALAMANCE COUNTY, NORTH CAROLINA

FIRE DISTRICTS FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2022

	<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	\$ 13,584	\$ 6,740	\$ 5,468	\$ 10,476	\$ 8,452	\$ 2,459
Taxes receivable, net	19,828	10,888	8,241	20,999	23,413	4,632
Total assets	<u>\$ 33,412</u>	<u>\$ 17,628</u>	<u>\$ 13,709</u>	<u>\$ 31,475</u>	<u>\$ 31,865</u>	<u>\$ 7,091</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:						
Liabilities:						
Accounts payable	\$ 13,584	\$ 6,740	\$ 5,468	\$ 10,476	\$ 8,452	\$ 2,459
Deferred Inflows of Resources:						
Taxes receivable	19,828	10,888	8,241	20,999	23,413	4,632
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 33,412</u>	<u>\$ 17,628</u>	<u>\$ 13,709</u>	<u>\$ 31,475</u>	<u>\$ 31,865</u>	<u>\$ 7,091</u>

ALAMANCE COUNTY, NORTH CAROLINA

FIRE DISTRICTS FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2022

	<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	\$ 6,451	\$ 13,772	\$ 11,142	\$ 9,350	\$ 9,225	\$ 12,636	\$ 109,755
Taxes receivable, net	16,693	21,643	25,657	12,620	18,641	34,280	217,535
Total assets	<u>\$ 23,144</u>	<u>\$ 35,415</u>	<u>\$ 36,799</u>	<u>\$ 21,970</u>	<u>\$ 27,866</u>	<u>\$ 46,916</u>	<u>\$ 327,290</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:							
Liabilities:							
Accounts payable	\$ 6,451	\$ 13,772	\$ 11,142	\$ 9,350	\$ 9,225	\$ 12,636	\$ 109,755
Deferred Inflows of Resources:							
Taxes receivable	16,693	21,643	25,657	12,620	18,641	34,280	217,535
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 23,144</u>	<u>\$ 35,415</u>	<u>\$ 36,799</u>	<u>\$ 21,970</u>	<u>\$ 27,866</u>	<u>\$ 46,916</u>	<u>\$ 327,290</u>

ALAMANCE COUNTY, NORTH CAROLINA

FIRE DISTRICTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	<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	\$ 877,297	\$ 493,566	\$ 327,980	\$ 552,840	\$ 416,466	\$ 161,411
Penalties and interest	<u>2,895</u>	<u>1,889</u>	<u>1,998</u>	<u>2,556</u>	<u>2,338</u>	<u>478</u>
Total revenues	<u>880,192</u>	<u>495,455</u>	<u>329,978</u>	<u>555,396</u>	<u>418,804</u>	<u>161,889</u>
Expenditures:						
Current:						
Public safety	<u>880,192</u>	<u>495,455</u>	<u>329,978</u>	<u>555,396</u>	<u>418,804</u>	<u>161,889</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>

ALAMANCE COUNTY, NORTH CAROLINA

FIRE DISTRICTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	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	\$ 598,116	\$ 904,721	\$ 639,524	\$ 498,776	\$ 295,795	\$ 649,390	\$ 6,415,882
Penalties and interest	<u>2,532</u>	<u>3,207</u>	<u>2,303</u>	<u>1,909</u>	<u>1,945</u>	<u>3,942</u>	<u>27,992</u>
Total revenues	<u>600,648</u>	<u>907,928</u>	<u>641,827</u>	<u>500,685</u>	<u>297,740</u>	<u>653,332</u>	<u>6,443,874</u>
Expenditures:							
Current:							
Public safety	<u>600,648</u>	<u>907,928</u>	<u>641,827</u>	<u>500,685</u>	<u>297,740</u>	<u>653,332</u>	<u>6,443,874</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, 2022

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2021

	2022			2021
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Ad valorem taxes:				
Swepsonville	\$ 880,192	\$ 880,192	\$ -	\$ 862,070
54 East	495,455	495,455	-	403,722
Elon fire/rescue	329,978	329,978	-	327,526
Faucette	555,396	555,396	-	542,329
North Eastern Alamance	418,804	418,804	-	417,760
North Central Alamance	161,889	161,889	-	161,405
Eli Whitney/87 South	600,648	600,648	-	581,082
E.M. Holt	907,928	907,928	-	893,265
Altamahaw-Ossipee	641,827	641,827	-	637,398
East Alamance	500,685	500,685	-	491,006
Haw River	297,740	297,740	-	293,870
Snow Camp	653,332	653,332	-	496,016
Total revenues	6,443,874	6,443,874	-	6,107,449
Expenditures:				
Current:				
Public safety:				
Swepsonville	880,192	880,192	-	862,070
54 East	495,455	495,455	-	403,722
Elon fire/rescue	329,978	329,978	-	327,526
Faucette	555,396	555,396	-	542,329
North Eastern Alamance	418,804	418,804	-	417,760
North Central Alamance	161,889	161,889	-	161,405
Eli Whitney/87 South	600,648	600,648	-	581,082
E.M. Holt	907,928	907,928	-	893,265
Altamahaw-Ossipee	641,827	641,827	-	637,398
East Alamance	500,685	500,685	-	491,006
Haw River	297,740	297,740	-	293,870
Snow Camp	653,332	653,332	-	496,016
Total expenditures	6,443,874	6,443,874	-	6,107,449
Net change in fund balance	\$ -	-	\$ -	-
Fund Balance:				
Beginning of year - July 1		-		-
End of year - June 30		\$ -		\$ -

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, 2022

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2021

	<u>2022</u>			<u>2021</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
Revenues:				
Restricted intergovernmental:				
Adult payment	\$ 1,100,000	\$ 949,087	\$ (150,913)	\$ 1,119,393
Child payment	<u>200,000</u>	<u>96,379</u>	<u>(103,621)</u>	<u>127,071</u>
Total revenues	<u>1,300,000</u>	<u>1,045,466</u>	<u>(254,534)</u>	<u>1,246,464</u>
Expenditures:				
Adult payment	1,100,000	867,586	232,414	1,024,279
Child payment	<u>200,000</u>	<u>89,281</u>	<u>110,719</u>	<u>142,747</u>
Total expenditures	<u>1,300,000</u>	<u>956,867</u>	<u>343,133</u>	<u>1,167,026</u>
Net change in fund balance	<u>\$ -</u>	<u>88,599</u>	<u>\$ 88,599</u>	<u>79,438</u>
Fund Balance:				
Beginning of year - July 1		406,242		-
Prior period restatement - change in accounting principle		<u>-</u>		<u>326,804</u>
Beginning of year - July 1, as restated		<u>406,242</u>		<u>326,804</u>
End of year - June 30		<u>\$ 494,841</u>		<u>\$ 406,242</u>

ALAMANCE COUNTY, NORTH CAROLINA

OPIOID SETTLEMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022

	<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:					
Opioid Settlement Fund	\$ 8,874,733	\$ -	\$ -	\$ -	\$ (8,874,733)
Expenditures:					
Opioid Settlement Fund	8,874,733	-	-	-	8,874,733
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -
Fund Balance:					
Beginning of year - July 1			-		
End of year - June 30			\$ -		

ALAMANCE COUNTY, NORTH CAROLINA

GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues:					
FJC Governor's Crime Commission	\$ 1,255,720	\$ 905,583	\$ 248,090	\$ 1,153,673	\$ (102,047)
OVW grant	362,698	171,071	139,613	310,684	(52,014)
COPS grant	375,000	153,263	148,354	301,617	(73,383)
Coronavirus Emergency Supplement Fund grant	58,008	-	58,008	58,008	-
Coronavirus relief funds	6,297,789	6,295,664	2,125	6,297,789	-
BJA Justice Mental Health Grant	750,000	-	88,918	88,918	(661,082)
Total revenues	9,099,215	7,525,581	685,108	8,210,689	(888,526)
Expenditures:					
FJC Governor's Crime Commission:					
Operating expenditures	1,222,063	871,924	248,089	1,120,013	102,050
Capital outlay	33,657	33,657	-	33,657	-
Total FJC Governor's Crime Commission expenditures	1,255,720	905,581	248,089	1,153,670	102,050
OVW Grant:					
Salaries and benefits	280,790	145,749	113,620	259,369	21,421
Operating expenditures	81,908	25,322	25,993	51,315	30,593
Total OVW grant expenditures	362,698	171,071	139,613	310,684	52,014
COPS Grant:					
Salaries and benefits	539,927	194,255	193,339	387,594	152,333
Total COPS grant expenditures	539,927	194,255	193,339	387,594	152,333
Coronavirus Relief Funds:					
Salaries and benefits	3,952,888	3,905,066	919	3,905,985	46,903
Operating expenditures	2,344,901	2,390,598	1,206	2,391,804	(46,903)
Total coronavirus relief funds	6,297,789	6,295,664	2,125	6,297,789	-
BJA Justice Mental Health Grant:					
Operating expenditures	750,000	-	88,918	88,918	661,082
Total BJA Justice Mental Health Grant	750,000	-	88,918	88,918	661,082
Coronavirus Emergency Supplement Fund Grant:					
Operating expenditures	58,008	-	58,008	58,008	-
Total expenditures	9,264,142	7,566,571	730,092	8,296,663	967,479
Revenues over (under) expenditures	(164,927)	(40,990)	(44,984)	(85,974)	78,953
Other Financing Sources (Uses):					
Transfers in:					
From General Fund	164,927	41,232	49,480	90,712	(74,215)
Net change in fund balance	\$ -	\$ 242	4,496	\$ 4,738	\$ 4,738
Fund Balance:					
Beginning of year - July 1			242		
End of year - June 30			\$ 4,738		

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, 2022

	Schools Fund	County Buildings Fund	Alamance Community College Fund	Total
Assets:				
Cash and cash equivalents	<u>\$ 12,744,846</u>	<u>\$ 7,928,828</u>	<u>\$ 2,147,450</u>	<u>\$ 22,821,124</u>
Fund Balances:				
Committed	<u>\$ 12,744,846</u>	<u>\$ 7,928,828</u>	<u>\$ 2,147,450</u>	<u>\$ 22,821,124</u>

ALAMANCE COUNTY, NORTH CAROLINA

CAPITAL RESERVE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Schools Fund</u>	<u>County Buildings Fund</u>	<u>Alamance Community College Fund</u>	<u>Total</u>
Revenues:				
Investment earnings	\$ 23,861	\$ 7,913	\$ 4,059	\$ 35,833
Other Financing Sources (Uses):				
Transfers in	1,727,667	5,994,653	682,746	8,405,066
Transfers (out)	(8,482,223)	-	(2,500,000)	(10,982,223)
Total other financing sources (uses)	(6,754,556)	5,994,653	(1,817,254)	(2,577,157)
Net change in fund balances	(6,730,695)	6,002,566	(1,813,195)	(2,541,324)
Fund Balance:				
Beginning of year - July 1	19,475,541	1,926,262	3,960,645	25,362,448
End of year - June 30	\$ 12,744,846	\$ 7,928,828	\$ 2,147,450	\$ 22,821,124

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, 2022

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2021

	2022			2021
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Investment earnings:				
Schools	\$ 1,000	\$ 23,861	\$ 22,861	\$ 8,538
County buildings	1,000	7,913	6,913	1,116
Alamance Community College	1,000	4,059	3,059	3,195
Total revenues	<u>3,000</u>	<u>35,833</u>	<u>32,833</u>	<u>12,849</u>
Other Financing Sources (Uses):				
Schools:				
Transfer from General Fund	2,152,641	1,727,667	(424,974)	25,971,730
Transfer to Schools Capital Project Fund	(10,635,864)	(8,482,223)	2,153,641	(7,760,853)
Alamance Community College:				
Transfer from General Fund	682,746	682,746	-	4,007,393
Transfer to Alamance Community College	(3,183,746)	(2,500,000)	683,746	-
Transfer to General Fund	-	-	-	(335,600)
County Building:				
Transfers in from other funds	6,013,285	5,994,653	(18,632)	1,281,898
Transfers out to other funds	(6,014,285)	-	6,014,285	-
Appropriated fund balance:				
Schools	8,482,223	-	(8,482,223)	-
County buildings	<u>2,500,000</u>	<u>-</u>	<u>(2,500,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(3,000)</u>	<u>(2,577,157)</u>	<u>(2,574,157)</u>	<u>23,164,568</u>
Net change in fund balance	<u>\$ -</u>	<u>(2,541,324)</u>	<u>\$ (2,541,324)</u>	23,177,417
Fund Balance:				
Beginning of year - July 1		<u>25,362,448</u>		<u>2,185,031</u>
End of year - June 30		<u>\$ 22,821,124</u>		<u>\$ 25,362,448</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, 2022

		<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	\$ 3,000,000	\$ (260,758)	\$ 2,739,242	\$ (260,758)
Expenditures:					
Construction	3,000,000	1,554,238	1,170,072	2,724,310	(275,690)
Net change in fund balance	\$ -	\$ 1,445,762	(1,430,830)	\$ 14,932	\$ 14,932
Fund Balance:					
Beginning of year - July 1			1,445,762		
End of year - June 30			\$ 14,932		

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, 2022

		<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

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, 2022

		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	15,160	20,287	35,447	61,453
Total jail foundation	105,037	15,160	20,287	35,447	69,590
Jail Renovations:					
Construction	77,000	-	71,606	71,606	5,394
HSC Elevator:					
Construction	519,132	513,672	-	513,672	5,460
Total HSC elevator	565,039	513,672	-	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	432,371	-	432,371	-
Total jail air handler units	433,871	432,371	-	432,371	1,500
HSC HVAC Project:					
Professional services	110,000	63,700	33,070	96,770	13,230
Construction	276,280	179,468	49,160	228,628	47,652
Total HSC HVAC Project	398,369	243,168	82,230	325,398	72,971
FY 20 Chiller:					
Construction	106,060	106,060	-	106,060	-
EMS Garage Roof:					
Construction	14,860	14,860	-	14,860	-

ALAMANCE COUNTY, NORTH CAROLINA

RENOVATION AND REPAIR CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
JB Allen Courthouse-Soil Construction	157,247	121,282	11,500	132,782	24,465
Total JB Allen Courthouse-Soil	165,058	121,282	11,500	132,782	32,276
Family Justice Center Roof: Construction	13,500	13,500	-	13,500	-
Board of Elections Building Construction	1,083,810	-	962,737	962,737	121,073
Completed projects	10,838,913	10,838,913	-	10,838,913	-
Issuance costs	97,964	51,584	-	51,584	46,380
Total expenditures	14,251,747	12,702,836	1,148,360	13,851,196	400,551
Revenues over (under) expenditures	(14,213,131)	(12,659,438)	(1,148,360)	(13,807,798)	405,333
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	-
Appropriated fund balance					
Transfers out	(838,079)	(838,079)	-	(838,079)	-
Transfers in	5,651,210	4,568,422	1,083,810	5,652,232	1,022
Total other financing sources (uses)	14,213,131	13,130,343	1,083,810	14,214,153	1,022
Net change in fund balance	\$ -	\$ 470,905	(64,550)	\$ 406,355	\$ 406,355
Fund Balance:					
Beginning of year - July 1			470,905		
End of year - June 30			\$ 406,355		

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, 2022

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues:					
Investment earnings	\$ 583,011	\$ 584,369	\$ 20,719	\$ 605,088	\$ 22,077
Expenditures:					
General construction - ACC	8,036,070	4,500,000	-	4,500,000	3,536,070
Bond issuance cost	196,400	193,605	-	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	38,563,930	1,546,699	10,769,127	12,315,826	26,248,104
Total expenditures	71,259,141	30,704,095	10,769,127	41,473,222	29,785,919
Revenues over (under) expenditures	(70,676,130)	(30,119,726)	(10,748,408)	(40,868,134)	29,807,996
Other Financing Sources (Uses):					
Transfers in:					
From General Fund	1,744,500	1,744,500	-	1,744,500	-
From ACC Capital Reserve Fund	6,201,949	2,350,179	2,500,000	4,850,179	(1,351,770)
Transfers out:					
To ACC Capital Reserve Fund	(3,313,865)	(1,962,095)	-	(1,962,095)	1,351,770
To General Fund	(1,744,500)	(1,744,500)	-	(1,744,500)	-
Bonds issued	63,550,530	47,710,529	-	47,710,529	(15,840,001)
Bond premium	4,237,516	4,237,516	-	4,237,516	-
Total other financing sources (uses)	70,676,130	52,336,129	2,500,000	54,836,129	(15,840,001)
Net change in fund balance	\$ -	\$ 22,216,403	(8,248,408)	\$ 13,967,995	\$ 13,967,995
Fund Balance:					
Beginning of year - July 1			22,216,403		
End of year - June 30			\$ 13,967,995		

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, 2022
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2021**

	<u>2022</u>			<u>2021</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
Revenues:				
Operating revenues:				
Landfill user charges	\$ 4,738,647	\$ 5,372,527	\$ 633,880	\$ 5,330,295
Miscellaneous	789,375	1,216,015	426,640	481,099
Total operating revenues	<u>5,528,022</u>	<u>6,588,542</u>	<u>1,060,520</u>	<u>5,811,394</u>
Non-operating revenues:				
Interest on investments	<u>27,250</u>	<u>19,802</u>	<u>(7,448)</u>	<u>2,353</u>
Total revenues	<u>5,555,272</u>	<u>6,608,344</u>	<u>1,053,072</u>	<u>5,813,747</u>
Expenditures:				
Environmental protection:				
Landfill:				
Administration:				
Fixed charges and other expenditures	<u>160,638</u>	<u>160,638</u>	<u>-</u>	<u>153,250</u>
Operations:				
Salaries and benefits	1,611,192	883,134	728,058	1,569,257
Supplies and materials	59,535	40,750	18,785	43,531
Current obligations and services	2,629,055	2,068,179	560,876	1,036,894
State mandated MSW/C&D charges	253,750	268,622	(14,872)	259,709
Fixed charges and other expenditures	<u>801,858</u>	<u>714,519</u>	<u>87,339</u>	<u>709,662</u>
Total operations expenditures	<u>5,355,390</u>	<u>3,975,204</u>	<u>1,380,186</u>	<u>3,619,053</u>
Total environmental protection	<u>5,516,028</u>	<u>4,135,842</u>	<u>1,380,186</u>	<u>3,772,303</u>
Budgetary appropriations:				
Other capital outlay	<u>8,198,741</u>	<u>501,241</u>	<u>7,697,500</u>	<u>755,742</u>
Debt service				
Principal	-	1,271	(1,271)	-
Interest	<u>-</u>	<u>15</u>	<u>(15)</u>	<u>-</u>
Total debt service	<u>-</u>	<u>1,286</u>	<u>(1,286)</u>	<u>-</u>
Total expenditures	<u>13,714,769</u>	<u>4,638,369</u>	<u>9,076,400</u>	<u>4,528,045</u>

ALAMANCE COUNTY, NORTH CAROLINA

LANDFILL ENTERPRISE FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2022
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2021

	2022			2021
	Budget	Actual	Variance Over/Under	Actual
Revenues over (under) expenditures	(8,159,497)	1,969,975	10,129,472	1,285,702
Other Financing Sources (Uses):				
Lease liabilities issued	-	3,812	3,812	-
Appropriated net position	8,159,497	-	(8,159,497)	-
Total other financing sources (uses)	8,159,497	3,812	(8,155,685)	-
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 1,973,787	\$ 1,973,787	\$ 1,285,702

**Reconciliation from Budgetary Basis
(Modified Accrual) to Full Accrual Basis:**

Revenues and other financing sources over (under) expenditures and other financing uses	\$ 1,973,787	\$ 1,285,702
Reconciling items:		
Capital outlay	501,241	755,742
Lease liabilities issued	(3,812)	-
Debt principal	1,271	-
Capital items not charged to capital outlay	884,988	62,840
Change in accrued landfill closure and post-closure care costs	(813,136)	(1,032,762)
Change in compensated absences payable	(1,698)	(3,460)
Change in deferred outflows of resources - pension	48,557	36,604
Change in net pension liability	(256,348)	107,466
Change in deferred inflows of resources - pension	(273,074)	1,862
Change in deferred outflows of resources - OPEB	(74,416)	263,694
Change in deferred inflows of resources - OPEB	98,424	99,195
Change in OPEB liability	(61,159)	(387,272)
Depreciation and amortization	(797,368)	(782,503)
Change in net position	\$ 1,227,257	\$ 407,108

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, 2022

	Employee Insurance Fund	Workers' Compensation Fund	Total
Assets:			
Current assets:			
Cash and cash equivalents	\$ 6,690,529	\$ 1,290,698	\$ 7,981,227
Accounts receivable, net	7,460	1,459	8,919
Total assets	<u>6,697,989</u>	<u>1,292,157</u>	<u>7,990,146</u>
Liabilities:			
Current liabilities:			
Accounts payable	<u>714,670</u>	<u>27,514</u>	<u>742,184</u>
Net Position:			
Unrestricted	<u>\$ 5,983,319</u>	<u>\$ 1,264,643</u>	<u>\$ 7,247,962</u>

ALAMANCE COUNTY, NORTH CAROLINA

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

	Employee Insurance Fund	Workers' Compensation Fund	Total
Operating Revenues:			
Charges for services	\$ 12,869,438	\$ 1,019,400	\$ 13,888,838
Miscellaneous revenues	766,706	-	766,706
Excess claims reimbursements	-	133,146	133,146
Total operating revenues	<u>13,636,144</u>	<u>1,152,546</u>	<u>14,788,690</u>
Operating Expenditures:			
Administration	10,943	5,662	16,605
Personal services	11,936,575	1,039,338	12,975,913
Fixed charges and other expenditures	<u>1,683</u>	<u>24,477</u>	<u>26,160</u>
Total operating expenditures	<u>11,949,201</u>	<u>1,069,477</u>	<u>13,018,678</u>
Operating income (loss)	1,686,943	83,069	1,770,012
Non-Operating Revenue (Expense):			
Investment earnings	<u>10,342</u>	<u>2,162</u>	<u>12,504</u>
Change in net position	1,697,285	85,231	1,782,516
Net Position:			
Beginning of year- July 1	<u>4,286,034</u>	<u>1,179,412</u>	<u>5,465,446</u>
End of year - June 30	<u>\$ 5,983,319</u>	<u>\$ 1,264,643</u>	<u>\$ 7,247,962</u>

ALAMANCE COUNTY, NORTH CAROLINA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022

	Employee Insurance Fund	Workers' Compensation Fund	Total
Cash Flows from Operating Activities:			
Cash received from customers	\$ 13,636,144	\$ 1,019,400	\$ 14,655,544
Cash received from claims reimbursements	-	133,146	133,146
Cash paid for goods and services	(11,837,157)	(1,098,418)	(12,935,575)
Net cash provided (used) by operating activities	<u>1,798,987</u>	<u>54,128</u>	<u>1,853,115</u>
Cash Flows from Investing Activities:			
Investment earnings	<u>10,342</u>	<u>2,162</u>	<u>12,504</u>
Net increase (decrease) in cash and cash equivalents	1,809,329	56,290	1,865,619
Cash and Cash Equivalents/Investments:			
Beginning of year - July 1	<u>4,881,200</u>	<u>1,234,408</u>	<u>6,115,608</u>
End of year - June 30	<u>\$ 6,690,529</u>	<u>\$ 1,290,698</u>	<u>\$ 7,981,227</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ 1,686,943	\$ 83,069	\$ 1,770,012
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>112,044</u>	<u>(28,941)</u>	<u>83,103</u>
Net cash provided (used) by operating activities	<u>\$ 1,798,987</u>	<u>\$ 54,128</u>	<u>\$ 1,853,115</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, 2022

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2021

	2022			2021
	Financial Plan	Actual	Variance Over/Under	Actual
Operating Revenues:				
Charges for services	\$ 13,581,136	\$ 12,869,438	\$ (711,698)	\$ 12,904,269
Miscellaneous revenue	537,500	766,706	229,206	521,938
Total operating revenues	<u>14,118,636</u>	<u>13,636,144</u>	<u>(482,492)</u>	<u>13,426,207</u>
Non-Operating Revenue (Expense):				
Investment earnings	<u>7,000</u>	<u>10,342</u>	<u>3,342</u>	<u>6,486</u>
Total revenues	<u>14,125,636</u>	<u>13,646,486</u>	<u>(479,150)</u>	<u>13,432,693</u>
Operating Expenditures:				
Administration	10,943	10,943	-	14,159
Personal services	12,862,591	11,936,575	926,016	12,122,952
Fixed charges and other expenditures	<u>1,252,102</u>	<u>1,683</u>	<u>1,250,419</u>	<u>6,416</u>
Total operating expenditures	<u>14,125,636</u>	<u>11,949,201</u>	<u>2,176,435</u>	<u>12,143,527</u>
Change in net position	<u>\$ -</u>	<u>\$ 1,697,285</u>	<u>\$ 1,697,285</u>	<u>\$ 1,289,166</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, 2022

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2021

	2022			2021
	Financial Plan	Actual	Variance Over/Under	Actual
Operating Revenues:				
Charges for services	\$ 1,019,400	\$ 1,019,400	\$ -	\$ 1,019,230
Excess claims reimbursements	-	133,146	133,146	-
Total operating revenues	<u>1,019,400</u>	<u>1,152,546</u>	<u>133,146</u>	<u>1,019,230</u>
Non-Operating Revenues:				
Investment earnings	<u>2,000</u>	<u>2,162</u>	<u>162</u>	<u>1,894</u>
Total revenues	<u>1,021,400</u>	<u>1,154,708</u>	<u>133,308</u>	<u>1,021,124</u>
Operating Expenditures:				
Administration	5,662	5,662	-	2,002
Personal services	1,098,988	1,039,338	59,650	1,245,349
Fixed charges and other expenditures	<u>47,817</u>	<u>24,477</u>	<u>23,340</u>	<u>102,688</u>
Total operating expenditures	<u>1,152,467</u>	<u>1,069,477</u>	<u>82,990</u>	<u>1,350,039</u>
Revenues over (under) expenditures	<u>(131,067)</u>	<u>85,231</u>	<u>216,298</u>	<u>(328,915)</u>
Other Financing Sources (Uses):				
Transfers from other funds	-	-	-	200,000
Appropriated net position	<u>131,067</u>	<u>-</u>	<u>(131,067)</u>	<u>-</u>
Total other financing sources (uses)	<u>131,067</u>	<u>-</u>	<u>(131,067)</u>	<u>200,000</u>
Change in net position	<u>\$ -</u>	<u>\$ 85,231</u>	<u>\$ 85,231</u>	<u>\$ (128,915)</u>

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, 2022

	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	\$ 4,440	\$ 20,175	\$ 265	\$ 7,536	\$ 69,733
Taxes receivable, net	<u>3,780</u>	<u>24,768</u>	<u>791</u>	<u>29,345</u>	<u>30,325</u>
Total assets	<u>8,220</u>	<u>44,943</u>	<u>1,056</u>	<u>36,881</u>	<u>100,058</u>
Liabilities:					
Intergovernmental payable	<u>4,441</u>	<u>20,174</u>	<u>265</u>	<u>7,537</u>	<u>69,733</u>
Net Position:					
Restricted for:					
Individuals, organizations, and other governments	3,779	24,769	791	29,344	30,325
Assets held in trust for beneficiaries	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total net position	<u>\$ 3,779</u>	<u>\$ 24,769</u>	<u>\$ 791</u>	<u>\$ 29,344</u>	<u>\$ 30,325</u>

ALAMANCE COUNTY, NORTH CAROLINA

CUSTODIAL FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2022

	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	\$ 304,773	\$ 37,253	\$ 87,896	\$ 23,616	\$ 114,201	\$ 669,888
Taxes receivable, net	155,653	7,185	117,831	29,168	-	398,846
Total assets	460,426	44,438	205,727	52,784	114,201	1,068,734
Liabilities:						
Intergovernmental payable	304,771	37,253	87,897	23,615	-	555,686
Net Position:						
Restricted for:						
Individuals, organizations, and other governments	155,655	7,185	117,830	29,169	-	398,847
Assets held in trust for beneficiaries	-	-	-	-	114,201	114,201
Total net position	\$ 155,655	\$ 7,185	\$ 117,830	\$ 29,169	\$ 114,201	\$ 513,048

ALAMANCE COUNTY, NORTH CAROLINA

CUSTODIAL FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

	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	\$ 254,027	\$ 995,733	\$ 50,990	\$ 483,339	\$ 831,432
Permits and fees	-	-	-	-	-
Investment earnings	-	-	-	-	-
Inmate and health deposits	-	-	-	-	-
Total additions	<u>254,027</u>	<u>995,733</u>	<u>50,990</u>	<u>483,339</u>	<u>831,432</u>
Deductions:					
Tax distributions to other governments	254,313	993,394	51,613	483,245	825,907
Human services	-	-	-	-	-
Total deductions	<u>254,313</u>	<u>993,394</u>	<u>51,613</u>	<u>483,245</u>	<u>825,907</u>
Net increase (decrease) in fiduciary net position	(286)	2,339	(623)	94	5,525
Net position, beginning	<u>4,065</u>	<u>22,430</u>	<u>1,414</u>	<u>29,250</u>	<u>24,800</u>
Net position, ending	<u>\$ 3,779</u>	<u>\$ 24,769</u>	<u>\$ 791</u>	<u>\$ 29,344</u>	<u>\$ 30,325</u>

ALAMANCE COUNTY, NORTH CAROLINA

CUSTODIAL FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

	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	\$ 3,945,827	\$ 397,361	\$ 10,101,912	\$ 1,870,476	\$ -	\$ 18,931,097
Permits and fees	-	-	-	-	36,910	36,910
Investment earnings	-	-	-	-	13	13
Inmate and health deposits	-	-	-	-	1,612,079	1,612,079
Total additions	<u>3,945,827</u>	<u>397,361</u>	<u>10,101,912</u>	<u>1,870,476</u>	<u>1,649,002</u>	<u>20,580,099</u>
Deductions:						
Tax distributions to other governments	3,913,172	394,838	10,050,893	1,861,833	-	18,829,208
Human services	-	-	-	-	1,667,569	1,667,569
Total deductions	<u>3,913,172</u>	<u>394,838</u>	<u>10,050,893</u>	<u>1,861,833</u>	<u>1,667,569</u>	<u>20,496,777</u>
Net increase (decrease) in fiduciary net position	32,655	2,523	51,019	8,643	(18,567)	83,322
Net position, beginning	<u>123,000</u>	<u>4,662</u>	<u>66,811</u>	<u>20,526</u>	<u>132,768</u>	<u>429,726</u>
Net position, ending	<u>\$ 155,655</u>	<u>\$ 7,185</u>	<u>\$ 117,830</u>	<u>\$ 29,169</u>	<u>\$ 114,201</u>	<u>\$ 513,048</u>

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF AD VALOREM TAXES RECEIVABLE
JUNE 30, 2022

<u>Fiscal Year</u>	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Collections and Credits</u>	<u>Balance June 30, 2022</u>
2021-2022	\$ -	\$ 103,402,418	\$ 102,486,122	\$ 916,296
2020-2021	1,179,378	-	646,148	533,230
2019-2020	453,978	-	189,255	264,723
2018-2019	277,213	-	87,835	189,378
2017-2018	138,243	-	41,906	96,337
2016-2017	155,880	-	29,457	126,423
2015-2016	86,443	-	15,212	71,231
2014-2015	60,724	-	7,515	53,209
2013-2014	100,026	-	9,006	91,020
2012-2013	112,769	-	6,699	106,070
2011-2012	92,800	-	92,800	-
Total	<u>\$ 2,657,454</u>	<u>\$ 103,402,418</u>	<u>\$ 103,611,955</u>	<u>2,447,917</u>
Less: Allowance for uncollectible accounts - General Fund				<u>(589,026)</u>
Ad valorem taxes receivable, net - General Fund				<u>\$ 1,858,891</u>
Reconciliation with Revenues:				
Ad valorem taxes - General Fund				\$ 103,813,114
Reconciling items:				
Penalties and interest				(333,607)
Releases and adjustments				39,648
Amount written off per Statute of Limitations				<u>92,800</u>
Total collections and credits				<u>\$ 103,611,955</u>

ALAMANCE COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT YEAR LEVY
FOR THE YEAR ENDED JUNE 30, 2022

	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	\$ 15,628,712,879	\$ 0.66	\$ 103,149,505	\$ 91,483,398	\$ 11,666,107
Penalties	-		100,274	100,274	-
Total original levy	<u>15,628,712,879</u>		<u>103,249,779</u>	<u>91,583,672</u>	<u>11,666,107</u>
Discoveries:					
Current year taxes	72,439,697	0.66	478,102	262,958	215,144
Penalties	-		3,289	3,289	-
Total discoveries	<u>72,439,697</u>		<u>481,391</u>	<u>266,247</u>	<u>215,144</u>
Abatements	<u>(49,810,909)</u>	0.66	<u>(328,752)</u>	<u>(320,827)</u>	<u>(7,925)</u>
Total property valuation	<u>\$ 15,651,341,667</u>				
Net Levy			103,402,418	91,529,092	11,873,326
Uncollected taxes at June 30, 2022			<u>916,296</u>	<u>916,296</u>	<u>-</u>
Current Year's Taxes Collected			<u>\$ 102,486,122</u>	<u>\$ 90,612,796</u>	<u>\$ 11,873,326</u>
Current Levy Collection Percentage			<u>99.11%</u>	<u>99.00%</u>	<u>100.00%</u>

ALAMANCE COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT YEAR LEVY
FOR THE YEAR ENDED JUNE 30, 2022

Secondary Market Disclosures:

Assessed valuation:

Assessment ratio (1)	<u>100.00%</u>
Real property	\$ 11,689,800,387
Personal property	3,632,773,293
Public service companies (2)	<u>328,767,987</u>
Total assessed valuation	<u>\$ 15,651,341,667</u>
Tax rate per \$100	<u>\$ 0.66</u>
Levy (includes discoveries, releases, and abatements) (3)	<u>\$ 103,402,418</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>\$ 5,800,631,064</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.	149
Revenue Capacity These schedules contain information to help the reader assess the government's most significant local revenue source, the property taxes.	153
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.	162
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.	165
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.	169

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									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental activities:										
Net investment in capital assets	\$ 52,560,069	\$ 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
Restricted	25,251,849	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
Unrestricted	(111,967,028)	(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)
Total governmental activities net position	\$ (34,155,110)	\$ 2,551,709	\$ (15,848,379)	\$ (38,948,357)	\$ (49,513,618)	\$ 10,407,263	\$ 27,165,157	\$ 16,671,741	\$ 11,959,884	\$ 7,045,347
Business-type activities										
Net investment in capital assets	\$ 9,534,325	\$ 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
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	12,875,775	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	\$ 22,410,100	\$ 21,182,843	\$ 20,775,735	\$ 18,463,925	\$ 21,537,198	\$ 22,441,865	\$ 21,907,372	\$ 21,451,404	\$ 20,640,950	\$ 20,092,806
Primary government										
Net investment in capital assets	\$ 62,094,394	\$ 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
Restricted	25,251,849	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
Unrestricted	(99,091,253)	(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)
Total primary government net position	\$ (11,745,010)	\$ 23,734,552	\$ 4,927,356	\$ (20,484,432)	\$ (27,976,420)	\$ 32,849,128	\$ 49,072,529	\$ 38,291,150	\$ 32,600,834	\$ 27,138,153

ALAMANCE COUNTY, NORTH CAROLINA

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

Table 2

	Fiscal Year Ended June 30									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
REVENUES										
Function/Programs:										
Charges for services:										
Public safety	\$ 12,886	\$ 11,833	\$ 14,297	\$ 11,173	\$ 10,001	\$ 7,766	\$ 8,113	\$ 4,345	\$ 8,069	\$ 9,294
Human services	969	996	1,719	1,642	4,254	3,125	2,321	3,198	1,769	2,600
Other	4,171	3,703	2,635	2,754	2,582	2,646	2,379	5,914	2,199	2,468
Subtotal	18,026	16,532	18,651	15,569	16,837	13,537	12,813	13,456	12,037	14,362
Operating grants and contributions	36,288	32,189	24,307	19,759	18,390	25,260	26,790	25,917	23,587	23,516
Capital grants and contributions	1,201	1,893	2,236	5,661	3,056	1,497	595	683	2,696	2,772
General revenues:										
Taxes:										
Property taxes, levied for general purpose	111,350	109,719	103,043	90,854	85,895	82,312	81,155	72,673	74,289	69,298
Local option sales tax	43,756	39,443	32,221	31,520	29,828	28,159	27,608	25,080	22,204	20,665
Other taxes and licenses	4,732	3,027	1,905	2,076	1,856	1,663	1,512	1,346	1,177	1,020
Grants and contributions not restricted to specific programs	-	-	-	-	-	-	-	-	-	-
Investment earnings	431	281	1,542	1,639	857	603	430	366	302	485
Miscellaneous, unrestricted	-	-	-	-	-	-	-	-	-	25
Special items	-	-	-	-	-	-	-	2,374	-	-
Subtotal	215,784	203,084	183,905	167,078	156,719	153,031	150,902	141,897	136,292	132,143
Landfill:										
Charges for services	6,588	5,811	5,132	5,072	4,349	4,475	4,122	4,187	4,259	3,713
Operating grants and contributions	-	-	-	-	-	-	-	10	40	4
Investment earnings	20	2	81	109	60	21	11	1	-	-
Gain on disposal	-	-	112	97	-	-	-	-	-	-
Miscellaneous, unrestricted	-	-	-	-	-	-	-	-	-	-
Subtotal	6,608	5,813	5,325	5,278	4,409	4,497	4,133	4,198	4,299	3,717
Total revenues	222,392	208,897	189,230	172,356	161,128	157,527	155,036	146,094	140,591	135,860
EXPENSES										
General government	17,746	22,797	12,704	14,684	16,871	19,621	14,780	14,208	13,744	12,644
Public Safety	52,725	55,001	48,413	44,608	44,785	41,567	39,034	36,135	36,976	35,211
Economic and physical development	2,997	3,285	4,018	2,771	3,764	2,643	2,903	1,605	1,815	1,758
Human services	36,486	33,884	31,081	30,936	32,364	36,697	34,768	36,704	33,935	33,432
Cultural and recreational	4,979	4,811	6,140	5,392	6,449	4,667	3,710	3,786	4,338	3,624
Education	129,803	61,303	56,113	50,754	49,903	57,786	41,598	37,497	36,346	34,963
Interest on long-term debt	6,716	2,622	1,545	1,957	2,248	3,175	2,297	2,550	2,972	6,478
Other expenses	613	1,308	792	1,112	1,695	1,651	1,486	841	1,252	1,158
Subtotal	252,065	185,011	160,806	152,214	158,079	167,806	140,577	133,328	131,378	129,268
Landfill	5,381	5,406	3,013	4,788	4,119	3,962	3,677	3,288	3,751	2,542
Total expenses	257,446	190,417	163,819	157,002	162,198	171,769	144,254	136,616	135,129	131,810
Change in net position	(35,054)	18,480	25,411	15,354	(1,070)	(14,241)	10,781	9,478	5,462	4,050
Net position- beginning	23,735	4,927	(20,484)	(35,838)	(26,906)	47,090	38,290	28,812	27,138	23,088
Restatement	(426)	327	-	-	-	-	-	-	-	-
Net position-beginning, as restated	23,309	5,254	(20,484)	(35,838)	(26,906)	47,090	38,290	28,812	27,138	23,088
Net position-ending	\$ (11,745)	\$ 23,734	\$ 4,927	\$ (20,484)	\$ (27,976)	\$ 32,849	\$ 49,072	\$ 38,290	\$ 32,600	\$ 27,138

ALAMANCE COUNTY, NORTH CAROLINA

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

Table 3

	Fiscal Year Ended June 30									
	<u>2022</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>
General Fund										
Nonspendable	\$ 152,919	\$ 210,532	\$ 270,684	\$ 330,836	\$ 390,988	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted ^a	23,751,355	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
Committed ^b	12,580,495	11,520,640	5,457,507	8,022,871	1,114,195	7,467,331	1,488,962	535,212	480,619	322,619
Assigned	6,470,426	4,484,164	12,697,510	13,191,538	11,636,038					
Unassigned	41,819,209	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
Total general fund	84,774,404	71,546,267	56,909,836	51,898,103	48,710,222	48,001,622	46,314,712	38,467,180	31,420,968	26,341,866
All Other Governmental Funds										
Restricted in Capital Project	82,605,758	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
Committed in Capital Project	41,264,268	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
Unassigned in Capital Project	(164,893)	-	-	(206,420)	-	-	(51,542)	(213,352)	(58,886)	(190,334)
Total all other government funds ^c	123,705,133	194,366,720	18,749,630	10,923,670	5,075,593	5,082,948	2,190,449	3,480,386	3,702,790	3,973,017
Total fund balances, governmental funds ^d	\$ 208,479,537	\$ 285,912,987	\$ 75,659,466	\$ 62,821,773	\$ 53,785,815	\$ 53,084,570	\$ 48,505,161	\$ 41,947,566	\$ 35,123,758	\$ 30,314,883

^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									
	<u>2022</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>
Revenues										
Property taxes	\$ 111,302,454	\$ 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
Sales taxes	43,755,593	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
Other taxes and licenses	4,732,534	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
Unrestricted intergovernmental	235,027	263,553	268,941	263,802	259,939	270,038	258,829	277,018	253,863	233,472
Restricted intergovernmental	38,362,932	34,281,939	26,542,610	22,219,897	20,246,071	26,757,106	27,384,337	26,432,568	25,744,940	25,749,474
Permits and fees	1,862,411	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
Sales and services	13,427,907	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
Contributions	(260,758)	(200,000)	-	3,200,000	1,200,000	-	-	-	-	-
Investment earnings	418,433	272,628	1,509,371	1,624,168	847,182	588,334	422,198	362,419	299,144	482,991
Miscellaneous	1,591,975	780,475	1,971,617	979,893	813,568	482,720	454,708	477,661	353,176	505,727
Total revenues	215,428,508	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
Expenditures										
Current										
General government	20,507,648	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
Public Safety	54,983,745	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
Transportation	485,283	287,298	487,589	478,708	478,516	464,448	382,450	395,263	266,588	(43,211)
Environmental protection	78,832	105,050	69,695	79,488	68,340	71,147	102,011	110,590	(64,814)	(414,878)
Economic and physical development	2,965,231	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
Human services	37,833,885	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
Cultural and recreational	5,300,069	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
Intergovernmental (education)	129,790,253	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
Capital Outlay	5,289,554	-	-	-	-	-	-	-	-	-
Expenditures before Debt Service	257,234,500	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
Debt service:										
Principal	15,724,849	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
Interest and other charges	6,862,873	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
Issuance costs	-	526,337	149,346	-	-	77,796	6,597	3,653	-	329,582
Total expenditures	279,822,222	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
Revenues over (under) expenditures	(64,393,714)	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)
Other financing sources (uses)	6,960,264	175,629,206	3,841,191	389,235	4,258,489	17,532,598	543,603	440,762	563,218	5,946,146
Special items	-	-	-	-	-	-	-	3,902,970	-	-
Increase (decrease) in fund balance	(57,433,450)	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
Beginning 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
Restatement	-	326,804	-	-	-	-	-	-	-	-
Beginning fund balance, as restated	265,912,987	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
Ending fund balance	\$ 208,479,537	\$ 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
Debt service expenditures/non-capital expenditures ratio										
Total Debt service expenditures	22,587,722	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
Divided by Expenditures	279,822,222	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
	8.07%	4.64%	5.88%	7.00%	6.69%	6.15%	7.34%	8.62%	8.97%	12.46%

ALAMANCE COUNTY, NORTH CAROLINA

Program Revenues by Function/Program
Last Ten Fiscal Years

Table 5

Function/Program	Program Revenues									
	Fiscal Year Ended June 30									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental activities:										
General government	\$ 4,061,601	\$ 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
Public safety	12,886,231	11,832,756	14,297,280	11,173,252	10,001,162	7,766,320	8,112,597	4,345,322	8,068,192	9,293,779
Transportation	-	-	-	-	-	-	-	-	-	-
Economic and physical development	-	-	-	-	30,086	32,283	818	818	-	-
Environmental protection	-	-	-	-	-	-	-	-	236,956	236,956
Human services	968,996	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
Cultural and recreational	110,070	68,936	103,311	92,078	93,412	83,837	281,442	281,442	632,596	632,596
Subtotal government activities	18,026,898	16,532,190	18,651,836	15,569,768	16,837,626	13,537,104	12,813,021	13,456,418	12,037,043	14,361,507
Business-type activities										
Landfill	6,588,542	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
Subtotal business-type activities	6,588,542	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
Total primary government	\$ 24,615,440	\$ 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

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
2022	\$ 110,256,988	\$ 43,755,593	\$ 1,305,069	\$ -	\$ 2,000,564	\$ 1,426,901	158,745,115
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

^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									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General government	\$ 17,746,274	\$ 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
Public safety	52,725,003	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
Transportation	511,354	744,879	605,262	755,725	1,052,686	1,022,227	802,261	582,629	791,878	765,536
Environmental protection	100,909	562,631	187,368	356,505	642,510	628,926	684,094	1,605,380	1,815,147	393,867
Economic and physical development	2,997,464	3,284,982	4,017,629	2,770,687	3,764,031	2,643,119	2,903,127	277,956	460,476	1,758,248
Human services	36,485,611	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
Cultural and recreational	4,978,917	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
Education	129,803,289	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
Debt service:										
Interest and fees	6,716,077	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
Total governmental activities	252,064,898	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
Landfill	5,381,087	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
Total business-type activities	5,381,087	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
Total primary government	\$ 257,445,985	\$ 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

ALAMANCE COUNTY, NORTH CAROLINA

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

Table 8

Function	Fiscal Year Ended June 30									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Program Revenues										
Charges for services	\$ 24,615,440	\$ 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
Operating grants and contributions	36,287,550	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
Capital grants and contributions	1,200,820	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
General Revenues										
Taxes										
Property tax	111,349,713	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
Local option sales tax	43,755,593	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
Other taxes and licenses	4,732,534	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
Unrestricted investment earnings	450,739	283,361	1,623,348	1,747,373	916,955	624,008	441,157	367,329	302,120	487,591
Gain on disposal	-	-	112,234	97,088	-	-	-	-	-	25,250
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Special Items	-	-	-	-	-	-	-	-	-	-
Total	\$ 222,392,389	\$ 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

ALAMANCE COUNTY, NORTH CAROLINA

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

Table 9

Function	Fiscal Year Ended June 30									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General government	\$ 20,507,648	\$ 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
Public safety	54,983,745	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
Transportation	485,283	287,298	487,589	478,708	478,516	464,448	382,450	395,263	434,365	437,093
Environmental protection	78,832	105,050	69,695	79,488	68,340	71,147	102,011	110,590	102,963	65,426
Economic and physical development	2,965,231	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
Human services	37,833,885	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
Cultural and recreational	5,300,069	6,514,838	5,993,710	4,765,706	5,565,255	4,545,456	4,562,065	4,079,054	4,341,764	3,628,056
Education	129,790,253	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
Capital Outlay	5,289,554	-	-	-	-	-	-	-	-	-
Debt service:										
Principal retirement	15,724,849	7,193,036	8,646,313	8,778,538	8,085,151	7,708,731	8,338,144	9,112,718	8,746,977	8,628,892
Interest and fees	6,862,873	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
Issuance costs	-	526,337	149,346	-	-	77,796	6,597	3,653	-	329,582
Total	\$ 279,822,222	\$ 188,104,358	\$ 175,055,867	\$ 157,331,958	\$ 159,472,236	\$ 166,093,402	\$ 144,942,812	\$ 137,179,605	\$ 132,274,686	\$ 133,506,586

ALAMANCE COUNTY, NORTH CAROLINA

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

Table 10

Source	Fiscal Year Ended June 30									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Taxes:										
Property	\$ 111,302,454	\$ 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
Sales	43,755,593	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
Other Taxes & Licenses	4,732,534	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
Total taxes	159,790,581	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
Intergovernmental	37,984,155	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
Permits and fees	1,862,411	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
Sales and services	14,041,711	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
Contributions	(260,758)	(200,000)	-	3,200,000	1,200,000	-	-	-	-	-
Investment earnings	418,433	272,628	1,509,371	1,624,168	847,182	588,334	422,198	362,419	299,144	482,991
Miscellaneous	1,591,975	780,475	1,971,617	979,893	813,568	482,720	454,708	477,661	353,176	505,727
Total	\$ 215,428,508	\$ 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
Revenues	215,428,508	202,401,869	184,052,369	165,978,681	155,914,992					
Expenditures	279,822,222	188,104,358	175,055,867	157,331,958	159,472,236					
	(64,393,714)	14,297,511	8,996,502	8,646,723	(3,557,244)					
Other Financing Sources	6,960,264	175,629,206	3,841,191	389,235	4,258,489					
Change in Fund Balances	(57,433,450)	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)

Fiscal Year Ended June 30	Assessed Value				Total Taxable		Ratio of	
	Real Property	Personal Property	Public		Assessed Value	Estimated Actual Value	Assessed Value to Estimated Actual Value	Total Direct Tax Rate
			Companies	Service				
				Less: Abatements				
2022	\$ 11,739,612	\$ 3,632,773	\$ 328,768	\$ 49,811	\$ 15,651,342	\$ 23,163,152	67.6%	0.6600
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

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.

ALAMANCE COUNTY, NORTH CAROLINA

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

Table 12

Fiscal Year Ended June 30																				
Taxpayer	2022				2021				2020				2019				2018			
	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation		Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation		Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation		Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation		Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation	
Duke Energy Corp.	\$ 197,339,962	2	1.38%		\$ 214,877,311	1	1.50%		\$ 200,012,507	1	1.40%		\$ 200,012,507	1	1.40%		\$ 185,725,423	1	1.35%	
Laboratory Corp. of America	251,814,299	1	1.76%		204,093,376	2	1.43%		198,969,189	2	1.39%		198,969,189	2	1.39%		173,019,965	2	1.26%	
Honda Power Equipment	158,523,075	4	1.11%		155,448,451	3	1.09%		135,926,090	3	0.95%		135,926,090	3	0.95%		112,504,909	3	0.82%	
GKN Automotive	85,655,962	6	0.60%		91,365,718	5	0.64%		103,967,678	4	0.73%		103,967,678	4	0.73%		108,027,936	4	0.79%	
Buckner C P Steele	192,708,474	3	1.35%		82,006,644	6	0.57%		70,390,303	7	0.49%		70,390,303	5	0.49%		106,069,033	5	0.77%	
WalMart (all)	95,293,141	5	0.67%		98,078,544	4	0.68%		116,550,364	4	0.81%		116,550,364	6	0.81%		99,355,340	6	0.72%	
Lidl	76,309,152	7	0.53%		76,989,304	7	0.54%		84,119,034	6	0.59%		84,119,034	7	0.59%		84,750,893	7	0.62%	
Alamance Crossing	70,867,005	8	0.49%		68,308,298	8	0.48%		68,308,298	8	0.48%		68,308,298	8	0.48%		70,063,997	8	0.51%	
Liggett Group LLC	53,505,837	10	0.37%		56,479,963	9	0.39%		57,041,302	9	0.40%		57,041,302	9	0.40%		55,309,119	9	0.40%	
Tanger Outlet Center	-	-	0.00%		43,885,868	10	0.31%		43,621,343	10	0.30%		43,621,343	10	0.30%		43,613,017	10	0.32%	
Roche Biomedical Labs	57,007,384	9	0.40%		-	-	0.00%		-	-	0.00%		-	-	0.00%		-	-	0.00%	
Sandvik	-	-	0.00%		-	-	0.00%		-	-	0.00%		-	-	0.00%		-	-	0.00%	
BellSouth	-	-	0.00%		-	-	0.00%		-	-	0.00%		-	-	0.00%		-	-	0.00%	
Piedmont Natural Gas Co. Inc.	-	-	0.00%		-	-	0.00%		-	-	0.00%		-	-	0.00%		-	-	0.00%	
	\$ 1,239,024,291		8.65%		\$ 1,091,523,477		7.62%		\$ 1,078,906,108		7.53%		\$ 1,078,906,108		7.53%		\$ 1,038,439,632		7.55%	

Taxpayer	2017				2016				2015				2014				2013			
	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation		Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation		Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation		Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation		Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation	
Duke Energy Corp.	\$ 171,596,813	2	1.28%		\$ 158,969,764	2	1.22%		\$ 151,126,015	2	1.22%		\$ 142,000,754	2	1.15%		\$ 131,969,185	2	1.08%	
Laboratory Corp. of America	186,562,287	1	1.39%		178,040,337	1	1.37%		176,854,682	1	1.43%		177,916,847	1	1.44%		166,874,784	1	1.37%	
Honda Power Equipment	114,094,956	3	0.85%		97,514,033	4	0.75%		85,869,990	4	0.70%		82,370,318	4	0.67%		66,653,621	6	0.55%	
GKN Automotive	112,154,922	4	0.83%		112,154,922	3	0.86%		101,338,395	3	0.82%		96,575,942	3	0.78%		101,642,958	3	0.83%	
Buckner C P Steele	50,326,105	9	0.37%		62,782,177	7	0.48%		72,288,904	5	0.59%		73,072,867	5	0.59%		78,254,865	4	0.64%	
WalMart (all)	79,187,746	5	0.59%		39,665,601	9	0.30%		34,009,205	10	0.28%		33,855,210	10	0.27%		-	-	0.00%	
Lidl	73,884,528	6	0.55%		-	-	0.00%		-	-	0.00%		-	-	0.00%		-	-	0.00%	
Alamance Crossing	63,550,246	7	0.47%		67,546,431	5	0.52%		67,767,485	6	0.55%		68,233,529	6	0.55%		68,106,085	5	0.56%	
Liggett Group LLC	58,521,574	8	0.44%		66,471,758	6	0.51%		58,453,566	7	0.47%		58,243,863	7	0.47%		53,148,075	7	0.44%	
Tanger Outlet Center	42,389,129	10	0.32%		36,909,963	10	0.28%		36,994,215	9	0.30%		37,196,862	9	0.30%		37,270,944	9	0.31%	
Sandvik	-	-	0.00%		43,431,686	8	0.33%		49,370,927	8	0.40%		52,110,138	8	0.42%		49,927,286	8	0.41%	
BellSouth	-	-	0.00%		-	-	0.00%		-	-	0.00%		-	-	0.00%		35,358,611	10	0.29%	
Piedmont Natural Gas Co. Inc.	-	-	0.00%		-	-	0.00%		-	-	0.00%		-	-	0.00%		-	-	0.00%	
	\$ 780,671,493		7.09%		\$ 704,516,908		6.64%		\$ 834,073,384		6.75%		\$ 821,576,330		6.65%		\$ 789,206,414		6.47%	

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		Amount Collected	Percentage of Levy
2022	\$ 103,249,779	\$ 102,486,122	99.11%		\$ -			102,486,122	99.3%
2021	101,908,025	100,691,008	98.84%		646,148			101,337,156	99.4%
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%

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									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
County Direct Rates										
Alamance County	0.6500	0.6600	0.6700	0.5900	0.5800	0.5800	0.5800	0.5300	0.5400	0.5200
City and Town Rates										
Village of Alamance	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000
Total Direct and Overlapping	0.8500	0.8600	0.8700	0.7900	0.7800	0.7800	0.7800	0.7300	0.7400	0.7200
City of Burlington	0.5973	0.5973	0.5973	0.5973	0.5973	0.5800	0.5800	0.5800	0.5800	0.5800
Total Direct and Overlapping	1.2473	1.2573	1.2673	1.1873	1.1773	1.1600	1.1600	1.1100	1.1200	1.1000
City of Burlington - Downtown	0.1700	0.1700	0.1700	0.1700	0.1700	0.1600	0.1600	0.1600	0.1600	0.1600
Total Direct and Overlapping	0.8200	0.8300	0.8400	0.7600	0.7500	0.7400	0.7400	0.6900	0.7000	0.6800
City of Graham	0.4550	0.4550	0.4550	0.4550	0.4550	0.4550	0.4450	0.4550	0.4400	0.4400
Total Direct and Overlapping	1.1050	1.1150	1.1250	1.0450	1.0350	1.0350	1.0250	0.9850	0.9800	0.9600
Town of Elon	0.4500	0.4500	0.4500	0.4500	0.4500	0.4200	0.4200	0.4200	0.4200	0.3700
Total Direct and Overlapping	1.1000	1.1100	1.1200	1.0400	1.0300	1.0000	1.0000	0.9500	0.9600	0.8900
Town of Gibsonville	0.5300	0.5300	0.5300	0.5300	0.5300	0.5100	0.5100	0.5100	0.5100	0.5150
Total Direct and Overlapping	1.1800	1.1900	1.2000	1.1200	1.1100	1.0900	1.0900	1.0400	1.0500	1.0350
Town of Green Level	0.3600	0.3600	0.3600	0.3600	0.3600	0.3600	0.3600	0.3400	0.3400	0.3400
Total Direct and Overlapping	1.0100	1.0200	1.0300	0.9500	0.9400	0.9400	0.9400	0.8700	0.8800	0.8600
Town of Haw River	0.6300	0.6300	0.6300	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800	0.4500
Total Direct and Overlapping	1.2800	1.2900	1.3000	1.0700	1.0600	1.0600	1.0600	1.0100	1.0200	0.9700
Town of Mebane	0.4700	0.4700	0.4700	0.4700	0.4700	0.4900	0.4900	0.4900	0.4700	0.4700
Total Direct and Overlapping	1.1200	1.1300	1.1400	1.0600	1.0500	1.0700	1.0700	1.0200	1.0100	0.9900
Town of Ossipee	0.2400	0.2125	0.2125	0.0725	0.0725	0.0725	0.0725	0.0725	0.0725	0.0750
Total Direct and Overlapping	0.8900	0.8725	0.8825	0.6625	0.6525	0.6525	0.6525	0.6025	0.6125	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									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Fire District Rates										
54 East	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900
Total Direct and Overlapping	0.7400	0.7500	0.7600	0.6800	0.6700	0.6700	0.6700	0.6200	0.6300	0.6100
Altamahaw-Ossipee	0.1400	0.1400	0.1400	0.1400	0.1400	0.1175	0.1175	0.1175	0.1075	0.1075
Total Direct and Overlapping	0.7900	0.8000	0.8100	0.7300	0.7200	0.6975	0.6975	0.6475	0.6475	0.6275
E.M. Holt	0.1175	0.1175	0.1175	0.1175	0.1175	0.1175	0.1075	0.1075	0.1075	0.0975
Total Direct and Overlapping	0.7675	0.7775	0.7875	0.7075	0.6975	0.6975	0.6875	0.6375	0.6475	0.6175
East Alamance	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.0850	0.0850
Total Direct and Overlapping	0.7550	0.7650	0.7750	0.6950	0.6850	0.6850	0.6850	0.6350	0.6250	0.6050
Eli Whitney/87 South	0.1100	0.1100	0.1100	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800
Total Direct and Overlapping	0.7600	0.7700	0.7800	0.6700	0.6600	0.6600	0.6600	0.6100	0.6200	0.6000
Elon	0.1200	0.1200	0.1200	0.1100	0.1100	0.1100	0.1100	0.1100	0.1100	0.1050
Total Direct and Overlapping	0.7700	0.7800	0.7900	0.7000	0.6900	0.6900	0.6900	0.6400	0.6500	0.6250
Faucette	0.1200	0.1200	0.1200	0.1100	0.1100	0.1100	0.0925	0.0925	0.0925	0.0875
Total Direct and Overlapping	0.7700	0.7800	0.7900	0.7000	0.6900	0.6900	0.6725	0.6225	0.6325	0.6075
Haw River	0.1350	0.1350	0.1350	0.1350	0.1350	0.1350	0.1350	0.1350	0.1350	0.1350
Total Direct and Overlapping	0.7850	0.7950	0.8050	0.7250	0.7150	0.7150	0.7150	0.6650	0.6750	0.6550
North Central Alamance	0.1150	0.1150	0.1150	0.1150	0.1150	0.1150	0.1050	0.1050	0.1050	0.1050
Total Direct and Overlapping	0.7650	0.7750	0.7850	0.7050	0.6950	0.6950	0.6850	0.6350	0.6450	0.6250
North Eastern Alamance	0.1200	0.1000	0.1000	0.1000	0.1000	0.1000	0.0800	0.0800	0.0800	0.0700
Total Direct and Overlapping	0.7700	0.7600	0.7700	0.6900	0.6800	0.6800	0.6600	0.6100	0.6200	0.5900
Snow Camp	0.1250	0.1250	0.0950	0.0950	0.0950	0.0950	0.0950	0.0950	0.0950	0.0850
Total Direct and Overlapping	0.7750	0.7850	0.7650	0.6850	0.6750	0.6750	0.6750	0.6250	0.6350	0.6050
Sweepsonville	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900
Total Direct and Overlapping	0.7400	0.7500	0.7600	0.6800	0.6700	0.6700	0.6700	0.6200	0.6300	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).

Ratio of Outstanding Debt by Type Last Ten Fiscal Years

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.

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

² 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									
	<u>2022</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>
General bonded debt outstanding										
General obligation bonds	\$ 191,994,059	\$ 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
Percentage of estimated actual property value ^a	1.23%	1.35%	0.25%	0.30%	0.35%	0.40%	0.33%	0.37%	0.40%	0.46%
Per capita ^b	1107.33435	1,203.83	215.73	255.43	293.45	330.89	268.67	301.80	340.00	371.63
Total net debt applicable to debt limit	191,994,059	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
Legal debt limit ^c	1,252,107,333	1,215,541,839	1,171,721,636	1,145,526,278	1,099,993,710	1,074,565,159	1,040,776,855	1,022,884,604	1,033,797,353	997,778,046
Legal debt margin ^d	\$ 1,060,113,274	\$ 1,010,050,972	\$ 1,134,944,034	\$ 1,103,188,890	\$ 1,052,061,536	\$ 1,021,138,199	\$ 998,456,148	\$ 975,867,527	\$ 981,558,906	\$ 940,908,479
Legal debt margin as a percentage of the debt limit	84.67%	83.09%	96.86%	96.30%	95.64%	95.03%	95.93%	95.40%	94.95%	94.30%

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, 2022	Table 17		
Government Unit:	Debt Outstanding	Estimated Percentage Applicable	Amount Applicable to County
City of Burlington	\$ 1,891,000	89.83%	\$ 1,698,685
City of Mebane	-	83.00%	-
Subtotal overlapping debt			1,698,685
Alamance County direct debt			202,718,814
Total direct and overlapping debt			<u>\$ 204,417,500</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		Median Age ^b	School Enrollment ^c	Unemployment Rate ^d
				Personal Income ^b	Personal Income ^b			
2022		173,384	7,933,705,072	\$	45,758	38.9	23,803	4.1%
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%

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																													
2022						2021						2020						2019						2018					
Employer	Percentage of Total County Employment			Rank	Employees	Percentage of Total County Employment	Rank	Employees	Percentage of Total County Employment	Rank	Employees	Percentage of Total County Employment	Rank	Employees	Percentage of Total County Employment	Rank	Employees	Percentage of Total County Employment	Rank	Employees	Percentage of Total County Employment								
Alamance-Burlington School System	2,600	2	1.57%	3,500	1	2.11%	3,500	1	2.11%	3,500	1	2.11%	3,500	1	2.11%	3,500	1	2.14%	3,500	1	2.14%								
Laboratory Corp. of America	3,000	1	1.81%	3,000	2	1.81%	3,000	2	1.81%	3,000	2	1.81%	3,000	2	1.81%	3,000	2	1.84%	3,000	2	1.84%								
Cone Health Alamance Regional	2,100	3	1.27%	2,000	3	1.21%	2,000	3	1.21%	2,000	3	1.21%	2,000	3	1.21%	2,000	3	1.22%	2,000	3	1.22%								
Elon University	1,600	4	0.97%	1,500	4	0.90%	1,500	4	0.90%	1,500	4	0.90%	1,500	4	0.90%	1,500	4	0.92%	1,500	4	0.92%								
Wal-Mart	1,200	5	0.72%	1,200	5	0.72%	1,200	5	0.72%	1,200	5	0.72%	1,200	5	0.72%	1,200	5	0.73%	1,200	5	0.73%								
City of Burlington	1,100	6	0.66%	1,100	6	0.66%	1,100	6	0.66%	1,100	6	0.66%	1,100	6	0.66%	1,100	6	0.67%	1,100	6	0.67%								
Alamance County Government	950	7	0.57%	950	7	0.57%	950	7	0.57%	950	7	0.57%	950	7	0.57%	950	7	0.58%	950	7	0.58%								
Honda Power Equipment	850	8	0.51%	850	8	0.51%	850	8	0.51%	850	8	0.51%	850	8	0.51%	850	8	0.52%	850	8	0.52%								
GKN Driveline North America	800	9	0.48%	800	9	0.48%	800	9	0.48%	800	9	0.48%	800	9	0.48%	800	9	0.49%	800	9	0.49%								
Alamance Community College	650	10	0.39%	650	10	0.39%	650	10	0.39%	650	10	0.39%	650	10	0.39%	650	10	0.40%	650	10	0.40%								
	14,850		8.96%	15,550		9.38%	15,550		9.38%	15,550		9.38%	15,550		9.38%	15,550		9.52%	15,550		9.52%								
2017						2016						2015						2014						2013					
Employer	Percentage of Total County Employment			Rank	Employees	Percentage of Total County Employment	Rank	Employees	Percentage of Total County Employment	Rank	Employees	Percentage of Total County Employment	Rank	Employees	Percentage of Total County Employment	Rank	Employees	Percentage of Total County Employment	Rank	Employees	Percentage of Total County Employment								
Alamance-Burlington School System	3,500	1	2.17%	3,329	1	2.11%	3,329	1	2.18%	3,329	1	2.18%	3,329	1	2.18%	3,329	1	2.13%	3,260	1	2.13%								
Laboratory Corp. of America	3,000	2	1.86%	2,500	2	1.59%	2,500	2	1.64%	2,500	2	1.64%	2,500	2	1.64%	2,500	2	2.09%	2,500	2	2.09%								
Cone Health Alamance Regional	2,000	3	1.24%	2,240	3	1.42%	2,240	3	1.47%	2,240	3	1.47%	2,240	3	1.47%	2,240	3	1.34%	2,057	3	1.34%								
Elon University	1,500	4	0.93%	1,403	4	0.89%	1,403	4	0.92%	1,403	4	0.92%	1,403	4	0.92%	1,403	4	0.84%	1,290	4	0.84%								
Wal-Mart	1,200	5	0.74%	1,000	5	0.63%	1,000	5	0.66%	1,000	5	0.66%	1,000	5	0.66%	1,000	5	0.65%	1,000	6	0.65%								
City of Burlington	1,100	6	0.68%	806	7	0.51%	806	7	0.53%	806	7	0.53%	806	7	0.53%	806	7	0.57%	875	7	0.57%								
Alamance County Government	950	7	0.59%	956	6	0.61%	956	6	0.63%	956	6	0.63%	956	6	0.63%	956	6	0.72%	1,100	5	0.72%								
Honda Power Equipment	850	8	0.53%	750	9	0.48%	800	10	0.39%	800	10	0.39%	800	10	0.39%	800	10	0.39%	600	9	0.39%								
GKN Automotive	800	9	0.50%	800	8	0.51%	800	8	0.52%	800	8	0.52%	800	8	0.52%	800	8	0.33%	500	10	0.33%								
Alamance Community College	650	10	0.40%	652	10	0.41%	652	9	0.43%	652	9	0.43%	652	9	0.43%	652	9	0.43%	664	8	0.43%								
	15,550		9.63%	14,436		9.16%	14,286		9.37%	14,286		9.37%	14,286		9.37%	14,286		9.51%	14,546		9.51%								

Source:
Alamance County Chamber of Commerce

ALAMANCE COUNTY, NORTH CAROLINA

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

Table 20

Function/Program	Fiscal Year Ended June 30									
	2022 ^a	2021 ^b	2020 ^b	2019 ^b	2018 ^b	2017 ^b	2016 ^b	2015 ^b	2014 ^b	2013 ^b
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	4.00	4.50	4.00	4.00	3.00	3.00	3.00	2.50	2.50	3.00
Planning	4.00	3.00	3.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Human Resources	8.00	7.00	7.00	5.00	5.00	4.00	4.00	4.00	4.00	4.00
Budget	4.00	3.00								
Finance	6.00	7.00	9.00	8.00	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	3.00
Register of Deeds	11.50	11.50	11.50	11.00	10.50	10.50	10.50	10.50	10.50	10.50
Revaluation	2.00	2.00	2.00	0.33	0.33	1.33	1.50	0.00	0.00	0.00
Information Technology	21.00	21.00	20.00	19.00	20.00	20.00	20.00	18.00	18.00	18.00
Printing Services	0.00	0.00	1.00	1.00	1.00	1.00	1.00	2.00	1.75	1.75
Purchasing	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00
Tax Administration	30.00	30.00	30.00	29.00	29.00	28.00	28.00	27.00	27.00	27.00
GIS/Mapping	4.00	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	12.00
Elections	5.00	25.30	17.66	17.00	17.00	17.00	17.00	17.75	18.00	19.68
Culture & Recreation										
Library	45.30	52.00	47.18	47.10	44.48	43.32	46.88	43.98	42.10	43.56
Recreation	23.29	23.29	24.70	38.00	36.50	35.50	22.92	23.08	25.72	27.22
Economic & Physical Development										
Cooperative Extension	7.00	7.00	7.00	4.50	5.00	4.00	4.75	4.75	4.50	3.97
Soil Conservation	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Public Safety										
Sheriff's Office	162.56	146.56	146.56	148.50	148.75	139.28	137.62	134.77	133.14	137.55
School Resource Officers	16.00	12.00	11.00	8.00	8.00	8.00	8.00	7.00	7.00	7.00
Jail	147.67	152.67	154.14	128.50	127.25	126.99	128.56	126.90	126.90	134.83
Emergency Management	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.00	0.00	0.00
Fire Marshal	5.00	5.00	5.00	5.00	4.50	4.00	4.00	5.00	5.00	4.00
SARA Management	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.50
Inspections	12.00	11.00	11.00	11.00	10.50	9.66	10.00	10.00	10.00	12.00
Emergency Medical Service	108.89	108.89	110.68	108.00	106.00	89.50	100.32	103.68	98.35	98.02
Central Communications	38.56	37.56	39.45	37.00	38.00	33.00	37.65	37.95	34.93	33.61

ALAMANCE COUNTY, NORTH CAROLINA

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

Table 20

	Fiscal Year Ended June 30									
	<u>2022^a</u>	<u>2021^b</u>	<u>2020^b</u>	<u>2019^b</u>	<u>2018^b</u>	<u>2017^b</u>	<u>2016^b</u>	<u>2015^b</u>	<u>2014^b</u>	<u>2013^b</u>
Human Services										
Health	80.20	86.20	86.10	86.00	84.00	86.50	85.00	84.63	85.33	87.83
WIC Program	15.80	15.80	13.90	16.00	16.00	16.00	16.00	17.00	16.80	16.80
Dental	12.50	13.00	12.00	12.50	11.50	12.00	12.00	12.00	12.00	11.50
Social Services	245.29	239.29	231.02	225.65	227.00	223.60	226.58	197.72	195.63	201.62
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
Social Services-SAMHSA		0.00	0.00	0.00	0.00	0.00	0.00	3.48	3.00	2.48
Veteran's Services	4.00	3.00	3.00	3.00	3.00	2.00	2.00	2.00	2.00	2.00
Landfill	22.00	22.00	22.00	21.00	21.00	20.50	18.50	19.00	18.00	19.00
Total	1072.54	1080.55	1065.87	1031.08	1023.31	979.68	986.78	954.69	942.15	968.42

Source: Alamance County Payroll Department.

Notes:

^aProvided by Human Resources.^bAs budgeted.^cEmergency 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>2022</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>
Fire protection:										
Number of stations	23	23	23	23	22	22	22	22	21	20
Number of fire personnel and officers	482	439	467	520	483	450	466	447	425	430
Number of calls answered	14,783	11,749	12,158	13,233	11,929	11,383	10,479	9,736	10,094	10,048
Number of inspections conducted	1,150	1,092	1,180	1,358	956	1,593	972	1,303	1,488	1,443
Sheriff protection:										
Number of Sheriff personnel and officers	302	340	310	298	284	274	268	278	267	283.4
Number of sworn officers	165	166	138	138	140	135	121	121	125	123
Number of law violations:										
Major offenses	856	744	717	693	774	841	963	958	1,594	1,639
Civil papers served	9,996	8,433	9,989	11,213	9,378	9,071	8,750	8,748	8,933	9,242
Traffic violations	4,510	3,541	910	1,176	1,339	1,749	1,512	1,233	1,726	1,831
Inspections:										
Building Permits-Residential ^a		377	451	375	504	588	405	342	308	290
Building Permits-Non-Residential ^a		20	13	13	20	23	12	15	10	18

Source: Various County Departments

Note:

^a Building permits are accounted for the calendar year. Calendar 2022 information is not available.

ALAMANCE COUNTY, NORTH CAROLINA

Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Table 22

Function/Program	Fiscal Year Ended June 30									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Sheriff protection										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of patrol cars	223	213	164	132	132	132	127	114	114	109
Parks and recreation										
Acreage	1,723	1,701	1,269	1,164	1,164	800	798	657	628	454
Acreage-Leased ^a	259	283	283	258	258	258	258	258	258	258
Baseball/Softball diamonds	-	-	-	-	-	-	-	-	-	1
Baseball/Softball diamonds-leased ^a	7	7	7	7	7	9	9	9	9	8
Library										
Branches	5	5	5	5	5	5	5	5	5	5
Emergency Medical Services										
Number of stations ^b	6	6	6	6	4	4	4	3	3	3
Number of ambulances	15	16	16	15	16	16	13	13	13	13
Number of medic trucks	10	11	9	10	7	7	7	7	7	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 (*Government Auditing Standards*), 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, 2022, and the related notes to the financial statements, which collectively comprise Alamance County's basic financial statements, and have issued our report thereon dated November 30, 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. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the Alamance 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.

Report on 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 were not identified. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings, Responses, and Questioned Costs as item 2022-001 that we consider to be a significant deficiency.

Report on 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*.

Alamance County's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the finding identified in our audit and described in the accompanying Schedule of Findings, Responses, and Questioned Costs. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
November 30, 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

Opinion on Each Major Federal Program

We have audited Alamance County, North Carolina's, compliance with the types of compliance requirements identified as subject to audit 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, 2022. 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.

In our opinion, Alamance County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and 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. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Alamance County and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Alamance County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Alamance County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material non-compliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Alamance County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act will always detect material non-compliance when it exists. The risk of not detecting material non-compliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Non-compliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Alamance County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act we:

- exercise professional judgment and maintain professional skepticism throughout the audit;
- identify and assess the risks of material non-compliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Alamance County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances;
- obtain an understanding of Alamance County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of Alamance County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of non-compliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying Schedule of Findings, Responses, and Questioned Costs as item 2022-003. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Alamance County's response to the internal control over compliance finding identified in our audit described in the accompanying Schedule of Findings, Responses, and Questioned Costs. Alamance County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings, Responses, and Questioned Costs as items 2022-002 and 2022-003 to be material weaknesses.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on Alamance County's responses to the internal control over compliance findings identified in our audit described in the accompanying Schedule of Findings, Responses, and Questioned Costs. 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
November 30, 2022

Alamance County, North Carolina
Financial Statements and Schedules

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

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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

Opinion on Each Major State Program

We have audited Alamance County, North Carolina's, compliance with the types of compliance requirements identified as subject to audit 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 state programs for the year ended June 30, 2022. 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.

In our opinion, Alamance County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2022.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); 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. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Alamance County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of Alamance County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Alamance County's state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material non-compliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Alamance County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act will always detect material non-compliance when it exists. The risk of not detecting material non-compliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Non-compliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Alamance County's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act, we:

- exercise professional judgment and maintain professional skepticism throughout the audit;
- identify and assess the risks of material non-compliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Alamance County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances;
- obtain an understanding of Alamance County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of Alamance County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of non-compliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying Schedule of Findings, Responses, and Questioned Costs as item 2022-004. Our opinion on each major state program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on Alamance County's response to the internal control over compliance finding identified in our audit described in the accompanying Schedule of Findings, Responses, and Questioned Costs. Alamance County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings, Responses, and Questioned Costs as item 2022-004 to be a material weakness.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on Alamance County's response to the internal control over compliance finding identified in our audit described in the accompanying Schedule of Findings, Responses, and Questioned Costs. Alamance County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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
November 30, 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, 2022

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? X Yes _____ 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:

Federal Program/Cluster Name

Federal AL

Medicaid Cluster

93.778

Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)

93.323

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

10.557

COVID-19 Coronavirus State and Local Fiscal Recovery Funds

21.027

Child Support Enforcement

93.563

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, 2022

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
State Capital Infrastructure Fund
Medicaid Cluster

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2022

Section II – Financial Statement Findings

Finding 2022-001

Significant Deficiency

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

Condition: During our internal control test over payroll, we noted that one employee's pay rate was updated to the incorrect amount.

Effect: Controls were not functioning to ensure that employees are being paid at the approved rate.

Cause: Controls were not functioning as designed.

Recommendation: We recommend that management put additional controls in place to ensure that employees are paid the approved rate.

Name of Contact Person: Cheryl Ray, HR Director

Views of Responsible Officials and Planned Corrective Actions: See Corrective Action Plan submitted with this report.

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2022

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

AL # 10.557

Grant Number: 403 13A2 5403

Finding: 2022-002

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.

Identification of a Repeat Finding: This is a repeated finding from the immediate previous audit, 2021-001.

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, 2022

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

AL # 10.557

Grant Number: 403 13A2 5403

Finding: 2022-003

NON-MATERIAL NON-COMPLIANCE

MATERIAL WEAKNESS

Criteria: In accordance with 7 CFR 246, 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 paid only through the proper certification period.

Condition: One casefile certification was not set for the proper period. As a result, benefits continued for six months after they should have terminated.

Context: Of the 89,500 benefit payments valued at \$4,833,494, we examined 60 payment records (\$2,014 value) and determined that one (2% valued at \$369) of the participants received benefits after the proper certification period.

Effect: Certification periods not being through the proper period could cause the County to expend funds over the eligible amount.

Cause: The caseworker did not review to ensure that the certification period was proper.

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 \$369 (federal share \$369 and state share \$0) in questioned costs, if tests were extended to the entire population, questioned costs could exceed \$25,000.

Recommendation: Caseworkers should review cases to ensure that certification periods are through the proper period.

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, 2022

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

N.C. Department of Public Instruction

Program Name: Public School Building Capital Fund

Finding: 2022-004

NON-MATERIAL NON-COMPLIANCE

MATERIAL WEAKNESS

Criteria: Management should have a system in place to ensure that state program reports are submitted timely and in accordance with program requirements.

Condition: Public School Building Capital Fund is a state program administered by the Finance Department of the County. The Finance Department failed to submit final reports for three projects within 60 days of the project completion dates.

Context: A sample of three reports was selected for audit from a population of three reports. The test found that out of the three projects reported on these reports, three were completed more than 60 days after project completion.

Effect: Data was submitted to the grantor in an untimely manner.

Cause: Procedures are in place for approval of reporting but the reports were not filed timely.

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

Recommendation: Management should adopt policies and procedures requiring supervisors to review reports and submission requirements and ensure timely submission.

Contact Person: Susan Evans, Finance Officer

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

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, 2022

Section II – Financial Statement Findings:

Finding: 2022-001

Name of Contact Person: Cheryl Ray, HR Director

Corrective Action/Management's Response: Payrate was entered as authorized through an Alamance County established process, pay rate wasn't calculated correctly due to a human calculation error. Alamance will strengthen internal controls to ensure calculations are accurate prior to submission to be processed.

Proposed Completion Date: Immediately and ongoing

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, 2022

Section III – Federal Award Findings and Questioned Costs:

Finding: 2022-002

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 at least quarterly for quality assurance. WIC has revised the audit tool to include additional eligibility criteria (attached for review).

Proposed Completion Date: Immediately and Ongoing

Finding: 2022-003

Name of Contact Person: Nicole Alston

Corrective Action/Management's Response: The WIC Director or Clerical Supervisor will provide training to the clerical team members regarding incoming transfers/certification periods. The training will include corrective action/work around in the event that the Crossroads system will not accept the correct certification dates indicated on the Verification of Certification from the previous WIC site. WIC will complete this training by 12/31/22 as evidenced by the meeting minutes and staff signatures. For quality assurance, the Clerical Supervisor will keep VOCs on file and will indicate if there were any issues with certification dates along with a follow-up date for auditing the client record.

Proposed Completion Date: Immediately and Ongoing

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, 2022

Section IV – State Award Findings and Questioned Costs

Finding: 2022-004

Name of Contact Person: Susan Evans, Finance Officer

Corrective Action/Management's Response: The Finance Department will work closely with the Alamance-Burlington School staff to ensure communication is received when projects are complete. This enable the County to submit reports when complete.

Proposed Completion Date: Immediately and Ongoing

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS FOR THE YEAR ENDED JUNE 30, 2022

Finding: **2021-001**

Status: Repeated as Finding 2022-002.

Finding: **2021-002**

Status: Corrected.

Finding: **2021-003**

Status: Corrected.

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

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: <u>Supplemental Nutrition Assistance Program (SNAP) Cluster:</u> Administration:					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - Admin	10.561	175NC406S2514	\$ 1,096,635	\$ -	\$ -
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - Fraud Admin	10.561	175NC406S2514	86,207	-	-
COVID-19 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - ARPA	10.561	175NC406S2514	142,299	-	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - CAA	10.561	175NC406S2514	52,264	-	-
Total Supplemental Nutrition Assistance Program (SNAP) Cluster			1,377,405	-	-
Passed-Through N.C. Department of Health and Human Services: Division of Public Health (WIC) Special Supplemental Nutrition Program for Women, Infants, and Children: Administration	10.557	403 13A2 5403	738,490	-	-
Total U.S. Department of Agriculture			2,115,895	-	-
<u>U.S. Department of Justice</u>					
Direct Program: Equitable Sharing Program	16.922		41,506	-	-
Direct Program: Criminal And Juvenile Justice and Mental Health Collaboration Program	16.745		88,918	-	88,679
Direct Program: COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034		58,008	-	-
Direct Program: Public Safety Partnership and Community Policing Grants	16.710		148,354	-	-
Direct Program: Violence Against Women Office: Enhanced Training and Services to End Violence and Abuse of Women later in Life	16.528		139,613	-	-
Passed-Through N.C. Department of Public Safety, Governor's Crime Commission: Office for Victims of Crime: Crime Victim Assistance	16.575	PROJ-013119	248,090	-	-
Total U.S. Department of Justice			724,489	-	88,679
<u>U.S. Department of Homeland Security</u>					
<u>Federal Emergency Management Agency</u>					
Passed-Through N.C. Department of Public Safety: Emergency Management Performance Grants	97.042	EMA-2021-EP-00015	54,380	-	-
Emergency Management Performance Grant Program Supplemental	97.042	EMA-2020-EP-00016	12,695	-	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	001-990001-00	109,228	-	-
Total U.S. Department of Homeland Security			176,303	-	-
<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	6,372	-	-
Total Community Development Block/Entitlement Grants Cluster			6,372	-	-
<u>U.S. Department of Transportation</u>					
<u>Pipeline and Hazardous Materials Safety Administration:</u>					
Passed-through the N.C. Department of Public Safety, Division of Emergency Management: Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	HM-HMP-0544-16-01	10,000	-	-
Total			10,000	-	-

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

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>U.S. Department of State Treasury</u>					
Direct Program:					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027		7,562,306	-	-
Equitable Sharing Program	21.016		13,830	-	-
			<u>7,576,136</u>	<u>-</u>	<u>-</u>
Passed-through the North Carolina Office of State Budget and Management					
NC Pandemic Recovery Office					
COVID-19-Coronavirus Relief Fund	21.019	02-01	2,125	-	-
Total U.S. Department of State Treasury			<u>7,578,261</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	12,165	-	-
Social Services Block Grant- Adult Day Care Over 60	93.667	G1701NCSOSR	3,038	-	-
Social Services Block Grant-Adult Protective Service	93.667	G1701NCSOSR	25,005	-	-
Social Services Block Grant-Adult Protective Service Essential	93.667	G1701NCSOSR	93,947	-	-
Social Services Block Grant- In-Home Services	93.667	G1701NCSOSR	11,767	-	-
Social Services Block Grant- In-Home Services Over 60	93.667	G1701NCSOSR	14,059	-	-
Social Services Block Grant- S S B G Other Services & Training	93.667	G1701NCSOSR	501,605	-	-
Child Support Enforcement- IV-D Administration	93.563	1704NC4005	1,165,664	-	-
Child Support Enforcement- IV-D Offset Fees-Esc	93.563	1704NC4005	15	-	-
Child Support Enforcement- IV-D Offset Fees-Federal	93.563	1704NC4005	9,850	-	-
Child Support Enforcement- IV-D Offset Fees-Esc Admin	93.563	1704NC4005	11	-	-
Low-Income Home Energy Assistance - Crisis					
Intervention Payments	93.568	G17B1NCLIEA	745,893	-	-
Low-Income Home Energy Assistance - Admin	93.568	G17B1NCLIEA	106,775	-	-
Low Income Home Energy Assistance	93.568	G17B1NCLIEA	914,254	-	-
COVID-19 Low-Income Home Energy Assistance - Admin ARPA	93.568	G17B1NCLIEA	79,560	-	-
COVID-19 Low Income Home Energy Assistance ARPA	93.568	G17B1NCLIEA	1,101,034	-	-
Low Income Household Water Assistance - Admin	93.568	G17B1NCLIEA	38,424	-	-
Low Income Household Water Assistance - CAA	93.568	G17B1NCLIEA	227,983	-	-
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	1701NC1420	14,679	3,670	-
			<u>5,065,728</u>	<u>3,670</u>	<u>-</u>
Direct Benefits:					
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	1701NC1420	109,984	17,033	-
			<u>109,984</u>	<u>17,033</u>	<u>-</u>
Total Division of Social Services			<u>5,175,712</u>	<u>20,703</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	96,773	-	-
Mary Lee Allen Promoting Safe and Stable Families	93.556	1701NCFPSS	23,250	-	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	G1701NCCWSS	44,579	-	-
Total Special Children Adoption Fund Cluster³			<u>164,602</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	133,771	-	-
TANF-Work First Service	93.558	1701NCTANF	588,760	-	-
Division of Public Health:					
Temporary Assistance for Needy Families	93.558	1701NCTANF	17,146	-	-
Total Temporary Assistance for Needy Families			<u>739,677</u>	<u>-</u>	<u>-</u>

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

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	82,383	70,242	-
Foster Care_Title IV-E	93.658	1701NCFOST	6,292	-	-
Foster Care_Title IV-E	93.658	1701NCFOST	434,754	-	-
Foster Care_Title IV-E - Direct Benefit Payments	93.658	1701NCFOST	87,270	43,635	-
Foster Care_Title IV-E - Direct Benefit Payments	93.658	1701NCFOST	340	-	-
Foster Care_Title IV-E - Direct Benefit Payments	93.658	1701NCFOST	61,919	10,981	-
Foster Care_Title IV-E - Direct Benefit Payments	93.658	1701NCFOST	212,119	45,573	-
Foster Care_Title IV-E - Direct Benefit Payments	93.658	1701NCFOST	4,240	-	-
Foster Care_Title IV-E	93.658	1701NCFOST	366,383	-	-
Adoption Assistance	93.659	1701NCADPT	11,743	-	-
Total Foster Care Adoption and Guardianship Assistance Program Cluster ³			1,267,443	170,431	-
<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	332,127	-	-
Total Child Care Development Fund Cluster/Subsidized Childcare Cluster ³			332,127	-	-
Total Administration for Children and Families			7,679,561	191,134	-
<u>Centers for Medicare and Medicaid Services</u>					
Direct Program:					
COVID-19 Provider Relief Fund and American Rescue Plan (ARP) Distribution	93.498		28,932	-	-
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-MAP22	25,567	12,783	-
Medical Assistance Program - Medical Assistance Claim	93.778	XIX-MAP22	225,022	-	-
Medical Assistance Program - Medical Assistance Administration	93.778	XIX-MAP22	2,749,072	-	-
Medical Assistance Program - Medical Transportation					
Medical Assistance Program - Medical Transportation Administration	93.778	XIX-MAP22	108,992	-	-
Assistance	93.778	XIX-MAP22	53,991	-	-
Total Medicaid Cluster			3,162,644	12,783	-
Children's Health Insurance Program - NC Health Choice	93.767	CHIP22	53,941	3,568	-
Total Centers for Medicaid and Medicaid Services			3,245,517	16,351	-
<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	264-2680-EN:1264-2680-E	40,250	-	-
Immunization Cooperative Agreements	93.268	715 1331 631D	33,916	-	-
COVID-19 -Immunization Cooperation Agreements	93.268		249,832		
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	75-870A-WT:1175-878A-I	1,409,983		
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	551 1460 272B	50	-	-
COVID-19 Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391		34,082		
Injury Prevention and Control Research and State and Community Based Programs	93.136	472 1175 837A	108,802	-	-
Sexually Transmitted Diseases (STD) Prevention and					

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

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
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			1,907,622	-	-
<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	147,280	12,740	-
Total Health Resources and Services Administration			147,280	12,740	-
<u>Administration for Community Living</u>					
<u>Division of Aging and Adult Services</u>					
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	2022-Region G-001	227,161	13,362	240,523
Special Programs for the Aging_ Title III, Part B_					
Grants for Supportive Services and Senior Centers-In-Home Services	93.044	2022-Region G-001	82,479	4,852	87,331
Special Programs for the Aging_ Title III, Part C_ Nutrition Services-Congregate Nutrition	93.045	2022-Region G-001	18,136	1,067	19,203
COVID-19 Special Programs for the Aging_ Title III, Part C_					
Nutrition Services-Congregate Nutrition	93.045	2022-Region G-001	50,952	-	50,952
COVID-19 Special Programs for the Aging Caregiver Support, Title III, Part E	93.044	2022-Region G-001	5,666		5,666
Special Programs for the Aging_ Title III, Part C_					
Nutrition Services-Home Delivered Nutrition	93.045	2022-Region G-001	132,004	7,765	139,769
COVID-19 Special Programs for the Aging_ Title III, Part C_					
Nutrition Services-Home Delivered Nutrition	93.045	2022-Region G-001	49,543		49,543
Special Programs for the Aging- Title III, Part C Nutrition Services	93.045	2022-Region G-001	73,395		73,395
Nutrition Services Incentive Program	93.053	2022-Region G-001	74,421	-	74,421
Total Aging Cluster			713,757	27,046	740,803
COVID-19 National Family Caregiver Support, Title III Part E	93.052	2022-Region G-001	8,386		8,386
Social Services Block Grant	93.667	2022-Region G-001	16,285	465	16,750
National Family Caregivers Support, Title III, Part E	93.052	NC-07(20)	54,145	3,610	57,755
Total Administration for Community Living			792,573	31,121	823,694
Total U. S. Department of Health and Human Services			13,868,070	251,346	823,694
<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-249980-OLS-21	43,522	-	-
Total Federal Awards			24,522,912	251,346	912,373
State Awards:					
<u>N.C. Department of Natural and Cultural Resources</u>					
Division of State Library:					
Library Grant Hotspot Program			-	184	-
State Aid to Public Libraries			-	188,237	-
Total N. C. Department of Cultural and Natural Resources			-	188,421	-

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

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. Office of State Budget and Management</u>					
State Construction and Infrastructure Fund			-	800,000	-
Total N. C. Department of Environmental Quality			-	800,000	-
<u>N.C. Department of Health and Human Services</u>					
Division of Public Health:					
Food and Lodging Fees			-	37,684	-
General Aid-to-Counties			-	133,327	-
Child Health			-	16,290	-
General Communicable Disease Control			-	3,708	-
Healthy Community Activities			-	3,747	-
HIV/STD State			-	13,514	-
Minority Diabetes Prevention Program			-	165,819	-
Healthy Beginnings			-	77,724	-
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			-	684,301	-
Division of Social Services:					
Administration:					
ST Child Welfare/CPS/CS LD			-	253,431	-
Energy Assistance Private grants			-	18,581	-
DCD Smart Start			-	62,648	-
Direct Benefit Payments:					
Extended FC/Max Non IV-E			-	22,817	-
F/C At Risk Maximization			-	15,558	-
IV-B EFT Chaf Independent Living			-	55,428	-
SFHF Maximization			-	134,668	-
State Foster Home			-	112,864	-
Total Division of Social Services			-	675,995	-
Division of Aging and Adult Services:					
Home Delivered Meals			-	306,015	306,015
Congregate Meals			-	3,556	3,556
In-Home Services State Funds			-	124,378	124,378
State Appropriation - Access			-	67,568	67,568
Fan Heat Relief			-	1,363	1,363
Senior Center General Purpose			-	10,693	10,693
Total Division of Aging and Adult Services			-	513,573	513,573
Total N.C. Department of Health and Human Services			-	1,873,869	513,573
<u>N.C. Department of Public Instruction</u>					
Public School Building Capital Fund:					
Public School Building Capital Fund			-	1,461,578	-
Total N.C. Department of Public Instruction			-	1,461,578	-
<u>N.C. Department of Transportation</u>					
Rural Operating Assistance Program (ROAP) Cluster					
ROAP Elderly and Disabled Transportation Assistance Program	36220.10.9.1		-	120,620	120,620
ROAP Rural General Public Program	36228.22.9.1		-	67,016	67,016
ROAP Work First Transitional-Employment	36236.11.8.1		-	37,949	37,949
Total Rural Operating Assistance Program (ROAP) Cluster			-	225,585	225,585
SR Division Construction					
Div 7 Alamance - Northeast Alamance VFD		DOT-18	-	19,650	19,650
Total N.C. Department of Transportation			-	245,235	245,235

ALAMANCE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal AL Number</u>	<u>State/ Pass-Through Grantor Number</u>	<u>Fed.(Direct and Pass-Through) Expenditures</u>	<u>State Expenditures</u>	<u>Passed-through to Subrecipients</u>
<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			-	429,136	429,136
Total State Awards			-	4,999,239	1,187,944
Total Federal and State Awards			<u>\$ 24,522,912</u>	<u>\$ 5,250,585</u>	<u>\$ 2,100,317</u>

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, 2022. 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 and Special Children Adoption Fund.