Village of Alamance, North Carolina

Audited Financial Statements

Year Ended June 30, 2020

COBB EZEKIEL LOY & COMPANY, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

Village of Alamance

Alamance, North Carolina

Donald Tichy, Mayor

Naydine Sharpe, Mayor Pro-Tem

Board of Alderman

Mike Baldwin	Naydine Sharpe
Gayle Andrews	Barry Crouse, Jr.
Timothy Isley	Dan Tichy

Village of Alamance

June 30, 2020

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Independent Auditor's Report

Board of Alderman
Village of Alamance
Alamance, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Alamance, North Carolina, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Village of Alamance's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

219 WEST ELM STREET, SUITE A P.O. BOX 387 GRAHAM, NC 27253-0387 VOICE 336.227.1495 FACSIMILE 336.222.8718
www.cel-cpa.com

Opinions

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Alamance, North Carolina as of June 30, 2020, and the respective changes in financial position and cash flows, where appropriate, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the Local Government Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Liability and Contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We 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 statement, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Village of Alamance, North Carolina. The individual fund statements, budgetary schedules, and other schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual fund financial statements, budgetary schedules, and other schedules are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such

information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the individual fund statements, budgetary schedules, and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Cobb Ezekiel Sapp & Company, PA

Certified Public Accountants
Graham, North Carolina
December 1, 2020

Management's Discussion and Analysis

As management of the Village of Alamance, we offer readers of the Village of Alamance financial statements this narrative overview and analysis of the financial activities of the Village of Alamance for the fiscal year ended June 30, 2020. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the Village's financial statements, which follow this narrative.

Financial Highlights

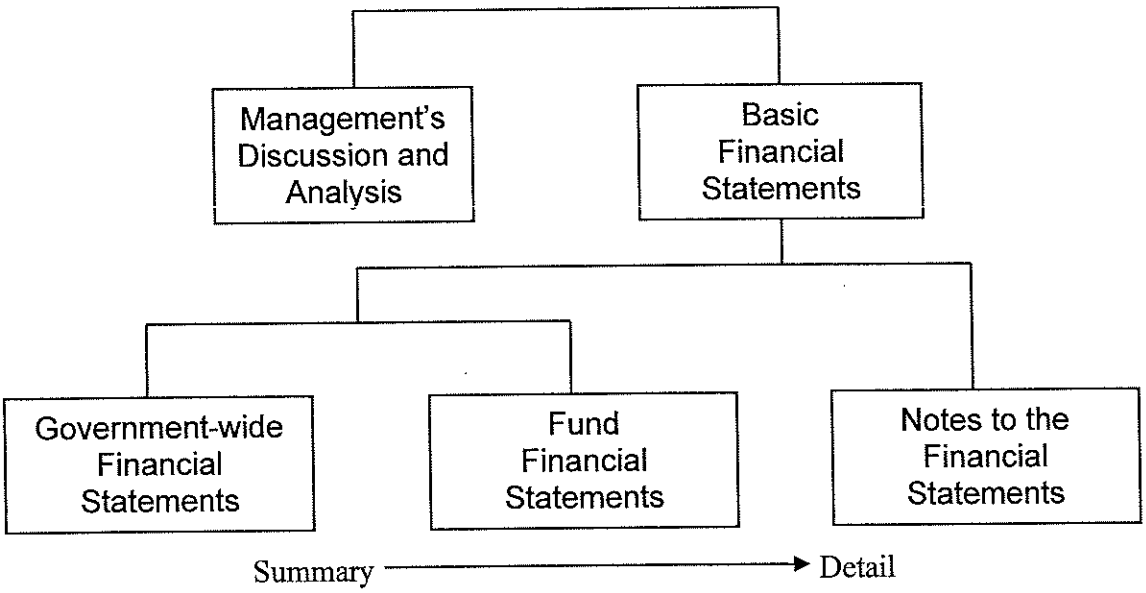
- The assets and deferred outflows of resources of the Village of Alamance exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by $7,975,149 (*net position*).
- The government's total net position increased by $180,769, due to an increase in the government type activities net position of $346,152, and a decrease in the business type activity net position of $165,383.
- As of the close of the current fiscal year, the Village of Alamance governmental funds reported combined ending fund balances of $2,617,817 with a net change of $212,769 in fund balance. Approximately 2.7% of this total amount, or $70,234, is nonspendable or restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was $2,042,851, or 476% of total general fund expenditures for the fiscal year.
- The Village of Alamance's debt decreased by $12,799, as a result of principal payments on the State Revolving Loan.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Village of Alamance's basic financial statements. The Village'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 Village 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 the Village of Alamance.

Required Components of Annual Financial Report

Figure 1



Basic Financial Statements

The first two statements (Exhibits 1 and 2) in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the Village's financial status.

The next statements (Exhibits 3 through 8) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the Village government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; and 3) the proprietary 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 Village's individual funds. Budgetary information required by the North Carolina General Statutes also can be found in this part of the statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the Village'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 Village's financial status as a whole.

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

The government-wide statements are divided into two categories: 1) governmental activities; and 2) business-type activities. The governmental activities include most of the Village's basic services such as general administration and environmental protection. Property taxes and sales taxes finance most of these activities. The business-type activities are those that the Village charges customers to provide. These include the water and sewer services offered by the Village of Alamance.

The government-wide financial statements are on Exhibits 1 and 2 of this report.

Fund Financial Statements

The fund financial statements (see Figure 1) provide a more detailed look at the Village'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. The Village of Alamance, 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 City budget ordinance. All of the funds of the Village of Alamance can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the Village'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* that provides a short-term spending 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 Village's programs. The relationship between government 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.

The Village of Alamance 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 Village, the management of the Village, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the Village to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the Village complied with the budget ordinance and whether or not the Village 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.

Proprietary Funds – The Village of Alamance has one kind of proprietary fund. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village of Alamance uses an enterprise fund to

account for its water and sewer activity. These funds are the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are on page 21 of this report.

Other Information - In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the Village of Alamance's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on page 38 of this report.

Interdependence with Other Entities - The Village depends on financial resources flowing from, or associated with, both the Federal Government and the State of North Carolina. Because of this dependency, the Village is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State appropriations.

Government-Wide Financial Analysis

The Village of Alamance Net Position - Figure 2

	Governmental Activities		Business-Type Activities		Total	
	2020	**2019**	**2020**	**2019**	**2020**	**2019**
Current and other assets	$ 2,638,929	$ 2,418,657	$ 321,569	$ 358,144	$2,960,498	$2,776,801
Capital assets	1,106,458	971,000	4,097,492	4,238,264	5,203,950	5,209,264
Assessments - non current	-	-	7,326	7,326	7,326	7,326
Deferred outflows of resources	11,906	14,728	1,323	1,636	13,229	16,364
Total assets and deferred outflows of resources	3,757,293	3,404,385	4,427,710	4,605,370	8,185,003	8,009,755
Long-term liabilities outstanding	24,803	23,053	118,105	130,748	142,908	153,801
Other liabilities	19,381	14,586	44,269	43,928	63,650	58,514
Deferred inflows of resources	2,966	2,754	330	305	3,296	3,059
Total liabilities and deferred inflows of resources	47,150	40,393	162,704	174,981	209,854	215,374
Net position:						-
Net investment in capital assets	1,106,458	971,000	3,969,507	4,097,480	5,075,965	5,068,480
Restricted	70,234	90,043	-	-	70,234	90,043
Unrestricted	2,533,451	2,302,948	295,499	332,909	2,828,950	2,635,857
Total net position	$ 3,710,143	$ 3,363,991	$ 4,265,006	$ 4,430,389	$7,975,149	$7,794,380

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 the Village of Alamance exceeded liabilities and deferred inflows by $7,975,149 as of June 30, 2020. The Village's net position increased by $180,769 for the fiscal year ended June 30, 2020. However, the largest portion (64%) reflects the Village's net investment in capital assets (e.g. land, buildings, machinery, and equipment). The Village of Alamance uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's net investment in capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since capital assets cannot be used to

liquidate these liabilities. An additional portion of the Village's net position, $70,234 represents resources that are subject to external restrictions on how they may be used. The remaining balance of $2,828,950 is unrestricted.

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

- Continued increases in the property and other taxes in the amount of $15,903.
- The Village also incurred a significant decrease in non-capital Street Repairs in the amount of $34,108.

Village of Alamance Changes in Net Position
Figure 3

	Governmental Activities		Business-type Activities		Total	
Revenues:	2020	2019	2020	2019	2020	2019
Program revenues:						
Charges for services	$ 13,465	$ 10,961	$ 348,161	$ 342,290	$ 361,626	$ 353,251
Operating grants and contributions	29,713	29,152	-	-	29,713	29,152
General revenues:						
Property taxes	233,998	229,492	-	-	233,998	229,492
Other taxes	340,076	328,679	-	-	340,076	328,679
Grants and contributions	15,000	-	-	-	15,000	-
Unrestricted investment earnings	20,913	27,244	125	125	21,038	27,369
Other	1,456	377	2,435	886	3,891	1,263
Total revenues	654,621	625,905	350,721	343,301	1,005,342	969,206
Expenses:						-
General government	167,578	167,448	-	-	167,578	167,448
Public safety	4,668	8,052	-	-	4,668	8,052
Transportation	50,873	84,981	-	-	50,873	84,981
Environmental protection	89,637	96,992	-	-	89,637	96,992
Interest on long-term debt	-	-	-	-	-	-
Water and sewer	-	-	511,817	421,576	511,817	421,576
Total expenses	312,756	357,473	511,817	421,576	824,573	779,049
Increase in net position before transfers	341,865	268,432	(161,096)	(78,275)	180,769	190,157
Transfers	4,287	6,883	(4,287)	(6,883)	-	-
Increase in net position	346,152	275,315	(165,383)	(85,158)	180,769	190,157
Net position, beginning	3,363,991	3,088,676	4,430,389	4,515,547	7,794,380	7,604,223
Net position, June 30	$ 3,710,143	$ 3,363,991	$ 4,265,006	$ 4,430,389	$ 7,975,149	$ 7,794,380

Governmental activities: Governmental activities increased the Village's net position by $346,152, thereby accounting for 191% of the total change in net position of the Village of Alamance.

Business-type activities: Business-type activities decreased the Village of Alamance's net position by $165,383, accounting for (91%) of the total change in the government's net position. Key elements of the decrease are as follows:

- Water and sewer charges increased by $5,871.
- A increase in expenditures of $90,241.

Financial Analysis of the Village's Funds

As noted earlier, the Village of Alamance uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the Village of Alamance governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Village of Alamance's financing requirements.

The general fund is the chief operating fund of the Village of Alamance. At the end of the current fiscal year, unreserved fund balance of the General Fund was $2,547,583, while total fund balance reached $2,617,817. The Village of Alamance currently has an available fund balance of 594% of general fund expenditures, and total fund balance represents 610% of the same amount.

General Fund Budgetary Highlights: During the fiscal year, the Village revised the budget. 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.

There were several reasons the Village revised its budget throughout the year. Expenditures in transportation were budgeted for road and pavement construction.

Proprietary Funds. The Village's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the Water and Sewer fund at the end of the fiscal year amounted to $295,499. The total decrease in net position was $165,383.

Capital Asset and Debt Administration

Capital assets. The Village of Alamance's investment in capital assets for its governmental and business–type activities as of June 30, 2020, totals $5,203,950 (net of accumulated depreciation). These assets include land, equipment, and infrastructure.

	Governmental Activities			Business-type Activities			Total	
	2020	2019	2018	2020	2019	2018	2020	2019
Land	$ 24,000	$ 24,000	$ 24,000	$ 7,000	$ 7,000	$ 7,000	$ 31,000	$ 31,000
Construction in progress	-	-	-	-	-	-	-	-
Equipment and furniture	11,182	3,577	3,708	730	1,678	3,201	11,912	5,255
Building	222,503	229,784	230,898	-	-	-	222,503	229,784
Water and Sewer System	-	-	-	4,089,762	4,229,586	4,369,103	4,089,762	4,229,586
Infrastructure	848,773	713,639	738,360	-	-	-	848,773	713,639
Total	$ 1,106,458	$ 971,000	$ 996,966	$ 4,097,492	$4,238,264	$4,379,304	$5,203,950	$5,209,264

Aditional information on the Village's capital assets can be found in note 2 of the Basic Financial Statements.

Long-term Debt. As of June 30, 2020, the Village of Alamance had no bonded debt outstanding.

Village of Alamance's Outstanding Debt

The Village of Alamance's debt decreased by 9% during the past fiscal year. This decrease is due to payments on debt which totaled $12,799.

North Carolina general statutes limit the amount of general obligation debt that a unit of government can issue to 8% of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for the Village of Alamance is $9,368,555.

Additional information regarding the Village's long-term debt can be found in note 2 of the Basic Financial Statements.

Economic Factors and Next Year's Budgets and Rates

The following key economic indicators reflect the activity of the Village of Alamance:

- Continued stability in the operations of the General Fund.
- Tax revenue continues to increase due to the growth in the Village.

Budget Highlights for the Fiscal Year Ending June 30, 2021

Governmental Activities. Property taxes and local option sales taxes will be the primary source of increases in revenue. Budgeted operating expenditures in the General Fund are not expected to significantly increase.

Business-type Activities. The number of users of the water and sewer services will increase due to development in the Village. Water and Sewer rates were increased to cover increased cost of operations.

Request for Information

This report is designed to provide an overview of the Village's finances for those with an interest in this area. Questions concerning any of the information found in this report or request for additional information should be directed to:

Finance Officer
Village of Alamance
Alamance, NC

Basic Financial Statements

Village of Alamance
Statement of Net Position
June 30, 2020

Exhibit 1

	Primary Government		
	Governmental Activities	**Business-type Activities**	**Total**
ASSETS			
Current assets:			
Cash and cash equivalents	$ 2,565,501	$ 255,376	$ 2,820,877
Taxes receivables (net)	2,910	-	2,910
Accrued interest receivable on taxes	284	-	284
Accounts receivable (net)	70,234	59,779	130,013
Water and Sewer Assessments receivable	-	-	-
Restricted Cash and Cash Equivalents	-	6,414	6,414
Total current assets	2,638,929	321,569	2,960,498
Capital assets (Note 3):			
Land, non-depreciable improvements, and construction in progress	24,000	7,000	31,000
Other capital assets, net of depreciation	1,082,458	4,090,492	5,172,950
Total capital assets	1,106,458	4,097,492	5,203,950
Water and Sewer Assessments - non current	-	7,326	7,326
Total assets	3,745,387	4,426,387	8,171,774
DEFERRED OUTFLOWS OF RESOURCES			
Contributions to pension plan in current fiscal year	11,906	1,323	13,229
Total deferred outflows of resources	11,906	1,323	13,229
LIABILITIES			
Current liabilities:			
Accounts payable	17,918	25,056	42,974
Customer deposits	-	6,414	6,414
Current portion of long-term liabilities	1,463	12,799	14,262
Total current liabilities	19,381	44,269	63,650
Long-term liabilities:			
Net Pension Liability	22,858	2,540	25,398
Due in more than one year	1,945	115,565	117,510
Total liabilities	44,184	162,374	206,558
DEFERRED INFLOWS OF RESOURCES			
Pension deferrals	2,966	330	3,296
Total deferred inflows of resources	2,966	330	3,296
NET POSITION			
Net investments in capital assets	1,106,458	3,969,507	5,075,965
Restricted for Stabilization by State Statute	70,234	-	70,234
Unrestricted	2,533,451	295,499	2,828,950
Total net position	$ 3,710,143	$ 4,265,006	$ 7,975,149

The notes to the financial statements are an integral part of this statement.

Exhibit 2

Village of Alamance, North Carolina
Statement of Activities
For the Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total
Primary government:							
Governmental Activities:							
General government	$ 167,578	$ -	$ -	$ -	$ (167,578)	$ -	$ (167,578)
Public safety	4,668	447	-	-	(4,221)	-	(4,221)
Transportation	50,873	-	29,713	15,000	(6,160)	-	(6,160)
Environmental protection	89,637	13,018	-	-	(76,619)	-	(76,619)
Total governmental activities	312,756	13,465	29,713	15,000	(254,578)	-	(254,578)
Business-type activities:							
Water and sewer	511,817	348,161	-	-	-	(163,656)	(163,656)
Total business-type activities	511,817	348,161	-	-	-	(163,656)	(163,656)
Total primary government	$ 824,573	$ 361,626	$ 29,713	$ 15,000	(254,578)	(163,656)	(418,234)
General revenues:							
Taxes:							
Property taxes, levied for general purpose					233,998	-	233,998
Other taxes					340,076	-	340,076
Unrestricted investment earnings					20,913	125	21,038
Miscellaneous					1,456	2,435	3,891
Transfers					4,287	(4,287)	-
Total general revenues					600,730	(1,727)	599,003
Change in net position					346,152	(165,383)	180,769
Net position-beginning					3,363,991	4,430,389	7,794,380
Net position-ending					$ 3,710,143	$ 4,265,006	$ 7,975,149

The notes to the financial statements are an integral part of this statement.

Village of Alamance
Balance Sheet
Governmental Funds
June 30, 2020

Exhibit 3

			Major Fund - General
ASSETS			
Cash and cash equivalents			2,565,501
Taxes receivable (net)			2,910
Accounts receivable (net)			70,234
Total assets			$ 2,638,645
LIABILITIES			
Accounts payable and accrued liabilities			$ 17,918
Total liabilities			17,918
DEFERRED INFLOWS OF RESOURCES			
Property taxes receivable			2,910
Total deferred inflows of resources			2,910
FUND BALANCES			
Restricted			
Stabilization by State Statute			70,234
Assigned - Capital Projects and M&R-building			504,732
Unassigned, General Fund			2,042,851
Total fund balances			2,617,817
Total liabilities, deferred inflows of resources and fund balances			$ 2,638,645
Amounts reported for governmental activities in the Statement of Net Position (Exhibit 1) are different because:			
Total Fund Balance, Governmental Funds			2,617,817
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			
Gross capital assets at historical cost	1,382,826		
Accumulated depreciation	$ (276,368)		1,106,458
Net pension asset			(22,858)
Contributions to the pension plan in the current fiscal year are deferred outflows of resources on the Statement of Net Position			11,906
Other long-term assets (accrued interest receivable from taxes) are not available to pay for current period expenditures and therefore are deferred in the funds.			284
Liabilities for earned revenues considered deferred inflows of resources in fund statements.			2,910
Some liabilities are not due and payable in the current period and therefore are not reported in the funds.			(3,408)
Deferred inflows of resources related to pensions are not reported in the funds.			(2,966)
Net position of governmental activities			$ 3,710,143

The notes to the financial statements are an integral part of this statement.

Exhibit 4

Village of Alamance
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2020

	Major Fund - General
REVENUES	
Ad valorem taxes	$ 235,926
Other taxes and licenses	295,693
Unrestricted intergovernmental	44,383
Restricted intergovernmental	29,713
Permits and fees	447
Sales and services	13,018
Investment earnings	20,913
Miscellaneous	1,458
Total revenues	641,551
EXPENDITURES	
General government	159,821
Public safety	4,366
Transportation	180,765
Environmental protection	83,830
Total expenditures	428,782
Excess (deficiency) of revenues over expenditures	212,769
OTHER FINANCING SOURCES (USES)	
Transfers (to) from other funds	4,287
Total other financing sources and uses	4,287
Net change in fund balance	217,056
Fund balances-beginning of year - July 1	2,400,761
Fund balances-end of year - June 30	$ 2,617,817

The notes to the financial statements are an integral part of this statement.

Village of Alamance, North Carolina **Exhibit 4**
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2020

Amounts reported for governmental activities in the statement of activities are different because:

Net changes in fund balances - total governmental funds		$ 217,056
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital outlay expenditures which were capitalized	$ 150,151	
Depreciation expense for governmental assets	(29,693)	
Loss on disposal of assets	-	120,458
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities		4,168
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Amount of donated assets		15,000
Change in unavailable revenue for tax revenues		(1,673)
Accrued interest receivable on taxes		(255)
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.		
Compensated absences		751
Pension expense		(9,353)
Total changes in net position of governmental activities		$ 346,152

The notes to the financial statements are an integral part of this statement.

Exhibit 5

Village of Alamance
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2020

	General Fund			
	Original	Final	Actual Amounts	Final Budget - Positive
Revenues:				
Ad valorem taxes	$ 201,400	$ 201,400	$ 235,926	$ 34,526
Other taxes and licenses	241,000	241,000	295,693	54,693
Unrestricted intergovernmental	39,600	39,600	44,383	4,783
Restricted intergovernmental	27,500	28,000	29,713	1,713
Permits and fees	500	500	447	(53)
Sales and services	12,000	12,000	13,018	1,018
Investment earnings	1,050	1,050	20,913	19,863
Miscellaneous	1,400	900	1,458	558
Total revenues	524,450	524,450	641,551	117,101
Expenditures:				
General government	293,450	290,450	159,821	130,629
Public safety	6,000	6,000	4,366	1,634
Transportation	134,000	257,000	180,765	76,235
Environmental protection	91,000	91,000	83,830	7,170
Total expenditures	524,450	644,450	428,782	215,668
Revenues over (under) expenditures	-	(120,000)	212,769	332,769
Other financing sources (uses):				
Transfers from other funds	-	-	4,287	4,287
Appropriated fund balance	-	120,000	-	(120,000)
Total other financing sources (uses)	-	120,000	4,287	(115,713)
Net change in fund balance	$ -	$ -	217,056	$ 217,056
Fund balances:				
Beginning of year - July 1			2,400,761	
End of year - June 30			$ 2,617,817	

The notes to the financial statements are an integral part of this statement.

Village of Alamance
Statement of Net Position
Proprietary Fund
June 30, 2020

Exhibit 6

	Water and Sewer Fund
ASSETS	
Current assets:	
Cash and cash equivalents	$ 255,376
Accounts receivable (net)	59,779
Water and Sewer Assessments	-
Restricted cash and cash equivalents	6,414
Total current assets	321,569
Noncurrent assets:	
Capital assets:	
Land and Construction in Progress	7,000
Other capital assets, net of depreciation	4,090,492
Capital assets (net)	4,097,492
Water and Sewer Assessments - non current	7,326
Total noncurrent assets	4,104,818
Total assets	4,426,387
DEFERRED OUTFLOWS OF RESOURCES	
Contributions to pension plan	1,323
Total deferred outflows of resources	1,323
LIABILITIES	
Current liabilities:	
Accounts payable	25,056
Current portion of long-term liabilities	12,799
Total current liabilities	37,855
Noncurrent liabilities	
Customer deposits	6,414
Accrued compensation	379
Net Pension Liability	2,540
ARRA loan- noncurrent portion	115,186
Total noncurrent liabilities	124,519
Total liabilities	162,374
DEFERRED INFLOWS OF RESOURCES	
Pension deferrals	330
NET POSITION	
Net investment in capital assets	3,969,507
Unrestricted	295,499
Net position of business-type activities	$ 4,265,006

The notes to the financial statements are an integral part of this statement.

Village of Alamance
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Fund
For the Year Ended June 30, 2020

Exhibit 7

	Water and Sewer Fund
OPERATING REVENUES	
Charges for services	$ 339,316
Water and sewer taps	3,975
Water and sewer impact fees	1,000
Other operating revenue	3,870
Total operating revenues	348,161
OPERATING EXPENSES	
Administration	17,255
Operations	348,183
Depreciation	146,379
Total operating expenses	511,817
Operating income (loss)	(163,656)
NONOPERATING REVENUES (EXPENSES)	
Interest on assessment	125
Miscellaneous income	2,435
Total nonoperating revenue (expenses)	2,560
Income (loss) before contributions and transfers	(161,096)
Capital contributions	-
Loss on disposal of asset	-
	-
Transfers (to) from General Fund	(4,287)
Change in net position	(165,383)
Total net position - beginning	4,430,389
Total net position - ending	$ 4,265,006

The notes to the financial statements are an integral part of this statement.

Village of Alamance **Exhibit 8**
Statement of Cash Flows
Proprietary Fund
For the Fiscal Year Ended June 30, 2020

	Water and Sewer Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	$ 332,489
Cash paid for goods and services	(359,843)
Cash paid to or on behalf of employees for services	(4,767)
Customer deposits	-
Other operating revenue received	3,870
Net cash provided (used) by operating activities	(28,251)
CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES	
Payments from customer	-
Increase in advances from other funds	-
Transfers (to) from other funds	(4,287)
Net cash provided (used) by non capital financing activities	(4,287)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition and construction of capital assets	(5,547)
New loan	-
Loan payments	(12,799)
Contributed Capital	-
Other non-operating revenue	2,382
Net cash provided (used) by capital and related financing activities	(15,964)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on investments	
Net cash provided (used) by investing activities	-
Net increase (decrease) in cash and cash equivalents	(48,502)
Balances-beginning of the year	310,292
Balances-end of the year	$ 261,790
Reconciliation of operating income (loss) to net cash provided (used) by operating activities	
Operating income	$ (163,656)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation and amortization	146,379
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	(11,802)
(Increase) decrease in deferred outflows of resources for pensions	314
Increase (decrease) in accounts payable	333
Increase (decrease) in accrued vacation	(82)
Increase (decrease) in customer deposits	-
Increase (decrease) in pension liability	239
Increase (decrease) in deferred inflows of resources for pensions	24
Total adjustments	135,405
Net cash provided (used) by operating activities	$ (28,251)

The notes to the financial statements are an integral part of this statement.

1. Summary of Significant Accounting Policies

The accounting policies of the Village of Alamance conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The Village of Alamance is a municipal corporation, which is governed by an elected mayor and a six-member board of Aldermen. The Village is located in Alamance County. As required by generally accepted accounting principles these financial statements present the primary government (i.e. the Village) and any component units, as legally separate organizations for which the elected officials of the Village are financially accountable. The Village of Alamance has no component units as defined above.

B. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government. These statements include the financial activities of the overall government. These statements distinguish between the *governmental* and *business-type activities* of the Village. 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 Village and for each function of the Village'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. 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.

Fund Financial Statements: The fund financial statements provide information about the Village's funds. Separate statements for each fund category – *governmental and proprietary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column.

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. Nonoperating revenues, such as subsidies result from non-exchange transactions. Other non-operating revenues are ancillary activities such as investment earnings.

The Village reports the following major governmental fund:

General Fund. The General Fund is the general operating fund of the Village. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, State grants, and various other taxes. The primary expenditures are for administration and sanitation services.

The Village reports the following major enterprise fund:

Water and Sewer Fund. This fund is used to account for the Village water and sewer operations. A Water and Sewer Capital Reserve Fund has been consolidated into the Water and Sewer Fund for financial reporting purposes. The budgetary comparison for the Water and Sewer Capital Reserve Fund has been included in the supplementary information.

C. Measurement Focus and Basis of Accounting

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

Government-wide and Proprietary Fund Financial Statements. The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary 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. Nonexchange transactions, in which the Village gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, 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 and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 Village's enterprise fund is charges to customers for sales and services. The Village 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 nonoperating 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 Village considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem taxes receivable 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. Also, 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 beer and wine tax, collected and held by the State at year-end on behalf of the Village are recognized as revenue. Sales taxes are considered a shared revenue for the Village of Alamance because the tax is levied by Alamance County and then remitted to and distributed by the State. Most intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. All taxes, including those dedicated for specific purposes are reported as general revenues rather than program revenues.

D. Budgetary Data

The Village's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund and the Enterprise Fund. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for any Capital Project Fund. The enterprise fund projects are consolidated with their respective operating fund for reporting purposes. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the departmental level for all annually budgeted funds and at the object level for the multi-year funds. All amendments must be approved by the governing board. During the year, amendments were made to the budget. 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.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Fund Equity

Deposits and Investments

All deposits of the Village are made in board-designated official depositories and are secured as required by State law [G.S. 159-31]. The Village may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the Village may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

State law [G.S. 159-30(c)] authorizes the Village to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances and the North Carolina Capital Management Trust (NCCMT). The NCCMT Government Portfolio, a SEC-registered (2a-7) money market mutual fund, is measured at fair value. Because the NCCMT Government Portfolio has a weighted average maturity of less than 90 days, they are presented as an investment with a maturity of less than 6 months.

Cash and Cash Equivalents

The Village pools money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents.

Restricted Assets

Customer deposits held by the Village before any services are supplied are restricted to the service for which the deposit was collected. The unexpended Powell Bill funds are classified as restricted cash because it can be expended only for the purposes of maintaining, repairing, constructing, reconstructing or widening of local streets per G.S. 136-41.1 through 136-41.4.

Village of Alamance Restricted Cash

General Fund- Powell Bill	$ -0-
Water and Sewer Fund- Customer Deposits	6,414
Total Restricted Cash	$ 6,414

Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the Village levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date), however, interest does not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2019. As allowed by State law, the Village has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the Village's General Fund, ad valorem tax revenues are reported net of such discounts.

Allowances 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.

Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at acquisition value at the date of donation. 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.

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

Asset Class	Estimated Useful Lives
Infrastructure	40
Buildings	40
Equipment	3 – 15
Water and Sewer System	40

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The Village has one item that meets this criterion, contributions made to the pension plan in the 2020 fiscal year. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Village has two items that meet the criterion for this category – property taxes receivable and pension deferrals.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable business-type activities, or proprietary fund type statement of net position

Compensated Absences

The vacation policy of the Village provides for the accumulation of up to thirty days earned vacation leave with such leave being fully vested when earned. For the Village's government-wide and proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. The portion of that time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

The Village's sick leave policy 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 Village does not have any obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

Net Position/Fund Balances

Net Position

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

Fund Balances

In the governmental fund financial statements, fund balance is composed of three 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:

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

> Restricted for Stabilization by State Statute – North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by State Statute (RSS), is calculated

at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "restricted by State statute". *Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget.* Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed by law through constitutional provisions or enabling legislation." RSS is reduced by inventories and prepaids as they are classified as nonspendable. 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 Streets - Powell Bill portion of fund balance that is restricted by revenue source for street construction and maintenance expenditures. This amount represents the balance of the total unexpended Powell Bill funds.

Assigned Fund Balance – portion of fund balance that the Village of Alamance intends to use for specific purposes.

Assigned for Capital projects and Municipal Building M&R – portion of fund balance that the Board of Alderman intends to use for future capital projects and the maintenance of the Municipal Building.

Subsequent year's expenditures - portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The governing body approves the appropriation.

Unassigned Fund Balance – the portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

Defined Benefit Cost-Sharing Plans

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Local Governmental Employees' Retirement System (LGERS) and additions to/deductions from LGERS' fiduciary net position have been determined on the same basis as they are reported by LGERS. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The Village of Alamance's employer contributions are recognized when due and the Village of Alamance has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of LGERS. Investments are reported at fair value.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. Detail Notes on All Funds

A. Assets

Deposits

All the deposits of the Village are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the Village's agent in the Village'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 Village, these deposits are considered to be held by the Village's agent in the Village's 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 Village or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the Village 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 Village has no formal policy regarding custodial credit risk for deposits, but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The Village complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

At June 30, 2020 the Village's deposits had a carrying amount of $982,921 and a bank balance of $984,097 Of the bank balance, $360,934 was covered by federal depository insurance and the remainder was covered by collateral held under the pooling method. Petty cash on hand at June 30, 2020 was $130.

Investments

At June 30, 2020, the Village had $1,844,240 invested with the North Carolina Capital Management Trust's Government Portfolio which carried a credit rating of AAAm by Standard and Poor's. The Village has no formal policy regarding credit risk of its investments.

Receivables – Allowance for Doubtful Accounts

The amounts presented in Exhibit 1, the Balance Sheet and the Statement of Net position, are net of an allowance for doubtful accounts in the amount of $511 for the General Fund taxes receivable.

Capital Assets

Capital asset activity for the Village for the year ended June 30, 2020, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated				
Land	$ 24,000	$ -	$ -	$ 24,000
Total capital assets not being depreciated	24,000	-	-	24,000
Capital assets being depreciated:				
Buildings	313,260	-	-	313,260
Equipment and furniture	56,992	7,742	-	64,734
Infrastructure	823,423	157,409	-	980,832
Total capital assets being depreciated	1,193,675	165,151	-	1,358,826
Less accumulated depreciation for:				
Buildings	83,476	7,281	-	90,757
Equipment and furniture	53,415	137	-	53,552
Infrastructure	109,784	22,275	-	132,059
Total accumulated depreciation	246,675	$ 29,693	$ -	276,368
Total capital assets being depreciated, net	947,000			1,082,458
Governmental activity capital assets, net	$ 971,000			$ 1,106,458

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

By function:	
General Government	$ 11,068
Public Safety	302
Transportation	12,518
Environmental Protection	5,805
Total depreciation expense	$ 29,693

	Beginning Balances	Increases	Decreases	Ending Balances
Business-type activities:				
Capital assets not being depreciated				
Land	$ 7,000	$ -	$ -	$ 7,000
Construction in process	-	-	-	-
Total capital assets not being depreciated	7,000	-	-	7,000
Capital assets being depreciated:				
Water and sewer systems	5,789,059	5,597	-	5,794,656
Office equipment and furniture	22,672	-	-	22,672
Building	5,305	-	-	5,305
Total capital assets being depreciated	5,817,036	5,597	-	5,822,633
Less accumulated depreciation for:				
Water and sewer systems	1,559,473	145,421	-	1,704,894
Office equipment and furniture	20,994	948	-	21,942
Building	5,305	-	-	5,305
Total accumulated depreciation	1,585,772	$ 146,369	$ -	1,732,141
Total capital assets being depreciated, net	4,231,264			4,090,492
Business-type activity capital assets, net	$ 4,238,264			$ 4,097,492

B. Liabilities

1. *Pension Plan and Postemployment Obligations*

a. Local Governmental Employees' Retirement System

Plan Description.

The Village of Alamance is a participating employer to the statewide 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 LGERS is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454, or at www.osc.nc.gov.

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

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. Village of Alamance employees are required to contribute 6% of their compensation. Employer contributions are actuarilly determined and set annually by the LGERS Board of Trustees. The Village of Alamance's contractually required contribution rate for the year ended June 30, 2020, was 8.95% for general employees, 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 Village of Alamance were $4,121 for the year ended June 30, 2020.

Refunds of Contributions – Village employees who terminate 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, 2020, the Village reported a liability of $25,398 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019 utilizing update procedures

incorporating the actuarial assumptions. The Village's proportion of the net pension liability was based on a projection of the Village'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, 2019, the Village's proportion was 0.00093%, which was a decrease of .00004% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the Village recognized pension expense of $9,829. At June 30, 2020, the Village 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	$ 4,349	$ -
Changes of assumptions	4,139	-
Net difference between projected and actual earnings on pension plan investments	620	-
Changes in proportion and differences between Village contributions and proportionate share of contributions	-	3,296
Village contributions subsequent to the measurement date	4,121	-
Total	$ 13,229	$ 3,296

$4,121 reported as deferred outflows of resources related to pensions resulting from Village contributions subsequent to the measurement date will be recognized as an increase of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2020	$ 3,308
2021	400
2022	1,768
2023	335
2024	-
Thereafter	-
	$ 5,811

Actuarial Assumptions. The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	29.0%	1.4%
Global Equity	42.0%	5.3%
Real Estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation Protection	6.0%	4.0%
Total	100.0%	

The information above is based on 30 year expectations developed with the consulting actuary for the 2018 asset liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.0%. All rates of return and inflation are annualized.

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

Sensitivity of the Village's proportionate share of the net pension liability to changes in the discount rate. The following presents the Village's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the Village's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current rate:

Village's proportionate share of the pension liability (asset)	(6.00%)	(7.00%)	(8.00%)
	$ 58,089	$ 25,398	$ (1,776)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) for the State of North Carolina.

Other Postemployment Benefits (OPEB)

The Village does not provide any post employment benefits to retirees.

2. *Deferred Outflows and Inflows of Resources*

The Village has several deferred outflows of resources comprised of the following:

	Deferred Outflows of Resources
Differences between expected and actual experience	$ 4,349
Changes of assumptions	4,139
Net difference between projected and actual earnings on pension plan investments	620
Changes in proportion and differences between Village contributions and proportionate share of contributions	-
Village contributions subsequent to the measurement date	4,121
Total	$ 13,229

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

	Statement of Net Position	General Fund Balance Sheet
Taxes Receivable (General Fund)	$ -	$ 2,910
Differences between expected and actual experience	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	3,296	-
Total	$ 3,296	$ 2,910

3. *Risk Management*

The Village 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 Village participates in two self-funded risk financing pools administered by the North Carolina League of Municipalities. Through these pools the Village obtains general liability coverage up to $2 million per occurrence, public officials' liability coverage of $1 million per occurrence ($3 million aggregate), public employees' bond coverage of $50,000, and workers' compensation coverage up to statutory limits. The pools are reinsured through commercial companies for single occurrence claims against general liability and property in excess of $1,000,000 and $1,000,000 up to statutory limits for workers' compensation. The property liability pool has an aggregate limit for the total property losses in a single year, with the reinsurance limit based upon a percentage of the total insurance values.

The Village carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage in the prior year and settled claims have not exceeded coverage in any of the past three fiscal years.

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

In accordance with G.S. 159-29, the Finance Officer is bonded for $50,000.

4. *Long-Term Obligations*

a. Installment Purchase

In October 2010, the Village entered into a clean water state revolving loan agreement with the State of North Carolina to finance the second water line connection. The contract requires principal payments of $12,799 annually, with a stated interest rate of 0 percent. The original loan was for $255,970 with an outstanding balance of $127,985 net of amortization.

b. General Obligation Indebtedness

At June 30, 2020, the Village of Alamance had no authorized but uninsured bonds outstanding and had a legal debt margin of $9,368,555.

The following table summarizes the annual requirements to amortize all long-term debt outstanding at June 30, 2020 (excluding vacation pay and any claims or judgments).

Fiscal Year	General Obligation Bonds		Other Long-Term Indebtdness		Total Debt Due	
	Principal	Interest	Principal	Interest	Principal	Interest
2021			12,799	-	12,799	
2022	-	-	12,799	-	12,799	-
2023	-	-	12,799	-	12,799	-
2024	-	-	12,799	-	12,799	-
2025	-	-	12,799	-	12,799	-
2026-2030			63,990	-	63,990	-
	$ -	$ -	$ 127,985	$ -	$ 127,985	$ -

c. Changes in Long-Term Term Liabilities	Balance July 1, 2019	Increases	Decreases	Balance June 30, 2020	Current Portion of Balance
Governmental activities:					
Compensated absences	$ 4,156	$ -	$ 748	$ 3,408	$ 1,463
Net pension liability (LGERS)	20,711	2,147	-	$ 22,858	-
Governmental activity long-term liabilities	$ 24,867	$ 2,147	$ 748	$ 26,266	$ 1,463
Business-type activities:					
Notes payable	$ 140,783	-	12,799	$ 127,985	12,799
Compensated absences	462	-	83	379	-
Net pension liability (LGERS)	2,301	239		2,540	-
Business-type activity Long-term liabilities	$ 143,546	239	12,882	$ 130,904	12,799

C. Net Investment in Capital Asset

	Business-Type
Capital Assets	$4,097,492
Less: Long-Term Debt	127,985
Net Investment in Capital Assets	$3,969,507

D. Fund Balance

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	$2,617,817
Less:	
Stabilization by State Statute	70,234
Streets – Powell Bill	-
Capital Projects and Municipal Building M&R	504,732
Remaining Fund Balance	2,042,851
	$ -

The Village has no outstanding encumbrances related to the purchase orders and contracts that remain unperformed at year end.

E. Summary Disclosure of Significant Contingencies

Federal and State Assisted Programs
The Village has received proceeds from 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 moneys.

F. Significant Effects of Subsequent Events

In accordance with ASC 855, the Village evaluated subsequent events through December 1, 2020, the date the financial statements were available to be issued. There were no material subsequent events that require recognition or additional disclosure in these financial statements.

Village of Alamance, North Carolina
Required Supplementary Information
Last Six Fiscal Years *
Local Government Employees' Retirement System

Schedule of Proportionate Share of Net Pension Liability (Asset)

	2020	2019	2018	2017	2016	2015
Village of Alamance's proportion of the net pension liability (asset) (%)	0.000930%	0.000970%	0.000990%	0.001000%	0.000980%	0.00098992%
Village of Alamance's proportion of the net pension liability (asset) ($)	$25,398	$23,012	$15,124	$21,223	$4,398	($5,838)
Village of Alamance's covered-employee payroll	$45,211	$43,894	$42,616	$40,587	$39,791	$39,010
Village of Alamance's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	56.18%	52.43%	35.49%	52.29%	11.05%	(14.97%)
Plan fiduciary net position as a percentage of the total pension liability**	91.63%	94.18%	91.47%	98.09%	99.07%	102.64%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.
** This will be the same percentage for all participant employers in the LGERS plan.

Schedule of Contributions

	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 4,121	$ 3,549	$ 3,282	$ 3,068	$ 2,720	$ 2,778
Contributions in relation to the contractually required contribution	4,121	3,549	3,282	3,068	2,720	2,778
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
Village of Alamance's covered-employee payroll	$ 46,568	$ 45,211	$43,894	$42,616	$40,587	$39,791
Contributions as a percentage of covered-	8.85%	7.85%	7.48%	7.20%	6.70%	6.98%

Village of Alamance, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2019

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues				
Ad valorem taxes:				
Current year	$ 201,000	$ 232,774	$ 31,774	$ 226,403
Prior years	-	2,408	2,408	572
Penalties and interest	400	744	344	457
Total	201,400	235,926	34,526	227,432
Other taxes:				
Local option sales tax	241,000	295,693	54,693	282,891
Unrestricted intergovernmental:				
Utility franchise tax	36,000	38,851	2,851	40,299
Solid waste disposal	600	642	42	764
Beer and wine tax	3,000	4,890	1,890	4,725
Total	39,600	44,383	4,783	45,788
Restricted intergovernmental:				
Powell Bill allocation	28,000	29,713	1,713	29,152
Total	28,000	29,713	1,713	29,152
Permits and fees:				
Permits	500	447	(53)	282
Total	500	447	(53)	282
Sales and services:				
Recycling fees	12,000	13,018	1,018	10,679
Total	12,000	13,018	1,018	10,679
Investment earnings	1,050	20,913	19,863	27,244
Miscellaneous:				
Other	900	1,458	558	377
Total revenues	524,450	641,551	117,101	623,845

Village of Alamance, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2019

	2020			2019
Expenditures	Budget	Actual	Variance Positive (Negative)	Actual
General government				
Governing body:				
Travel - Aldermen	$ 100	$ -	$ 100	$ -
	100	-	100	-
Administration:				
Salaries and wages - clerk	28,000	27,941	59	27,127
Temporary wages	8,000	6,197	1,803	6,241
Payroll taxes	2,800	2,404	396	2,330
Legal costs	12,690	12,690	-	12,632
Other professional services	500	-	500	-
Retirement	3,400	2,454	946	2,150
Health insurance	11,500	11,356	144	8,088
Telephone and internet	4,350	3,411	939	2,766
Travel	750	665	85	448
Advertising	1,000	875	125	270
Office supplies	3,000	773	2,227	748
Software	4,000	3,611	389	2,796
Data processing	-	141	(141)	-
Website	2,000	130	1,870	13,770
Miscellaneous supplies	2,000	1,602	398	361
Janitorial supplies	100	34	66	5
Food and provisions	200	100	100	41
Jordan Lake	5,000	408	4,592	596
Postage	600	434	166	484
Dues and subscriptions	4,100	3,717	383	3,795
Insurance and bond - clerk	375	300	75	375
Insurance - general	2,300	1,859	441	2,001
Maintenance	14,000	11,269	2,731	8,543
Printing	1,700	1,478	222	908
Security service	250	144	106	144
Utilities	22,400	7,637	14,763	10,589
Training	1,000	-	1,000	-
Gifts and flowers	200	133	67	-
Bank charges	700	1,005	(305)	830
Professional services - engineer	15,500	6,914	8,586	8,617
Miscellaneous	5,000	1,422	3,578	546
Capital outlay - equipment	86,235	7,742	78,493	-
Total	243,650	118,846	124,804	117,201

Village of Alamance, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2019

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Elections:				
Contracted Services	$ 2,000	$ 1,996	$ 4	$ -
	2,000	1,996	4	-
Finance:				
Salaries and wages - finance officer	14,300	13,970	330	13,563
Payroll taxes	1,300	1,202	98	1,165
Retirement	1,300	1,250	50	1,051
Professional services	22,000	17,370	4,630	17,370
Total	38,900	33,792	5,108	33,149
Tax billing and collection				
Contracted service with Alamance County	5,800	5,187	613	4,882
Total general government	290,450	159,821	130,629	155,232
Public safety				
Law enforcement:				
Contracted services - City of Burlington	6,000	4,366	1,634	7,453
Total public safety	6,000	4,366	1,634	7,453
Transportation				
Streets:				
Repairs and construction	50,000	9,569	40,431	16,149
Professional services - engineer	26,000	20,290	5,710	12,534
Street lights	12,000	8,497	3,503	9,193
Miscellaneous expense	1,000	-	1,000	-
Capital construction and capital - roads and pavement	168,000	142,409	25,591	40,838
Total transportation	257,000	180,765	76,235	78,714

Village of Alamance, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2019

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Environmental protection				
Solid waste:				
Contracted services and disposal	$ 60,000	$ 59,219	$ 781	$ 63,208
Recycling	6,000	5,547	453	5,958
Yard waste	25,000	19,064	5,936	21,190
Total environmental protection	91,000	83,830	7,170	90,356
Total expenditures	644,450	428,782	215,668	331,755
Revenues over expenditures	(120,000)	212,769	332,769	292,090
Other financing sources (uses):				
Transfers (to) from other funds:				
Water and Sewer Fund	-	4,287	4,287	6,883
Appropriated Fund Balance	120,000	-	(120,000)	-
Total	120,000	4,287	(115,713)	6,883
Net change in fund balance	$ -	217,056	$ 217,056	298,973
Fund balance				
Beginning of year - July 1		2,400,761		2,101,788
End of year - June 30		$ 2,617,817		$ 2,400,761

Village of Alamance, North Carolina
Water and Sewer Fund
Schedule of Revenues and Expenditures -
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2020
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2019

	2020			2019
Revenues	Budget	Actual	Variance Positive (Negative)	Actual
Operating revenues:				
Water charges	$ 160,000	$ 170,989	$ 10,989	$ 164,356
Sewer charges	161,000	168,327	7,327	160,092
Taps and connection fees	-	3,975	3,975	10,467
Other operating income	6,000	3,870	(2,130)	6,375
Water impact fees	-	1,000	1,000	1,000
Sewer impact fees	-	-	-	-
Total operating revenues	327,000	348,161	21,161	342,290
Nonoperating revenues:				
Investment earnings	100	125	25	125
Miscellaneous income	100	1,436	1,336	886
Total nonoperating revenues	200	1,561	1,361	1,011
Total revenues	327,200	349,722	22,522	343,301
Expenditures				
Administration:				
Salary - finance officer	4,720	4,656	64	4,521
Payroll taxes	400	400	-	388
Retirement	420	417	3	348
Legal costs	1,410	1,410	-	1,469
Professional services - accounting	3,000	1,930	1,070	1,930
Telephone	400	305	95	225
Utilities	450	327	123	369
Postage	3,750	3,044	706	3,192
Travel	70	74	(4)	50
Advertising	300	-	300	13
Office supplies	600	-	600	179
Printing	255	108	147	100
Dues and subscriptions	850	280	570	265
State permits	1,650	1,650	-	1,650
Insurance and bond - finance officer	375	300	75	375
Insurance - general	2,200	1,859	341	2,001
Total Administration	20,850	16,760	4,090	17,075
Operations:				
Wages - temporary	900	689	211	693
Professional services-Engineer	12,000	6,938	5,062	4,175
Utilities	5,000	3,043	1,957	3,140

Village of Alamance, North Carolina
Water and Sewer Fund
Schedule of Revenues and Expenditures -
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2020
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2019

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Telephone	$ 3,500	$ 3,090	$ 410	$ 2,675
Contract water services	80,000	91,032	(11,032)	70,958
Contract sewer services	114,000	86,233	27,767	97,979
Maintenance - water	24,000	16,921	7,079	17,230
Maintenance - sewer	113,000	101,270	11,730	21,116
Water sampling	6,000	5,294	706	4,693
Water taps & meters	6,200	4,656	1,544	3,320
Repairs - developer/contractor	500	-	500	-
Utility locator	10,000	7,407	2,593	20,349
Miscellaneous supplies	11,917	10,212	1,705	831
Mowing	11,400	11,400	-	11,400
Total operations	398,417	348,185	50,232	258,559
Debt service:				
Principal retirement	12,800	12,799	1	12,799
Total debt service	12,800	12,799	1	12,799
Capital outlay:				
Equipment	5,000	5,597	(597)	4,930
Furniture	1,000	-	1,000	
Total capital outlay	6,000	5,597	403	4,930
Total expenditures	438,067	383,341	54,726	293,363
Revenues over (under) expenditures	(110,867)	(33,619)	77,248	49,938
Other financing sources (uses):				
Appropriated Fund Balance	110,867	-	110,867	-
Operating transfer to General Fund	-	(4,287)	4,287	(6,883)
	110,867	(4,287)	115,154	(6,883)
Revenue and other sources over (under) expenditures and other uses	$ -	(37,906)	$ (37,906)	43,055
Reconciliation of budgetary (modified accrual) basis to full accrual:				
Reconciling items:				
Principal retirement		12,799		12,799
Capital outlay		5,597		4,930
(Increase)/decrease in accrued vacation pay		83		170
Pension expense		(577)		(142)
Restricted income from capital reserve fund		1,000		
Depreciation		(146,379)		(145,970)
Total reconciling items		(127,477)		(128,213)
Net income (loss)		$ (165,383)		$ (85,158)

Schedule 3

Village of Alamance, North Carolina
Capital Reserve Fund - System Development Fees
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and For the Fiscal Year Ended June 30, 2020
With Comparative Actual Amounts For The Fiscal Year Ended June 30, 2019

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Expenditures				
Capital Outlay Improvements	$ -	$ -	$ -	$ -
Capital Outlay Equipment	-	-	-	-
Total Expenditures	-	-	-	-
Revenues over expenditures	-	-	-	-
Other financing sources (uses)				
Transfer to Water and Sewer Fund	-	-	-	-
Transfer from Water and Sewer Fund	-	1,000	1,000	1,000
Revenues and other sources over (under) expenditures	$ -	1,000	$ 1,000	1,000
Fund balance, beginning		1,000		-
Fund balance, ending		$ 2,000		$ 1,000

Village of Alamance, North Carolina
General Fund
Schedule of Ad Valorem Taxes Receivable
June 30, 2020

Schedule 4

Fiscal Year	Uncollected Balance June 30, 2019	Additions	Collections and Credits	Uncollected Balance June 30, 2020
2019-2020	$ -	$ 234,208	$ 232,703	$ 1,505
2018-2019	2,643	-	2,127	516
2017-2018	597	-	300	297
2016-2017	523	-	93	430
2015-2016	239	-	90	149
2014-2015	232	-	90	142
2013-2014	244	-	92	152
2012-2013	186	-	90	96
2011-2012	154	-	83	71
2010-2011	125	-	62	63
2009-2010	151	-	151	-
	$ 5,094	$ 234,208	235,881	3,421
	Less: Allowance for uncollectible ad valorem taxes receivable			(511)
	Ad valorem taxes receivable - net			$ 2,910

Reconcilement with revenues:

Ad valorem taxes - General Fund	$ 235,926
Reconciling items:	
Interest collected	(744)
Write-off of 2009-2010 taxes per statute of limitations	151
Releases and adjustments	548
Subtotal	(45)
Total collections and credits	$ 235,881

Village of Alamance, North Carolina
Analysis of Current Tax Levy
Village - Wide

Schedule 5

For the Fiscal Year Ended June 30, 2020

	Village - Wide			Total Levy	
	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Ad Valorem Property tax	$ 103,469,485	0.20	$ 206,939	$ 206,939	$ -
Motor vehicles	13,634,456	0.20	27,269	-	27,269
Total levy	$ 117,103,941		234,208	206,939	27,269
Less: Uncollected tax at June 30, 2020			(1,505)	(1,505)	-
Current year's taxes collected			$ 232,703	$ 205,434	$ 27,269
Current levy collection percentage			99.36%	99.27%	100.00%