



**County of Guilford
North Carolina
Comprehensive Annual
Financial Report**



***Fiscal Year Ended
June 30, 2011***

COVER

Guilford County Seal

The official seal, devised by the York Herald of the Royal College of Arms, London, under the direction of James G. W. MacLamroc, a County Historian, is unique to Guilford County. It combines elements from the coats-of-arms of Dr. David Caldwell, colonial patriot, educator, minister, physician and statesman; Gen. Nathanael Greene, who led the colonial troops at the battle of Guilford Courthouse and for whom the county seat of Greensboro was named; and the first and second Earls of Guilford, for whom the county was named. The motto “Courage and Faith” was considered characteristic of the early settlers of the County.

Photos

Greensboro Skyline

(Top Left) Courtesy of Greensboro Area Convention & Visitors Bureau and Dan Routh Photography

Showplace

(Top Right) Courtesy of High Point Convention & Visitors Bureau

World's Largest Chest of Drawers

(Bottom Left) Courtesy of High Point Convention & Visitors Bureau

Tanger Family Bicentennial Park

(Bottom Right) Courtesy of Greensboro Area Convention & Visitors Bureau and Dan Routh Photography

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2011



N. Reid Baker III, CPA
Finance Director

Brenda Jones Fox, CPA
County Manager

Prepared by
Guilford County Finance Department

TABLE OF CONTENTS

INTRODUCTORY SECTION

Letter of Transmittal	i
Certificate of Achievement for Excellence in Financial Reporting	ix
Principal Officials	xi
Organizational Chart	xii

FINANCIAL SECTION

Independent Auditors' Report	1
Management's Discussion and Analysis	3a

Basic Financial Statements

Exhibit

	Government-Wide Financial Statements	
1	Statement of Net Assets	5
2	Statement of Activities	6
	Fund Financial Statements	
3	Balance Sheet - Governmental Funds	7
4	Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	8
5	Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	9
6	Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	10
7	Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund	11
8	Statement of Net Assets - Proprietary Funds - Internal Service Fund	12
9	Statement of Revenues, Expenses and Changes in Fund Net Assets - Proprietary Funds - Internal Service Fund	13
10	Statement of Cash Flows - Proprietary Funds - Internal Service Fund	14
11	Statement of Fiduciary Net Assets - Fiduciary Funds	15
12	Statement of Changes in Fiduciary Net Assets - Fiduciary Funds - Pension Trust Funds	16
	Notes to the Financial Statements	17

Required Supplementary Information

Law Enforcement Officers' Special Separation Allowance and	57
The Health Care Plan of Guilford County:	58
Schedule of Funding Progress	
Schedule of Employer Contributions	
Notes to the Required Schedules	

TABLE OF CONTENTS

Combining and Individual Fund Financial Statements and Schedules

Major Governmental Funds

Statement/ Schedule

General Fund

A-1	Schedule of Expenditures - Budget and Actual	61
-----	--	----

Capital Projects Funds

County Building Construction Fund:

A-2	Combining Schedule of Revenues and Expenditures	62
-----	---	----

A-2a	Schedule of Revenues and Expenditures - Budget and Actual (Budgetary Basis - Annually Budgeted Projects)	63
------	---	----

A-2b	Schedule of Revenues and Expenditures - Budget and Actual (Budgetary Basis - Project-Length Budgets)	64
------	---	----

Water and Sewer Construction Fund:

A-3	Combining Schedule of Revenues and Expenditures	65
-----	---	----

A-3a	Schedule of Revenues and Expenditures - Budget and Actual (Budgetary Basis - Annually Budgeted Projects)	66
------	---	----

A-3b	Schedule of Revenues and Expenditures - Budget and Actual (Budgetary Basis - Project-Length Budgets)	67
------	---	----

School Capital Outlay Fund:

A-4	Schedule of Revenues and Expenditures - Budget and Actual (Budgetary Basis - Project-Length Budgets)	68
-----	---	----

A-4a	Schedule of Expenditures - Guilford Technical Community College - Budget and Actual (Budgetary Basis - Project-Length Budgets)	69
------	---	----

A-4b	Schedule of Expenditures - Guilford County Board of Education - Budget and Actual (Budgetary Basis - Project-Length Budgets)	70
------	---	----

Nonmajor Governmental Funds

Special Revenue Funds

B-1	Combining Balance Sheet	73
-----	-------------------------	----

B-2	Combining Statement of Revenues, Expenditures and Changes in Fund Balances	74
-----	---	----

B-3	<i>Rural Fire Districts Fund</i> - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	75
-----	--	----

B-4	<i>Room Occupancy/Tourism Development Tax Fund</i> - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	76
-----	---	----

B-5	<i>Community Development Fund</i> - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budgetary Basis - Project-Length Budgets)	77
-----	---	----

Proprietary Funds

Internal Service Fund

C-1	Schedule of Revenues and Expenditures - Financial Plan and Actual (Non-GAAP)	79
-----	---	----

TABLE OF CONTENTS

Fiduciary Funds

Statement/ Schedule

Pension Trust Funds

D-1	Combining Statement of Net Assets	81
D-2	Combining Statement of Changes in Plan Net Assets	82

Agency Funds

D-3	Combining Statement of Assets and Liabilities	83
D-4	Combining Statement of Changes in Assets and Liabilities	84

Additional Financial Data

E-1	Analysis of Current Tax Levy	87
E-2	Schedule of Property Taxes Receivable	88
E-3	Analysis of Current Tax Levy - County-Wide Levy	89
E-4	Analysis of Current Tax Levy - County-Wide Levy - General Information	90
E-5	General Obligation Debt Service Requirements and Maturity Schedule	91

STATISTICAL SECTION

Table

Financial Trends

1	Schedule of Changes in Net Assets / Net Assets by Component - Last Ten Fiscal Years	93
2	Schedule of Changes in Fund Balances / Fund Balances - Governmental Funds - Last Ten Fiscal Years	95

Revenue Capacity

3	Assessed and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years	97
4	Property Tax Rates - Direct and Overlapping Governments (Per \$100 of Assessed Value) - Last Ten Fiscal Years	98
5	Principal Taxpayers - Current Year and Nine Years Ago	99
6	Property Tax Levies and Collections - Last Ten Fiscal Years	100

Debt Capacity

7	Ratios of Outstanding Debt by Type - Last Ten Fiscal Years	101
8	Direct and Overlapping Governmental Activities Debt - June 30, 2011	102
9	Legal Debt Margin Information - Last Ten Fiscal Years	103

Demographic and Economic Information

10	Demographic and Economic Statistics - Last Ten Fiscal Years	104
11	Principal Employers - Current Year and Nine Years Ago	105

Operating Information

12	Total County Government Employees by Function - Last Ten Fiscal Years	106
13	Operating Indicators by Function - Last Ten Fiscal Years	107
14	Capital Asset Statistics by Function - Last Ten Fiscal Years	108

Introductory Section

LETTER OF TRANSMITTAL



Guilford County

December 2, 2011

The Board of County Commissioners
and Mrs. Brenda Jones Fox, County Manager
Guilford County, North Carolina

The Comprehensive Annual Financial Report (CAFR) of Guilford County, North Carolina, for the fiscal year ended June 30, 2011, is hereby submitted. This report was prepared by the County's Finance Department and consists of management's representations concerning the finances of Guilford County. Responsibility for the reliability, completeness, and fairness of the presentation of all of the information presented in this report rests with the County. In order to provide a reasonable basis for making these representations, management of Guilford County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of Guilford County's financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Because the cost of internal controls should not outweigh their benefits, Guilford County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. I believe this financial report is complete and reliable in all material respects.

This report is divided into three sections:

The **Introduction** includes this letter of transmittal, Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting, a list of the County's principal officials, and an organizational chart of Guilford County government.

The **Financial Section** contains the independent auditor's report, Management's Discussion and Analysis, and the basic financial statements including the accompanying notes to the financial statements. In addition, there is required supplementary information presenting certain disclosures, combining and individual fund financial statements and schedules, and additional financial data.

The **Statistical Section** provides selected financial trends; revenue and debt capacity; and demographic, economic and operating information for the past ten years.

North Carolina General Statutes Chapter 15, the Local Government Budget and Fiscal Control Act, requires that units of local governments have an audit of their accounts including a complete set of financial statements presented in conformity with GAAP as soon as possible after the close of each fiscal year by a certified public accountant. The audited financial report is submitted to the Local Government Commission (LGC), which is established by statute to oversee local government financial affairs. The Commission is authorized to issue rules and regulations regarding such audits. The LGC approves all audit contracts for audits of units of local government. LGC policy requires audited financial reports to be submitted within four months of the end of the fiscal year. If the audited financial report is submitted later than five months after the end of the fiscal year the audit contract must be amended and that amendment approved by the LGC before final payment is made to the auditor.

LETTER OF TRANSMITTAL

Cherry, Bekaert & Holland, L.L.P., a firm of licensed certified public accountants, has audited Guilford County's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of Guilford County for the fiscal year ended June 30, 2011, 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 unqualified opinion that Guilford County's financial statements for the fiscal year ended June 30, 2011, 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 Guilford County was part of a broader, Federal and State of North Carolina mandated "Single Audit" designed to meet the special needs of Federal and State 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 reports are available in Guilford County's separately issued Single Audit Report.

As required by GAAP this CAFR includes all of the funds of the County and its component units, legally separate entities for which the County is financially accountable. The Greensboro/Guilford County Tourism Development Authority is a discretely presented component unit, which is reported separately within Guilford County's financial statements to emphasize it is legally separate from the primary government. Additional information on the Authority can be found in Note I. A. in the notes to the financial statements.

GAAP requires 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. Guilford County MD&A can be found immediately following the report of the independent auditors.

County Government Profile

In January of 1771, the North Carolina General Assembly passed an act creating Guilford County. The new county was named after Francis North, first Earl of Guilford, whose son Frederick was Prime Minister of Great Britain at the time of the county's creation. In 1779, the southern portion of Guilford was taken to form Randolph County, and six years later the northern part was cut off to create Rockingham County, leaving Guilford with its present dimensions. Guilford County, with a population of 488,406, is the most populous county of the Piedmont Triad region. The Piedmont Triad is a twelve county area with a population in excess of 1.6 million located in the north central portion of North Carolina between the Blue Ridge Mountains and the coastal plains. A moderate year-round climate enhances the life-style of the area. The County's 651 square miles contain ten municipalities including two of the state's nine largest cities.

The Board of County Commissioners is the chief administrative and policymaking body of Guilford County government, and consists of eleven members, nine of whom are elected from districts and two of whom are elected at-large. Board members serve four-year staggered terms. The Board chooses a Chairman and Vice Chairman from among its membership during its first meeting in December.

Major duties of the Board of County Commissioners include:

1. Adoption of an annual budget.
2. Establishment of an annual property tax rate for the County.
3. Appointment of various officials and the following County employees - County Manager, County Attorney, Finance Director, Tax Director and Clerk to the Board.
4. Regulation of land use and zoning outside the jurisdiction of incorporated municipalities.
5. Enactment of local ordinances.
6. Enactment of policies concerning the operation of the County.
7. Planning for County needs.

LETTER OF TRANSMITTAL

The Board of County Commissioners does not have complete authority over all the services provided by the County. Many County activities are administered by boards with varying degrees of autonomy and by elected officials who receive their instructions from laws passed by the General Assembly. Some examples are the boards of education, social services, health, mental health, elections, register of deeds, and sheriff. State law requires the Commissioners to appropriate funds in the areas of health, mental health, social services, and public schools. They must also provide for the operation of the offices of the Register of Deeds, Elections and the Sheriff, and are required to allocate funds for the building and maintenance of courtrooms and facilities to house county departments. In addition Guilford County provides services in the areas of emergency services, juvenile detention, planning and zoning, building inspections, animal control, and parks and recreation.

Guilford County was a pioneer among North Carolina counties when it adopted the county manager form of government in 1928. The County Manager is responsible to the Board for carrying out its policies and ordinances, administration of county affairs, and supervising and coordinating the activities of county departments.

Guilford County continues to have an excellent financial reputation receiving a AAA bond rating from Standard & Poor's Corporation, Aaa from Moody's, and AAA from Fitch IBCA on all of its outstanding bonded debt.

County Budget

The North Carolina Local Government Budget and Fiscal Control Act governs all local governments and their agencies in North Carolina. All moneys received or spent by local governments must be budgeted, disbursed and accounted for in accordance with this act. The annual budget serves as the foundation for Guilford County's financial planning and control. All departments and agencies of Guilford County are required to submit requests for appropriation to the Office of Budget and Management. The offices of Budget and Management and County Manager use these requests as the starting point for developing a proposed budget. The County Manager presents the proposed budget to the Board of County Commissioners by June 1. The Board of County Commissioners is required to hold a public hearing on the proposed budget and to adopt the budget ordinance making appropriations and setting the tax rate no later than July 1, the first day of Guilford County's fiscal year.

Appropriations in the various funds are formally budgeted on a departmental basis except for the Rural Fire District Fund appropriations, which are by rural fire tax district; and the Room Occupancy/Tourism Tax Fund, which is on a fund basis. The County Manager is authorized by the budget ordinance to make intrafund transfers of appropriations up to \$30,000 for each transaction, except that funds transferred cannot be used to create unauthorized positions or raise salaries. Each such transfer must be reported to the Board of Commissioners at its next regular meeting. Any revisions that alter total appropriations of any fund must be approved by the Board. All annual appropriations lapse at year-end and open encumbrances must be reappropriated in the following fiscal year's budget. Concurrent with the adoption of the annual budget ordinance the County approves a balanced financial plan for the Internal Service Fund. Any change in the financial plan during the year must be approved by the Board of County Commissioners. Guilford County appropriates funds for most capital projects and some grants through project and grant ordinances. This process is authorized under North Carolina law as an alternative to budgeting capital projects and grants in the annual budget ordinance. Under this process a project or grant ordinance is in effect as a legal appropriation until the project or grant is completed.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented on page 11 as part of the basic financial statements for the governmental funds. For other governmental funds with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, which starts on page 60. Also included in the governmental fund subsection are project-length budget-to-actual comparisons for each governmental fund for which a project-length budget has been adopted and a more detailed comparison of General Fund expenditures by department, the legally adopted control level. The proprietary fund subsection beginning on page 78 presents budget-to-actual comparisons of the approved financial plan for the Internal Service Fund.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which Guilford County operates.

LETTER OF TRANSMITTAL

Local economy. Guilford County generally enjoys a favorable economic environment, which until the recent recession has enjoyed consistent stable growth. While gross retail sales information is unavailable, comparable State taxable sales figures are available to approximate retail sales growth. Due to the national streamlined sales tax initiative, taxable sales are reported beginning in fiscal year 2006 rather than gross retail sales. State taxable sales for Guilford County increased 5.7% and declined 9.3% in fiscal years 2011 and 2010, respectively, after decreasing 8.0% and growing 1.5% respectively, in the two previous fiscal years. Taxable sales are \$5.36 billion for fiscal year 2011 as compared to \$5.07 billion in fiscal year 2010. Guilford County has a labor force of approximately 248,000. During the recent economic downturn, the Piedmont Triad region was affected more strongly than in the past due to the strong negative impact on traditional manufacturing industries. Guilford County's unemployment rate has historically been below both state and national averages, however, during 2001 this changed as the unemployment rate began to exceed the national average. The County's unemployment rate has exceeded the national average for fiscal 2010 and 2011. The unemployment rate for Guilford County was 10.8% for 2009 and 10.9% for 2010; the U.S. unemployment rate was 9.3% for 2009 and 9.6% for 2010. Guilford County's unemployment rate of 10.2% for the first six months of 2011 is above the U.S. and North Carolina rates of 9.0% and 9.8%, respectively. Announcements of layoffs in excess of one hundred employees per event by large service, financial, and manufacturing concerns have contributed to the increasing unemployment rate.

Guilford County's economy has continued to change and diversify. In 2010, manufacturing accounted for 13.7% of the County's 225,499 private sector jobs compared to 28.6% of the County's 214,346 jobs in 1980. Manufacturing jobs have declined significantly in furniture and textiles but have shown growth in computer and electronic products, electrical equipment, and transportation equipment. Major employers with headquarters or divisions within Guilford County include semiconductor, communications, chemical, bus, truck, pharmaceutical, insurance, aircraft maintenance, healthcare, real estate development, and distribution services. The County is home to two state universities, five private colleges, a private school of law, and a community college with a total enrollment exceeding 50,000 students.

FedEx (formerly Federal Express) completed construction at Piedmont Triad International Airport ("PTIA") of its fifth national hub, FedEx Mid-Atlantic Hub. The first phase of the \$300 million Hub became operational in June 2009. Full regional hub operations are slated to begin in the future. FedEx has more than 200 workers in Phase I, with a planned expansion to a total of 1,500 workers. A 9,000-foot runway was constructed at PTIA to accommodate the FedEx hub.

Honda Aircraft Company has located its world headquarters and production facility at PTIA. The company currently occupies an administrative building and its World Research and Development Center at PTIA and completed construction of its 263,400 square-foot production hangar in the first half of 2011. The company employs approximately 650 workers with expected employment of nearly 1,000 when the plant reaches full production in late 2012. The delivery of the first \$4.5 million HondaJet is projected to be in mid-2013, with a planned yearly production of 80 to 100 jets. The City of Greensboro (Greensboro) and the County approved incentives totaling approximately \$1.295 million in August 2011 toward the location of an \$80 million HondaJet service and support center that could employ more than 400 workers over the next five years.

FedEx Ground opened in 2011 the company's \$100 million distribution hub on its 125 acre, \$13.3 million site in Triad Business Park. The 400,000 square-foot ground shipping hub opened with approximately 550 full and part-time employees and 200 independent contractors. The operation could employ 1200-1400 full and part-time workers by 2021, including independent contractor drivers.

American Express confirmed in May 2010 that it would invest up to \$600 million in construction of a data center on two sites near Interstate 40 at Rock Creek Dairy Road. According to public records, American Express has spent nearly \$16 million to acquire more than 340 acres on both sides of Interstate 40/85 as of early June 2011. The main data center building is under construction on the largest 194 acre site and will cover 510,000 square feet. A backup data center will be built across the interstate on three parcels totaling 135 acres. Initially, the data center should employ 50 to 60 people, but that number could grow to 150.

Mack Trucks, Inc., one of North America's largest producers of heavy-duty trucks, celebrated the grand opening of its new world headquarters in Greensboro in September 2009. As of December 2010, 436 employees had been hired and \$15.9 million is expected to be invested by the end of 2012.

LETTER OF TRANSMITTAL

Moses Cone Health System announced in May 2009 a \$208.5 million project to expand and renovate its hospital. The project will add a six-story, 243,107 square-foot tower along with the redesign of 87,000 existing square feet, expand the emergency department by 48,000 square feet, renovate its operating rooms and relocate the hospital's main entrance. Construction began in March 2011 and is expected to be finished by October 2015.

Machine Specialties, Inc. ("MSI"), a leading full-service contract machining and metal finishing specialist that primarily serves the aerospace, defense, and medical industries, moved its operations to a 165,000 square-foot facility in Rock Creek Center in the eastern portion of Greensboro in October 2010. The company plans to double its sales and add 145 new employees by 2015.

Ameritox, Ltd., specializing in pain prescription monitoring, began operations in June 2010 in a new 70,000 square-foot laboratory and material analysis facility in Greensboro. The company plans to upfit an existing building to accommodate its operations. The company plans to invest \$26 million and hire approximately 228 people. The company has hired 150 employees to date.

Laboratory Corp. of America Holdings, Inc. ("LabCorp") opened its new billing operations office in Greensboro in 2010. The company plans to invest nearly \$4 million and create 373 jobs over the next three years. Nearly \$900,000 in incentives were offered by the State, Greensboro, and the County, with the County approving a \$248,791 incentive plan.

Solstas Lab Partners (formerly Carilion-Spectrum) added 106 jobs in 2010. In March 2010, Greensboro-based Spectrum Laboratory Network and Roanoke, Virginia's Carilion Labs merged to form one of the nation's Top 10 laboratory companies. The newly merged company has dual headquarters (one in each city).

Greensboro's Gateway University Research Park, a joint venture involving NC A&T University and UNC-Greensboro, recently received more than \$60 million in State funding for its Joint School of Nanoscience and Nanoengineering, a graduate school focusing on nanobioscience, nanotechnology and environmental nanoscience. The park is comprised of two 75-acre campuses. When fully developed, the park is expected to employ 2,000 people and contribute an expected \$50 million into the local economy each year.

O'Reilly Automotive, Inc., one of the top five auto parts retailers in the U.S., opened an East Coast distribution facility in Greensboro in May 2009. The facility is in a new 300,000 square-foot speculative building in McConnell Center adjacent to I-40/85. The company plans to invest \$41.7 million over three years and create 360 new jobs. The company has hired 230 full-time employees to date.

The City of High Point has continued to experience growth in its downtown as well as in outlying areas with \$74.9 million of commercial additions or expansions, while creating or announcing 2,256 jobs in 2010. The arrival of the FedEx hub at PTIA and the new U.S. 311 Bypass in High Point are two important attractions for business.

High Point University announced in 2010 a \$2.1 billion, 10-year expansion and upgrade plan that includes a \$70 million School of Health and Science proposed to open in 2014, and a \$60 million basketball arena. The University purchased an 800,000 square-foot mall for \$9 million and a vacant 4-acre mall outparcel with a tax value of \$3.14 million in February and June 2011, respectively. During the 2009-2010 academic year, the University added 115 full-time equivalent jobs.

High Point Regional Health System has requested State approval for \$56.3 million in construction work that includes the renovation and expansion of the hospital's operating rooms and upgrades to its building infrastructure. Construction could start in early 2012 and be completed by June 2014, subject to State approval.

Tyco Electronics added 125 jobs to its High Point workforce in 2010. The company has a manufacturing facility and a distribution center occupying its two adjacent buildings on its High Point campus on Piedmont Triad Parkway.

Polo Ralph Lauren Corporation established its third major distribution/logistics facility in High Point in April 2011 that could add up to 400 jobs over a five year period. The new 343,000 square-foot facility could add up to \$21 million to High Point's tax base during these five years.

LETTER OF TRANSMITTAL

Long-term financial planning. The County broke ground in November 2009 on a new 1,000-bed jail facility in Greensboro to address overcrowding. In May of 2008, the voters authorized \$114.6 million general obligation bonds for this purpose as well as \$457.3 million for school and \$79.5 million for community college facilities. In March 2010, the County issued new general obligation debt of \$7.5 million of the remaining park bonds from a 2004 referendum and \$157.5 million of the bonds approved in 2008 for jail, school and community college facilities. Plans call for the issue of the remaining \$347.3 million of authorized 2008 bonds over the next two or three fiscal years, depending on school needs. The remaining authorized/unissued bonds for schools, GTCC and jail are \$267.3 million, \$29.9 million and \$50.1 million, respectively.

The County entered into contracts with Lawson Software, Inc. and Sunguard Treasury in February 2006 for implementation of new ERP financial and human resources software with an overall budget of \$5.3 million including related hardware and other costs. The system has been implemented in phases from the latter part of 2006, with the Lawson payroll system placed in service in March 2010. In conjunction with the payroll phase, the County implemented the KRONOS Incorporated time and attendance workforce management system to supplement Lawson payroll at an additional \$0.7 million. More recently, the County has begun a \$0.5 million upgrade to the newest version of the Lawson system, scheduled for completion during FY2012. The County contracted with Intelligent Information Systems in association with the North Carolina Association of County Commissioners' Collaborative Property Tax Systems for land records, appraisal, billing and collections software prior to the next reappraisal as of January 1, 2012. The project budget is \$2.3 million with the land records and appraisal system implemented March 2010 while the billing and collections go live was on July 5, 2010.

The County has historically provided post-retirement healthcare benefits to retirees meeting certain eligibility requirements as more fully described under the Pension and other post employment benefits heading below. However, in an effort to address the long-term costs of this benefit, the Board of County Commissioners has voted to discontinue all retiree health insurance eligibility for employees hired on or after July 1, 2009. A retirement health savings plan administered by ICMA with defined contributions that provide better control of costs has replaced this benefit for new employees. In addition, the County has begun funding the annual required contribution (ARC) for the healthcare plan beyond the historical pay-as-you-go amounts by contributing \$2 million during fiscal years 2011 and 2010 to an irrevocable trust. Another \$2 million is budgeted for fiscal year 2012. The positive financial impact of these changes is apparent in the most recent actuarial valuation report dated December 31, 2009. The ARC has decreased from the previous report by \$6 million while the unfunded actuarial accrued liability has decreased by \$73.2 million, to \$16.7 million and \$216.1 million, respectively.

The unassigned (previously undesignated) fund balance of the General Fund at fiscal year end stood at 9.52% of the subsequent year's budget which exceeds the minimum of 8% set as a policy guideline by the Board of County Commissioners.

Cash management policies and practices

Cash temporarily idle during the year was invested in fully insured or collateralized certificates of deposit, obligations of the U.S. Treasury and various Federal and N.C. State Agencies, prime quality commercial paper and bankers' acceptances, and demand deposits in a State authorized money-market mutual fund whose portfolio consists of the types of instruments noted above. Investment income includes changes in the fair value of investments year-over-year. Changes in fair value during the current year, however, do not necessarily represent trends; nor are such amounts usually realized, especially in the case of temporary changes in the fair value of investments that Guilford County intends to hold to maturity. Interest earnings on investments only for the fiscal year ended June 30, 2011 were \$1.9 million on an average invested balance of \$419.3 million.

Risk management

The County protects itself from the potential financial losses from the various risks it is exposed to using a combination of risk financing methods, which are accounted for in an Internal Service Fund. The County's insurance program consists of liability, property, workers' compensation, and employee healthcare coverage. The program consists of a combination of County funding, insurance and participation in Local Government Excess Liability Fund, Inc. and the Local Government Property Insurance Deductible Fund, Inc. Additional information on Guilford County's risk management activity can be found in Note IV. E. of the notes to the financial statements.

LETTER OF TRANSMITTAL

Pension and other post employment benefits

Guilford County provides pension and death benefits for its employees through the statewide North Carolina Local Governmental Employees' Retirement System (LGERS). LGERS is a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. Guilford County has no obligation in connection with employee benefits offered through this plan beyond making the required contributions as set by the North Carolina General Assembly. The contribution rate of 6.42% of salary for general employees and 6.41% for Law Enforcement employees was increased to 6.95% and 7.04%, respectively beginning July 1, 2011.

Guilford County administers a public employee retirement plan, the Law Enforcement Officers' Special Separation Allowance, a single-employer defined benefit pension plan that provides benefits to the County's qualified sworn law enforcement officers. The County is required to provide these benefits by the North Carolina General Statutes (Statutes).

The County contributes to the Supplemental Retirement Income Plan of North Carolina, a defined contribution pension plan administered by the North Carolina Department of State Treasurer and a Board of Trustees. All employees, who are currently members of a state-administered retirement plan, are eligible to participate from their date of employment. The authority to establish and amend benefits rests with the North Carolina General Assembly. The Statutes require that the County contribute monthly 5% of each law enforcement officer's qualified salary. The County has also elected to contribute this amount for all other eligible employees. Employees may also make additional contributions to the plan in accordance with Internal Revenue Service Code Section 401k.

Guilford County also contributes to the Registers of Deeds' Supplemental Pension Fund (Fund), a noncontributory, defined contribution pension plan administered by the North Carolina Department of State Treasurer. The Fund provides supplemental benefits to any county Register of Deeds who is retired under the Local Governmental Employees' Retirement System or an equivalent locally sponsored plan. The authority to establish and amend benefits rests with the North Carolina General Assembly. The County is required to remit 1.5% of certain statutory fees collected by the Register of Deeds monthly to the Fund.

Guilford County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits employees to defer a portion of their salary until future years. All assets and income of the plan are in a trust for the exclusive benefit of the participants and their beneficiaries.

Guilford County also provides post-retirement healthcare benefits through its healthcare plan to retirees of the County who participate in the North Carolina Local Governmental Employees' Retirement System and their dependents. (The Board of County Commissioners has voted to discontinue all retiree health insurance eligibility for employees hired on or after July 1, 2009.) The benefit premium charged is the same as for current employees. The County's contribution toward the employer's portion of the premium is determined by the number of years of creditable service. Retirees with less than 20 years creditable service must pay the entire employer's share of the premium in addition to the employee's share. The County pays 50% of the employer's premium for retirees with 20 to 25 years of service, 75% for retirees with 25 to 30 years, and 100% of the employer's premium for retirees with 30 or more years of service and former Commissioners. All but five years of creditable service must be with Guilford County. As of the end of the current fiscal year, these benefits were mostly financed on a pay-as-you-go basis except that \$2 million was contributed to the Guilford County Local Government Other-Post Employment Benefit (OPEB) Trust, an irrevocable trust, established by the County on June 16, 2011, to meet the requirements of the governmental accounting standards and IRS regulations as required when the North Carolina General Assembly changed the North Carolina State Treasurer's Local Government Other Post-Employment Trust Fund from an irrevocable trust fund to an investment fund. Another \$2 million is budgeted in fiscal year 2012 to further fund the OPEB Trust in excess of pay-as-you-go.

Additional information on Guilford County's pension arrangements, postemployment and other employment benefits can be found in Notes IV A.-D. of the notes to the financial statements.

LETTER OF TRANSMITTAL

Awards and Acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Guilford County for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2010. This was the thirtieth consecutive year that Guilford County has received this prestigious award. In order to be awarded a Certificate of Achievement a governmental unit must publish an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express my appreciation to all members of the department who assisted and contributed to the preparation of this report. I would also like to thank the members of the Board of County Commissioners and County Management for their interest and support in planning and conducting the financial operations of the County in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in black ink that reads "N. Reid Baker III". The signature is written in a cursive style with a distinct "III" at the end.

N. Reid Baker III, CPA
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Guilford County
North Carolina

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

PRINCIPAL OFFICIALS

Board of County Commissioners

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Chairman

Linda O. Shaw
Vice Chairman

Bill Bencini

Kay Cashion

Carolyn Q. Coleman

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Kirk Perkins

Mike Winstead, Jr.

Billy Yow

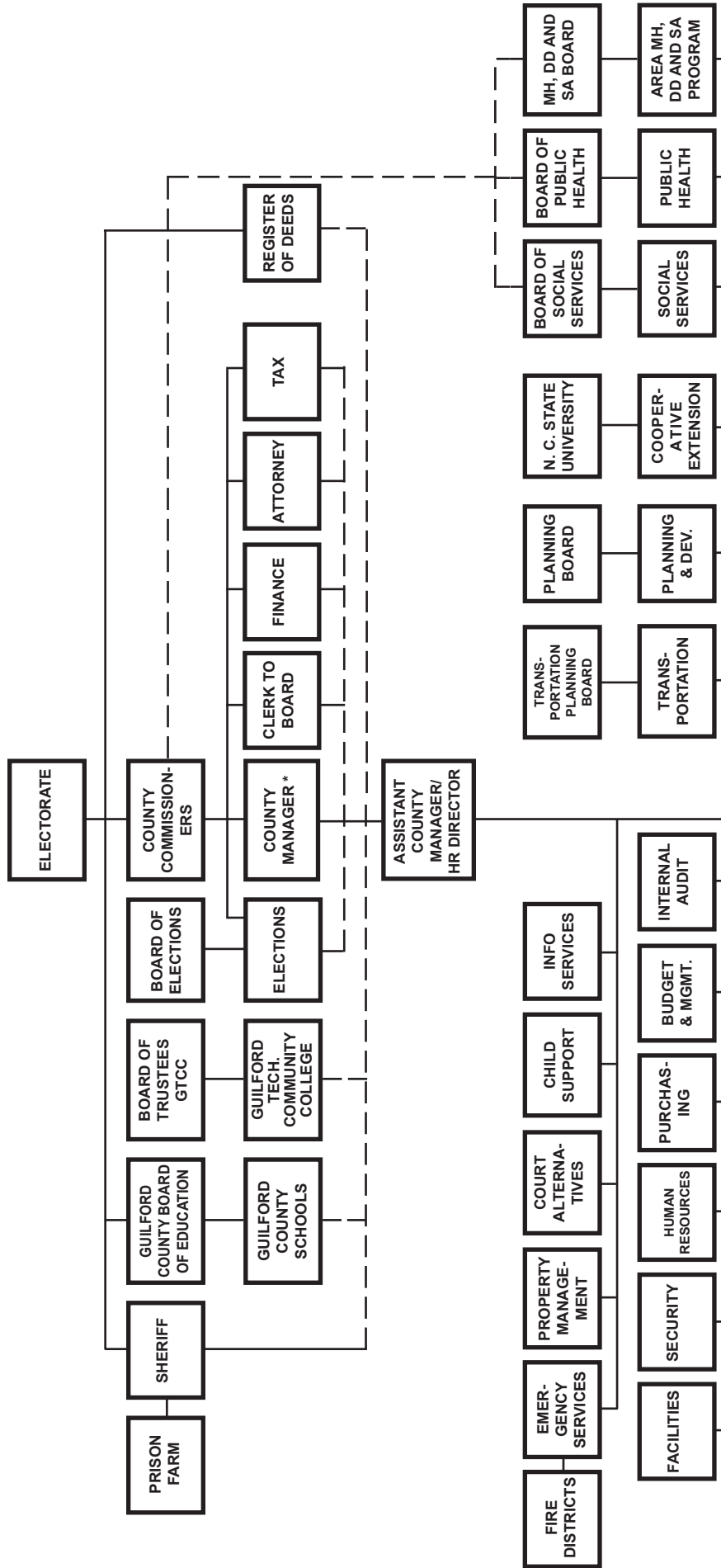
County Manager

Brenda Jones Fox, CPA

Finance Director

N. Reid Baker III, CPA

2010-11 ORGANIZATIONAL CHART GUILFORD COUNTY, NORTH CAROLINA



* Information from any source for the Board of Commissioners regarding County policy and substantial fiscal matters is generally through the County Manager, the chief administrative officer of the County on behalf of the Board.

NOTE: Dotted line denotes substantial fiscal and/or appointive control. As shown above, the Assistant County Manager/HR Director serves in a coordinative capacity regarding the activities of the agencies shown.

Financial Section



Independent Auditors' Report

The Board of County Commissioners
Guilford County, North Carolina

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Guilford County, North Carolina (the "County"), as of and for the year ended June 30, 2011, which collectively comprise the County's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Greensboro/Guilford County Tourism Development Authority were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

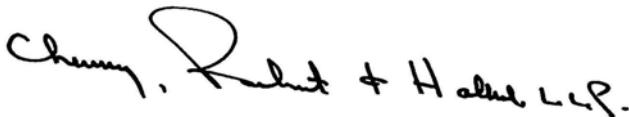
In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2011 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Required Supplementary Information as listed in the Table of Contents be presented to supplement information to 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 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund statements and schedules, and the additional financial data as listed in the accompanying Table of Contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules, and the additional financial data are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

CHERRY, BEKAERT & HOLLAND, L.L.P.

A handwritten signature in black ink that reads "Cherry, Bekaert & Holland L.L.P." in a cursive, slightly slanted script.

Raleigh, North Carolina
December 2, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Guilford County, we are presenting to the readers of Guilford County's financial statements this narrative overview and analysis of the financial activities of Guilford County for the fiscal year ended June 30, 2011. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the Introductory Section of this report on pages i - viii.

Financial Highlights

Government-Wide

- The liabilities of Guilford County exceeded its assets at the close of the most recent fiscal year by \$321.7 million (net assets).
- The County's total net assets decreased by \$69.3 million compared to the prior year. This decrease is attributable to spending on education capital projects. The County issues general obligation debt to fund school and community college construction and for which it remains responsible until the bonds are paid. The County School system and community college (separate entities) are the owners of the facilities (assets) that are renovated or constructed from the proceeds. Because the County has no corresponding asset to offset the liability it has incurred, the County's net assets are reduced.
- The County's decrease in net assets was significantly less than the \$84.3 million spent on Education capital assets net of dedicated revenues which indicates that the remainder of the County's activities generated offsetting increases in net assets of approximately \$15 million.
- The County's outstanding debt decreased by \$39.8 million to \$806.7 million during the fiscal year, while its investment in capital assets increased by \$53.1 million to \$230.3 million.

The County's Funds

- At the fiscal year end, Guilford County's governmental funds reported a combined fund balance of \$303 million, a decrease of \$150.5 million from the previous fiscal year end. Approximately 66% of this combined fund balance, or \$199.8 million, is non spendable or restricted. The major decreases occurred in the County Building Construction, Water and Sewer Construction and School Capital Outlay Funds from capital outlay expenditures funded mainly from the issuance of bonds during the prior fiscal year.
- The fund balance of the County's General Fund decreased by \$7.3 million as expenditures exceeded revenues by \$0.9 million while net other financing sources and uses reduced the amount by another \$6.4 million.
- The unassigned fund balance for the General Fund (the County's major operating fund) increased by \$1.9 million to \$55.2 million at fiscal year end equaling 10.2% of the total General Fund expenditures for the year.

Guilford County maintained its AAA, Aaa and AAA ratings assigned to all issues from Standard & Poor's Corporation, Moody's and Fitch IBCA, respectively.

Overview of the Financial Report

This section, *management's discussion and analysis* along with the transmittal letter is intended to serve as an introduction to Guilford County's basic financial statements. Guilford County's basic financial statements contain three parts — two kinds of statements that provide two different views of the County, 1) government-wide financial statements and 2) fund financial statements, along with 3) the notes to the financial statements. The report also contains other supplementary information.

Government-wide financial statements. The two *government-wide financial statements* are designed to provide readers with a broad overview of Guilford County's finances as a whole, using accounting methods that are similar to private-sector businesses.

1. The *statement of net assets* presents information on all of Guilford County's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of Guilford County is improving or deteriorating.

MANAGEMENT'S DISCUSSION AND ANALYSIS

2. The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. This statement accounts for all of the year's revenues and expenses without regard as to when cash is received or paid. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements are divided into three categories: governmental activities, business-type activities and component units.

Governmental activities - Governmental activities are those functions of the County that are principally supported by taxes and intergovernmental revenues. The governmental activities of Guilford County include general government, human services, public safety, environmental protection, culture - recreation, economic development and assistance, education, and interest on long-term debt.

Business-type activities - Business-type activities are intended to recover all or a significant portion of their costs through user fees and charges. Guilford County has no business-type activities to report.

Component Units - The government-wide financial statements include not only Guilford County (*known as the primary government*), but also Greensboro/Guilford County Tourism Development Authority, a legally separate entity for which Guilford County is financially accountable. Financial information for this *component unit* is reported separately within the government-wide financial statements from the financial information presented for the primary government.

The government-wide financial statements can be found on pages 5 and 6 of this report.

Fund financial statements. 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. Guilford County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Guilford County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. The fund financial statements provide more detailed information about the County's most significant funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Guilford County maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and three capital projects fund types—the County Building Construction Fund, Water and Sewer Construction Fund, and School Capital Outlay Fund—all of which are considered to be major funds. Data from the other three governmental funds are combined into a single, aggregated presentation under other governmental funds.

Guilford County adopts an annual appropriated budget for most of its governmental funds. A budgetary comparison statement with expenditures presented at the functional level has been provided for the General Fund on page 11 as part of the basic financial statements.

The basic governmental fund financial statements can be found on pages 7-11 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Proprietary funds. There are two different types of proprietary funds. *Enterprise funds* are used to report those functions that are presented as business-type activities in the government-wide financial statements. Guilford County has no enterprise funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among Guilford County's various functions. Guilford County uses an internal service fund to account for its risk management services. Because this service only benefits governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements. The internal service fund is presented in the proprietary fund financial statements, which can be found on pages 12-14 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support Guilford County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Guilford County has two types of fiduciary funds—two pension trust funds and four agency funds.

The basic fiduciary fund financial statements can be found on pages 15 and 16 of this report.

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 can be found on pages 17-54 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information regarding Guilford County's progress in funding its obligations to provide certain pension benefits to its qualified sworn law enforcement officers and other postemployment health care benefits to its retirees and their dependents. This supplementary information is required by generally accepted accounting principles and can be found on pages 57 and 58 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Guilford County, net assets are negatively impacted by the fact that the County issues debt to fund the construction of capital assets that become the assets of other governmental entities upon completion. The County issues general obligation debt to fund the majority of the cost of constructing these assets. Liabilities exceeded assets by \$321.7 million at the close of the most recent fiscal year (*net assets*). Comparative information for net assets for the primary government is shown below in summarized form (see Table A-1).

Table A-1
GUILFORD COUNTY'S Net Assets
(Primary Government)

	Governmental Activities	
	2011	2010
Current and other assets	\$ 401,016,230	530,465,408
Capital assets	230,262,743	177,243,898
Total assets	631,278,973	707,709,306
Long-term liabilities outstanding	878,750,603	909,074,406
Other liabilities	74,207,721	50,975,255
Total liabilities	952,958,324	960,049,661
Net assets:		(Reclassified)¹
Invested in capital assets, net of related debt	129,476,162	122,628,297
Restricted	83,633,468	143,817,796
Unrestricted	(534,788,981)	(518,786,448)
Total net assets (liabilities)	\$ (321,679,351)	(252,340,355)

¹ FY2010 has been reclassified in accordance with Governmental Accounting Standards Board Statement No. 54.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The largest portion of Guilford County's net assets reflects its investment in capital assets (e.g., land, buildings, improvements, machinery and equipment, vehicles, and intangibles), less any related outstanding debt used to acquire those assets. Guilford County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending.

Although Guilford County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Guilford County, along with many other counties in North Carolina, issues debt to fund school facilities that become assets of the school district and community college facilities that become property of the community college. In addition, Guilford County issues debt to fund water and sewer lines that become assets of various municipalities. 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, 2011 include outstanding general obligation debt of \$668.3 million related to funding these non-county assets. This represents 86.1% of the County's outstanding general obligation debt. Because the County does not retain the related assets, this debt liability (less any unspent proceeds) reduces the County's total net assets and presents a less favorable picture as compared to governments that do not extensively fund the capital assets of other governmental entities. Comparative information for changes in net assets for the primary government is shown below (see Table A-2).

Table A-2
Changes in GUILFORD COUNTY'S Net Assets
(Primary Government)

	Governmental Activities	
	2011	2010
Revenues		
Program revenues		
Charges for services	\$ 42,751,119	44,818,837
Operating grants and contributions	104,939,842	99,281,078
Capital grants and contributions	1,278,171	2,858,701
General revenues		
Taxes:		
Property taxes for general purposes	329,943,639	329,355,109
Property taxes for fire districts	9,757,611	9,661,209
Sales taxes for general purpose	47,569,194	48,136,070
Sales taxes for fire districts	1,774,385	1,781,560
Sales taxes for school capital/debt	13,199,538	12,832,284
Occupancy taxes for tourism development	4,084,391	3,853,035
Other taxes	2,254,817	2,288,011
Grants and contributions not restricted	3,474,304	2,841,217
Unrestricted investment earnings	3,151,886	1,289,848
Other	6,045,727	257,879
Total revenues	570,224,624	559,254,838
Expenses		
General government	43,193,135	40,228,036
Human services	165,311,991	167,271,667
Public safety	101,857,575	102,286,880
Environmental protection	1,317,107	1,293,411
Culture and recreation	5,847,964	6,662,104
Economic development/urban redevelopment	21,510,154	6,810,880
Education	274,154,519	251,720,561
Interest on long-term debt	26,371,175	22,513,943
Total expenses	639,563,620	598,787,482
Changes in net assets	(69,338,996)	(39,532,644)
Net assets (liabilities) at beginning of year	(252,340,355)	(212,807,711)
Net assets (liabilities) at end of year	\$ (321,679,351)	(252,340,355)

MANAGEMENT'S DISCUSSION AND ANALYSIS

As noted in the highlights Guilford County's net assets decreased \$69.3 million during the current fiscal year primarily as a result of providing funding for school and community college facilities from bond proceeds and other sources. The expenses under the education activity include \$87.2 million in capital spending with \$72.7 million for school facilities and \$14.5 million for community college facilities.

Aspects of the County's financial operations that influenced the change in the County's net assets include:

- Guilford County's activities would increase net assets if the expenses related to capital funding provided to outside entities and debt and restricted revenue supporting these expenses were eliminated.
- Program revenues covered 23.3% of program expenses, decreasing from 24.5% last year.
- Program revenues totaled \$149 million increasing by \$2 million over the previous year. Operating grants from the State and Federal government increased relative to the prior year \$5.7 million to \$104.9 million. Charges for services and capital grants and contributions decreased \$2.1 million to \$42.8 million and \$1.6 million to \$1.3 million, respectively. Mental Health charges for services were down \$2 million while capital grants and contributions were due mainly to fewer donations of park properties in the current year. General revenues totaled \$421.3 million increasing by \$9 million over the previous year. Property tax revenue remained steady at \$339.7 million, up only \$0.7 million. Sales tax revenue also remained steady at \$62.5 million, down only \$0.2 million. Investment income increased \$1.9 million due mainly to a \$1.3 million increase in fair value of interest rate swaps entered into in connection with variable-rate general obligation bonds. Other revenues increased \$5.8 million due to the gain on sale of surplus County properties. The remaining general revenues increased only \$0.8 million, or 9.3% primarily from unrestricted grants.

Figure A-1

**Guilford County
Sources of Revenue
Fiscal Year 2011**

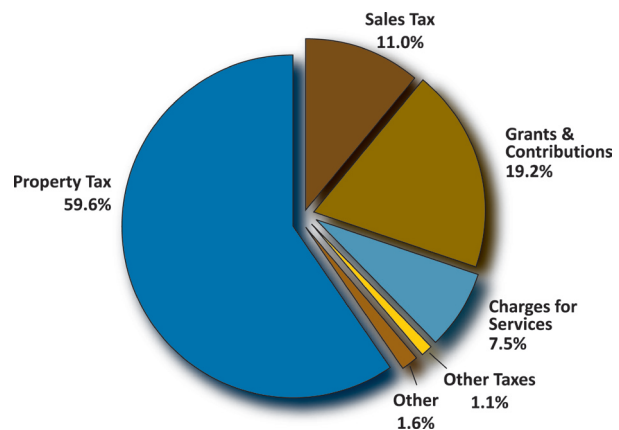
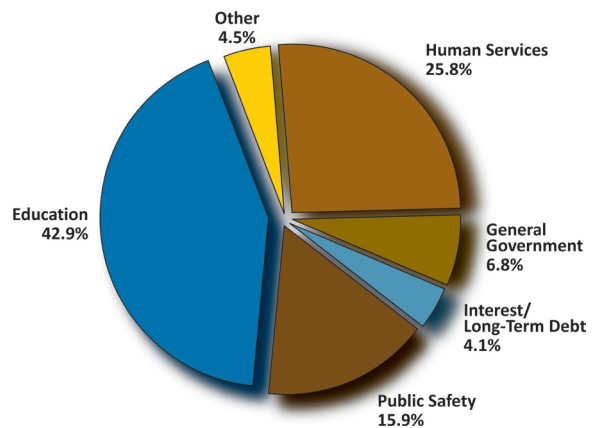


Figure A-2

**Guilford County
Functional Expenses
Fiscal Year 2011**



- Expenses increased 6.8% or \$40.8 million to \$639.6 million. Education expenses were up \$22.4 million or 8.9% due to an increase in capital funds expended by the schools and community college as operating funds remain unchanged. Economic development expenses increased \$14.7 million due mainly to an estimated payable due the City of Greensboro who terminated a joint water and sewer funding agreement effective December 31, 2010. The agreement requires one-half the remaining funds go to the County and the City upon termination. Interest on long-term debt increased \$3.9 million to \$26.4 million, up 17.1%. General government expenses increased \$3 million or 7.4% while human services expenses decreased \$2 million or 1.2%. These changes in expenses are due principally to the same changes in governmental fund expenditures

MANAGEMENT'S DISCUSSION AND ANALYSIS

that are more fully discussed under this section. In addition, \$1 million of the increase in general government expenses were due to governmental fund personnel costs that were capitalized as software in the prior year.

- Net assets decreased \$69.3 million, a \$29.8 million or a 75.4% greater decline than the previous year, due to the increase in capital funding provided to outside entities. Increases in program and general revenues less increased expenses other than capital funding provided to outside entities continues to generate net assets.

Financial Analysis of the Government's Funds

As noted earlier, Guilford County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of Guilford County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Guilford County's financing requirements. In particular, fund balance available for appropriation may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Guilford County's governmental funds reported combined ending fund balances of \$303 million, a decrease of \$150.5 million in comparison with the prior year. Most of the decrease is attributable to the current expenditure of general obligation bonds issued in the prior year for school and other capital projects. The fund balance available for appropriation, which is not reserved under North Carolina general statutes, makes up 78.4% of the total or \$237.6 million. The remainder of fund balance is reserved to indicate that it is not available for general purposes because it is legally restricted or has been contractually committed: (1) non spendable prepaid expenses and inventories (\$0.5 million), (2) to liquidate contracts and purchase orders of the prior period (\$27.8 million), or (3) reserved under other state statutory requirements (\$37.1 million). Approximately \$134.4 million of the available fund balance is restricted for a specific purpose, mainly capital, while another \$18.7 million has been committed for a specific purpose, again mainly capital. Assigned fund balance of \$31 million has for the most part been appropriated in the FY2012 budget or assigned towards capital projects. The unassigned fund balance totals \$53.5 million.

The General Fund is the chief operating fund of Guilford County. At the end of the current fiscal year, fund balance available in the General Fund was \$92.3 million, down \$4.9 million, while total fund balance declined to \$132.3 million. Fund balance may be available for restricted, committed, assigned or general purposes. As a measure of the General Fund's liquidity, it may be useful to compare both available fund balance and total fund balance to total fund expenditures. Available fund balance represents 17% of total General Fund expenditures, while total fund balance represents 24.4% of that same amount. The Local Government Commission (LGC), which is established by statute to oversee local government financial affairs, has recommended that the General Fund undesignated fund balance (as defined prior to GASB Statement No. 54) be maintained at a minimum level of eight percent of the subsequent year's budget. This undesignated fund balance, or Guilford County's current unassigned fund balance of \$55.2 million is equal to 9.52% of the fiscal year 2011-12 General Fund budget.

The fund balance of Guilford County's General Fund decreased \$7.3 million during the current fiscal year. Revenues of \$541.3 million were under expenditures by \$0.9 million and other financing sources and uses reduced the amount by another \$6.4 million. Revenue increased by \$1.8 million, a 0.3% increase over last fiscal year. General Fund revenue activities are as follows:

- Property tax revenue remained steady at \$329.2 million, as assessed values and the County-wide tax rate remained steady at \$44.9 billion and \$.7374 per hundred of assessed value, respectively.
- Sales tax revenue in the General Fund remained steady at \$60.8 million as increased taxable retail sales of \$291.3 million or 5.75% were offset by the effects of the State of North Carolina Medicaid Relief Legislation which provided a phase out of one-quarter cent (¼¢) sales tax during the prior fiscal year.

MANAGEMENT'S DISCUSSION AND ANALYSIS

- Excise tax revenue remained down due to the slumping real estate market although stable compared to the prior two fiscal years.
- Charges for services decreased \$0.9 million, down 2.4%. The most significant decrease was in Mental Health for \$2 million due to reduced client fees that generally go to service providers. Less significant were decreases in Elections and Law Enforcement of \$0.4 million and \$0.5 million, respectively. Decreased revenues in some departments were mostly offset by increases in others. The significant increases were in Public Health and Emergency Services by \$0.3 million and \$1.6 million, respectively. Emergency Services ambulance fees increased to provide some of the EMS increase.
- Intergovernmental revenue increased \$5 million, up 5%. Most of the change related to Mental Health by \$3 million, Education with increases in State Lottery funds used to support school debt service in the Debt Service Department by \$0.3 million as well as Federal interest rebates of \$1.2 million. The remaining net increase was spread over several departments.
- Investment income for the General Fund decreased by \$1.3 million or 45.2% due to continued record low interest rates decreasing yields on invested balances.
- Other revenues decreased \$0.9 million, down 15.6%. The most significant decrease was in Emergency Services for \$0.6 million for planned reductions of joint funding refunds for County 911 staff by transferring these County employees and related costs to Guilford Metro 9-1-1 operated by the City of Greensboro during the prior year.

General Fund expenditures were \$542.2 million, decreasing \$0.3 million or 0.1% from last year. Highlights of significant areas of change include:

- Debt service costs increased \$3.7 million or 5.9% due mainly to principal and interest costs associated with recent debt issues partially offset by decreased legal and issuance costs as no bonds were issued in fiscal year 2011.
- General Government expenditures increased \$2.2 million, up 5.6% due mainly to increases in Information Services of \$1.1 million, most of which was for new VoIP phones throughout the County. County Attorney departmental expenditures were up \$0.4 million while other even smaller increases netting to \$0.7 million generally were spread among several other departments.
- Education expenditures decreased \$5.5 million or 2.9% due partly to a change in the method of funding annual capital allocations from departmental appropriations to transfers out to the School Capital Outlay Fund. The change effectively reduced the Guilford County Schools annual capital allocation by \$0.8 million and held steady the Guilford Technical Community College annual capital allocation. The operating allocations remained equal to the FY2010 amounts.
- Public Safety expenditures increased only \$0.7 million to \$83.6 million, a 0.9% increase due mainly to increased Law Enforcement expenditures. The increase was primarily due to \$1.5 million additional personnel costs offset by reduced supplies and materials, service and capital asset costs.
- Human Services expenditures decreased \$1.5 million, down 1.0% due to decreased Public Health expenditures spread generally among all costs but mainly personnel and service costs.
- Culture - Recreation expenditures decreased \$0.9 million and were generally offset by increased Economic Development and Assistance incentive payments of \$1 million.

The other major governmental funds are the following three capital outlay funds: County Building Construction, which primarily handles capital projects in which the assets are retained entirely or in part by the County; Water and Sewer Construction Fund, which funds the construction of water and sewer lines and facilities which are transferred to the cities and towns upon completion; and School Capital Outlay Fund which funds the construction of school buildings and facilities for the Guilford County Board of Education and Guilford Technical Community College.

The County Building Construction Fund fund balance decreased \$50.2 million. Revenue and other sources included \$0.7 million from several revenues, \$2 million transfers in from the General Fund towards pay-as-you-go funding of capital projects and \$7.4 million from the sale of surplus County property. Expenditures

MANAGEMENT'S DISCUSSION AND ANALYSIS

of \$60.4 million included general government projects of \$1.1 million mainly for new financial and tax system implementations; human service projects included \$7.6 million for the new Social Services facility in High Point; public safety projects included \$49.8 million for the Guilford County Detention Center and \$0.3 million for the Rock Creek EMS Base Station projects; while park projects with total expenditures of \$1.4 million included expenditures for park improvements, greenways and open space acquisitions.

The Water and Sewer Construction Fund fund balance decreased \$13.6 million as revenues of \$2 million from fees and \$0.1 million from interest and other revenue designed to sustain future projects were less than expenditures of \$15.7 million. Project costs totaled \$3.5 million while \$12.2 million is currently estimated due to the City of Greensboro as settlement upon termination of the water and sewer agreement by the City effective December 31, 2010. The agreement calls for all remaining Greensboro funds to be divided equally between the City and County upon termination. Funds that are obligated to mutually agreed upon projects will remain in the fund until completion, before any left-over funds are divided.

The School Capital Outlay Fund fund balance decreased \$79.6 million. Intergovernmental revenues of \$3 million were mainly State Public School Building ADM and Lottery grants. Other sources were \$4.7 million transfers in from the General Fund. Expenditures of \$87.2 million consisted of \$72.7 million and \$14.5 million for Guilford County Schools and Guilford Technical Community College projects, respectively.

Proprietary funds. Guilford County's only proprietary fund is its Internal Service Fund. Because the operations of this fund are consolidated with governmental activities, information concerning Guilford County's proprietary funds are found only in the fund financial statements.

Operating expenses of internal service operations exceeded operating revenues by \$1.6 million. Non-operating revenue (interest income) added \$0.1 million resulting in an overall loss of \$1.5 million. The County anticipated using up to \$0.8 million to reduce excess reserves based on the original annual financial plan. The sole purpose of the fund is the operation of the County's risk management programs. The operating loss was spread across all programs.

General Fund Budgetary Highlights

The final General Fund budget for fiscal year 2010-11 was \$583.5 million, an increase of \$13.8 million from the original budget of \$569.7 million which is a 2.4% increase.

Table A-3
Summary of GUILFORD COUNTY'S Additional Appropriations
(General Fund)

	Sources		Uses
Fund Balance	\$ 8,330,329	Capital	\$ (700,000)
		Debt Service	(3,038,551)
Intergovernmental Revenue	5,103,737	Mental Health	4,990,319
		Law Enforcement	3,158,705
Other Sources	372,426	Economic Development	
		& Assistance	2,741,822
		Social Services	1,533,648
		Information Services	1,298,120
		Emergency Services	747,967
		Public Assistance	525,000
		Transportation	523,021
		Culture-Recreation	470,148
		Other Protection	469,877
		Other Uses	1,086,416
	\$ 13,806,492		\$ 13,806,492

MANAGEMENT'S DISCUSSION AND ANALYSIS

Guilford County typically increases its budget appropriation as a result of additional State and Federal funding received during the fiscal year. These grant funds generally provide funding for Economic Development, various human services programs of the Social Services, Mental Health, and Public Health departments and the public safety programs of the Law Enforcement, Emergency Services, and other public safety departments. The increase in this type of funding reported as intergovernmental revenues accounts for \$5.1 million or 37% of the increase in budget. The County also amends its budget each year to carry forward outstanding encumbrances from the prior year utilizing fund balance. The carry forward budget amendment for the fiscal year ending June 30, 2011 was \$8.3 million for all General Fund departments. Other changes during the year resulted in small increases in several other revenues totaling \$0.4 million.

The final General Fund budget for fiscal year 2010-11 was \$583.5 million, decreasing by \$165.7 million from the previous year's final budget again due mainly to \$157.6 million for refunding bond payments and terminating interest rate swaps during the prior year which were offset by related increases in sources of funds noted above and net reductions from the original budget to Debt Service of \$6.4 million. Most of the remaining decrease is to Transfers Out by \$7.6 million as pay-as-you-go funding to the County Building Construction Fund was "caught up" in the previous year. A \$5.5 million decrease in Education was essentially "moved" to increase Transfers Out to the School Capital Outlay Fund by \$4.7 million, a net decrease of \$.8 million. Social Services decreased by \$2.5 million mainly from reduced assistance payments and Public Health by \$2.4 million from reduced personnel costs and charges for services. The most significant increase occurred in Mental Health by \$2.9 million from increased charges for services offset by reductions in personnel and other costs. General Fund expenditures and other uses for the 2011 fiscal year were 94.1% of the final budget.

The resulting \$34.6 million variance in the actual expenditures and other uses from the final budget versus \$39.6 million in the prior fiscal year is closer to but still greater than the typical range. Variances usually result from conservative budget practices such as, budgeting fully for positions in most departments; the need to allow for fluctuation in Public Assistance, grant programs and management of the large number of service contracts in the Human Services area; capital purchases which are not completed at year end; and budgeting conservatively for interest on variable-rate bonds. The variances above the typical range occurred in Debt Service as a planned issue was delayed because Guilford County Schools and Guilford Technical Community College were not spending on capital projects as quickly as cash flow data projected. The General Government variance is \$2.9 million less than the prior year variance, spread across many of these administrative departments. The Human Services variance remained steady with the prior year variance although a \$2.9 million increase in Mental Health was offset by decreased Public Health and Social Services variances of \$0.9 million and \$2 million, respectively. The Economic Development and Assistance Department variance decreased \$1 million as more budgeted economic incentive obligations were earned and paid.

Capital Asset and Debt Administration

Capital assets. Guilford County's investment in capital assets for its governmental activities as of June 30, 2011, amounts to \$230.3 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, vehicles, intangibles, and construction in progress. Infrastructure capital assets at the County's park facilities and watershed facilities have been included under improvements since the amounts are relatively insignificant. Guilford County's net increase in its investment in capital assets was \$53 million during the current fiscal year.

Land increased \$2.5 million mainly from purchases as well as donations of park land by several corporations and individuals. Construction in progress increased \$50.6 million, mainly in the BB&T Building, New DSS Facility – High Point, Guilford County Detention Center and Rock Creek EMS Base Station projects by \$0.2 million, \$0.2 million, \$49.8 million and \$0.2 million, respectively. Buildings decreased \$2.6 million before depreciation mainly from the sale of surplus property and a like-kind exchange with boot paid that actually added to net capital assets. Machinery and equipment decreased \$1.5 million before depreciation as disposals of \$2.6 million outpaced additions, vehicles increased \$0.6 million, \$1.2 million of which was for Law Enforcement, \$1 million for Emergency Services, \$0.3 million for Transportation and \$0.1 million for Fleet purposes, all before disposals of \$2 million as well as depreciation. Improvements other than buildings increased \$0.9 million, mainly in the park projects. Intangible assets increased \$0.8 million before depreciation from financial systems implementations including payroll and related time and attendance, and tax appraisal, billing and collection projects.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Additional information on Guilford County's capital assets can be found in Note III. C. on pages 31 and 32 of this report.

Table A-4
GUILFORD COUNTY'S Capital Assets
(Net of Accumulated Depreciation)

	Governmental Activities	
	2011	2010
Land	\$ 46,949,680	44,428,947
Buildings	71,574,008	71,748,878
Improvements other than buildings	9,884,873	9,692,782
Machinery and equipment	7,616,463	7,868,429
Vehicles	4,612,316	4,666,356
Construction in progress	84,721,444	34,093,627
Intangibles	4,903,959	4,744,879
Total	\$ 230,262,743	177,243,898

Debt Administration. At the end of the current fiscal year, Guilford County had total bonded debt outstanding of \$776.38 million all of which were general obligation bonds, backed by the full faith and credit of the County. In addition there were \$40.1 million in unamortized bond issuance premiums and \$3.6 million of obligations under capital leases and installment financings all net of unamortized bond refunding and interest rate swap termination charges of \$3.2 and \$10.1 million, respectively. Guilford County's total debt decreased \$39.8 million during the fiscal year, due mainly to \$37.6 million of scheduled principal payments on general obligation bonds and other debt.

On August 24, 2011, the County sold \$20,635,000 of General Obligation Refunding Bonds at an average interest rate of 3.977% to refund \$22,160,000 of the outstanding 2002A and B series bonds maturing in 2013 and beyond. The sale generated a total premium of \$2,551,087 which, along with a County contribution of \$358,500, was used to pay issuance costs estimated at \$180,309 and to fund the escrow account for the defeased bonds. The County refunded these bonds to reduce its total debt service payments over the next eight years by \$1,949,918 and to obtain a net economic gain (the difference between the net present values of the debt service payments on the old and new debt) of \$1,886,628. On September 7, 2011, the County restructured its installment purchase obligation dated March, 2008. The remaining balances of \$1,094,379 at 4.50% and \$2,221,921 at 5.23% on the existing debt were combined with a new borrowing of \$4,975,000 for a total amount due of \$8,291,300 at a blended rate of 3.406%. The level semi-annual principal payment structure from the original loans was retained as was the final maturity of March 2018. The financing is collateralized by a County building which is being renovated to house the Register of Deeds and Information Services departments.

Guilford County has maintained its "triple A" rating with all three ratings agencies on all of its outstanding bonded debt. Standard & Poor's Corporation, Moody's and Fitch IBCA have recently confirmed the County's ratings assigned to all issues as AAA, Aaa and AAA, respectively. On July 28, 2011, Moody's Investor's Service placed the County's Aaa debt rating on review for possible downgrade, along with 176 other Aaa governmental credits, due to its review of the U.S. Government's Aaa rating. This negative outlook remained in place following ratings on the County's August 24 refunding bond issue pending a more detailed evaluation by Moody's. Although Standard and Poors downgraded the U.S. Government's debt to AA+ with a negative outlook on August 5, the County retained its AAA rating with a stable outlook from both Standard and Poors and Fitch Ratings Service.

State statutes limit the amount of general obligation debt a governmental entity may issue to eight percent of its total assessed valuation. The current debt limitation for Guilford County is \$3.6 billion, which is significantly in excess of Guilford County's outstanding and unissued general obligation debt.

Additional information on Guilford County's long-term debt can be found in Note III. F. on pages 35-38 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Table A-5
GUILFORD COUNTY'S Outstanding Debt

	Governmental Activities	
	2011	2010
General obligation bonds	\$ 776,375,000	813,410,000
Plus bond issuance/put bond premiums	40,078,001	43,892,770
Less bond refunding charges	(3,213,766)	(3,795,669)
Less swap termination fees	(10,118,551)	(11,211,119)
Capital leases and purchase money installment contracts	3,571,400	4,147,088
Total	\$ 806,692,084	846,443,070

Economic Factors and Next Year's General Fund Budget and Rates

- The County's fiscal 2012 General Fund budget has increased by \$10.1 million from the fiscal year 2011 original budget to \$579.9 million, a 1.8% increase.
- The General Fund appropriated fund balance of \$29.6 million for the fiscal year 2012 is \$4.4 million less than last year's original General Fund budget, and maintains a stable unassigned fund balance at June 30, 2011 of 9.52% of the 2012 budget. Increases to appropriations from generally available fund balance were \$1 million. Decreases to appropriations from restricted funding sources accounted for \$5.4 million, most of which was due to the use of the remaining premium on the 2009 bond issue to support the Debt Service budget in 2011 and \$0.8 million less funds restricted to Public Health programs in 2012. The budget provided for the third straight year, other post employment benefit contributions to a pension trust fund in the amount of \$2 million.
- The General Fund ad valorem tax rate levied for fiscal year 2012 is \$.7824 per \$100 valuation, an increase of \$.0450 over the 2011, 2010 and 2009 levels of \$.7374. The rate increase combined with a small 0.1% decline in the County's estimated tax base to \$44.76 billion will provide an additional \$15.8 million in current tax revenue, a 4.9% increase over the previous year.
- Estimated sales tax revenue of \$60 million for the fiscal year 2012 is \$1.8 million or 3% more than last year's original General Fund budget. Other significant changes in revenue include decreases in intergovernmental revenue of \$4.7 million and net increases in other sources totaling \$1.6 million, mainly from user charges.
- The General Fund budgets with the most significant decreases are Transfers to the County Building Construction Fund down \$2 million as the 2012 transfer per the Capital Investment Plan is temporarily suspended and redirected to fund major General Fund purchases to replace the Greensboro Courthouse roof (corresponding increase in Facilities) and to replace cardiac monitors for Emergency Services; transfers to the School Capital Outlay Fund down \$3.2 million to Guilford County Schools as excess fund balance and insurance settlement proceeds are available as replacement annual funding; Social Services down \$3 million or 4.3% to \$67.1 million as a result of departmental reorganization efforts eliminating 26 positions; and Mental Health down \$1.8 million or 4.7% to \$36.7 million by budgeting community services closer to actual experience and better reflecting historical levels of County support.
- The 2012 General Fund budgets with the most significant increases over the 2011 amounts are Debt Service up \$10.7 million or 13.8% to \$88.5 million from 2010 issues; Law Enforcement up \$7.1 million or 13.2% to \$60.7 million mainly to staff and operate the new jail; and Emergency Services up \$1.3 million or 5.8% to \$23 million for increased personnel costs, vehicles, and equipment; and the remaining increase of \$1 million spread among most of the other departments.

Requests for Information

This financial report is designed to provide a general overview of Guilford County's finances for those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to N. Reid Baker III, Finance Director, Guilford County Finance Department, P. O. Box 3427, Greensboro, NC 27402.



Basic Financial Statements

The Basic Financial Statements consist of the government-wide financial statements which display all the financial activities except fiduciary activities of the County and its discretely presented component units; the fund financial statements which provide information about the County's funds, including its fiduciary funds; and the notes to the financial statements. They present the financial position of Guilford County, North Carolina as of June 30, 2011, and the results of its operations and cash flows of its proprietary fund type for the year then ended in conformity with accounting principles generally accepted in the United States of America.

GUILFORD COUNTY, NORTH CAROLINA
Statement of Net Assets
June 30, 2011

Exhibit 1

	Primary Government	Component Unit
	Governmental	Greensboro/Guilford
	Activities	County Tourism
		Development Authority
Assets		
Current assets:		
Cash and cash equivalents/investments	\$ 341,356,065	1,087,034
Receivables:		
Property taxes (net)	6,887,198	-
Accrued interest on property taxes (net)	500,979	-
Other taxes	368,309	-
Due from governmental units and agencies	33,426,794	54,737
Due from primary government	-	219,132
Service fees (net)	3,312,917	-
Special assessments	415,050	-
Accrued interest on investments	530,652	1,723
Other	4,353	6,292
Total receivables	45,446,252	281,884
Deposits and other assets	10,010,168	-
Total current assets	396,812,485	1,368,918
Noncurrent assets:		
Due from governmental units and agencies	287,803	-
Deferred charges	2,581,105	-
Deferred outflow of resources - interest rate swaps	1,334,837	-
Non-depreciable capital assets	131,671,124	-
Depreciable capital assets (net)	98,591,619	47,493
Total noncurrent assets	234,466,488	47,493
Total assets	631,278,973	1,416,411
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	65,296,147	41,651
Due to component unit	219,132	-
Unearned revenue	2,603,472	-
Deposits	413,495	-
Derivative liability	5,675,475	-
Current portion of long-term liabilities	50,083,206	-
Total current liabilities	124,290,927	41,651
Noncurrent liabilities:		
Noncurrent portion of long-term liabilities	828,667,397	-
Total liabilities	952,958,324	41,651
Net Assets		
Invested in capital assets, net of related debt	129,476,162	47,493
Restricted for:		
Stabilization by State statute	65,362,705	356,385
Other purposes	18,270,763	-
Unrestricted	(534,788,981)	970,882
Total net assets (liabilities)	\$ (321,679,351)	1,374,760

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

GUILFORD COUNTY, NORTH CAROLINA
Statement of Activities
For the fiscal year ended June 30, 2011

Exhibit 2

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Component Unit
Primary Government:						
Governmental activities:						
General government	\$ 43,193,135	5,565,128	76,543	-	(37,551,464)	-
Human services	165,311,991	15,107,982	90,171,609	326,015	(59,706,385)	-
Public safety	101,857,575	20,229,569	1,374,698	431,312	(79,821,996)	-
Environmental protection	1,317,107	33,230	844,979	-	(438,898)	-
Culture - recreation	5,847,964	1,400	(500)	520,844	(5,326,220)	-
Economic development and assistance	21,510,154	1,785,255	-	-	(19,724,899)	-
Education	274,154,519	-	2,976,116	-	(271,178,403)	-
Interest on long-term debt	26,371,175	28,555	9,496,397	-	(16,846,223)	-
Total primary government	\$ 639,563,620	42,751,119	104,939,842	1,278,171	(490,594,488)	-
Component Unit:						
Greensboro/Guilford Co Tourism Dev Authority:						
Tourism promotion and development	\$ 3,266,873	74,336	3,561,725	-	-	369,188

General revenues:

Taxes:

Property taxes, levied for general purposes	329,943,639
Property taxes, levied for fire districts	9,757,611
Sales taxes, levied for general purposes	47,569,194
Sales taxes, levied for fire districts	1,774,385
Sales taxes, levied for school capital and/or debt	13,199,538
Occupancy taxes, levied for tourism development	4,084,391
Excise tax	1,544,182
Local gross receipts and franchise taxes	710,635
Grants and contributions not restricted to specific programs	3,474,304
Unrestricted investment earnings	3,151,886
Other	6,045,727
Total general revenues	421,255,492
Change in net assets	(69,338,996)
Net assets (liabilities) at beginning of year	(252,340,355)
Net assets (liabilities) at end of year	\$ (321,679,351)

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

GUILFORD COUNTY, NORTH CAROLINA
Balance Sheet
Governmental Funds
June 30, 2011

Exhibit 3

	General	County Building Construction	Water and Sewer Construction	School Capital Outlay	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents/investments	\$ 121,442,475	42,612,223	38,445,424	115,937,976	1,007,754	319,445,852
Receivables:						
Property taxes (net)	6,715,294	-	-	-	171,904	6,887,198
Accrued interest on property taxes (net)	500,979	-	-	-	-	500,979
Other taxes	55,263	-	-	-	313,046	368,309
Due from governmental units and agencies	28,431,777	1,752,273	1,194,034	1,828,059	473,954	33,680,097
Service fees (net)	3,040,848	-	-	-	-	3,040,848
Special assessments	-	-	415,050	-	-	415,050
Accrued interest on investments	448,991	47,766	-	-	1,091	497,848
Other	4,353	-	-	-	-	4,353
Total receivables	<u>39,197,505</u>	<u>1,800,039</u>	<u>1,609,084</u>	<u>1,828,059</u>	<u>959,995</u>	<u>45,394,682</u>
Deposits and other assets	499,646	-	-	-	-	499,646
Total assets	<u>\$ 161,139,626</u>	<u>44,412,262</u>	<u>40,054,508</u>	<u>117,766,035</u>	<u>1,967,749</u>	<u>365,340,180</u>
Liabilities and Fund Balances						
Liabilities:						
Accounts payable and accrued liabilities	\$ 18,433,320	6,715,328	14,833,096	10,914,661	93,918	50,990,323
Due to component unit	-	-	-	-	219,132	219,132
Deferred revenue	10,023,893	-	465,584	9,284	242,167	10,740,928
Deposits	413,495	-	-	-	-	413,495
Total liabilities	<u>28,870,708</u>	<u>6,715,328</u>	<u>15,298,680</u>	<u>10,923,945</u>	<u>555,217</u>	<u>62,363,878</u>
Fund balances:						
Non spendable	499,646	-	-	-	-	499,646
Restricted	51,084,382	32,691,380	11,490,049	102,274,015	1,725,578	199,265,404
Committed	27,692	-	12,683,401	5,945,801	-	18,656,894
Assigned	25,447,565	5,005,554	582,378	-	-	31,035,497
Unassigned	55,209,633	-	-	(1,377,726)	(313,046)	53,518,861
Total fund balances	<u>132,268,918</u>	<u>37,696,934</u>	<u>24,755,828</u>	<u>106,842,090</u>	<u>1,412,532</u>	<u>302,976,302</u>
Total liabilities and fund balances	<u>\$ 161,139,626</u>	<u>44,412,262</u>	<u>40,054,508</u>	<u>117,766,035</u>	<u>1,967,749</u>	<u>365,340,180</u>

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

GUILFORD COUNTY, NORTH CAROLINA
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
June 30, 2011

Exhibit 4

Total fund balances - total governmental funds (Exhibit 3)	\$	302,976,302
<p>Amounts reported for governmental activities in the statement of net assets are different because (see also Note II.A.):</p>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		230,262,743
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds. (Note II.A.1.)		8,361,004
Prepaid expenses (assets) consumed in governmental activities are not financial resources when reported as expenditures in the funds using the purchases method. (Note II.A.2.)		335,365
Deferred outflows (asset-like charges) for the accumulated decrease in fair value of hedging derivatives as used in governmental activities are not financial resources and therefore are not reported in the funds. (Note III.F. Derivative Instruments)		1,334,837
The Internal Service Fund is used by management to charge the costs of risk management and insurance to individual funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the statement of net assets. (See Exhibit 8)		26,884,147
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. (Note II.A.3.)		<u>(891,833,749)</u>
Total net assets (liabilities) of governmental activities (Exhibit 1)	\$	<u>(321,679,351)</u>

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

GUILFORD COUNTY, NORTH CAROLINA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the fiscal year ended June 30, 2011

Exhibit 5

	<u>General</u>	<u>County Building Construction</u>	<u>Water and Sewer Construction</u>	<u>School Capital Outlay</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues						
Taxes:						
Property taxes	\$ 329,163,642	-	-	-	9,738,325	338,901,967
Sales tax	60,768,732	-	-	-	1,774,385	62,543,117
Occupancy taxes	-	-	-	-	4,084,391	4,084,391
Excise tax	1,544,182	-	-	-	-	1,544,182
Local gross receipts tax	628,422	-	-	-	-	628,422
Franchise taxes	82,213	-	-	-	-	82,213
Licenses and permits	1,565,894	-	-	-	-	1,565,894
Intergovernmental	105,381,324	519,594	-	2,976,116	-	108,877,034
Charges for services	35,789,668	-	1,982,092	-	-	37,771,760
Investment earnings	1,548,827	149,430	61,157	-	2,456	1,761,870
Other	4,787,150	10,550	61,473	-	-	4,859,173
Total revenues	<u>541,260,054</u>	<u>679,574</u>	<u>2,104,722</u>	<u>2,976,116</u>	<u>15,599,557</u>	<u>562,620,023</u>
Expenditures						
Current:						
General government	41,211,152	-	-	-	-	41,211,152
Human services	156,312,988	-	-	-	-	156,312,988
Public safety	83,588,181	-	-	-	11,348,357	94,936,538
Environmental protection	1,236,978	-	-	-	-	1,236,978
Culture - recreation	4,882,347	-	-	-	-	4,882,347
Economic development and assistance	1,679,617	-	-	-	4,084,391	5,764,008
Intergovernmental:						
Education	186,918,211	-	-	87,236,308	-	274,154,519
Capital outlay	-	60,378,382	15,746,146	-	-	76,124,528
Debt service:						
Principal retirement	37,545,200	-	-	-	-	37,545,200
Interest and fiscal charges	28,795,865	-	-	-	-	28,795,865
Total expenditures	<u>542,170,539</u>	<u>60,378,382</u>	<u>15,746,146</u>	<u>87,236,308</u>	<u>15,432,748</u>	<u>720,964,123</u>
Excess (deficiency) of revenues over expenditures	<u>(910,485)</u>	<u>(59,698,808)</u>	<u>(13,641,424)</u>	<u>(84,260,192)</u>	<u>166,809</u>	<u>(158,344,100)</u>
Other Financing Sources (Uses)						
Transfers in	-	2,049,464	44,698	4,700,000	-	6,794,162
Transfers out	(6,749,464)	-	-	-	(44,698)	(6,794,162)
Sale of capital assets	382,606	7,439,559	-	-	-	7,822,165
Total other financing sources (uses)	<u>(6,366,858)</u>	<u>9,489,023</u>	<u>44,698</u>	<u>4,700,000</u>	<u>(44,698)</u>	<u>7,822,165</u>
Net changes in fund balances	<u>(7,277,343)</u>	<u>(50,209,785)</u>	<u>(13,596,726)</u>	<u>(79,560,192)</u>	<u>122,111</u>	<u>(150,521,935)</u>
Fund balances at beginning of year	<u>139,546,261</u>	<u>87,906,719</u>	<u>38,352,554</u>	<u>186,402,282</u>	<u>1,290,421</u>	<u>453,498,237</u>
Fund balances at end of year	<u>\$ 132,268,918</u>	<u>37,696,934</u>	<u>24,755,828</u>	<u>106,842,090</u>	<u>1,412,532</u>	<u>302,976,302</u>

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

GUILFORD COUNTY, NORTH CAROLINA
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the fiscal year ended June 30, 2011

Exhibit 6

Net changes in fund balances - total governmental funds (Exhibit 5)	\$ (150,521,935)
<p>Amounts reported for governmental activities in the statement of activities are different because (see also Note II.B.):</p>	
<p>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. (Note II.B.1.)</p>	55,043,061
<p>The net effect of various miscellaneous transactions involving capital assets (ie., sales, trade-ins and donations) is to increase net assets. (Note II.B.2.)</p>	(2,024,216)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds until they are available. (Note II.B.3.)</p>	266,047
<p>Increases (decreases) in the fair value of hedging derivatives reported as an addition to (a reduction of) investment earnings in the statement of activities do not provide (require the use of) current financial resources and, therefore, are not reported as revenues (expenditures) in the governmental funds. (Note III.F. Derivative Instruments)</p>	1,300,534
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal consumes the current financial resources. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. (Note II.B.4.)</p>	37,610,688
<p>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 the governmental funds. Some expenditures reported in the governmental funds do require the use of current financial resources because items are prepaid using the purchases method and, therefore, are not reported as expenses in the statement of activities. (Note II.B.5.)</p>	(9,555,703)
<p>The Internal Service Fund is used by management to charge the costs of risk management and insurance to individual funds. The net loss of the Internal Service Fund is reported with governmental activities. (See Exhibit 9)</p>	<u>(1,457,472)</u>
Change in net assets of governmental activities (Exhibit 2)	\$ <u>(69,338,996)</u>

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

GUILFORD COUNTY, NORTH CAROLINA

General Fund

Exhibit 7

**Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the fiscal year ended June 30, 2011**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary and GAAP Basis	Final Budget Positive (Negative)
Revenues				
Taxes:				
Property taxes	\$ 326,939,523	327,084,793	327,863,944	779,151
Interest on delinquent property taxes	850,000	850,000	1,299,698	449,698
Total property taxes	327,789,523	327,934,793	329,163,642	1,228,849
Sales tax	58,250,000	58,354,153	60,768,732	2,414,579
Excise tax	1,368,532	1,368,532	1,544,182	175,650
Local gross receipts tax	600,000	600,000	628,422	28,422
Franchise taxes	140,000	140,000	82,213	(57,787)
Licenses and permits	1,437,470	1,437,470	1,565,894	128,424
Intergovernmental	103,115,039	108,218,776	105,381,324	(2,837,452)
Charges for services	36,503,681	36,296,581	35,789,668	(506,913)
Investment earnings	2,507,500	2,508,183	1,548,827	(959,356)
Other	3,952,415	4,071,579	4,787,150	715,571
Total revenues	535,664,160	540,930,067	541,260,054	329,987
Expenditures				
Current:				
General government	43,039,940	44,696,968	41,211,152	3,485,816
Human services	161,532,172	169,640,738	156,312,988	13,327,750
Public safety	84,846,074	89,230,085	83,588,181	5,641,904
Environmental protection	1,208,052	1,391,520	1,236,978	154,542
Culture - recreation	5,015,848	5,485,996	4,882,347	603,649
Economic development and assistance	1,914,575	4,656,397	1,679,617	2,976,780
Intergovernmental:				
Education	186,918,211	186,918,211	186,918,211	-
Capital outlay	700,000	-	-	-
Debt service:				
Principal retirement	38,845,200	38,845,200	37,545,200	1,300,000
Interest and fiscal charges	36,870,464	33,831,913	28,795,865	5,036,048
Bond issuance costs	2,100,000	2,100,000	-	2,100,000
Total expenditures	562,990,536	576,797,028	542,170,539	34,626,489
Excess (deficiency) of revenues over expenditures	(27,326,376)	(35,866,961)	(910,485)	34,956,476
Other Financing Sources (Uses)				
Transfers out	(6,749,464)	(6,749,464)	(6,749,464)	-
Sale of capital assets	81,500	291,756	382,606	90,850
Total other financing sources (uses)	(6,667,964)	(6,457,708)	(6,366,858)	90,850
Net change in fund balances	(33,994,340)	(42,324,669)	(7,277,343)	35,047,326
Fund balances at beginning of year	139,546,261	139,546,261	139,546,261	-
Fund balances at end of year	\$ 105,551,921	97,221,592	132,268,918	35,047,326

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

GUILFORD COUNTY, NORTH CAROLINA
Statement of Net Assets
Proprietary Funds - Internal Service Fund
June 30, 2011

Exhibit 8

		<u>Governmental Activities</u>
Assets		
Current assets:		
Cash and cash equivalents/investments	\$	21,910,213
Receivables:		
Due from governmental units and agencies		34,500
Service fees (net)		272,069
Accrued interest on investments		<u>32,804</u>
Total receivables		339,373
Deposits and other assets		<u>9,629,210</u>
Total assets		<u>31,878,796</u>
 Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities		4,302,860
Unearned revenue		677,601
Compensated absences		<u>4,256</u>
Total current liabilities		4,984,717
Noncurrent liabilities:		
Compensated absences		<u>9,932</u>
Total liabilities		<u>4,994,649</u>
 Net Assets		
Unrestricted		<u>26,884,147</u>
Total net assets	\$	<u>26,884,147</u>

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

GUILFORD COUNTY, NORTH CAROLINA
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds - Internal Service Fund
For the fiscal year ended June 30, 2011

Exhibit 9

	Governmental Activities
Operating revenues:	
Charges for services	\$ 32,098,064
Other	1,774,606
Total operating revenues	33,872,670
Operating expenses:	
Personal services	129,972
Other direct service costs	9,965
Professional services	1,650,817
Claims, premiums and bonding	33,637,154
Total operating expenses	35,427,908
Operating loss	(1,555,238)
Nonoperating revenues:	
Interest income	97,766
Change in net assets	(1,457,472)
Total net assets at beginning of year	28,341,619
Total net assets at end of year	\$ 26,884,147

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

GUILFORD COUNTY, NORTH CAROLINA
Statement of Cash Flows
Proprietary Funds - Internal Service Fund
For the fiscal year ended June 30, 2011

Exhibit 10

	Governmental Activities
Increase (decrease) in cash and cash equivalents:	
Cash flows from operating activities:	
Cash received from user departments and participants	\$ 31,933,792
Other operating revenues	1,326,426
Cash paid to employees for services	(167,341)
Cash paid to suppliers, participants and others	(36,198,252)
Net cash used by operating activities	(3,105,375)
Cash flows from investing activities:	
Interest and dividends on investments	106,743
Net decrease in cash and cash equivalents	(2,998,632)
Cash and cash equivalents at beginning of year	24,908,845
Cash and cash equivalents at end of year	\$ 21,910,213
 Reconciliation of operating loss to net cash used by operating activities:	
Operating loss	\$ (1,555,238)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Change in assets and liabilities:	
Decrease in accounts receivable	272,683
Increase in deposits and other assets	(559,187)
Decrease in accounts payable	(1,032,239)
Decrease in accrued salaries and benefits payable	(37,230)
Decrease in unearned revenue	(194,025)
Decrease in accrued vacation and compensatory benefits	(139)
Total adjustments	(1,550,137)
Net cash used by operating activities	\$ (3,105,375)

Non-cash investing, capital and financing activities:

During the year, deposits and other assets also increased by interest income of \$826 from a fund in the risk pool in which the County participates where the risk of loss is retained.

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

GUILFORD COUNTY, NORTH CAROLINA
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2011

Exhibit 11

	Pension Trust Funds	Agency Funds
Assets		
Cash and cash equivalents/investments	\$ 5,684,613	\$ 1,074,602
Receivables:		
Accrued interest on investments	1,424	-
Total assets	5,686,037	\$ 1,074,602
Liabilities		
Accounts payable and accrued liabilities	25,162	\$ 450,086
Representative payee clients payable	-	347,936
Due to other taxing units	-	276,580
Total liabilities	25,162	\$ 1,074,602
Net Assets		
Held in trust for pension benefits	\$ 5,660,875	

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

GUILFORD COUNTY, NORTH CAROLINA
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds - Pension Trust Funds
For the fiscal year ended June 30, 2011

Exhibit 12

		<u>Pension Trust Funds</u>
Additions		
Employer contributions	\$	2,657,157
Net investment income		<u>591,738</u>
Total additions		<u>3,248,895</u>
 Deductions		
Benefits		746,653
Administrative expenses		<u>624</u>
Total deductions		<u>747,277</u>
Change in net assets		2,501,618
Net assets at beginning of year		<u>3,159,257</u>
Net assets at end of year	\$	<u><u>5,660,875</u></u>

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

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

Guilford County, North Carolina (the County) is governed by an elected Board of Commissioners with eleven members. The accompanying financial statements present the County and its component units, legally separate entities for which the County is considered to be financially accountable. The County has no component units which are required to be blended with data of the primary government. The discretely presented component unit presented below is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the County.

Discretely presented component units.

Greensboro/Guilford County Tourism Development Authority

The Greensboro/Guilford County Tourism Development Authority (the Authority) is a public authority under the North Carolina General Statutes, created to promote activities and programs which encourage travel and tourism to the area. The County is financially accountable for the Authority because it levies the occupancy tax which is the major source of the Authority's revenues and has final approval over the annual budget. The Authority, which has a June 30 year end, is presented as a governmental fund type. Of the \$4,084,391 County levied occupancy taxes earned and included as an economic development and assistance expense of the County, \$2,859,074 is reported as part of the Authority's operating grants and contributions program revenue along with \$702,651 from a separate City of Greensboro levy. The complete financial statements of the Authority may be obtained from its administrative office at Greensboro/Guilford County Tourism Development Authority, 2200 Pinecroft Road, Suite 200, Greensboro, North Carolina 27407.

Guilford County Industrial Facility and Pollution Control Financing Authority

Guilford County Industrial Facility and Pollution Control Financing Authority (the Authority) exists to issue and service revenue bond debt of private businesses 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 any commissioner of the Authority with or without cause. The Authority has no financial transactions or account balances; therefore, it is not presented in the government-wide financial statements. The Authority does not issue separate financial statements.

B. Basis of Presentation

Government-wide Statements: The statement of net assets and the statement of activities display information about the primary government (the County) and its component unit (the Authority). 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. These statements report the County's governmental activities which generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. The County has no business-type activities, financed in whole or in part by fees charged to external parties, to report.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities and for the Authority. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. No indirect expense allocations have been made in the funds which require reversal 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.

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

Fund Financial Statements: The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category – *governmental, proprietary, and fiduciary* – are presented. The emphasis of the County's fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. The County has no enterprise funds on which to report.

Proprietary funds distinguish *operating* from *nonoperating* revenues and expenses. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating revenues, mainly charges for services and materials, result from exchange transactions associated with the principal activities of the fund where each party receives and gives up essentially equal values. Operating expenses include professional and other services costs; claims, premiums and bonding; and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The County reports the following major governmental funds:

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 *County Building Construction Fund*, a capital projects fund type, accounts for the financing and construction of various capital assets and improvements thereto of the County. Financing is provided principally by operating transfers from the General Fund, interest on investments, and proceeds of general obligation bonds when issued.

The *Water and Sewer Construction Fund*, a capital projects fund type, accounts for the financing and construction of various water and sewer construction projects through joint agreements with various municipalities (see Note IV. G.). The primary revenue sources are acreage user fees, joint operation fees, and assessments with additional financing provided principally by the proceeds of general obligation bonds when issued.

The *School Capital Outlay Fund*, a capital projects fund type, accounts for the County's portion of the financing of school capital assets for the Guilford County Public School System and Guilford Technical Community College. Financing is provided principally by operating transfers from the General Fund, the North Carolina Public School Building Capital Fund (Average Daily Membership and Lottery), the North Carolina Public School Building Bond Fund, and proceeds of general obligation bonds when issued by Guilford County.

The County also reports *Other Governmental Funds*, which are individually nonmajor, in total. The Rural Fire Districts, Room Occupancy/Tourism Developmental Tax, and Community Development Funds are all special revenue fund types. They 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.

Additionally, the County reports the following fund types:

Proprietary fund:

The *Internal Service Fund* accounts for risk retention services provided to other departments of the County on a cost reimbursement basis.

Fiduciary funds:

Pension Trust Funds are used to account for activities which accumulate resources for postemployment benefits to qualified individuals. The County maintains the following pension trust funds: the Law Enforcement Officers' Special Separation Allowance Fund accounts for the activities of a single employer, public retirement system, and accumulates resources for pension benefit payments to qualified law enforcement officers; and the Other Post-Employment Benefits Fund accounts for the activities of a single employer defined benefit Health Care Plan and provides postemployment healthcare benefits to eligible retirees of the County who participate in the North Carolina Local Government Employees' Retirement System.

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

Agency Funds are used to account for assets held by the County on behalf of others. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The County maintains the following agency funds: the Tax Collection Fund, which accounts for property, occupancy, and/or privilege taxes collected by the County Tax Collector in his capacity as agent for various municipalities, a special district, and an authority; the Fines and Forfeitures Fund, which accounts for fines and forfeitures collected by the County that are required to be remitted to the Guilford County Board of Education; the Representative Payee Fund, which accounts for funds deposited with the Social Services Department for the benefit of specified clients being served by the County; and the N.C. Treasurer's Vehicle Interest Fund which accounts for three percent additional interest collected on the first month's interest assessed on delinquent registered motor vehicle property taxes as per House Bill 1779. The additional interest is remitted to the N.C. Department of State Treasurer monthly and will be used by the Division of Motor Vehicles to create a combined motor vehicle registration renewal and property tax collection system.

C. 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 and the accrual basis of accounting, except for the agency funds which have no measurement focus. 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.

The government-wide (governmental activities) financial statements of the County follow Financial Accounting Standards Board Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with or contradict guidance of the Governmental Accounting Standards Board.

Governmental Fund Financial Statements. Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues, except for property taxes, to be available if they are collected within 90 days of the end of the current fiscal period. 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.

Ad valorem property taxes are not accrued as a revenue because the amount is not susceptible to accrual. At June 30, property taxes receivable are materially past due and are not considered to be an available resource to finance the operations of the current year. See also Note I.E.2 for additional explanation. Those revenues susceptible to accrual are sales taxes, collected and held by the State at year end on behalf of the County, certain intergovernmental revenues and charges for services, and interest on investments. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance.

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amount will be reimbursed to the County; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met. Some types of charges for services are susceptible to accrual. Human Services Departments' client and contract fees and Emergency Services Department ambulance fees net of an adjustment for estimated uncollectible fees are recognized when earned because they are considered both measurable and available. All other charges for services as well as licenses and permits and other revenues are not susceptible to accrual because, generally, they are not measurable until received in cash.

D. Budgetary Control

In compliance with the North Carolina Local Government Budget and Fiscal Control Act, the County adopts an annual budget ordinance for all funds except the projects within the Community Development Special Revenue Fund authorized by grant ordinance; certain projects within the County Building Construction, Water and Sewer Construction, and School Capital Outlay Capital Projects Funds authorized by project ordinance; the Internal Service Fund and Trust and Agency Funds. The budget ordinance must be adopted by July 1 of the fiscal year or the Board of County Commissioners must adopt an interim budget that covers that time until the annual ordinance can be adopted.

The appropriations in the General Fund and annually budgeted projects in the Capital Projects Funds are formally budgeted and legally controlled on a departmental basis. Projects in the Capital Projects Funds with project-length budgets are controlled by project. The legal level of control varies for the Special Revenue Funds. Appropriations in the Rural Fire District Fund are by rural fire tax district while the appropriations in the Room Occupancy/Tourism Development Tax Fund are on a fund basis. Appropriations in the Community Development Fund are controlled by project. The annual budget is prepared on the modified accrual basis of accounting as required by North Carolina law and consistent with generally accepted accounting principles. It is amended for supplemental appropriations during the fiscal year by the Board of County Commissioners. The County Manager is authorized by the budget ordinance to make intrafund transfers of appropriations up to \$30,000 for each transaction, except that funds transferred cannot be used to create unauthorized positions or to raise salaries and that funds appropriated for merit raises can be used solely for that purpose. Each such transfer shall be reported to the Board of Commissioners at its next regular meeting. Any revisions that alter total appropriations of any fund must be approved by the Board. All annual appropriations lapse at each fiscal year end and open encumbrances must be reappropriated in the following fiscal year's budget.

Concurrent with the adoption of the annual budget ordinance, the County approves a balanced financial plan for the Internal Service Fund. A financial plan is balanced when estimated expenses do not exceed estimated revenues. Any change in the financial plan during the year must be approved by the Board of County Commissioners.

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

E. Assets, Liabilities and Equity

1. Cash and Cash Equivalents/Investments

The County has pooled the cash resources of its funds in order to maximize investment opportunities. Each fund's portion of total cash and investments is reported as cash and cash equivalents/investments by the County's individual major funds and Internal Service Fund and in the aggregate for non-major, pension trust and agency funds. The Greensboro/Guilford County Tourism Development Authority (Authority) uses the County's pool for its investment purposes. Interest earned is distributed quarterly to the various funds based on each fund's proportionate equity in the cash and investments pool. For purposes of the statement of cash flows, all cash and investments of the proprietary fund are considered to be cash equivalents, since they are available on demand from the cash and investments pool.

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

General Statute 159-30.1 allows local governments to establish an OPEB Trust Fund managed by the staff of the Department of the State Treasurer and operated in accordance with State laws and regulations. General Statute 159-30(g) allows the County to make contributions to the Fund. The Fund is not registered with the SEC. The State Treasurer in her discretion may invest the proceeds in equities of certain publicly held companies and long- or short-term fixed income investments as detailed in General Statutes 147-69.2(b)(1-6) and (8). Funds submitted are managed in three different sub-funds, the State Treasurer's Short Term Investment Fund (STIF) consisting of short to intermediate treasuries, agencies and corporate issues authorized by G.S. 147-69.1; the long-term investment fund (LTIF) consisting of investment grade corporate securities, treasuries, and agencies; and various BlackRock Alpha Tilts Funds authorized under G.S. 147-69.2(b)(8). The STIF securities are reported at cost and maintain a constant \$1 per share value. Under the authority of G.S. 147-69.3, no unrealized gains or losses of the STIF are distributed to participants of the fund. The LTIF and BlackRock Alpha Tilts Funds are valued at fair value. Neither the STIF nor the LTIF is registered with the SEC.

Investments with remaining maturities at the time of purchase of one year or less are stated at amortized cost which approximates fair value. 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 securities of the North Carolina Capital Management Trust (NCCMT) Cash Portfolio, an SEC-registered (2a-7) money market mutual fund, are valued at fair value, which is the NCCMT's share price. In accordance with State law, the County has invested in securities which are callable and may provide for periodic interest rate increases in specific increments until maturity; these and all other investments are stated at fair value. As to the OPEB Trust funds, the STIF securities are reported at cost and maintain a constant \$1 per share value. Under the authority of G.S. 147-69.3, no unrealized gains or losses of the STIF are distributed to participants of the fund. The LTIF is also valued at \$1 per share. The Global Ex-US Alpha Tilts Fund B is priced at \$17.9407 per share and the Russell 3000 Alpha Tilts Fund B is priced at \$29.1360 per share at June 30, 2011.

2. Property Taxes Receivable

The County's property tax is levied each July 1 on the assessed value as of the prior January 1, for all taxable real and personal property (except registered motor vehicles) located in the County. Property taxes attach as an enforceable lien on real property as of the listing date. Assessed personal property values are established annually at estimated market value. A revaluation of all real property is required to be performed no less than every eight years, with the one affecting the fiscal year 2005 levy completed as of January 1, 2004. North Carolina General Statutes require that property taxes levied as of the beginning of the fiscal year are due September 1. Taxes are collected net of a 1% discount during July and August, in full from September 1 through January 5 and with additional penalties and interest accrued beginning January 6.

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

As of January 1, 1993, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles. As part of this change, Guilford County is responsible for billing and collecting these property taxes on behalf of all municipalities and special tax districts in the County. These vehicles are registered with the State's Division of Motor Vehicles under a staggered system. Property taxes are due the first day of the fourth month after registration. Since billed taxes are applicable to the year in which they become due, taxes for vehicles registered from March 2010 through February 2011 apply to the fiscal year ended June 30, 2011. The uncollected portion of these taxes is included in property taxes receivable on the financial statements. Those taxes for vehicles registered from March 2011 through June 2011 apply to fiscal year 2012 and are therefore not included in property taxes receivable at June 30, 2011.

Property taxes receivable in the governmental fund financial statements are not recognized as revenue because the amount is not susceptible to accrual. At June 30, 2011, property taxes receivable are materially past due and, consequently, cannot be considered an available resource with which to pay liabilities of the current period, although the amount due is measurable. Therefore, all property taxes receivable are recorded net of an allowance for estimated uncollectible delinquent taxes, with the net receivable recorded as deferred revenue.

3. Allowances for Doubtful Accounts

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. Allowances are based on collection experience and management's evaluation of the current status of existing receivables.

4. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the governmental activities column in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated life in excess of two years. Intangible assets, which are generally classified as capital assets, have a threshold of \$100,000 and an estimated life in excess of two years. Capital assets are recorded at historical cost or at estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of the donation. Public domain (infrastructure) capital assets consisting of certain improvements, including roads, bridges, curbs and gutters, water and sewer systems, school improvements, streets and sidewalks, drainage systems, and lighting systems, either have not been capitalized because the County does not own them or are included under improvements due to relatively insignificant amounts.

Property, plant, equipment and intangibles of the primary government as well as the component unit are depreciated or amortized using the straight-line method over the following estimated useful lives:

Primary Government	Authority
Buildings	Furniture and fixtures
45 years	7 years
Improvements other than buildings	Equipment
20 years	5 years
Machinery and equipment	Vehicles
10 years	5 years
Intangibles - software	
10 years	
Vehicles	
3 years	

5. Vacation, Compensatory and Sick Leave Benefits

The County's vacation policy allows full time and fractional (but no part-time) employees to accumulate a maximum of thirty (30) days leave which, if not used, will be paid to employees upon separation from County service at the rates of pay then in effect. Any excess over the 30 days is transferred annually to sick leave as of the end of the leave accrual year.

According to the provisions of The Fair Labor Standards Act, nonexempt employees may earn compensatory time at the rate of one and one-half hours for each hour worked in excess of specified limits. However, the Board of County Commissioners approved a revision to the personnel

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

regulations effective August 30, 2009, that provided payment of overtime for non-exempt employees in lieu of compensatory time accrual. Further, the revision requires nonexempt employees to use compensatory balances prior to using other types of leave. The personnel regulations revision also eliminated compensatory time for exempt employees. Instead, exempt employees may qualify for up to 80 hours of management leave that is awarded at the beginning of the following year. Unused management leave balances at the end of the calendar year are forfeited for future use and are not paid to the employee at the end of service. Accumulated compensatory benefits that have not been used for both exempt and nonexempt employees are payable upon separation from County services at the rate of pay that was in effect on August 30, 2009, the date of the effective revision.

Accumulated vacation and compensatory benefits are accrued when incurred in the government-wide and proprietary fund financial statements. Benefits are considered to be taken on a first in, first out basis for determining the current portion of the liability. A liability for those amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

The County'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 County has no obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave is made.

6. 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 governmental activities or propriety fund type statement of net assets.

7. Net Assets/Fund Balances

Net Assets

Net assets in government-wide and proprietary fund financial statements are classified as invested in capital assets, net of related debt; restricted; and unrestricted. Restricted net assets represent 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 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:

- Nonspendable Fund Balance – Amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted Fund Balance - Amounts are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed Fund Balance - Amounts are committed when they can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of County Commissioners (Board). Any changes or removal of specific purposes requires the same type of action by the Board.
- Assigned Fund Balance - Amounts are assigned when they are constrained by the County's *intent* to use for specific purposes, but are neither restricted nor committed. Intent should be expressed by (a) the Board or (b) a delegated body (committee) or official. It includes all remaining positive balances not classified as assigned, restricted or committed and reported in governmental funds other than the General Fund.

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

- Unassigned Fund Balance - Amounts are unassigned to represent the residual classification for the General Fund as the balance has not been restricted, committed, or assigned to specific purposes. It includes all remaining negative balances not classified as restricted or committed and reported in governmental funds other than the General Fund.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed. The Finance Director may deviate from this policy where it is in the best interest of the County but generally, restricted revenues that must be expended to be received/earned typical of Federal and State grants are expended first followed by bond proceeds, other restricted revenues, local non-County funds and County funds. For purposes of net assets/fund balance classification, expenditures are from restricted net assets/fund balance first, followed in order by committed, assigned and unassigned fund balance.

The County has 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 (previously undesignated) fund balance be set and maintained at a minimum of no less than 8% of budgeted expenditures.

8. Change in Accounting Principles

The County implemented Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, beginning July 1, 2010. The objective of Statement 54 is to enhance the usefulness of fund balance information by providing more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent and provide for more consistent application among governments. The Statement also clarifies existing governmental fund type definitions to improve the comparability of governmental fund financial statements and help financial statement users to better understand the purposes for which governments have chosen to use particular funds for financial reporting.

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

II. Reconciliation of government-wide and fund financial statements

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes a reconciliation between total *fund balances*—*total governmental funds* and *net assets of governmental activities* as reported in the government-wide statement of net assets. The details of selected elements of that reconciliation are further explained as follows:

1. “Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.”	
Property taxes receivable (net)	\$ 6,887,198
Accrued interest on property taxes receivable (net)	500,979
Due from governmental units (cities) for reimbursement by contract of County watershed bonded debt	557,777
Special assessments receivable	<u>415,050</u>
Net adjustment to increase total fund balances - total governmental funds to arrive at net assets of governmental activities	<u>\$ 8,361,004</u>
2. “Prepaid expenses (assets) consumed in governmental activities are not financial resources when reported as expenditures in the funds using the purchases method.”	
Prepaid expenses for:	
Net pension asset for excess contributions to the Pension Trust Fund	<u>\$ 335,365</u>
Net adjustment to increase total fund balances - total governmental funds to arrive at net assets of governmental activities	<u>\$ 335,365</u>
3. “Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.”	
General obligation bonds payable	\$ 776,375,000
Less: Deferred charge on refunding (to be amortized as interest expense)	(3,213,766)
Less: Deferred charge for issuance costs (to be amortized over life of debt)	(2,581,105)
Less: Interest rate swap termination payment (to be amortized as interest expense)	(10,118,551)
Plus: Issuance premiums (to be amortized against interest expense)	40,078,001
Accrued interest payable	10,002,964
Derivative liability	5,675,475
Accrued arbitrage rebate payable	53,144
Capital leases and installment financings payable	3,571,400
Net other postemployment benefits obligation - Health Care Benefits Plan	61,184,286
Accrued compensated absences payable	<u>10,821,089</u>
Subtotal	891,847,937
Less: Accrued compensated absences payable of the Internal Service Fund	<u>(14,188)</u>
Net adjustment to decrease total fund balances - total governmental funds to arrive at net assets of governmental activities	<u>\$ 891,833,749</u>

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances—total governmental funds* and *change in net assets of governmental activities* as reported in the government-wide statement of activities. The details of selected elements of that reconciliation are further explained as follows:

1. “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 (net of Internal Service Fund amount of \$-0-)	\$ 63,392,028
Less: depreciation expense (net of Internal Service Fund amount of \$-0-)	<u>(8,348,967)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at change in net assets of governmental activities	<u>\$ 55,043,061</u>
2. “The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins and donations) is to decrease net assets.”	
In the statement of activities, only the gain or loss on the disposal of capital assets is reported. However, in the governmental funds, only the proceeds from a sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost net of accumulated depreciation of the capital assets disposed.	\$ <u>(2,024,216)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at change in net assets of governmental activities	<u>\$ (2,024,216)</u>
3. “Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds until they are available.”	
Property taxes receivable (net)	\$ 708,304
Accrued interest on property taxes receivable (net)	90,979
Due from governmental units (cities) for reimbursement by contract of County watershed bonded debt	(274,926)
Special assessments receivable	<u>(258,310)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at change in net assets of governmental activities	<u>\$ 266,047</u>

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

4. "The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal consumes the current financial resources. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities."

Principal repayments:

General obligation bonds	\$ 37,035,000
Capital leases and installment financings	<u>575,688</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at change in net assets of governmental activities	<u>\$ 37,610,688</u>

5. "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 the governmental funds. Some expenditures reported in the governmental funds do require the use of current financial resources because items are prepaid using the purchases method and, therefore, are not reported as expenses in the statement of activities."

Accrued interest	\$ (1,491,695)
Accrued arbitrage rebate	(5,261)
Compensated absences	598,662
Amortization of issuance costs	(230,911)
Amortization of deferred charge on refunding	(581,903)
Amortization of interest rate swap termination payment	(1,092,568)
Amortization of bond premiums	3,814,769
Net other postemployment benefits obligation - Health Care Benefits Plan	(10,020,723)
Employer portion of healthcare benefits prepaid for July (to General Fund in FY2011)	(544,884)
Net pension asset for excess contributions to the Pension Trust Fund	<u>(1,189)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at change in net assets of governmental activities	<u>\$ (9,555,703)</u>

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

III. DETAILED NOTES ON ALL FUNDS

A. Cash and Cash Equivalents/Investments

As previously discussed, cash for all County funds is pooled for investment purposes. With the exception of a separate checking account, the Greensboro/Guilford County Tourism Development Authority (Authority) uses the County's pool for its investment purposes. At June 30, 2011, the cash and investments included the following:

Account Balances		Ownership of Funds	
		Primary Government – Guilford County	
Petty cash/cash on hand	\$ 118,031	Governmental Funds	\$ 319,445,852
Demand deposits	50,002,139	Internal Service Fund	<u>21,910,213</u>
Public Funds Money Market Accounts	138,878,585	Total Governmental Activities	341,356,065
Certificates of deposit	105,534,318	Pension Trust Funds	5,684,613
Investments	50,034,074	Agency Funds	<u>1,074,602</u>
OPEB Trust Funds	4,635,167		348,115,280
	<u>\$ 349,202,314</u>	Component Unit – Authority	<u>1,087,034</u>
			<u>\$ 349,202,314</u>

Deposits

The deposits of the County's pool are governed by North Carolina General Statutes which allow depositories to collateralize excess deposits above Federal depository insurance coverage by one of two methods. Under the Dedicated Method, all deposits exceeding the Federal depository insurance coverage are collateralized with securities held by the County's agent in the County'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 the County'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 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 undercollateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina has indicated they enforce strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. In addition, the County monitors the financial soundness of any financial institution holding County deposits. The County does not have a policy regarding custodial risk for deposits.

At year-end, the deposit portion of pooled cash and investments had a carrying amount of \$294,355,128 and a bank balance of \$298,054,882. Of the bank balance, \$2,000,063 was covered by Federal depository insurance, and \$53,391,978 in non-interest-bearing deposits and \$242,662,841 in interest-bearing deposits were covered by collateral held under the Pooling Method.

Deposits of the Authority not included with the pool had a carrying amount of \$59,914 and a bank balance of \$96,998 which was fully covered by Federal depository insurance.

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

Investments

North Carolina General Statute 159-30(c) authorizes the County and Authority 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 nonguaranteed Federal agencies; certain high quality issues of commercial paper and bankers' acceptances and the North Carolina Capital Management Trust (NCCMT).

At June 30, 2011, the County's pooled investment balances were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Months)</u>
U.S. Treasury Securities	\$ 7,975,000	5.97
U.S. Government Agencies	4,000,740	1.97
Commercial Paper and Bankers' Acceptances	<u>18,990,502</u>	1.72
	30,966,242	2.85
N.C. Capital Management Trust	<u>19,067,832</u>	Demand
Total Pooled Investments	<u>\$ 50,034,074</u>	

Interest Rate Risk. In accordance with its investment policy, the County manages its exposure to declines in fair value by limiting investments with maturities beyond one year to 50% of the portfolio. No investment may be purchased with a maturity greater than five years from date of purchase.

The County is invested in two "pay-fixed, receive-variable" interest rate swaps with notional amounts of \$30,000,000 each. The County makes monthly fixed payments and receives variable payments based on 60.4% of the five-year LIBOR swap. The swaps were both executed in November 2006 and mature in February and October 2020. Additional details on the swaps are included in Note III. F. under the Derivative Instruments section. At June 30, 2011, the combined fair value of the swaps is \$(4,340,638) and is included in the derivatives liability total.

Credit Risk. The County's investment policy incorporates State laws concerning allowable investment and imposes additional restrictions on concentration in certain types of investments and on allowable maturities. North Carolina General Statutes limits investment in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs). As of June 30, 2011, the County's investments in commercial paper were rated P1 by Standard & Poor's, and A1+ by Moody's Investors Service. The County's investments in the NCCMT Cash Portfolio carried a credit rating of AAAM by Standard & Poor's as of June 30, 2011. The County's investments in U.S. Agencies (Federal Home Loan Bank, Federal National Mortgage Association, and Federal Home Loan Mortgage Corporation) are rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. The County's investments in N.C. State Agencies (State Education Assistance Authority) are rated Aaa by Moody's Investors Service and AAA by Fitch Ratings.

Custodial Credit Risk. Custodial credit risk is risk that the County will not be able to recover the value of its investments that are in the possession of its safekeeping custodian. To minimize this risk, the County's investment policy requires that all negotiable instruments shall be held in safekeeping in the trust department of a bank. The County's investments are held in the County's name by a safekeeping agent that is independent of all counterparties.

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

Concentration of Credit Risk. The County's investment policy limits investment in any one commercial paper issuer to no more than 15% of the total portfolio, which is defined by the County's investment policy to include interest-bearing bank deposits. As of June 30, 2011, the following investment categories account for more than 5% of the County's investments: General Electric Capital Corp. Commercial Paper, 18.0%; Toyota Motor Credit Corp. Commercial Paper, 8.0%; FCARI Owners Trust Commercial Paper, 12.0%; and U.S. Treasury, State and Local Government Series, 15.9%.

OPEB Trust Funds

At June 30, 2011, the Guilford County Health Care Plan (the HC Plan) Fund had \$4,635,167 invested in the State Treasurer's Local Government Other Post-Employment Benefits (OPEB) Fund pursuant to G.S. 147-69.4. The State Treasurer's OPEB Fund may invest in public equities and both long-term and short-term fixed income obligations as determined by the State Treasurer pursuant to the General Statutes. At year end, 25.39% of the HC Plan funds were invested in the State Treasurer's Short-Term Investment Fund (STIF), 10.23% were invested in the Long-Term Investment Fund (LTIF) and 64.35% were invested in equity funds with the remainder in cash. The equity investment allocation is 25% international equities via the BlackRock Global Ex-US Alpha Tilts Fund and 75% domestic through the BlackRock Russell 3000 Alpha Tilts Fund, but due to changes in valuation, the Funds comprised 24.14% and 75.86%, respectively, of the equity balance in the OPEB Trust.

Interest Rate Risk. The County does not have a formal investment interest rate policy regarding the HC Plan Fund that manages its exposure to fair value losses arising from increasing interest rates. The State Treasurer's STIF is unrated and had a weighted average maturity of 1.9 years at June 30, 2011. The State Treasurer's LTIF is unrated and had a weighted average maturity of 16.1 years at June 30, 2011.

Credit Risk. The County does not have a formal investment policy regarding credit risk for the HC Plan Fund. The STIF is unrated and authorized under NC General Statute 147-69.1. The State Treasurer's STIF is invested in highly liquid fixed income securities consisting primarily of short to intermediate treasuries, agencies, and money market instruments. The LTIF is unrated and authorized under N.C. General Statutes 147-69.1 and 147-69.2 and invests in U.S. Treasuries, agencies, and corporate bonds with longer-term maturities.

B. Receivables

Receivables are recorded net of an allowance for estimated uncollectible accounts at June 30, 2011 in the County's individual funds as follows:

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds	Internal Service Fund
Allowance for uncollectible accounts on:				
Property taxes	\$ 8,548,885	147,057	8,695,942	-
Accrued interest on property taxes	3,143,598	-	3,143,598	-
Service fees	<u>14,097,948</u>	-	<u>14,097,948</u>	<u>23,357</u>
	<u>\$ 25,790,431</u>	<u>147,057</u>	<u>25,937,488</u>	<u>23,357</u>

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

C. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2011 follows:

Primary Government – Governmental Activities

A summary of changes in capital assets, net of accumulated depreciation, for the fiscal year ended June 30, 2011 follows:

	Balance July 1, 2010	Increases	Decreases	Balance June 30, 2011
Non-depreciable capital assets:				
Land	\$ 44,428,947	2,877,935	(357,202)	46,949,680
Construction in progress	34,093,627	50,627,817	-	84,721,444
Total non-depreciable capital assets	<u>78,522,574</u>	<u>53,505,752</u>	<u>(357,202)</u>	<u>131,671,124</u>
Depreciable capital assets:				
Buildings	126,955,241	5,038,796	(7,635,671)	124,358,366
Improvements other than buildings	17,911,978	1,045,115	(111,690)	18,845,403
Machinery and equipment	27,951,186	1,106,446	(2,629,800)	26,427,832
Vehicles	22,337,489	2,647,762	(2,083,220)	22,902,031
Intangibles	5,976,802	783,660	(432)	6,760,030
Total depreciable capital assets	<u>201,132,696</u>	<u>10,621,779</u>	<u>(12,460,813)</u>	<u>199,293,662</u>
Less accumulated depreciation for:				
Buildings	(55,206,363)	(2,944,240)	5,366,245	(52,784,358)
Improvements other than buildings	(8,219,196)	(841,191)	99,857	(8,960,530)
Machinery and equipment	(20,082,757)	(1,280,008)	2,551,396	(18,811,369)
Vehicles	(17,671,133)	(2,659,326)	2,040,744	(18,289,715)
Intangibles	(1,231,923)	(624,202)	54	(1,856,071)
Total accumulated depreciation	<u>(102,411,372)</u>	<u>(8,348,967)</u>	<u>10,058,296</u>	<u>(100,702,043)</u>
Total depreciable capital assets (net)	<u>98,721,324</u>	<u>2,272,812</u>	<u>(2,402,517)</u>	<u>98,591,619</u>
Governmental activities capital assets (net)	<u>\$ 177,243,898</u>	<u>55,778,564</u>	<u>(2,759,719)</u>	<u>230,262,743</u>

Exchange Transactions

The above summary of changes in capital assets, net of accumulated depreciation, includes a nonmonetary transaction with C. Wayne McDonald Contractor to exchange a downtown County office building, land, and \$6,900,575 for a office building for the County's Social Services department offices in High Point. Capital assets with a \$735,505 net book value (\$1,520,272 cost less \$784,767 accumulated depreciation) plus a \$6,900,575 boot were exchanged for an office building with an original basis of \$7,636,080 which includes the remaining net book value of the County property exchanged plus the boot paid.

In addition, the County sold four buildings and associated land with a \$1,846,011 net book value (\$6,458,944 cost less \$4,612,933 accumulated depreciation) for \$7,375,000. A \$5,528,989 gain was recorded in other revenues. An overall County facilities study recommended various acquisitions, renovations, and sales of County facilities. This property was one of the surplus properties identified for sale.

Depreciation expense was charged to the primary government governmental activities as follows:

<u>Function/Program</u>	
General government	\$ 2,519,417
Human services	1,234,248
Public safety	3,647,697
Environmental protection	38,184
Culture - recreation	<u>909,421</u>
Total government activities depreciation expense	<u>\$ 8,348,967</u>

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

Guilford County's construction in progress at June 30, 2011 is composed of the following:

Project Name	Project Authorization ⁽¹⁾	Expended to June 30, 2011	Estimated Costs to Complete	Future Financing ⁽³⁾
Northeast Park	\$ 3,404,406	3,206,276	198,130	-
EMS Base Station - Rock Creek	2,313,800	2,128,579	185,221	-
GC Detention Center	110,635,000	72,982,697	37,652,303	50,115,000
GSO Courthouse Renovations	4,918,874	4,145,771	773,103	-
New DSS Facility - High Point	445,538	395,678	49,860	-
Prison Farm Improvements and Design	725,000	-	725,000	-
Northwest EMS Base Station	1,500,000	-	1,500,000	-
Greensboro Health Department Renovation	3,009,656	677,767	2,331,889	-
Southwest Park	855,306	855,305	1	-
High Point Courthouse Renovations	468,626	14,449	454,177	-
Greene Street Center	398,180	14,883	383,297	-
Bellemeade Center Renovations	823,114	91,966	731,148	-
BB&T Building ⁽²⁾	693,294	208,073	485,221	-
	<u>\$ 130,190,794</u>	<u>84,721,444</u>	<u>45,469,350</u>	<u>50,115,000</u>

- (1) Project Authorization and costs exclude amounts associated with land, land improvements, purchased buildings, and non-capital costs.
- (2) The Project Authorization amount was increased by \$4,975,000 by the Board of Commissioners on July 21, 2011, financed as part of the restructuring of the existing installment debt on September 7, 2011.
- (3) Assumes project will be fully expended as budgeted..

Discretely Presented Component Unit – Greensboro/Guilford County Tourism Development Authority

A summary of changes in capital assets, net of accumulated depreciation, for the fiscal year ended June 30, 2011 follows:

	Balance July 1, 2010	Increases	Decreases	Balance June 30, 2011
Depreciable capital assets:				
Furniture, fixtures and equipment	\$ 315,791	-	(64,875)	250,916
Less accumulated depreciation	<u>(247,604)</u>	<u>(20,694)</u>	<u>64,875</u>	<u>(203,423)</u>
Tourism Authority capital assets, net	<u>\$ 68,187</u>	<u>(20,694)</u>	<u>-</u>	<u>47,493</u>

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

D. Accounts Payable and Accrued Liabilities

Primary Government – Governmental Activities

Accounts payable and accrued liabilities at June 30, 2011 includes the following balances:

	<u>Vendors</u>	<u>Salaries, Benefits Accrued & Withheld</u>	<u>Accrued Interest</u>	<u>Due to Gov. Units, Districts & Agencies</u>	<u>Other</u>	<u>Total</u>
Major Governmental Funds:						
General (1)	\$ 10,700,351	5,523,795	-	747,480	1,461,694	18,433,320
County Building Construction	6,715,328	-	-	-	-	6,715,328
Water and Sewer Construction (2)	2,581,045	-	-	12,252,051	-	14,833,096
School Capital Outlay (3)	-	-	-	10,914,661	-	10,914,661
Nonmajor Governmental Funds	-	-	-	93,918	-	93,918
Internal Service Fund (4)	1,351	3,754	-	-	4,297,755	4,302,860
Reconciliation of balances in fund financial statements to government-wide financial statements	<u>-</u>	<u>-</u>	<u>10,002,964</u>	<u>-</u>	<u>-</u>	<u>10,002,964</u>
Total - Governmental Activities	<u>\$ 19,998,075</u>	<u>5,527,549</u>	<u>10,002,964</u>	<u>24,008,110</u>	<u>5,759,449</u>	<u>65,296,147</u>

(1) Other payable includes \$1,350,794 refundable taxes.

(2) Estimated settlement amount of \$12,252,051 due the City of Greensboro based on contract termination provisions.

(3) Capital funding due to Guilford Technical Community College and Guilford County Schools.

(4) Other payable is County's insurance claims liability, all due within one year, of \$4,297,755. See Note IV. E. 4.

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

E. Deferred/Unearned Revenue

The Government-wide financial statements, like the Governmental Funds and the Internal Service Fund, defer revenue recognition in connection with resources that have been received, but not yet earned. Governmental funds also report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

Deferred/unearned revenue at June 30, 2011 is composed of the following unearned and unavailable revenues:

	Major Governmental				Total
	General Fund	Water and Sewer Construction Fund	School Capital Outlay Fund	Nonmajor Governmental and Other Funds	
Governmental Funds:					
Unearned:					
Property tax collections not yet earned	\$ 2,203,062	-	-	70,263	2,273,325
Prepaid special assessments not yet billed or earned	-	50,534	-	-	50,534
Federal, State and private foundation grants received in advance	<u>46,781</u>	<u>-</u>	<u>9,284</u>	<u>-</u>	<u>56,065</u>
Total unearned	<u>2,249,843</u>	<u>50,534</u>	<u>9,284</u>	<u>70,263</u>	<u>2,379,924</u>
Unavailable:					
Property taxes receivable (net)	6,715,294	-	-	171,904	6,887,198
Accrued interest on property taxes receivable (net)	500,979	-	-	-	500,979
Due from governmental units (cities) for reimbursement by contract of County watershed bonded debt	557,777	-	-	-	557,777
Special assessments receivable	<u>-</u>	<u>415,050</u>	<u>-</u>	<u>-</u>	<u>415,050</u>
Total unavailable	<u>7,774,050</u>	<u>415,050</u>	<u>-</u>	<u>171,904</u>	<u>8,361,004</u>
Total deferred revenue - Governmental Funds	<u>\$ 10,023,893</u>	<u>465,584</u>	<u>9,284</u>	<u>242,167</u>	<u>10,740,928</u>

Internal Service Fund:

Unearned:

Service fees collected in advance from external sources	\$ 223,548	223,548
Service fees collected in advance from internal sources ⁽¹⁾	<u>454,053</u>	<u>454,053</u>
Total unearned revenue - Internal Service Fund	<u>\$ 677,601</u>	<u>677,601</u>

⁽¹⁾ The Internal Service Fund service fees collected in advance from internal sources are eliminated or reclassified when combined with the Governmental Funds to report the Primary Government's Governmental Activities.

Governmental Activities:

Unearned:

Governmental Funds per above	\$ 2,379,924
Internal Service Fund (from external sources) per above	<u>223,548</u>
Total unearned revenue - Governmental Activities	<u>\$ 2,603,472</u>

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

F. Long-term Liabilities

Primary Government – Governmental Activities

A summary of changes in long-term liabilities for the fiscal year ended June 30, 2011 follows:

	Balance July 1, 2010	Additions	Reductions	Balance June 30, 2011	Current Portion of Balance
Bonds payable:					
General obligation bonds	\$ 813,410,000	-	(37,035,000)	776,375,000	44,710,000
Plus bond issuance/put bond premiums	43,892,770	-	(3,814,769)	40,078,001	-
Less bond refunding charges	(3,795,669)	-	581,903	(3,213,766)	-
Less swap termination fees	(11,211,119)	-	1,092,568	(10,118,551)	-
Total bonds payable	842,295,982	-	(39,175,298)	803,120,684	44,710,000
Capital leases and installment financings	4,147,088	-	(575,688)	3,571,400	510,200
Accrued arbitrage rebate	47,883	5,261	-	53,144	-
Compensated absences	11,419,890	5,778,231	(6,377,032)	10,821,089	4,863,006
Net other postemployment benefits obligation	51,163,563	17,286,613	(7,265,890)	61,184,286	-
Total	\$ 909,074,406	23,070,105	(53,393,908)	878,750,603	50,083,206

The County issues general obligation bonds to provide funds for the acquisition, development, and construction of major capital facilities and to provide funding for Guilford County Schools and Guilford Technical Community College facilities, for watershed protection and for new water and sewer lines that under contract are owned by participating municipalities upon completion. All general obligation bonds are collateralized by the full faith, credit, and taxing power of the County and principal and interest requirements are appropriated in the General Fund when due. The remaining long-term liabilities of the governmental activities are generally liquidated by the General Fund also. The Internal Service Fund predominantly serves the governmental funds, therefore, any long-term liabilities are included as part of the above totals for governmental activities. At year end this amounted to \$14,188 of the compensated absences balance. Any capital leases that finance equipment used in Internal Service Fund operations are reported as long-term debt in the Fund when issued and are retired by its resources.

The County is subject to the Local Government Bond Act of North Carolina which limits the amount of net debt, exclusive of funding and refunding bonds, bonds issued for water, gas, or electric power purposes, and bonds issued for certain other specified purposes. The County may have outstanding and unissued an amount not to exceed 8% of the appraised value of property subject to taxation. At June 30, 2011, such statutory limit for the County was \$3,589,320,465 providing a debt margin of approximately \$2.40 billion.

Bonds authorized and unissued at June 30, 2011 are as follows:

For Additions and/or Improvements To	Date Approved	Balance
Public Schools	05/06/2008	\$ 267,315,000
Community College	05/06/2008	29,900,000
Jail	05/06/2008	50,115,000
Refunding	02/18/2010	64,010,000 ¹
		\$ 411,340,000

¹ Exhausted upon completion of August 2011 refunding issue.

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

Long-term liabilities outstanding as of June 30, 2011 include the following:

General Obligation Bonds:

October 2000 \$30,000,000 Public Improvement serial bonds due in annual installments of \$1,380,000 to \$8,000,000 from October 2016 through 2020; interest fixed at 4.00% effective January 2004 through October 2007; then reverting to variable rate debt synthetically fixed at 3.865%.	\$ 30,000,000
October 2002 \$5,855,000 Water and Sewer serial bonds due in annual installments of \$410,000 to \$520,000 through October 2016; interest at 3.50% to 4.00%.	3,985,000
October 2002 \$57,500,000 Public Improvement serial bonds due in annual installments of \$3,830,000 to \$3,835,000 through October 2017; interest at 3.25% to 4.00%.	26,820,000
February 2005 \$9,220,000 Public Improvement serial bonds due in annual installments of \$610,000 to \$615,000 through March 2020; variable rate interest synthetically fixed at 3.22% upon issuance due monthly.	5,530,000
February 2005 \$80,780,000 Public Improvement serial bonds due in annual installments of \$5,385,000 to \$5,390,000 through March 2020; variable rate interest synthetically fixed at 3.22% upon issuance due monthly.	48,470,000
February 2005 \$93,220,000 Public Improvement serial bonds due in annual installments of \$2,000,000 to \$18,645,000 from March 2019 through 2025; interest due monthly at variable rates.	93,220,000
February 2005 \$54,380,000 General Obligation Refunding bonds due in annual installments of \$6,500,000 to \$9,125,000 through October 2016; interest at 4.50% to 5.00%.	48,515,000
March 2007 \$45,000,000 Public Improvement serial bonds due in annual installments of \$11,250,000 from April 2023 through 2027; interest due monthly at variable rates.	45,000,000
March 2007 \$40,440,000 Public Improvement serial bonds due in annual installments of \$1,750,000 to \$8,000,000 through April 2018; interest at 4.00% to 5.00%.	33,440,000
February 2009 \$164,600,000 Public Improvement serial bonds due in annual installments of \$8,230,000 through February 2029; interest at 4.00% to 5.00%.	148,140,000
April 2010 \$82,500,000 Public Improvement serial bonds due in annual installments of \$8,250,000 from August 2011 through 2020; interest at 3.00% to 5.00%.	82,500,000
April 2010 \$82,500,000 taxable Build America Bonds (Public Improvement) due in annual installments of \$8,250,000 from August 2021 through 2031; interest at 4.541% to 5.461%.	82,500,000
April 2010 \$84,775,000 General Obligation Refunding Bonds due in annual installments of \$5,900,000 to \$7,065,000 from February 2011 through 2022, interest at 2.50% to 5.00%.	77,040,000
April 2010 \$51,215,000 General Obligation Refunding Bonds due in annual installments of \$10,155,000 to \$10,325,000 from August 2018 through 2022, interest at 4.00% to 5.00%.	51,215,000
Total general obligation bonds	<u>\$ 776,375,000</u>

Obligations under capital leases and installment financings:

For \$1,683,660 building and land obligation due in semi-annual installments of \$84,183 plus interest at 4.50% through March 2018.	\$ 1,178,562
For \$3,418,340 building and land obligation due in semi-annual installments of \$170,917 plus interest at 5.23% through March 2018.	2,392,838
Total obligations under capital leases and installment financings	<u>\$ 3,571,400</u>

The County has remarketing and standby purchase agreements with banks which provide for remarketing of certain variable-rate bonds when payment is demanded or the bank will purchase the bonds. The agreements have a maximum interest rate of 12%. The agreements covering the County's outstanding \$30 million 2000 variable rate bonds expire October 1, 2012 with provision for extension. The agreements covering \$147.22 million of the County's outstanding 2005 variable rate bonds expires on February 15, 2013 with provision for extension. The standby purchase agreement on the County's \$45 million outstanding 2007 variable-rate bonds expires July 2012 with provision for extensions. The remarketing agreements expire with final repayment of the bonds. The County paid \$1,727,998 in fiscal year 2011 pursuant to these agreements.

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

Derivative Instruments

The County has several interest-rate swaps in effect to hedge its borrowing costs including both effective and ineffective derivatives. The (negative) fair value of an effective or hedging derivative is reported as a deferred (liability) asset and as a deferred (outflow) inflow on the Statement of Net Assets. For ineffective or investment derivatives, current year changes in fair value flow through investment revenue. (Negative) positive fair values as of June 30 are reported as derivative (liabilities) assets.

Objective of the interest rate swaps. As a means to lower its borrowing costs, the County entered into interest rate swaps in connection with its variable-rate general obligation bonds. The intention of the swaps was to effectively change the County's variable interest rate on the bonds to a synthetic fixed rate. No amount was paid at the inception of any of these swaps. All of the County's swaps relate to government activities. The County's interest rate swaps are summarized in the table as follows. Bond amounts and swap notional amounts are as of June 30, 2011.

	<u>Hedging Derivative Instruments</u>	<u>Investment Derivative Instruments</u>	
Date of contract	September 2004	November 2006	November 2006
Effective Date	February 3, 2005	October 1, 2007	February 1, 2008
Type of transaction	Pay-fixed interest rate swap	Pay-fixed interest rate swap	Pay-fixed interest rate swap
Objective	Hedge of changes in cash flows on related bonds	Hedge of changes in cash flows on related bonds	Hedge of changes in cash flows on related bonds
Bonds:			
Amount	\$24 million	\$30 million	\$30 million
Description	2005 Series A & B	2000 Series C	2005 Series A & B
Maturity	February 1, 2020	October 1, 2020	March 1, 2020
Principal payments begin	March 1, 2006	October 1, 2016	March 1, 2016
Rate	variable	variable	variable
Rate basis	SIFMA	SIFMA	SIFMA
Swap:			
Notional amount	\$24 million	\$30 million	\$30 million
Maturity	February 1, 2015	October 1, 2020	February 1, 2020
Notional value declines begin	March 1, 2006	October 1, 2016	February 1, 2016
Rate County pays	3.220%	3.865%	3.220%
Rate County receives	variable	variable	variable
Rate basis received	67% of 30-day LIBOR	60.4% of 5-year LIBOR swap	60.4% of 5-year LIBOR swap
Spread	None	None	None
June 30, 2011 information:			
Fair value of swap	\$(1,334,837)	\$(2,854,964)	\$(1,485,674)
Fair value classification	Debt	Investment	Investment
Increase (decrease) in fair value of swap from 2010	492,493	762,976	537,558
Increase (decrease) in fair value reported in	Deferred outflows	Investment revenue	Investment revenue

Fair value. The fair values in the table were estimated using the market value method. This method calculates the net present value of cash flows to maturity for payments at the prevailing market rate versus the executed swap rate.

Credit risk. As of June 30, 2011, the County was not exposed to credit risk on any of its outstanding swaps because the swaps had negative fair values as indicated in the table. However, should interest rates change and the fair values of the swaps become positive, the County would be exposed to credit risk in the amount of the derivatives' fair value. The County has no policy requiring collateral or other security to support derivative agreements subject to credit risk, nor is there a policy requiring netting arrangements with counterparties. Bank of America is counterparty on all three of the County's swaps and at June 30, 2011 they were rated A2, A, and A+ by Moody's, Standard & Poor's and Fitch Ratings, respectively.

Basis risk. The swaps expose the County to basis risk because the variable-rate payments received by the County are based on indices other than interest rates the County pays on its hedged variable-rate debt, which is remarketed every seven days. At June 30, 2011, the weighted average interest rate on the County's hedged variable-rate debt was .06% while 67% of 1 month LIBOR was .12%. Depending on the future relationship between LIBOR and SIFMA, the expected cost savings may not be realized.

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

Termination risk. The County or the counterparty may terminate the swap(s) if the other party fails to perform under the terms of the contract(s). If the swap(s) is (are) terminated, the variable-rate bonds would no longer carry a synthetic interest rate. Also, if at the time of termination the swap(s) has (have) a negative fair value, the County would be liable to the counterparty for a payment equal to the fair value(s) of the swap(s).

As of June 30, 2011, aggregate debt service requirements on the County's fixed and variable rate debt and net payments on associated hedging derivative instruments are as follows including interest payments of \$228,463,276. These amounts assume that current interest rates on variable rate bonds and the current reference rates of hedging derivative instruments will remain the same until maturity. As these rates vary, interest payments on variable rate bonds and net receipts/payments on the hedging derivative instruments will vary.

Year Ending June 30	General Obligation Bonds			Capital Leases and Installment Financings		Total
	Principal	Interest	Net Payments Hedging Instruments	Principal	Interest	
2012	\$ 44,710,000	27,904,737	681,050	510,200	171,817	73,977,804
2013	44,575,000	26,019,612	495,309	510,200	146,363	71,746,484
2014	45,505,000	24,105,108	309,568	510,200	120,908	70,550,784
2015	46,485,000	22,228,348	123,827	510,200	95,454	69,442,829
2016	47,425,000	20,187,910	-	510,200	70,000	68,193,110
2017-2021	247,285,000	69,397,155	-	1,020,400	63,636	317,766,191
2022-2026	223,200,000	28,633,524	-	-	-	251,833,524
2027-2031	77,190,000	7,708,950	-	-	-	84,898,950
	<u>\$ 776,375,000</u>	<u>226,185,344</u>	<u>1,609,754</u>	<u>3,571,400</u>	<u>668,178</u>	<u>1,008,409,676</u>

Federal legislation currently provides for a rebate of 35% of interest paid on the County's taxable 2010 Build America Bonds. This rebate will amount to \$1,458,476 in fiscal year 2012 and if unchanged, will provide a total rebate of \$22,138,462 over the remaining life of the bonds. The rebate is not reflected in the above table.

Subsequent Developments

On August 24, 2011, the County sold \$20,635,000 of General Obligation Refunding Bonds at an average interest rate of 3.977% to refund \$22,160,000 of the outstanding 2002A and B series bonds maturing in 2013 and beyond. The sale generated a total premium of \$2,551,087.50 which, along with a County contribution of \$358,500, was used to pay issuance costs estimated at \$180,309 and to fund the escrow account for the defeased bonds. The County refunded these bonds to reduce its total debt service payments over the next eight years by \$1,949,918 and obtain a net economic gain (difference between the net present values of the debt service payments on the old and new debt) of \$1,886,628. The refunding exhausted the remaining authorized and unissued refunding bonds from February 2010.

On September 7, 2011, the County restructured its installment purchase obligation dated March 2008. The remaining balances of \$1,094,379 at 4.50% and \$2,221,921 at 5.23% on the existing debt were combined with a new borrowing of \$4,975,000 for a total amount due of \$8,291,300 at a blended rate of 3.406%. The level semi-annual principal payment structure from the original loans was retained as was the final maturity of March 2018. The financing is collateralized by a County building which is being renovated to house the Register of Deeds and Information Services departments.

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

G. Net Assets/Fund Balances

The following are summaries of Guilford County's net assets restricted for stabilization by State statute, restricted for other purposes, and unrestricted, as of June 30, 2011:

Net assets restricted for stabilization by State statute	Amount
Reserved for encumbrances	\$ 27,829,380
Reserved by State statute	<u>37,533,325</u>
Net assets restricted for stabilization by State statute	<u>\$ 65,362,705</u>
Net assets restricted for other purposes	Amount
Parks	\$ 86,680
Rural Fire Districts	1,109,390
Guilford County Schools capital outlay	12,824,792
Public Health programs	2,422,027
Law Enforcement	1,394,702
Register of Deeds automation enhancement	426,661
Other	<u>6,511</u>
Net assets restricted for other purposes	<u>\$ 18,270,763</u>
Unrestricted net assets (liabilities)	Amount
Water and sewer	\$ 8,982,801
Guilford County Schools	(517,275,241)
Guilford Technical Community College	(60,129,985)
Other	<u>33,633,444</u>
Unrestricted net assets	<u>\$ (534,788,981)</u>

Guilford County's unrestricted net assets include several categories which do not create capital assets owned by the County and therefore are individually unrestricted net liabilities as follows:

- The County has entered into contracts with certain municipalities for the joint financing of new water and sewer lines in areas adjacent to the municipalities. All water and sewer line expenses incurred by the County are owned by the participating municipalities upon completion. The related unspent revenues and debt proceeds net of bonds payable are reported separately above. Currently, unspent committed revenues exceed net bond debt; therefore, a net asset is reported.
- All Guilford County Schools and Guilford Technical Community College capital projects expenses incurred by the County fund capital assets owned by the respective schools. Their shares of unspent County designated funding as well as remaining County issued debt proceeds net of bonds payable are reported as part of unrestricted net assets above.

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

The following are details of Guilford County's fund balances as of June 30, 2011:

	<u>General</u>	<u>County Building Construction</u>	<u>Water and Sewer Construction</u>	<u>School Capital Outlay</u>	<u>Other Govern- mental Funds</u>	<u>Total Govern- mental Funds</u>
Non spendable:						
Prepays reserve ⁽¹⁾	\$ 453,933	-	-	-	-	453,933
Inventories reserve ⁽¹⁾	45,713	-	-	-	-	45,713
Total non spendable ⁽¹⁾	<u>499,646</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>499,646</u>
Restricted:						
State statute reserve ⁽¹⁾	31,423,455	1,800,039	1,194,034	1,828,059	788,092	37,033,679
Encumbrance reserve ⁽¹⁾	8,068,526	17,210,005	2,550,849	-	-	27,829,380
Total stabilization by State statute ⁽¹⁾	<u>39,491,981</u>	<u>19,010,044</u>	<u>3,744,883</u>	<u>1,828,059</u>	<u>788,092</u>	<u>64,863,059</u>
Public Health programs	2,422,027	-	-	-	-	2,422,027
Law Enforcement	1,394,702	-	-	-	-	1,394,702
Register of Deeds automation enhancement	426,661	-	-	-	-	426,661
Debt service	7,342,500	-	-	-	-	7,342,500
Public building projects	-	3,786,984	-	-	-	3,786,984
Park projects	-	9,371,617	-	-	-	9,371,617
Watershed projects	-	522,735	-	-	-	522,735
Water and sewer projects	-	-	7,745,166	-	-	7,745,166
Guilford County Schools projects	-	-	-	52,544,775	-	52,544,775
Guilford Technical Community College projects	-	-	-	47,901,181	-	47,901,181
Rural fire districts	-	-	-	-	937,486	937,486
Other	6,511	-	-	-	-	6,511
Total restricted	<u>51,084,382</u>	<u>32,691,380</u>	<u>11,490,049</u>	<u>102,274,015</u>	<u>1,725,578</u>	<u>199,265,404</u>
Committed:						
Public Health programs	27,692	-	-	-	-	27,692
Water and sewer projects	-	-	12,683,401	-	-	12,683,401
Guilford County Schools projects	-	-	-	4,445,801	-	4,445,801
Guilford Technical Community College projects	-	-	-	1,500,000	-	1,500,000
Total committed	<u>27,692</u>	<u>-</u>	<u>12,683,401</u>	<u>5,945,801</u>	<u>-</u>	<u>18,656,894</u>
Assigned:						
Law Enforcement	1,099,120	-	-	-	-	1,099,120
Other	89,695	-	-	-	-	89,695
Appropriated in subsequent year's budget ⁽²⁾	24,258,750	-	-	-	-	24,258,750
Remaining assigned fund balance	-	5,005,554	582,378	-	-	5,587,932
Total assigned	<u>25,447,565</u>	<u>5,005,554</u>	<u>582,378</u>	<u>-</u>	<u>-</u>	<u>31,035,497</u>
Unassigned	<u>55,209,633</u>	<u>-</u>	<u>-</u>	<u>(1,377,726)</u>	<u>(313,046)</u>	<u>53,518,861</u>
Total fund balance	<u>\$ 132,268,918</u>	<u>37,696,934</u>	<u>24,755,828</u>	<u>106,842,090</u>	<u>1,412,532</u>	<u>302,976,302</u>

⁽¹⁾ Reserved fund balances not available for appropriation under North Carolina General Statute 159.8(a).

⁽²⁾ Excludes appropriated in subsequent year's budget from specific restricted, committed and assigned fund balances.

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

Computation of fund balance that is available for appropriation as of June 30, 2011 under North Carolina General Statute 159.8(a):

	General
Total fund balance	\$ 132,268,918
Less reserves by State statute:	
Non spendable	(499,646)
Restricted	(39,491,981)
Fund balance available for appropriation	92,277,291
Available for restricted purposes:	
Total restricted sources	11,592,401
Appropriated in subsequent year's budget	(5,128,411)
Available for restricted purposes	6,463,990
Available for committed purposes:	
Total committed sources	27,692
Appropriated in subsequent year's budget	(7,000)
Available for committed purposes	20,692
Available for assigned purposes:	
Total assigned	25,447,565
Appropriated in subsequent year's budget:	
From assigned sources	(219,555)
From unassigned sources	(24,258,750)
Available for assigned purposes	969,260
Available for unassigned purposes:	
Total unassigned	55,209,633
Board minimum - 8% of subsequent year's budget	(46,388,107)
Available for unassigned purposes	8,821,526
Fund balance available for appropriation	92,277,291
Appropriated in subsequent year's budget:	(29,613,716)
Board minimum - 8% of subsequent year's budget	(46,388,107)
Total available for restricted, committed, assigned and unassigned purposes	\$ 16,275,468

H. Interfund Transfers

The following is a summary of interfund transfers for Guilford County for the fiscal year ended June 30, 2011:

Transfers In	Transfers Out		Total
	Major Governmental Funds General	Other Governmental Funds	
Major Governmental Funds:			
County Building Construction	\$ 2,049,464	-	2,049,464
Water & Sewer Construction	-	44,698	44,698
School Capital Outlay	4,700,000	-	4,700,000
Total	\$ 6,749,464	44,698	6,794,162

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

Transfers from the General Fund to the County Building Construction Fund are for funding general government construction projects per the Guilford County Capital Improvement Plan.

Transfers from the General Fund to the School Capital Outlay Fund are for funding the Guilford County Schools and the Guilford Technical Community College Capital Maintenance fiscal year 2011 projects in the amounts of \$3.2 million and \$1.5 million, respectively. Annual capital maintenance was appropriated and expended directly from the General Fund in fiscal year 2010.

The transfer from Other Governmental Funds to the Water and Sewer Construction Fund is from Board approval to rescind the County's Home Investment in Affordable Housing Program to revert back to the City of Greensboro as well as the County's commitment in water and sewer funds transferred back to the Water and Sewer Construction Fund.

There were no interfund receivables or payables at June 30, 2011.

IV. OTHER INFORMATION

A. Employees Retirement Systems and Plans

Primary Government

1. North Carolina Local Governmental Employees' Retirement System

Plan Description

Guilford County contributes to the statewide North Carolina Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. The LGERS provides retirement and disability benefits to plan members and beneficiaries. Article 3 of General Statute Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. 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 the 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.

Funding Policy

Plan members are required to contribute 6% of their annual covered salary. The County is required to contribute at an actuarially determined rate. For the County, the current rate for employees not engaged in law enforcement and for law enforcement officers is 6.35% and 6.27%, respectively, of annual covered payroll. The contribution requirements of members and of Guilford County are established and may be amended by the North Carolina General Assembly. The County's contributions to the LGERS for the years ended June 30, 2011, 2010, and 2009 were \$7,381,651, \$5,625,956, and \$5,866,559, respectively. The contributions made by the County equaled the required contributions for each year.

2. Law Enforcement Officers' Special Separation Allowance

Plan Description

Guilford 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. The Separation Allowance is equal to .85% 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 General Statute Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The plan does not issue a separate stand-alone financial report. The Separation Allowance is included in the County's Comprehensive Annual Financial Report as a pension trust fund.

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2010, the Separation Allowance's membership consisted of:

Retirees receiving benefits	48
Active plan members	<u>258</u>
Total	<u>306</u>

Summary of Significant Accounting Policies:

Basis of Accounting – Financial statements for the Separation Allowance are prepared using the accrual basis of accounting. Employer contributions to the plan are recognized when due and when the County has made a formal commitment to provide the contributions. Benefits are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments – Investments are reported at fair value.

Contributions

The County is required by Article 12D of General Statute Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned by making contributions based on actuarial valuations. For the current year, the County contributed \$657,157 or 4.7% of annual covered payroll. There were no contributions made by 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 annual required contribution for the current year was determined as part of the December 31, 2009 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 5.00% investment rate of return and (b) projected salary increases ranging from 4.5% to 12.3% per year. Both (a) and (b) included an inflation component of 3.75%. The assumptions did not include postretirement benefit increases. The actuarial value of assets was determined using the fair value of investments. The unfunded actuarial accrued liability is being amortized as a level percentage of pay on a closed basis. The remaining amortization period at December 31, 2009 was 21 years.

Annual Pension Cost and Net Pension Obligation (Asset)

The County's annual pension cost and net pension obligation (asset) of the Separation Allowance for the current year were as follows:

Annual required contribution	\$ 657,157
Interest on net pension obligation	(16,828)
Adjustment to annual required contribution	<u>18,018</u>
Annual pension cost	658,347
Contributions made	<u>657,157</u>
Decrease in net pension asset	1,190
Net pension obligation (asset) beginning of year	<u>(336,554)</u>
Net pension obligation (asset) end of year	<u>\$ (335,364)</u>

Three Year Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
6/30/2009	\$ 471,768	100.7	\$ (333,385)
6/30/2010	518,111	100.6	(336,554)
6/30/2011	658,347	99.8	(335,364)

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

Funded Status and Funding Progress

As of December 31, 2010, the most recent actuarial valuation date, the plan was 14.08 % funded. The actuarial accrued liability for benefits was 7,320,905 and the actuarial value of assets was \$1,030,668, resulting in an unfunded actuarial accrued liability (UAAL) of \$6,290,237. The covered payroll (annual payroll of active employees covered by the plan) was \$13,996,047, and the ratio of the UAAL to the covered payroll was 44.9 %.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value plan assets are increasing or decreasing over time relative to actuarial accrued liability for benefits.

The following are financial statements for the Law Enforcement Officers' Special Separation Allowance Pension Trust Fund included as Fiduciary Funds in Exhibits 11 and 12 at June 30, 2011:

Statement of Plan Net Assets
June 30, 2011

	<u>Law Enforcement Officers' Special Separation Allowance</u>
Assets	
Current assets:	
Cash and cash equivalents/investments	\$ 1,049,446
Receivables:	
Accrued interest on investments	1,424
Total assets	<u>1,050,870</u>
Liabilities	
Accounts payable and accrued liabilities	<u>25,162</u>
Net Assets	
Held in trust for pension benefits	<u>\$ 1,025,708</u>

Statement of Changes in Plan Net Assets
For the fiscal year ended June 30, 2011

	<u>Law Enforcement Officers' Special Separation Allowance</u>
Additions	
Employer contributions	\$ 657,157
Net investment income	4,222
Total additions	<u>661,379</u>
Deductions	
Benefits	746,653
Administrative expenses	624
Total deductions	<u>747,277</u>
Change in net assets	(85,898)
Net assets at beginning of year	<u>1,111,606</u>
Net assets at end of year	<u>\$ 1,025,708</u>

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

3. Supplemental Retirement Income Plan

Plan Description

The County contributes to the Supplemental Retirement Income Plan of North Carolina (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. All law enforcement officers and any other employees, who are currently members of a state-administered retirement plan, are eligible to participate from the date of employment. Article 5 of General Statute 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Plan is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy

Article 12E of General Statute Chapter 143 requires that the County contribute each month an amount equal to 5% of each law enforcement officer's qualified salary. During the year ended June 30, 2011, the County also elected to contribute 5% of qualified salaries for all other eligible employees. All covered employees may make voluntary contributions to the Plan. All contributions and investment earnings allocated to the employees' accounts are fully vested immediately. County contributions for the year ended June 30, 2011, to law enforcement officers' accounts and other employees' accounts were \$699,317 and \$5,039,014, respectively. Voluntary contributions to the Plan were \$2,941,074.

4. Registers of Deeds' Supplemental Pension Fund

Plan Description

Guilford County also contributes to the Registers of Deeds' Supplemental Pension Fund (Fund), a non-contributory, defined contribution pension plan administered by the North Carolina Department of State Treasurer. The Fund provides supplemental pension benefits to any county register of deeds who is retired under the Local Governmental Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of General Statute Chapter 161 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Fund 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 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, or by calling (919) 981-5454.

Funding Policy

On a monthly basis, the County remits to the Department of State Treasurer an amount equal to 1.5% of the monthly receipts collected pursuant to Article 1 of General Statute 161. Immediately following January 1 of each year, the Department of State Treasurer divides 93% of the amount in the Fund at the end of the preceding calendar year into equal shares to be disbursed as monthly benefits. The remaining 7% of the Fund's assets may be used by the State Treasurer in administering the Fund. For the fiscal year ended June 30, 2011, the County's required and actual contributions were \$34,068.

B. Deferred Compensation Plans

1. Guilford County

Guilford County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency. All assets and income of the plan are in a trust for the exclusive benefit of the participants and their beneficiaries and therefore are not a part of the County's financial statements. The compensation deferred for the fiscal year ended June 30, 2011 was \$108,390.

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

2. Discretely Presented Component Unit

Greensboro Area Convention and Visitors Bureau Deferred Compensation Plan

The Authority offers its employees a Deferred Compensation Plan (Plan) created in accordance with Internal Revenue Code 457. The Plan, available to all full-time employees who have completed one year of service and are at least 21 years old, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement or death. The Authority has complied with changes in the laws that govern deferred compensation plans, requiring all assets of the plan to be held in trust for the exclusive benefit of the participants and their beneficiaries.

The Authority makes a matching contribution in an amount equal to the employees deferred contribution up to a maximum of 6%. All employees may defer amounts up to the maximum allowed by the Internal Revenue Service each year. Employees' contributions vest immediately. The Authority's contributions are fully vested after five years of continuous service. The employee receives credit for his contribution as well as the Authority's, and benefits are based on the total assets owned in the employee's individual accounts. Authority and employee contributions for the fiscal year ended June 30, 2011 were \$37,402 and \$40,791, respectively.

C. Other Postemployment Benefits (OPEB)

1. Health Care Benefits

Plan Description

Under the terms of a County resolution, Guilford County administers a single-employer defined benefit Health Care Plan (the HC Plan). This plan provides postemployment healthcare benefits to retirees of the County who participate in the North Carolina Local Governmental Employees' Retirement System (System). The County's contribution is determined by the number of years of creditable service prior to retirement. Non-Medicare eligible retirees with at least 30 years of creditable service and their dependents may participate with the County contributing the normal employer share of the premium and the retiree paying the normal employee share of the premium. Non-Medicare eligible retirees with at least 25 years of creditable service and their dependents may participate with the County contributing 75 percent of the employer's share and the retiree paying the balance of the employer's share of the premium as well as the normal employee share of the premium. Effective July 22, 2010, the Board of County Commissioners voted to provide these benefits where non-Medicare eligible retirees with at least 20 years of creditable service and their dependents may participate with the County contributing 50 percent of the employees share and the retiree paying the balance of the employer's share of the premium as well as the normal employee share of the premium. Medicare-eligible retirees who are enrolled in both Medicare Parts A and B are eligible to participate with the County contributing a flat amount for retirees with 30 years of creditable service, 75 percent of that rate for retirees with at least 25 years of creditable service and, effective July 22, 2010, 50 percent of that rate for retirees with at least 20 years of creditable service. Medicare eligible participants receive secondary coverage. Employees hired or rehired on or after July 1, 2009 are not eligible for these benefits. A separate report was not issued for the plan.

Membership of the HC Plan consisted of the following at December 31, 2009, the date of the latest actuarial valuation:

	<u>General Employees</u>	<u>Law Enforcement Employees</u>	<u>Total</u>
Retirees receiving benefits	N/A	N/A	651
Active plan members	2,320	226	<u>2,546</u>
Total			<u>3,197</u>

Funding Policy

As noted above, the County pays its share of the cost of coverage (premiums) for the healthcare benefits provided to qualified retirees under a County resolution that can be amended by the Board of County Commissioners. The County's members pay their share of the premiums as noted above. The County has chosen to fund the healthcare benefits on a pay-as-you-go basis with an additional amount to prefund benefits as determined annually by the Board of County Commissioners.

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

The current annual required contribution rate is 13.79% of annual covered payroll. For the current year, the County contributed \$7,265,890 (\$5,265,890 retiree claims paid less premiums received and an additional \$2,000,000 to prefund benefits deposited in The North Carolina State Treasurer's Local Government Other Post-Employment Investment Fund) or 5.98% of annual covered payroll. On June 16, 2011, the County established the Guilford County Local Government Other Post-Employment Benefit (OPEB) Trust, an irrevocable trust, to meet the requirements of the governmental accounting standards and IRS regulations as required when the North Carolina General Assembly changed the North Carolina State Treasurer's Local Government Other Post-Employment Benefits Trust Fund from an irrevocable trust fund to an investment fund. The County provides healthcare coverage through self insurance. The County's required contributions, under a County resolution establishing premium amounts for different coverages, for employees and retirees were 16.4% and 3.3% of covered payroll, respectively. Contributions (premiums) made by employees and retirees were 4.5% and 0.94% of covered payroll, respectively. The County's obligation to contribute to the HC Plan is established and may be amended by the County's Board of County Commissioners.

Summary of Significant Accounting Policies

Postemployment expenditures for the County's portion of the premiums and the prefunded benefits are made from the General Fund, which is maintained on the modified accrual basis of accounting to the Internal Service Fund and the Other Post-Employment Benefits Trust Fund, respectively, which are maintained on the full accrual basis of accounting. Funds are appropriated annually for the County's portion of the premiums and the prefunded benefits. The employee, retiree and County premiums are revenues that finance this self-funded HC Plan reported in the Internal Service Fund. Claims benefits and administrative costs are expensed as they are incurred.

Annual OPEB Cost and Net OPEB Obligation

The County's annual OPEB cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation for the healthcare benefits:

Annual required contribution	\$ 16,746,459
Interest on net OPEB obligation	2,558,178
Adjustment to annual required contribution	<u>(2,018,024)</u>
Annual OPEB cost	17,286,613
Contributions made	<u>7,265,890</u>
Increase in net OPEB obligation	10,020,723
Net OPEB obligation beginning of year	<u>51,163,563</u>
Net OPEB obligation end of year	<u>\$ 61,184,286</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009, 2010, and 2011 were as follows:

Three Year Trend Information			
Fiscal Year Ended	Annual OPEB Cost (AOC)	Percentage of AOC Contributed	Net OPEB Obligation
6/30/2009	\$ 22,899,136	20.5	\$ 40,499,477
6/30/2010	17,714,028	37.9	51,163,563
6/30/2011	17,286,613	42.0	61,184,286

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

Funded Status and Funding Progress

As of December 31, 2009, the most recent actuarial valuation date, the plan was 0.5% funded. The actuarial value of assets was \$1,137,926. The actuarial accrued liability for benefits was \$217,207,018 and, thus, the unfunded actuarial accrued liability (UAAL) was \$216,069,092. The covered payroll (annual payroll of active employees covered by the plan) was \$121,446,107, and the ratio of the UAAL to the covered payroll was 177.9%. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members at that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2009 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 5% investment rate of return which included a 3.75% inflation assumption. They also included a Pre-Medicare annual cost trend rate of 10.5% - 5% and a Post Medicare annual trend rate of 9% - 5%. The actuarial value of assets was determined using the fair value of investments. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2009 was 30 years.

The following are financial statements for the Other Post Employment Benefits Pension Trust Fund included as Fiduciary Funds in Exhibits 11 and 12 at June 30, 2011:

Statement of Plan Net Assets
June 30, 2011

	Other Post Employment Benefits
Assets	
Current assets:	
Cash and cash equivalents/investments	\$ <u>4,635,167</u>
Net Assets	
Held in trust for pension benefits	\$ <u>4,635,167</u>

Statement of Changes in Plan Net Assets
For the fiscal year ended June 30, 2011

	Other Post Employment Benefits
Additions	
Employer contributions	\$ 2,000,000
Net investment income	<u>587,516</u>
Total additions	2,587,516
Net assets at beginning of year	<u>2,047,651</u>
Net assets at end of year	\$ <u>4,635,167</u>

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

2. Medicare Supplement Plan

Eligible retirees after age 65 who do not opt to participate in the HC Plan may participate in a Medicare supplement plan. The service requirements are the same for the Medicare supplement plan as noted above for the healthcare benefit. The County contributes up to \$40 per month for each retiree with at least 30 years of creditable service and 75 percent of that amount for each retiree with at least 25 years of creditable service. The cost of retiree Medicare supplement benefits is recognized as an expenditure when the premiums are paid. Currently seven Medicare-eligible retirees who did not opt to participate in the HC Plan, participate in the Medicare supplement benefit. For the fiscal year ended June 30, 2011, the County paid \$2,686 for Medicare supplement coverage.

3. Guilford County Retiree Welfare Benefits Plan

The County administers the Retiree Welfare Benefits Plan (the Vantagecare Retirement Health Savings Plan) to replace coverage under the County's Health Care Plan (Note IV. C. 1.) for all employees hired on or after July 1, 2009. This plan allows participants to accumulate assets to pay for health insurance and out-of-pocket medical expenses in retirement for participants, their spouses and dependents. Retirees must be members of the North Carolina Local Governmental Employees' Retirement System. Participation in the Retiree Welfare Benefits Plan is mandatory and under the adoption agreement the County and the participant are required to contribute per biweekly pay period \$12.50 and \$7.70, respectively. The County's contribution becomes vested pursuant to a vesting schedule in which 50% is vested after 10 years of service, 75% after 15 years of service and 100% after 20 years of service. The participant's contribution is 100% vested at all times.

A participant is eligible to receive benefits at separation from service. All assets and income of the plan are in a trust for the exclusive benefit of the participant and their beneficiaries and therefore are not a part of the County's financial statements. Employer and participant contributions for the fiscal year ended June 30, 2011 were \$62,825 and \$38,700, respectively.

D. Other Employment 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. Lump sum death benefits are provided to 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. Because the benefit payments are made by the Death Benefit Plan and not by the County, the County does not determine the number of eligible participants. The benefit payment is equal to the employee's 12 highest months salary in a row during the 24 months prior to his/her death, but the benefit must be between \$25,000 and \$50,000. All death benefit payments are made from the Death Benefit Plan. The County has no liability beyond the payment of monthly contributions. 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. For the fiscal year ended June 30, 2011, the County made contributions to the State for death benefits of \$91,658. The County's required contributions for employees not engaged in law enforcement and for law enforcement officers represented .07% and .14% of covered payroll, respectively. The contributions to the Death Benefit Plan are not separated between the postemployment benefit amount and the other benefit amount, as the amounts cannot be reasonably estimated.

E. 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 protects itself from potential loss using a combination of risk financing methods, which are accounted for in the Internal Service Fund. The County's insurance programs consist of liability, property, workers' compensation, and employee healthcare insurance.

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

All operating funds of the County participate in the risk management program and make payments to the program department based on the insured departments' exposure factors. Payments are for prior and current year claims and to establish adequate reserves for catastrophic losses. Amounts are recorded as interfund services provided and used.

Claims 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 are not reported (IBNRs), based on actuarial computations. Settled claims have not exceeded self-retained or purchased insurance coverage in any of the past three fiscal years.

1. Liability and Property Insurance

The liability program is financed using a combination of self-funding and participation in the Local Government Excess Liability Fund, Inc., a public entity risk pool (Liability Pool). The program was restructured during fiscal year 2001 to shift the funding for claims liability from risk sharing pools to banking pools where funds are made available to members in the event of a loss, on a loan basis. Effective September 30, 2010, the County's contributions and accumulated interest in the Tier I and Tier II Excess Liability funds in the amount of \$705,690 were transferred from Member sharing pool Fund A to Liability Pool Fund G (banking pool). Primary Coverage Revolving Fund B, a banking pool, covers claims in excess of \$100,000 up to \$5,000,000. The County retains the first \$100,000 in liability claims and the claims in excess of the \$5,000,000 per occurrence. Liability Pool Fund G was established as a transitional fund to pay claims not covered by Fund B and other self-funded related expenses. As of June 30, 2011, the County's balances in Funds B and G were \$7,452,951 and \$968,651, respectively, which were recorded in the Internal Service Fund as a deposit.

The property insurance program is financed using a combination of self-funding, participation in the Local Government Property Insurance Deductible Fund, Inc., a public entity risk pool (Property Pool) and purchased insurance. The Property Pool was restructured during 2004 to shift the funding for property claims from risk sharing pools to banking pools where funds are made available to members in the event of loss, on a loan basis. The Property Pool pays property losses up to \$50,000 after application of a \$10,000 deductible requirement of the County for each occurrence. Guilford County purchases an insurance policy to provide coverage above the \$50,000 loss amount up to a 100% replacement cost but limited to \$324 million in any one occurrence. As of June 30, 2011, the County's balance in the Property Pool of \$152,591 was recorded in the Internal Service Fund as a deposit.

The County has the right to withdraw its interest in the Funds of the Local Government Excess Liability Fund, Inc. and the Local Government Property Insurance Deductible Fund, Inc. when all claims against the pools have been settled and all legal obligations have been paid.

The County has two locations designated as an "A" or "B" area (an area close to a river, lake, or stream) by the Federal Emergency Management Agency. These two locations are covered by the County's property insurance program.

In accordance with North Carolina General Statute 159-29, the Director of Finance and tax collector are each individually bonded for \$100,000 each. The remaining employees that have access to funds are bonded under a blanket bond for \$50,000.

2. Workers' Compensation Insurance

The workers compensation program is financed using a combination of self-funding, participation in the Liability Pool and purchased insurance. The County is self-insured for the first \$100,000 coverage per accident. Claims from \$100,000 to \$500,000 are covered by the Revolving Fund-Employers' Liability/Workers Compensation (Fund E). Claims above \$500,000 are covered by a purchased insurance policy with an unlimited indemnity for workers compensation losses and employers' liability. Amounts paid by Fund E are repaid in subsequent years by the governmental unit incurring the loss, thus, no risk of loss has been transferred by the County to the Liability Pool Fund E which is a banking pool. Annual deposits by members are actuarially determined. As of June 30, 2011, the County's balance in Fund E of \$673,604 was recorded in the Internal Service Fund as a deposit.

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

3. Employee Healthcare Insurance

The employee healthcare program is financed using an entirely self-funded plan. Two optional health-care plans are available to employees, retirees, covered dependents, and eligible former employees. The County administers both healthcare plans through a self-funded program, supplemented by employee contributions, to pay claims administration and medical claims of the employees and their covered dependents. Specific stop-loss insurance with a deductible level of \$250,000 per member for all occurrences and a lifetime maximum of \$750,000 per member is purchased to limit the County's losses for the overall program. The County provides a basic dental plan and an enhanced dental plan for employees, retirees, and covered dependents, supplemented by employee contributions, which are also accounted for in the self-funded program.

4. Reconciliation of Claims Liability

Changes in the County's claims liability balance are as follows:

	Fiscal Year 2010-2011					Fiscal Year
	Liability	Property	Workers' Compensation	Employee Healthcare	Total	2009-10 Total
Balance Beginning of Year	\$ 148,773	222,492	2,124,676	2,829,808	5,325,749	4,818,970
Incurred Claims (Including IBNRs) and Changes in Estimates	122,032	959,056	947,881	30,800,901	32,829,870	31,079,909
Less Claims Payments	<u>164,395</u>	<u>1,172,269</u>	<u>1,202,267</u>	<u>31,318,933</u>	<u>33,857,864</u>	<u>30,573,130</u>
Balance End of Year	<u>\$ 106,410</u>	<u>9,279</u>	<u>1,870,290</u>	<u>2,311,776</u>	<u>4,297,755</u>	<u>5,325,749</u>

F. Benefit Payments Issued by the State

The State, on behalf of the County, makes benefit payments from Federal and State monies directly to recipients. County personnel are involved with certain functions, primarily eligibility determinations that cause these payments to be issued. The following amounts, which disclose the additional aid to County recipients, do not appear in the basic financial statements because they are not revenues and expenditures of the County.

Program Title	Federal	State
Aid to the Blind	\$ 99,953	19,130
Aid to Families with Dependent Children	(8,585)	(2,353)
SC/SA Domiciliary Care	-	3,058,633
Refugee Assistance	133,460	-
Low Income Energy Assistance	2,860,492	-
Adoption Assistance - CWS	-	1,792,485
Adoption Assistance - IV-E	3,559,434	786,499
Medical Assistance	325,075,719	128,184,263
Woman, Infants and Children	9,823,577	-
Supplemental Nutrition Assistance Program	128,192,076	-
Temporary Assistance for Needy Families	1,645,269	(455)
Temporary Assistance for Needy Families - ARRA Supplement	<u>1,766,140</u>	-
Total benefit payments issued by the State	<u>\$ 473,147,535</u>	<u>133,838,202</u>

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

G. Commitments and Contingencies

The County leases certain equipment under long-term lease agreements. At June 30, 2011, such arrangements with initial or remaining noncancellable terms in excess of one year are as follows:

Year Ending June 30	Capital Leases and Installment Financings	Operating Leases
2012	\$ 682,017	298,973
2013	656,563	163,376
2014	631,108	65,024
2015	605,654	62,990
2016	580,200	4,500
2017-2018	1,084,036	-
Total minimum payments	4,239,578	594,863
Less amount representing interest	668,178	
Present value of net minimum payment	\$ 3,571,400	

There were no contingent rentals or sublease rentals associated with leases in effect at June 30, 2011. The total rental expense amounted to \$1,004,280 for the fiscal year ended June 30, 2011.

The County has entered into contracts for the extension of public water and sewer lines from existing municipal systems into unincorporated areas. By contractual arrangements with the Cities of High Point and Archdale, the County provides the capital necessary to construct water and sewer lines to municipal specifications. The municipalities play a major engineering role in the design stage to insure compatibility upon construction. The County levies, bills and collects all assessments and fees. The lines become the property of the participating municipality upon installation, and the municipality imposes charges for services furnished to users thereof. The Cities of High Point and Archdale pay to the County 25% of the net income derived from services provided pursuant to said contracts. Until December 31, 2010, there was a similar contractual arrangement with the City of Greensboro. The County and the City are in the process of determining which water and sewer projects, already in progress, will be completed. In accordance with the contract, the balance of funds remaining shall be divided equally between the County and City of Greensboro. The current estimated settlement amount of \$12.3 million is reported in the Water and Sewer Construction Fund as a payable to the City of Greensboro at June 30, 2011.

Expenditures incurred for improvements to property of the Guilford County Board of Education and Guilford Technical Community College are reimbursed upon request. Because Guilford County is not a party to the contracts for school improvements, the unexecuted balances of such contracts are considered obligations of the applicable school systems. Further, additional payments, if any, to be made by Guilford County will be from future appropriations. For these reasons, the unexecuted balances of such contracts, aggregating approximately \$97.5 million at June 30, 2011, represent commitments.

The County participates in a number of Federal and State of North Carolina financial assistance programs. For the fiscal year ended June 30, 2011, these programs were subject to audit in accordance with generally accepted auditing standards, Government Auditing Standards, the provisions of OMB Circular A-133, and the State Single Audit Implementation Act. The amount, if any, of expenditures which may be disallowed by the granting agencies resulting from this and other audits cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

The County is involved in several pending lawsuits and claims, which it intends to defend vigorously. In the opinion of the County's attorney and management, the disposition of these matters is not expected to have a material effect on the County's financial position.

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

H. Conduit Debt Obligations

The Guilford County Industrial Facilities and Pollution Control Financing Authority (the Authority) has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed as well as letters of credit and are payable solely from payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the County, the Authority, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2011, there were six series of industrial revenue bonds outstanding with an aggregate principal amount payable of \$34,063,364.

In December 2003, Guilford County issued \$5,240,000 Multifamily Housing Revenue Bonds on behalf of Brentwood Crossing, LLC for the acquisition and rehabilitation of a low and moderate income multifamily rental housing development. These bonds are secured by rents from the property and a letter of credit. Neither the County, the State, nor any political subdivision thereof is obligated in any manner for the repayment of these bonds. Accordingly, the outstanding bonds in the amount of \$4,550,000 at June 30, 2011 are not reported as liabilities in the accompanying financial statements.

In November 2005, Guilford County issued \$4,110,000 of Multifamily Housing Revenue Bonds on behalf of Lake Road II, L.P., for the construction and equipping of a low-to-moderate income family housing project. These bonds are secured by rents from the property, and neither the County, the State, nor any political subdivision thereof is obligated in any manner for the repayment of these bonds. Accordingly, the outstanding bonds in the amount of \$3,950,000 at June 30, 2011 are not reported as liabilities in the accompanying financial statements.

I. Joint Venture

Guilford Technical Community College

The County, in conjunction with the State of North Carolina and Guilford County Board of Education, participates in a joint venture to operate the Guilford Technical Community College. Each of the three participants appoints four members of the thirteen-member board of trustees of the community college. The president of the community college's student government serves as an ex officio nonvoting member. 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. Of the general obligation bond issues for this purpose, \$107,406,543 in debt is still outstanding. 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 \$11,752,690 for operating purposes during the fiscal year ended June 30, 2011. In addition, the County made debt service payments of \$7,385,932 during the fiscal year on general obligation bonds issued for community college capital facilities. 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, 2011. Complete financial statements for the community college may be obtained from the community college's administrative offices at 601 High Point Road, Jamestown, North Carolina 27282.

J. Jointly Governed Organizations

Piedmont Triad Council of Governments

The County participates with six other counties and thirty-four municipalities in the Piedmont Triad Council of Governments (the Council). The Council was established to promote regional issues and cooperation among its members and 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 dues of \$98,352 to the Council during the fiscal year ended June 30, 2011. For the fiscal year beginning July 1, 2011, the County ended its participation in a newly merged Council.

GUILFORD COUNTY, NORTH CAROLINA
Notes to the Financial Statements

Piedmont Triad Airport Authority

The County, in conjunction with four other governmental entities, created the Piedmont Triad Airport Authority (the Authority) to establish policy for the development, operation, and maintenance of the Piedmont Triad International Airport. The County appoints three members of the seven-member governing board of the Authority.

High Point Convention and Visitors Bureau

The City of High Point created a High Point Convention and Visitors Bureau (the Bureau) to promote tourism and to solicit and encourage convention business in High Point. The County appoints five of the eleven voting members of the Bureau.

Piedmont Authority for Regional Transportation

The County participates with nine other counties in the Piedmont Authority for Regional Transportation (the Authority) as established by the Cities of Burlington, Greensboro, High Point and Winston-Salem for the purpose of coordinating regional transportation services, facilities and programs for the entire Piedmont Triad area. The County appoints one of the twenty-one voting members of the Authority.



Required Supplementary Information

The Required Supplementary Information schedules and notes contain additional information required by generally accepted accounting principles as follows:

Law Enforcement Officers' Special Separation Allowance:

Schedule of Funding Progress

Schedule of Employer Contributions

Notes to the Required Schedules

The Health Care Plan of Guilford County:

Schedule of Funding Progress

Schedule of Employer Contributions

Notes to the Required Schedules

GUILFORD COUNTY, NORTH CAROLINA
Law Enforcement Officers' Special Separation Allowance
Required Supplementary Information

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
12/31/05	\$ 1,727,284	5,113,293	3,386,009	33.8%	\$ 11,581,612	29.2%
12/31/06	1,671,258	5,147,929	3,476,671	32.5	12,479,184	27.9
12/31/07	1,582,839	5,839,543	4,256,704	27.1	12,481,603	34.1
12/31/08	1,409,260	6,242,737	4,833,477	22.6	12,640,852	38.2
12/31/09	1,207,354	7,677,564	6,470,210	15.7	12,737,800	50.8
12/31/10	1,030,668	7,320,905	6,290,237	14.1	13,996,047	44.9

Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution	Percentage Contributed
2006	\$ 409,026	100.2
2007	391,297	100.0
2008	415,787	100.0
2009	474,840	100.0
2010	521,280	100.0
2011	657,157	100.0

Notes to the Required Schedules

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	12/31/2010
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay closed
Remaining amortization period	20 years
Asset valuation method	Fair value
Actuarial assumptions:	
Investment rate of return*	5.00%
Projected salary increases*	From 4.25% to 7.85% per year
*Includes inflation at	3.00%
Cost of living adjustments	N/A

GUILFORD COUNTY, NORTH CAROLINA
The Health Care Plan of Guilford County
Required Supplementary Information

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
12/31/05	\$ 0	280,036,182	280,036,182	0.0%	\$ 110,448,627	253.5%
12/31/07	0	289,259,990	289,259,990	0.0	119,246,270	242.6
12/31/09	1,137,926	217,207,018	216,069,092	0.5	121,446,107	177.9

Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution	Percentage Contributed
2008	\$ 26,232,790	15.0
2009	22,776,648	20.6
2010	16,746,459	38.9
2011	16,746,459	43.4

Notes to the Required Schedules

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	12/31/2009
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay, open
Remaining amortization period	30 years
Asset valuation method	Fair value
Actuarial assumptions:	
Investment rate of return*	5.00%
Medical cost trend rate	
Pre-Medicare trend rate	10.50%-5.00%
Post-Medicare trend rate	9.00%-5.00%
Year of Ultimate trend rate	2017
*Includes inflation at	3.75%

The assumed investment rate of return reflects the fact that assets are set aside within Guilford County that are legally held exclusively for retiree health benefits.



Major Governmental Funds

General Fund

The General Fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

Capital Projects Funds

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

- *County Building Construction Fund* - Accounts for the financing and construction of various capital assets and improvements thereto of the County. Financing is provided principally by operating transfers from the General Fund, interest on investments and proceeds of general obligation bonds when issued.

- *Water and Sewer Construction Fund* - Accounts for the financing and construction of various water and sewer construction projects through joint agreements with various municipalities, including the cities of Greensboro, High Point, and Archdale. The primary revenue sources are acreage user fees, joint operation fees and assessments with additional financing provided principally by the proceeds of general obligation bonds when issued. The City of Greensboro terminated its agreement effective December 31, 2010.

- *School Capital Outlay Fund* - Accounts for the County's portion of the financing of school capital assets for the Guilford County Public School System as well as Guilford Technical Community College. Financing may be provided from three principal sources: (1) County-wide funds, primarily operating transfers from the General Fund; (2) Revenue from the North Carolina Public School Building Capital Fund (Average Daily Membership and Lottery) and the North Carolina Public School Building Bond Fund; and (3) Proceeds of general obligation bonds issued by Guilford County. Under North Carolina law, such bonds cannot be issued by the respective school.

**GUILFORD COUNTY, NORTH CAROLINA
General Fund**

A-1

**Schedule of Expenditures - Budget and Actual
For the fiscal year ended June 30, 2011**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	Budgetary and GAAP Basis	Positive (Negative)
Current:				
General government:				
County commissioners	\$ 435,183	526,569	502,256	24,313
Clerk to the board	194,733	197,307	187,337	9,970
County administration	1,536,608	1,432,749	740,012	692,737
County attorney	1,809,732	1,823,423	1,758,895	64,528
Human resources	8,242,758	7,893,247	7,643,322	249,925
Budget and management	448,772	425,347	407,618	17,729
Internal audit	491,055	535,830	434,434	101,396
Finance	2,474,357	2,631,038	2,440,084	190,954
Purchasing	472,127	470,235	392,430	77,805
Information services	9,049,357	10,347,477	9,201,625	1,145,852
Tax	5,041,596	5,240,296	5,182,339	57,957
Register of deeds	2,355,638	2,324,827	2,204,790	120,037
Elections	1,767,608	1,801,230	1,686,474	114,756
Planning and development	910,530	903,373	809,709	93,664
Facilities	4,414,313	4,508,605	4,143,331	365,274
Security	1,695,758	1,701,181	1,635,189	65,992
Property management / courts	1,355,137	1,449,944	1,406,578	43,366
Fleet operation	344,678	484,290	434,729	49,561
Total general government	<u>43,039,940</u>	<u>44,696,968</u>	<u>41,211,152</u>	<u>3,485,816</u>
Human services:				
Public health	36,817,097	37,116,447	34,915,224	2,201,223
Mental health	38,513,616	43,503,935	37,413,395	6,090,540
Social services	70,071,884	71,605,532	68,199,674	3,405,858
Public assistance - adults, families, medical	5,661,267	6,186,267	5,813,844	372,423
Child support enforcement	5,917,574	5,877,479	5,666,995	210,484
Cooperative extension service	515,659	623,773	538,225	85,548
Coordinated services	1,644,912	1,812,545	1,712,264	100,281
Veteran services	108,657	110,233	106,972	3,261
Transportation	2,281,506	2,804,527	1,946,395	858,132
Total human services	<u>161,532,172</u>	<u>169,640,738</u>	<u>156,312,988</u>	<u>13,327,750</u>
Public safety:				
Law enforcement	53,661,197	56,819,902	53,801,676	3,018,226
Emergency services	21,741,445	22,489,412	21,120,179	1,369,233
Inspections	2,109,249	2,160,931	2,086,494	74,437
Court alternatives	2,947,108	2,881,513	2,694,376	187,137
Animal services	2,932,618	2,953,993	2,758,841	195,152
Other protection	1,454,457	1,924,334	1,126,615	797,719
Total public safety	<u>84,846,074</u>	<u>89,230,085</u>	<u>83,588,181</u>	<u>5,641,904</u>
Environmental protection:				
Sanitation	938,343	1,113,403	989,634	123,769
Soil and water conservation	269,709	278,117	247,344	30,773
Total environmental protection	<u>1,208,052</u>	<u>1,391,520</u>	<u>1,236,978</u>	<u>154,542</u>
Culture - recreation	5,015,848	5,485,996	4,882,347	603,649
Economic development and assistance	1,914,575	4,656,397	1,679,617	2,976,780
Intergovernmental:				
Education - current appropriation:				
Guilford Technical Community College	11,752,690	11,752,690	11,752,690	-
Guilford County Board of Education	175,165,521	175,165,521	175,165,521	-
Total education	<u>186,918,211</u>	<u>186,918,211</u>	<u>186,918,211</u>	<u>-</u>
Capital	700,000	-	-	-
Debt service:				
Principal retirement	38,845,200	38,845,200	37,545,200	1,300,000
Interest and fiscal charges	36,870,464	33,831,913	28,795,865	5,036,048
Bond issuance costs	2,100,000	2,100,000	-	2,100,000
Total debt service	<u>77,815,664</u>	<u>74,777,113</u>	<u>66,341,065</u>	<u>8,436,048</u>
Total expenditures	<u>\$ 562,990,536</u>	<u>576,797,028</u>	<u>542,170,539</u>	<u>34,626,489</u>

GUILFORD COUNTY, NORTH CAROLINA
County Building Construction Capital Projects Fund
Combining Schedule of Revenues and Expenditures
For the fiscal year ended June 30, 2011

A-2

	Annually Budgeted Projects	Project- Length Budgets	Total
Revenues			
Intergovernmental	\$ -	519,594	519,594
Interest on investments	149,430	-	149,430
Other	9,800	750	10,550
Total revenues	159,230	520,344	679,574
Expenditures			
Capital outlay	-	60,378,382	60,378,382
Excess (deficiency) of revenues over expenditures	159,230	(59,858,038)	(59,698,808)
Other Financing Sources			
Transfers in	2,049,464	-	2,049,464
Sale of capital assets	7,439,559	-	7,439,559
Total other financing sources	9,489,023	-	9,489,023
Excess (deficiency) of revenues and other sources over expenditures	\$ 9,648,253	(59,858,038)	(50,209,785)

GUILFORD COUNTY, NORTH CAROLINA
County Building Construction Capital Projects Fund
Schedule of Revenues and Expenditures -
Budget and Actual (Budgetary Basis - Annually Budgeted Projects)
For the fiscal year ended June 30, 2011

A-2a

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary and</u> <u>GAAP Basis</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
Revenues				
Interest on investments	\$ -	-	149,430	149,430
Other	-	-	9,800	9,800
Total revenues	<u>-</u>	<u>-</u>	<u>159,230</u>	<u>159,230</u>
Expenditures				
Capital outlay:				
County building construction for future projects	<u>2,049,464</u>	<u>2,049,464</u>	-	<u>2,049,464</u>
Excess (deficiency) of revenues over expenditures	<u>(2,049,464)</u>	<u>(2,049,464)</u>	<u>159,230</u>	<u>2,208,694</u>
Other Financing Sources				
Transfers in	2,049,464	2,049,464	2,049,464	-
Sale of capital assets	<u>-</u>	<u>-</u>	<u>7,439,559</u>	<u>7,439,559</u>
Total other financing sources	<u>2,049,464</u>	<u>2,049,464</u>	<u>9,489,023</u>	<u>7,439,559</u>
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>-</u>	<u>9,648,253</u>	<u>9,648,253</u>

GUILFORD COUNTY, NORTH CAROLINA
County Building Construction Capital Projects Fund
Schedule of Revenues and Expenditures -
Budget and Actual (Budgetary Basis - Project-Length Budgets)
From inception and for the fiscal year ended June 30, 2011

A-2b

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
Revenues				
Intergovernmental	\$ 3,442,543	2,546,806	519,594	3,066,400
Other	101,000	105,435	750	106,185
Total revenues	<u>3,543,543</u>	<u>2,652,241</u>	<u>520,344</u>	<u>3,172,585</u>
Expenditures				
Capital outlay:				
General Government Projects:				
Greensboro Courthouse Renovations	5,128,874	4,307,820	27,163	4,334,983
BB&T Building	5,102,000	4,390,787	209,106	4,599,893
Tax Technology System Replacement	2,300,000	1,614,536	675,604	2,290,140
New Financial Reporting System	5,331,636	4,499,613	111,165	4,610,778
Upgrade to Financial Reporting System	481,150	-	-	-
Time and Attendance System	696,473	612,270	11,169	623,439
High Point Courthouse Renovations	1,728,626	-	92,592	92,592
Greene Street Center	398,180	-	14,883	14,883
Human Services Projects:				
Greensboro Health Department Renovations	3,041,656	624,322	73,519	697,841
Bellemeade Center Renovations	833,114	-	109,817	109,817
New DSS Facility - High Point	8,045,664	301,664	7,558,232	7,859,896
Public Safety Projects:				
GC Detention Center	115,735,000	23,214,400	49,839,267	73,053,667
Prison Farm Infrastructure Improve & Design	725,000	-	-	-
EMS Base Station - Rock Creek	2,670,000	2,207,329	267,957	2,475,286
Northwest EMS Base Station	1,500,000	-	-	-
Environmental Protection Projects:				
Greensboro Watershed	4,125,878	3,944,821	-	3,944,821
Culture-Recreation Projects:				
Bicentennial Greenway Trail Phase III	4,339,382	2,507,513	536,565	3,044,078
Triad Park	4,942,622	3,865,810	2,441	3,868,251
Bryan Park - Phase I	100,000	-	-	-
Bur Mil Park Improvements	2,773,352	2,756,815	2,650	2,759,465
Northeast Park	8,651,371	7,623,608	39,360	7,662,968
Open Space Acquisition	10,125,636	6,441,069	406,883	6,847,952
Southwest Park	2,584,459	2,574,252	10,206	2,584,458
Hagan-Stone Park	1,067,250	-	291,538	291,538
Trails Development	648,938	-	3,200	3,200
Atlantic & Yadkin Greenway-Stimulus	700,000	176,796	95,065	271,861
Total expenditures	<u>193,776,261</u>	<u>71,663,425</u>	<u>60,378,382</u>	<u>132,041,807</u>
Deficiency of revenues over expenditures	<u>(190,232,718)</u>	<u>(69,011,184)</u>	<u>(59,858,038)</u>	<u>(128,869,222)</u>
Other Financing Sources				
General obligation bonds issued	159,718,247	109,603,295	-	109,603,295
Capital-related debt issued	5,102,000	5,102,000	-	5,102,000
Premiums on general obligation bonds issued	-	1,904,183	-	1,904,183
Transfers in	1,494,638	1,494,638	-	1,494,638
Appropriated fund balance	23,917,833	-	-	-
Total other financing sources	<u>190,232,718</u>	<u>118,104,116</u>	<u>-</u>	<u>118,104,116</u>
Excess (deficiency) of revenues and other sources over expenditures	\$ <u>-</u>	<u>49,092,932</u>	<u>(59,858,038)</u>	<u>(10,765,106)</u>

GUILFORD COUNTY, NORTH CAROLINA
Water and Sewer Construction Capital Projects Fund
Combining Schedule of Revenues and Expenditures
For the fiscal year ended June 30, 2011

A-3

	<u>Annually Budgeted Projects</u>	<u>Project- Length Budgets</u>	<u>Total</u>
Revenues			
Charges for services	\$ 1,982,092	-	1,982,092
Interest on investments	61,157	-	61,157
Other	<u>61,473</u>	-	<u>61,473</u>
Total revenues	2,104,722	-	2,104,722
Expenditures			
Capital outlay	<u>12,258,098</u>	<u>3,488,048</u>	<u>15,746,146</u>
Deficiency of revenues over expenditures	<u>(10,153,376)</u>	<u>(3,488,048)</u>	<u>(13,641,424)</u>
Other Financing Sources			
Transfers in	<u>44,698</u>	-	<u>44,698</u>
Deficiency of revenues and other sources over expenditures	<u>\$ (10,108,678)</u>	<u>(3,488,048)</u>	<u>(13,596,726)</u>

GUILFORD COUNTY, NORTH CAROLINA
Water and Sewer Construction Capital Projects Fund
Schedule of Revenues and Expenditures -
Budget and Actual (Budgetary Basis - Annually Budgeted Projects)
For the fiscal year ended June 30, 2011

A-3a

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary and GAAP Basis</u>	<u>Final Budget Positive (Negative)</u>
Revenues				
Charges for services:				
Acreage user fees	\$ -	-	604,297	604,297
Assessments	-	-	225,237	225,237
Joint operation fees	-	-	1,152,558	1,152,558
Total charges for services	-	-	1,982,092	1,982,092
Interest on investments	-	-	61,157	61,157
Other	-	-	61,473	61,473
Total revenues	-	-	2,104,722	2,104,722
Expenditures				
Capital outlay:				
Water	-	13,420	-	13,420
Greensboro water and sewer:				
Water and sewer	-	28,440	6,047	22,393
Contract termination (1)	-	17,500,000	12,252,051	5,247,949
High Point water and sewer	-	6,460	-	6,460
Reserve for future municipal projects	-	482,514	-	482,514
Total expenditures	-	18,030,834	12,258,098	5,772,736
Excess (deficiency) of revenues over expenditures	-	(18,030,834)	(10,153,376)	7,877,458
Other Financing Sources				
Transfers in	-	44,698	44,698	-
Appropriated fund balance	-	17,986,136	-	(17,986,136)
Total other financing sources	-	18,030,834	44,698	(17,986,136)
Deficiency of revenues and other sources over expenditures	\$ -	-	(10,108,678)	(10,108,678)

Note:

(1) Estimated settlement amount of \$12,252,051 due the City of Greensboro based on contract termination provisions.

GUILFORD COUNTY, NORTH CAROLINA
Water and Sewer Construction Capital Projects Fund
Schedule of Revenues and Expenditures -
Budget and Actual (Budgetary Basis - Project-Length Budgets)
From inception and for the fiscal year ended June 30, 2011

A-3b

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
Expenditures				
Capital outlay:				
Sanitary sewer:				
Forest Oaks Estates	\$ 1,171,656	120,730	5,083	125,813
Prison Farm Infrastructure Improve & Design	350,000	-	-	-
GTCC Campus	3,207,678	185,398	573,160	758,558
Lynwood Lakes Sewer	4,702,843	489,172	4,576	493,748
Water:				
Forest Oaks Estates	1,129,638	115,442	4,861	120,303
Prison Farm Infrastructure Improve & Design	325,000	-	-	-
GTCC Campus	310,181	185,398	104,112	289,510
Lynwood Lakes Water	3,687,349	332,552	2,283	334,835
Alamance Elementary School Water	1,288,846	112,254	993,973	1,106,227
Greensboro water and sewer:				
Koury Development Water & Sewer Project	1,417,500	1,417,500	-	1,417,500
Trosper Road	931,512	613,775	-	613,775
City / County Water & Sewer Master Plan	1,043,211	1,043,210	-	1,043,210
Piedmont Triad Airport Authority (GSO E & W) Water & Sewer	1,800,000	-	1,800,000	1,800,000
High Point water and sewer:				
Koury Development Water & Sewer Project	604,856	604,856	-	604,856
Total expenditures	<u>21,970,270</u>	<u>5,220,287</u>	<u>3,488,048</u>	<u>8,708,335</u>
Other Financing Sources				
General obligation bonds issued	675,000	675,000	-	675,000
Transfers in	1,000,000	1,000,000	-	1,000,000
Appropriated fund balance	<u>20,295,270</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>21,970,270</u>	<u>1,675,000</u>	<u>-</u>	<u>1,675,000</u>
Deficiency of other sources over expenditures	\$ <u>-</u>	<u>(3,545,287)</u>	<u>(3,488,048)</u>	<u>(7,033,335)</u>

GUILFORD COUNTY, NORTH CAROLINA
School Capital Outlay Capital Projects Fund
Schedule of Revenues and Expenditures -
Budget and Actual (Budgetary Basis - Project-Length Budgets)
From inception and for the fiscal year ended June 30, 2011

A-4

	<u>Project Authorization</u>	<u>Actual</u>		
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
Revenues				
Intergovernmental:				
State Lottery Funds	\$ 2,238,299	1,480,097	107,059	1,587,156
Public School Building Capital Fund	24,453,479	20,779,675	2,324,557	23,104,232
Public School Building Bond Fund	14,251,102	14,251,102	-	14,251,102
Guilford County Schools	<u>17,623,551</u>	<u>17,138,103</u>	<u>544,500</u>	<u>17,682,603</u>
Total revenues	<u>58,566,431</u>	<u>53,648,977</u>	<u>2,976,116</u>	<u>56,625,093</u>
Expenditures				
Intergovernmental:				
Education:				
Guilford Technical				
Community College	127,500,000	33,717,160	14,481,659	48,198,819
Guilford County Board of Education	<u>956,109,427</u>	<u>540,264,870</u>	<u>72,754,649</u>	<u>613,019,519</u>
Total expenditures	<u>1,083,609,427</u>	<u>573,982,030</u>	<u>87,236,308</u>	<u>661,218,338</u>
Deficiency of revenues over expenditures	<u>(1,025,042,996)</u>	<u>(520,333,053)</u>	<u>(84,260,192)</u>	<u>(604,593,245)</u>
Other Financing Sources				
General obligation bonds issued	950,914,631	653,699,638	-	653,699,638
Premium on put bonds	6,165,842	6,165,842	-	6,165,842
Capital-related debt issued	16,843,000	-	-	-
Transfers in	45,674,073	40,974,075	4,700,000	45,674,075
Appropriated fund balance	<u>5,445,450</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>1,025,042,996</u>	<u>700,839,555</u>	<u>4,700,000</u>	<u>705,539,555</u>
Excess (deficiency) of revenues and other sources over expenditures	\$ <u>-</u>	<u>180,506,502</u>	<u>(79,560,192)</u>	<u>100,946,310</u>

GUILFORD COUNTY, NORTH CAROLINA
School Capital Outlay Capital Projects Fund
Schedule of Expenditures - Guilford Technical Community College
Budget and Actual (Budgetary Basis - Project-Length Budgets)
From inception and for the fiscal year ended June 30, 2011

A-4a

<u>Project Name</u>	<u>Project Authorization</u>	<u>Actual</u>		
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
Health Technologies	\$ 8,000,000	6,448,263	560,986	7,009,249
Greensboro Campus				
Classroom Building	7,716,730	7,694,630	22,099	7,716,729
High Point Campus Expansion	8,283,270	7,739,147	262,425	8,001,572
GTCC - Northwest Campus	73,000,000	10,917,858	5,049,624	15,967,482
Jamestown Campus				
Parking Deck	12,000,000	851,059	7,765,410	8,616,469
Aviation Classroom Building	8,000,000	-	-	-
Medlin Learning Center -				
HVAC and Renovations	9,000,000	66,203	821,115	887,318
Capital Maintenance FY2011	<u>1,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total expenditures	 \$ <u>127,500,000</u>	 <u>33,717,160</u>	 <u>14,481,659</u>	 <u>48,198,819</u>

GUILFORD COUNTY, NORTH CAROLINA
School Capital Outlay Capital Projects Fund
Schedule of Expenditures - Guilford County Board of Education
Budget and Actual (Budgetary Basis - Project-Length Budgets)
From inception and for the fiscal year ended June 30, 2011

A-4b

Project Name	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
System Wide Air Conditioning Renovation	\$ 21,139,311	21,058,674	-	21,058,674
Stokesdale Elementary School	9,241,252	8,885,389	(14,964)	8,870,425
Andrews High School	9,367,504	9,367,135	-	9,367,135
Dudley High School	32,334,301	32,231,600	7,741	32,239,341
Northwest High School	18,667,108	18,666,927	9	18,666,936
Smith High School Academy	5,797,246	5,726,760	(2,204)	5,724,556
Griffin Middle School	6,901,717	6,889,749	4,050	6,893,799
Brightwood Elementary School	9,786,191	9,728,349	57,842	9,786,191
Florence Elementary School	9,725,313	9,060,147	231,362	9,291,509
Lincoln Performing Arts (K-8)	1,752,329	1,586,529	18,948	1,605,477
Sedalia Elementary School	6,497,629	6,417,629	-	6,417,629
Oak Ridge Elementary School	13,546,040	13,497,879	7,490	13,505,369
Southern Middle School	26,390,791	25,630,470	226,877	25,857,347
Ferndale Middle School	4,578,062	4,564,119	(3,051)	4,561,068
Gateway Education Center West	17,829,590	11,303,467	1,516,366	12,819,833
Gibsonville Elementary School	13,047,915	12,973,498	(1,969)	12,971,529
Guilford Elementary School	17,517,708	17,422,921	(25,187)	17,397,734
Irving Park Elementary School	3,151,875	2,620,890	484,668	3,105,558
Jamestown Middle School	36,812,525	32,671,620	419,700	33,091,320
Madison Elementary School	2,088,213	1,965,960	1,331	1,967,291
Morehead Elementary School	1,857,530	1,851,703	1,784	1,853,487
Northeast High School	11,706,031	11,350,794	27,098	11,377,892
Northeast Middle School	5,403,087	5,309,380	8,752	5,318,132
Northern Elementary School	14,047,129	14,010,032	10,732	14,020,764
Northern High School	54,046,420	53,237,705	742,071	53,979,776
Northern Middle School	27,451,507	27,313,012	86,807	27,399,819
Northwest Area Elementary School	16,206,158	16,156,573	(38,550)	16,118,023
Oak View Elementary School	5,037,764	4,899,354	21,373	4,920,727
Parkview Elementary School	8,066,356	7,684,090	(11,846)	7,672,244
Peck Elementary School	3,427,139	3,295,976	(758)	3,295,218
Peeler Elementary School	1,951,536	1,673,672	15,047	1,688,719
Pleasant Garden Elementary School	6,196,348	6,165,982	28,208	6,194,190
Ragsdale High School	43,333,607	1,749,778	2,834,427	4,584,205
Reedy Fork Area Elementary School	16,333,592	16,278,688	(16,117)	16,262,571
Southern High School	9,506,197	8,593,506	(3,742)	8,589,764
Southwest High School	8,197,763	8,080,405	(2,110)	8,078,295
Union Hill Elementary School	18,719,695	17,773,075	48,300	17,821,375
Brown Summit College Prep Middle School	2,345,883	2,344,255	160	2,344,415
Southeast High School	2,669,325	2,092,560	(5,353)	2,087,207
McLeansville Elementary School	5,090,756	5,061,332	-	5,061,332
Eastern Guilford High School Replacement	58,019,750	49,824,335	1,737,292	51,561,627
Subtotal expenditures	\$ 585,786,193	517,015,919	8,412,584	525,428,503

GUILFORD COUNTY, NORTH CAROLINA
School Capital Outlay Capital Projects Fund
Schedule of Expenditures - Guilford County Board of Education
Budget and Actual (Budgetary Basis - Project-Length Budgets)
From inception and for the fiscal year ended June 30, 2011

A-4b

Project Name	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
Subtotal expenditures forward	\$ 585,786,193	517,015,919	8,412,584	525,428,503
High Point SCALE Site	3,200,000	2,880,091	-	2,880,091
System-Wide Renovations at				
Various School Sites	6,163,128	4,218,692	447,473	4,666,165
Southeast High School	33,311,222	2,912,514	13,179,594	16,092,108
Alamance Elementary School	20,300,161	1,946,528	9,274,744	11,221,272
Summerfield Elementary School	17,949,766	1,135,135	9,108,131	10,243,266
Southwest High School	31,089,918	1,543,927	10,854,840	12,398,767
Southeast Area Elementary School	24,893,360	217,570	193,032	410,602
Allen Middle School	9,099,383	305,149	1,189,311	1,494,460
Southeast Middle School	13,088,725	957,841	6,552,679	7,510,520
North Greensboro Area Elementary School	25,362,974	155,195	2,727,111	2,882,306
Grimsley High School	11,747,890	403,813	170,465	574,278
Airport Area High School	71,996,741	222,547	191,953	414,500
Airport Middle School - Land	2,087,969	18,937	22,671	41,608
Northwest Middle School	7,741,712	718,801	1,080,357	1,799,158
Allen Jay Middle School	12,171,572	200,018	385,092	585,110
Dudley High School	3,150,748	62,899	735,711	798,610
Dudley High School - Athletics	3,579,375	85,273	184,789	270,062
Mobile Classrooms	2,386,250	778,363	140,595	918,958
High Point Central High School	5,332,621	228,602	331,365	559,967
McLeansville Elementary School	6,309,892	174,531	472,840	647,371
Northwest High School - Site & Athletics	3,112,500	150,111	37,621	187,732
Simeon Stadium	2,075,000	17,292	147,973	165,265
Tracks	2,075,000	229,385	538,564	767,949
Tennis Courts	1,037,500	1,616	515	2,131
HVAC	8,069,487	2,252,893	1,951,369	4,204,262
Page High School - Athletics	2,074,801	15,642	163,778	179,420
System-Wide Renovations at				
Various School Sites FY09	3,754,737	1,405,986	767,796	2,173,782
HVAC - FY10 Medicaid Swap	2,149,670	9,600	436,254	445,854
Archer Elementary	555,000	-	-	-
Gateway Education Center East	185,000	-	161,187	161,187
McIver Education Center	55,000	-	-	-
HVAC - QSCB	10,789,525	-	396,403	396,403
Roof Replacement/Repair - QSCB	3,039,375	-	158,379	158,379
Windows/Door Replacement - QSCB	3,014,100	-	161,473	161,473
Falkner/Hairston Autism Wing	11,503,195	-	-	-
Roof Repair/Replace-Andrews & Shadybrook	2,178,000	-	2,178,000	2,178,000
Capital Maintenance FY2011	3,691,937	-	-	-
Total expenditures	\$ 956,109,427	540,264,870	72,754,649	613,019,519

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for specified purposes.

- *Rural Fire Districts Fund* - Accounts for voter-approved property taxes levied to provide fire protection services. In accordance with North Carolina General Statute Section 159-26(b)(2), separate accounts have been established for accounting purposes within the rural fire districts fund for each of the 23 fire protection districts.
- *Room Occupancy/Tourism Development Tax Fund* - Accounts for occupancy taxes collected from various hotels, motels and similar establishments in Guilford County. Under North Carolina General Statutes, Chapter 988, Guilford County levies a three percent occupancy tax. In accordance with Section 6 of the statute, the County remits 70 percent of the net proceeds to the Greensboro/Guilford County Tourism Development Authority (a component unit) and the remaining 30 percent to the City of High Point.
- *Community Development Fund* - Accounts for projects financed primarily with Community Development Block Grant Funds for rehabilitation and new construction of housing for individuals with low to moderate income levels. Guilford County is a member of a housing consortium with four other local governments under the Home Investment in Affordable Housing Program created through Title II, Home Investment Partnership Act, of the Cranston-Gonzalez National Affordable Housing Act of 1990.

GUILFORD COUNTY, NORTH CAROLINA
Combining Balance Sheet
Nonmajor Governmental Funds -
Special Revenue Funds
June 30, 2011

B-1

	Rural Fire Districts	Room Occupancy/ Tourism Development Tax	Community Development	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents/ investments	\$ 1,007,754	-	-	1,007,754
Receivables:				
Property taxes (net of allowance for estimated uncollectible delinquent taxes of \$147,057)	171,904	-	-	171,904
Other taxes	-	313,046	-	313,046
Due from governmental units and agencies	473,954	-	-	473,954
Accrued interest on investments	1,091	-	-	1,091
Total receivables	646,949	313,046	-	959,995
Total assets	\$ 1,654,703	313,046	-	1,967,749
Liabilities and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ 4	93,914	-	93,918
Due to component unit	-	219,132	-	219,132
Deferred revenue	242,167	-	-	242,167
Total liabilities	242,171	313,046	-	555,217
Fund balances:				
Restricted	1,412,532	313,046	-	1,725,578
Unassigned	-	(313,046)	-	(313,046)
Total fund balances	1,412,532	-	-	1,412,532
Total liabilities and fund balances	\$ 1,654,703	313,046	-	1,967,749

GUILFORD COUNTY, NORTH CAROLINA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds -
Special Revenue Funds
For the fiscal year ended June 30, 2011

B-2

	<u>Rural Fire Districts</u>	<u>Room Occupancy/ Tourism Development Tax</u>	<u>Community Development</u>	<u>Total Nonmajor Governmental Funds</u>
Revenues				
Taxes:				
Property taxes	\$ 9,738,325	-	-	9,738,325
Sales tax	1,774,385	-	-	1,774,385
Occupancy taxes	-	4,084,391	-	4,084,391
Interest on investments	2,456	-	-	2,456
Total revenues	<u>11,515,166</u>	<u>4,084,391</u>	<u>-</u>	<u>15,599,557</u>
Expenditures				
Current:				
Public safety	11,348,357	-	-	11,348,357
Economic development and assistance	-	4,084,391	-	4,084,391
Total expenditures	<u>11,348,357</u>	<u>4,084,391</u>	<u>-</u>	<u>15,432,748</u>
Excess of revenues over expenditures	<u>166,809</u>	<u>-</u>	<u>-</u>	<u>166,809</u>
Other Financing Uses				
Transfers out	<u>-</u>	<u>-</u>	<u>(44,698)</u>	<u>(44,698)</u>
Net changes in fund balances	166,809	-	(44,698)	122,111
Fund balances at beginning of year	<u>1,245,723</u>	<u>-</u>	<u>44,698</u>	<u>1,290,421</u>
Fund balances at end of year	<u>\$ 1,412,532</u>	<u>-</u>	<u>-</u>	<u>1,412,532</u>

**GUILFORD COUNTY, NORTH CAROLINA
Rural Fire Districts Special Revenue Fund**

B-3

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the fiscal year ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary and GAAP Basis</u>	<u>Final Budget Positive (Negative)</u>
Revenues				
Taxes:				
Property taxes	\$ 9,461,513	9,461,513	9,699,128	237,615
Interest on delinquent taxes	-	-	39,197	39,197
Total property taxes	9,461,513	9,461,513	9,738,325	276,812
Sales tax	1,700,000	1,700,000	1,774,385	74,385
Interest on investments	-	-	2,456	2,456
Total revenues	<u>11,161,513</u>	<u>11,161,513</u>	<u>11,515,166</u>	<u>353,653</u>
Expenditures				
Current:				
Public safety:				
Alamance Community	1,056,991	1,056,991	1,056,991	-
Climax	98,080	98,080	98,080	-
Colfax	497,597	497,597	497,597	-
Deep River	174,635	174,635	174,635	-
Friedens Community	152,006	152,006	152,006	-
Gibsonville	12,316	12,316	12,316	-
Guilford College Community	420,622	420,622	420,622	-
Guil-Rand	140,200	140,200	140,200	-
Fire Protection District No. 1	16,882	16,882	16,882	-
Julian	64,675	64,675	63,153	1,522
Kimesville	88,801	88,801	88,801	-
McLeansville	570,368	570,368	570,368	-
Mount Hope Community	393,537	393,537	393,537	-
Northeast	720,079	720,079	720,079	-
Oak Ridge	1,011,296	1,011,296	1,011,296	-
Pinecroft-Sedgefield	1,565,651	1,565,651	1,565,651	-
Pleasant Garden	633,784	633,784	633,784	-
Rankin	914,342	914,342	914,342	-
Southeast	144,524	144,524	144,524	-
Stokesdale	514,140	514,140	514,140	-
Summerfield	1,587,869	1,587,869	1,587,869	-
Whitsett	330,941	330,941	330,941	-
No. 14	240,543	240,543	240,543	-
Total expenditures	<u>11,349,879</u>	<u>11,349,879</u>	<u>11,348,357</u>	<u>1,522</u>
Net change in fund balance	(188,366)	(188,366)	166,809	355,175
Fund balance at beginning of year	<u>1,245,723</u>	<u>1,245,723</u>	<u>1,245,723</u>	<u>-</u>
Fund balance at end of year	\$ <u>1,057,357</u>	<u>1,057,357</u>	<u>1,412,532</u>	<u>355,175</u>

GUILFORD COUNTY, NORTH CAROLINA
Room Occupancy/Tourism Development Tax Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the fiscal year ended June 30, 2011

B-4

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary and</u> <u>GAAP Basis</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
Revenues				
Taxes:				
Occupancy	\$ 2,604,600	5,000,000	4,084,391	(915,609)
Expenditures				
Current:				
Economic development and assistance	<u>2,604,600</u>	<u>5,000,000</u>	<u>4,084,391</u>	<u>915,609</u>
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	\$ <u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

GUILFORD COUNTY, NORTH CAROLINA
Community Development Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
(Budgetary Basis - Project-Length Budgets)
From inception and through the year ended June 30, 2011

B-5

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
Other Financing Sources (Uses)				
Transfers in	\$ -	44,698	-	44,698
Transfers out	(44,698)	-	(44,698)	(44,698)
Appropriated fund balance	44,698	-	-	-
Total other sources (uses)	-	44,698	(44,698)	-
Net change in fund balance	\$ -	44,698	(44,698)	-
Fund balance at beginning of year			44,698	
Fund balance at end of year			\$ -	

Proprietary Fund

Internal Service Funds are used to accumulate and allocate costs internally among Guilford County's various functions. The County has one Internal Service Fund to account for risk retention services provided to the departments of the County on a cost reimbursement basis.

GUILFORD COUNTY, NORTH CAROLINA

Internal Service Fund

C-1

Schedule of Revenues and Expenditures - Financial Plan and Actual (Non - GAAP)

For the fiscal year ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary and</u>	<u>Final Budget</u>
			<u>GAAP Basis</u>	<u>Positive</u>
				<u>(Negative)</u>
Revenues				
Operating revenues:				
Charges for services	\$ 34,452,617	32,397,463	32,098,064	(299,399)
Other	-	1,018,000	1,774,606	756,606
Total operating revenues	<u>34,452,617</u>	<u>33,415,463</u>	<u>33,872,670</u>	<u>457,207</u>
Nonoperating revenues:				
Interest income	<u>156,000</u>	<u>96,000</u>	<u>97,766</u>	<u>1,766</u>
Total revenues	<u>34,608,617</u>	<u>33,511,463</u>	<u>33,970,436</u>	<u>458,973</u>
Expenditures				
Risk Retention-Liability/Property/WC:				
Personnel services			129,833	
Other direct service costs			9,965	
Professional services			98,717	
Claims, premiums and bonding	-	-	2,320,756	-
Total Risk Retention	<u>2,178,138</u>	<u>3,915,394</u>	<u>2,559,271</u>	<u>1,356,123</u>
Health Care & Wellness:				
Professional services			1,552,100	
Claims, premiums and bonding	-	-	31,316,398	-
Total Health Care & Wellness	<u>33,105,128</u>	<u>33,959,500</u>	<u>32,868,498</u>	<u>1,091,002</u>
Total expenditures	<u>35,283,266</u>	<u>37,874,894</u>	<u>35,427,769</u>	<u>2,447,125</u>
Excess (deficiency) of				
revenues over expenditures	(674,649)	(4,363,431)	(1,457,333)	2,906,098
Other financing sources:				
Appropriated fund balance	<u>674,649</u>	<u>4,363,431</u>	-	<u>(4,363,431)</u>
Deficiency of revenues and other				
sources over expenditures	\$ <u>-</u>	<u>-</u>	(1,457,333)	<u>(1,457,333)</u>
Reconciliation from financial plan				
basis (modified accrual) to full accrual:				
Decrease in accrued vacation pay			<u>(139)</u>	
Change in net assets			\$ <u>(1,457,472)</u>	

Fiduciary Funds

Pension Trust Funds are used to account for activities which accumulate resources for post employment benefits to qualified individuals.

Individual Fund Descriptions:

Pension Trust Funds

- *Law Enforcement Officers' Special Separation Allowance Fund* - Accounts for the activities of a single employer, public retirement system, which accumulates resources for pension benefit payments to qualified law enforcement officers.
- *Other Post Employment Benefits Fund* - Accounts for health care benefits of a single employer defined benefit Health Care Plan which provides postemployment health care benefits to eligible retirees of the County who participate in the North Carolina Local Government Employees' Retirement System.

Agency Funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments and/or other funds.

Individual Fund Descriptions:

Agency Funds

- *Tax Collection Fund* - Accounts for occupancy and/or ad valorem property taxes collected by the County tax collector in his capacity as agent for the Cities of Archdale, Burlington, Greensboro, and High Point, the Towns of Gibsonville, Jamestown, Oak Ridge, Pleasant Garden, Sedalia, and Summerfield and the Sedgefield Sanitary District. Also accounts for privilege taxes on the short-term lease or rental of vehicles which are collected by the County tax collector in his capacity as agent for the Piedmont Authority for Regional Transportation.
- *Fines and Forfeitures Fund* - Accounts for fines and forfeitures collected by the County that are required to be remitted to the Guilford County Board of Education.
- *Representative Payee Fund* - Accounts for funds deposited with the Mental Health and Social Services Departments for the benefit of specified clients being served by the County.
- *N.C. Treasurer's Vehicle Interest Fund* - Accounts for three percent additional interest collected on the first month's interest assessed on delinquent registered motor vehicle property taxes as per House Bill 1779. The additional interest is remitted to the N.C. Department of State Treasurer monthly and will be used by the Division of Motor Vehicles to create a combined motor vehicle registration renewal and property tax collection system.

GUILFORD COUNTY, NORTH CAROLINA
Pension Trust Funds
Combining Statement of Net Assets
June 30, 2011

D-1

	<u>Pension Trust Funds</u>		
	<u>Law Enforcement Officers' Special Separation Allowance</u>	<u>Other Post Employment Benefits</u>	<u>Total</u>
Assets			
Current assets:			
Cash and cash equivalents/investments	\$ 1,049,446	4,635,167	5,684,613
Receivables:			
Accrued interest on investments	<u>1,424</u>	<u>-</u>	<u>1,424</u>
Total assets	<u>1,050,870</u>	<u>4,635,167</u>	<u>5,686,037</u>
Liabilities			
Accounts payable and accrued liabilities	<u>25,162</u>	<u>-</u>	<u>25,162</u>
Net Assets			
Held in trust for pension benefits	\$ <u>1,025,708</u>	<u>4,635,167</u>	<u>5,660,875</u>

GUILFORD COUNTY, NORTH CAROLINA
Pension Trust Funds
Combining Statement of Changes in Plan Net Assets
For the fiscal year ended June 30, 2011

D-2

	Pension Trust Funds		
	Law Enforcement Officers' Special Separation Allowance	Other Post Employment Benefits	Total
Additions			
Employer contributions	\$ 657,157	2,000,000	2,657,157
Net investment income	4,222	587,516	591,738
Total additions	<u>661,379</u>	<u>2,587,516</u>	<u>3,248,895</u>
Deductions			
Benefits	746,653	-	746,653
Administrative expenses	624	-	624
Total deductions	<u>747,277</u>	<u>-</u>	<u>747,277</u>
Change in net assets	(85,898)	2,587,516	2,501,618
Net assets at beginning of year	<u>1,111,606</u>	<u>2,047,651</u>	<u>3,159,257</u>
Net assets at end of year	<u>\$ 1,025,708</u>	<u>4,635,167</u>	<u>5,660,875</u>

GUILFORD COUNTY, NORTH CAROLINA
Agency Funds
Combining Statement of Assets and Liabilities
June 30, 2011

D-3

	Agency Funds				
	<u>Tax Collection</u>	<u>Fines and Forfeitures</u>	<u>Representative Payee</u>	<u>NC Treasurer's Vehicle Interest</u>	<u>Total</u>
Assets					
Cash and cash equivalents/investments	\$ 252,920	450,086	347,936	23,660	1,074,602
Total assets	\$ <u>252,920</u>	<u>450,086</u>	<u>347,936</u>	<u>23,660</u>	<u>1,074,602</u>
Liabilities					
Accounts payable and accrued liabilities	\$ -	450,086	-	-	450,086
Representative payee clients payable	-	-	347,936	-	347,936
Due to other taxing units	<u>252,920</u>	<u>-</u>	<u>-</u>	<u>23,660</u>	<u>276,580</u>
Total liabilities	\$ <u><u>252,920</u></u>	<u><u>450,086</u></u>	<u><u>347,936</u></u>	<u><u>23,660</u></u>	<u><u>1,074,602</u></u>

GUILFORD COUNTY, NORTH CAROLINA
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the fiscal year ended June 30, 2011

D-4

	<u>Balance 7/1/10</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/11</u>
<u>Tax Collection Fund</u>				
Assets				
Cash and cash equivalents/investments	\$ <u>1,011,060</u>	<u>220,919,956</u>	<u>221,678,096</u>	<u>252,920</u>
Liabilities				
Due to other taxing units	\$ <u>1,011,060</u>	<u>220,919,956</u>	<u>221,678,096</u>	<u>252,920</u>
<u>Fines and Forfeitures Fund</u>				
Assets				
Cash and cash equivalents/investments	\$ <u>454,812</u>	<u>2,856,924</u>	<u>2,861,650</u>	<u>450,086</u>
Liabilities				
Accounts payable and accrued liabilities	\$ <u>454,812</u>	<u>2,856,924</u>	<u>2,861,650</u>	<u>450,086</u>
<u>Representative Payee Fund</u>				
Assets				
Cash and cash equivalents/investments	\$ <u>372,611</u>	<u>2,441,217</u>	<u>2,465,892</u>	<u>347,936</u>
Liabilities				
Representative payee clients payable	\$ <u>372,611</u>	<u>2,441,217</u>	<u>2,465,892</u>	<u>347,936</u>
<u>NC Treasurer's Vehicle Interest Fund</u>				
Assets				
Cash and cash equivalents/investments	\$ <u>33,241</u>	<u>307,441</u>	<u>317,022</u>	<u>23,660</u>
Liabilities				
Due to other taxing units	\$ <u>33,241</u>	<u>307,441</u>	<u>317,022</u>	<u>23,660</u>
<u>Total Agency Funds</u>				
Assets				
Cash and cash equivalents/investments	\$ <u>1,871,724</u>	<u>226,525,538</u>	<u>227,322,660</u>	<u>1,074,602</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 454,812	2,856,924	2,861,650	450,086
Representative payee clients payable	372,611	2,441,217	2,465,892	347,936
Due to other taxing units	<u>1,044,301</u>	<u>221,227,397</u>	<u>221,995,118</u>	<u>276,580</u>
Total liabilities	\$ <u>1,871,724</u>	<u>226,525,538</u>	<u>227,322,660</u>	<u>1,074,602</u>



Additional Financial Data

The Additional Financial Data schedules contain additional information on property taxes as follows:

Analysis of Current Tax Levy

Schedule of Property Taxes Receivable

Analysis of Current Tax Levy -
County-Wide Levy

Analysis of Current Tax Levy -
County-Wide Levy - General Information

General Obligation Debt Service Requirements
and Maturity Schedule

GUILFORD COUNTY, NORTH CAROLINA
Analysis of Current Tax Levy
For the fiscal year ended June 30, 2011

E-1

	<u>Assessed Value</u>	<u>Rate (1)</u>	<u>Total Adjusted Tax Levy (2)</u>	<u>Current Tax Collections</u>	<u>Uncollected at June 30, 2011</u>
County-wide	\$ 44,866,505,814	0.7374	\$ 330,181,269	(323,481,004)	6,700,265
Rural fire districts:					
Alamance Community	902,826,345	0.1000	899,405	(877,138)	22,267
Gibsonville	10,739,779	0.1000	10,691	(10,633)	58
Climax	84,522,509	0.1000	84,213	(81,122)	3,091
Colfax	423,552,358	0.1000	422,424	(416,321)	6,103
Deep River	198,776,903	0.0770	152,657	(149,481)	3,176
Friedens Community	126,359,595	0.0950	119,675	(116,750)	2,925
Guilford College Community	499,124,292	0.0800	399,831	(398,377)	1,454
Guil-Rand	121,268,481	0.1000	120,730	(117,013)	3,717
Julian	59,799,246	0.0910	53,657	(52,481)	1,176
Kimesville	79,063,952	0.1000	79,132	(74,898)	4,234
McLeansville	722,487,888	0.0700	505,359	(492,981)	12,378
Mount Hope Community	412,003,102	0.0800	329,807	(322,405)	7,402
Northeast	685,307,320	0.0900	614,546	(596,226)	18,320
Oak Ridge	1,055,773,980	0.0825	867,432	(860,327)	7,105
Pinecroft-Sedgefield	1,571,453,339	0.0860	1,349,207	(1,329,161)	20,046
Pleasant Garden	544,342,931	0.1000	545,899	(533,867)	12,032
Rankin	767,889,481	0.1000	769,223	(751,954)	17,269
Southeast	128,944,029	0.1000	128,474	(125,343)	3,131
Stokesdale	537,485,770	0.0773	413,739	(408,241)	5,498
Summerfield	1,593,629,776	0.0875	1,389,488	(1,373,893)	15,595
Whitsett	442,028,015	0.0632	279,984	(275,401)	4,583
No. 14 (Franklin Blvd.)	208,372,721	0.1000	208,230	(200,741)	7,489
Fire Protection District No. 1	18,306,552	0.1000	18,000	(17,849)	151
Total rural fire districts			<u>9,761,803</u>	<u>(9,582,603)</u>	<u>179,200</u>
Total entity-wide			<u>\$ 339,943,072</u>	<u>(333,063,607)</u>	<u>6,879,465</u>

Percent of current year adjusted tax levy collected:

County-wide	<u>97.97</u> %
Rural fire districts	<u>98.16</u>
Entity-wide	<u>97.98</u>

Notes:

- (1) Per \$100 of assessed value.
- (2) Assessed value times rate will not equal total adjusted tax levy due to rounding differences, preferential rate treatments to certain properties, discoveries and releases at prior years' rates, current year discounts which are not rate related and four months of motor vehicles levied at prior year tax rates in accordance with North Carolina General Statutes.

GUILFORD COUNTY, NORTH CAROLINA
Schedule of Property Taxes Receivable
June 30, 2011

E-2

<u>Fiscal Year</u>	<u>Uncollected Balance June 30, 2010</u>	<u>Total Adjusted Tax Levy</u>	<u>Collections and Credits</u>	<u>Uncollected Balance June 30, 2011</u>
2010-2011	\$ -	339,943,072	333,063,607	6,879,465
2009-2010	6,241,965	-	3,964,126	2,277,839
2008-2009	2,339,149	-	586,103	1,753,046
2007-2008	1,376,698	-	197,050	1,179,648
2006-2007	872,328	-	84,250	788,078
2005-2006	677,220	-	32,601	644,619
2004-2005	638,487	-	20,939	617,548
2003-2004	540,564	-	9,302	531,262
2002-2003	452,838	-	5,116	447,722
2001-2002	469,810	-	5,897	463,913
2000-2001	375,953	-	375,953	-
	<u>\$ 13,985,012</u>	<u>339,943,072</u>	<u>338,344,944</u>	15,583,140
Less allowance for estimated uncollectible delinquent taxes:				
General Fund			\$ (8,548,885)	
Rural Fire Districts Fund			<u>(147,057)</u>	<u>(8,695,942)</u>
Property taxes receivable (net)				\$ <u><u>6,887,198</u></u>
Reconcilement with revenues:				
General Fund:				
Ad valorem taxes			\$ 327,863,944	
Interest on delinquent taxes			<u>1,299,698</u>	\$ 329,163,642
Rural Fire Districts Fund:				
Ad valorem taxes			9,699,128	
Interest on delinquent taxes			<u>39,197</u>	9,738,325
Plus collections and credits not included in revenues:				
Releases net of refunds on prior fiscal years			235,173	
Penalties on delinquent taxes			223,932	
Amounts written off for year 2000 - 2001 per statute of limitations			<u>375,953</u>	<u>835,058</u>
Subtotal				339,737,025
Less revenues not included in collections and credits:				
Collections on years prior to 2001 - 2002			(2,806)	
Payments in lieu of taxes			(50,380)	
Interest collected			<u>(1,338,895)</u>	<u>(1,392,081)</u>
Total collections and credits				\$ <u><u>338,344,944</u></u>

GUILFORD COUNTY, NORTH CAROLINA
Analysis of Current Tax Levy
County-Wide Levy
For the fiscal year ended June 30, 2011

E-3

	County-Wide		Total Levy		
	Assessed Value	Rate (1)	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Adjusted levy before penalties:					
Property taxed at current year's rate (2)	\$ 43,704,909,123	0.7374	321,370,976	306,025,598	15,345,378
Registered motor vehicles taxed at prior year's rate	<u>1,161,596,691</u>	0.7374	<u>8,565,614</u>	-	<u>8,565,614</u>
Total	<u>44,866,505,814</u>		<u>329,936,590</u>	<u>306,025,598</u>	<u>23,910,992</u>
Penalties			<u>244,679</u>	<u>244,679</u>	-
Total adjusted tax levy			330,181,269	306,270,277	23,910,992
Uncollected taxes at June 30, 2011			<u>(6,700,265)</u>	<u>(3,967,895)</u>	<u>(2,732,370)</u>
Current year's taxes collected			\$ <u>323,481,004</u>	<u>302,302,382</u>	<u>21,178,622</u>
Current adjusted tax levy collection percentage			<u>97.97%</u>	<u>98.70%</u>	<u>88.57%</u>

Notes:

(1) Per \$100 of assessed value.

(2) Assessed value times rate will not equal amount of levy because the levy includes discoveries and releases at prior years' rates and current year discounts which are not rate related.

GUILFORD COUNTY, NORTH CAROLINA
Analysis of Current Tax Levy
County-Wide Levy - General Information
For the fiscal year ended June 30, 2011

E-4

Secondary Market Disclosures:

Assessed Valuation:	
Assessment Ratio (1)	100%
Real Property (2)	\$ 36,814,403,214
Personal Property	7,017,828,595
Public Service Companies (3)	<u>1,034,274,005</u>
Total Assessed Valuation	\$ <u>44,866,505,814</u>
Tax Rate per \$100 (4)	<u>0.7374</u>
Adjusted Levy (5)	\$ <u>339,943,072</u>

Notes:

- (1) Percentage of appraised value has been established by State Statute.
- (2) Real property assessment is based on 2004 market values as established by the last revaluation. Pursuant to State law, revaluation is required to take place not less frequently than every eight years.
- (3) Valuation of railroads, telephone companies, and other utilities as determined by the North Carolina Property Tax Commission.
- (4) In addition to the County-wide rates shown, most property in the unincorporated areas was also subject to a special fire district tax.
- (5) Total adjusted tax levy including County-wide and special districts:

County-wide	\$ 330,181,269
Special Fire Districts	<u>9,761,803</u>
Total Levy	\$ <u>339,943,072</u>

The total adjusted tax levy includes the original levy, discoveries and penalties, net of discounts and releases.

GUILFORD COUNTY, NORTH CAROLINA
General Obligation Debt Service Requirements
and Maturity Schedule
As of June 30, 2011

E-5

Fiscal Year	UTILITY		OTHER		TOTAL	
	Existing Debt		Existing Debt		Existing Debt	
	Principal	Principal & Interest	Principal	Principal & Interest	Principal	Principal & Interest
2011-12	\$ 2,577,936	3,287,092	42,132,064	69,327,645	44,710,000	72,614,737
2012-13	2,633,279	3,222,390	41,941,721	67,372,222	44,575,000	70,594,612
2013-14	2,397,558	2,875,597	43,107,442	66,734,511	45,505,000	69,610,108
2014-15	2,389,389	2,762,470	44,095,611	65,950,878	46,485,000	68,713,348
2015-16	2,383,646	2,646,851	45,041,354	64,966,059	47,425,000	67,612,910
2016-17	2,104,552	2,264,988	46,265,448	64,204,795	48,370,000	66,469,783
2017-18	808,868	910,191	48,521,132	64,527,545	49,330,000	65,437,736
2018-19	675,537	744,466	48,344,463	62,009,220	49,020,000	62,753,686
2019-20	266,648	314,100	49,403,352	60,971,586	49,670,000	61,285,686
2020-21	262,203	301,656	50,632,797	60,433,608	50,895,000	60,735,264
2021-22	263,092	289,435	51,076,908	59,302,516	51,340,000	59,591,951
2022-23	263,759	276,947	51,121,241	57,741,466	51,385,000	58,018,413
2023-24	-	-	46,375,000	51,715,956	46,375,000	51,715,956
2024-25	-	-	46,370,000	50,955,469	46,370,000	50,955,469
2025-26	-	-	27,730,000	31,551,735	27,730,000	31,551,735
2026-27	-	-	27,730,000	30,785,415	27,730,000	30,785,415
2027-28	-	-	16,480,000	18,750,201	16,480,000	18,750,201
2028-29	-	-	16,480,000	17,962,269	16,480,000	17,962,269
2029-30	-	-	8,250,000	8,925,799	8,250,000	8,925,799
2030-31	-	-	8,250,000	8,475,266	8,250,000	8,475,266
	\$ <u>17,026,467</u>	<u>19,896,183</u>	<u>759,348,533</u>	<u>982,664,161</u>	<u>776,375,000</u>	<u>1,002,560,344</u>

Statistical Section

Statistical Section

This part of Guilford County's Comprehensive Annual 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 County's overall financial health.

Contents	Tables
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Financial Trends	1 - 2
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These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity	3 - 6
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These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property taxes.

Debt Capacity	7 - 9
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These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information	10 - 11
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These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.

Operating Information	12 - 14
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These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.

Sources: *Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Reports for the relevant year.*

Guilford County, North Carolina
Schedule of Changes in Net Assets / Net Assets by Component
Last Ten Fiscal Years
(full accrual basis of accounting)

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses										
Governmental activities:										
General government (1)	\$ 31,516,270	34,646,687	35,776,935	38,935,052	43,669,593	41,915,381	42,686,479	43,920,236	40,228,036	43,193,135
Human services	154,085,861	159,178,485	162,046,232	168,210,350	170,986,656	167,658,603	187,408,591	183,143,016	167,271,667	165,311,991
Public safety (1)	63,192,587	65,312,136	70,809,410	77,965,005	83,334,706	90,576,330	101,980,944	104,015,633	102,286,880	101,857,575
Environmental protection	1,988,716	1,007,132	1,174,894	1,682,060	1,127,138	1,194,998	1,395,364	1,319,735	1,293,411	1,317,107
Culture - recreation	2,022,230	1,816,420	2,754,118	3,824,634	4,790,197	6,244,857	5,981,193	6,822,963	6,662,104	5,847,964
Urban redevelopment and housing	4,056	311,888	259,242	152,052	158,816	165,681	-	185,987	219,047	-
Economic development and assistance	4,995,855	5,682,689	4,835,656	6,272,110	9,679,480	6,961,147	6,711,552	7,179,186	6,591,833	21,510,154
Education	222,698,036	198,557,002	189,254,201	210,740,935	258,171,386	311,169,199	274,425,035	263,067,760	251,720,561	274,154,519
Interest on long-term debt	7,873,266	9,782,009	10,599,222	11,468,056	15,477,774	18,787,205	22,265,124	21,720,267	22,513,943	26,371,175
Total primary government expenses	488,376,877	476,294,448	477,509,910	519,250,254	587,417,746	644,673,401	642,854,282	631,374,813	598,787,482	639,563,620
Program Revenues										
Governmental activities:										
Charges for services:										
General government	6,926,831	8,111,851	8,218,987	7,632,915	8,092,944	7,908,972	7,329,664	6,493,504	5,930,518	5,565,128
Human services	23,448,275	23,792,095	21,869,902	21,075,399	20,768,155	16,414,577	17,390,778	18,196,954	17,062,584	15,107,982
Public safety	11,700,199	13,471,224	14,259,539	16,056,217	17,687,563	17,901,405	19,486,002	20,476,409	19,375,549	20,229,569
Economic development and assistance	1,742,561	2,079,544	5,437,989	2,653,574	2,689,976	2,796,826	3,089,466	1,933,971	2,364,652	1,785,255
Other activities	327,482	353,284	226,224	278,833	198,133	139,105	139,174	107,016	85,534	63,185
Operating grants and contributions:										
Human services	71,548,917	74,484,319	74,736,210	80,870,482	80,654,657	81,501,929	85,671,190	88,445,374	87,497,137	90,171,609
Public safety	2,249,286	1,181,844	1,494,192	2,388,765	2,916,616	2,086,924	1,818,775	1,198,627	1,637,406	1,374,698
Education	9,064,542	2,650,322	299,783	4,968,633	4,165,991	16,594,201	13,482,032	4,206,914	1,121,632	2,976,116
Interest on long-term debt	-	-	-	-	-	-	6,000,000	12,500,000	8,000,000	9,496,397
Other activities	777,814	1,232,646	976,685	2,912,425	3,683,034	1,020,755	826,942	1,788,851	1,024,903	921,022
Capital grants and contributions:										
General government	9,500	-	505,100	-	6,000	-	-	-	10,000	-
Human services	12,675	117,517	91,287	84,778	5,518	1,107,265	61,185	258,777	243,318	326,015
Public safety	45,260	34,147	214,986	66,236	490,261	22,810	110,975	349,110	223,545	431,312
Culture - recreation	11,748	17,916	1,238,163	237,573	50,300	-	1,000	6,306,168	2,381,838	520,844
Other activities	39,507	2,472	-	9,759	17,883	-	-	-	-	-
Total primary government program revenues	127,904,597	127,529,181	129,569,047	139,235,589	141,447,031	147,494,769	155,407,183	162,262,675	146,958,616	148,969,132
Total primary government net expenses	(360,472,280)	(348,765,267)	(347,940,863)	(380,014,665)	(445,970,715)	(497,178,632)	(487,447,099)	(469,112,138)	(451,828,866)	(490,594,488)

General Revenues and Other Changes in Net Assets											
Governmental activities:											
Taxes:											
Property taxes	219,789,569	222,694,649	236,089,142	254,787,316	267,195,969	286,570,949	307,477,528	336,155,671	339,016,318	339,701,250	
Sales taxes	53,789,277	58,779,530	74,631,354	79,845,527	82,561,886	88,839,038	88,097,598	72,903,563	62,749,914	62,543,117	
Occupancy taxes	3,825,082	4,006,760	3,976,303	4,232,851	4,485,837	4,419,986	4,618,458	4,036,491	3,853,035	4,084,391	
Excise taxes	2,057,359	1,949,926	2,680,418	2,935,945	3,399,037	3,268,199	3,155,087	1,686,397	1,560,241	1,544,182	
911 charges	1,034,031	1,022,015	871,980	769,657	824,713	788,590	381,944	-	-	-	
Local gross receipts taxes	799,508	775,777	721,737	789,591	746,443	736,088	751,131	631,080	578,291	628,422	
Franchise taxes	590,491	413,145	506,089	520,014	618,753	462,080	143,515	148,147	149,479	82,213	
Unrestricted grants and contributions	11,485,517	589,147	4,794,484	3,735,353	1,347,053	1,060,902	1,472,030	1,421,855	2,841,217	3,474,304	
Unrestricted investment earnings	9,699,517	5,993,035	3,582,623	7,707,805	15,391,864	17,075,971	17,427,005	7,875,270	1,289,848	3,151,886	
Other	264,431	114,304	162,985	222,293	313,562	2,019,617	371,374	225,855	257,879	6,045,727	
Special items	-	-	3,159,900	-	-	-	-	-	-	-	
Total primary government general revenues and other changes in net assets	<u>303,334,782</u>	<u>296,338,288</u>	<u>331,177,015</u>	<u>355,546,352</u>	<u>376,885,117</u>	<u>405,241,430</u>	<u>423,895,670</u>	<u>425,084,329</u>	<u>412,296,222</u>	<u>421,255,492</u>	
Changes in Net Assets	<u>\$ (57,137,498)</u>	<u>(52,426,979)</u>	<u>(16,763,848)</u>	<u>(24,468,313)</u>	<u>(69,085,598)</u>	<u>(91,937,202)</u>	<u>(63,551,429)</u>	<u>(44,027,809)</u>	<u>(39,532,644)</u>	<u>(69,338,996)</u>	

Net Assets by Component											
Governmental activities:											
Invested in capital assets, net of related debt	<u>(Restated)</u>	<u>(Restated)</u>						<u>(Restated) (2)</u>	<u>(Restated) (3)</u>		
Restricted	\$ 99,485,526	100,094,146	111,008,939	112,083,864	115,542,072	116,246,292	115,992,624	120,573,365	122,628,297	129,476,162	(3)
Unrestricted	16,547,207	19,657,963	23,362,147	25,288,493	27,765,244	30,720,400	36,221,646	37,896,605	143,817,796	83,633,468	
Governmental activities / primary government	<u>37,001,829</u>	<u>(19,144,526)</u>	<u>(50,527,351)</u>	<u>(77,995,935)</u>	<u>(153,017,492)</u>	<u>(248,614,070)</u>	<u>(317,413,077)</u>	<u>(371,277,681)</u>	<u>(518,786,448)</u>	<u>(534,788,981)</u>	
	\$ 153,034,562	100,607,583	83,843,735	59,375,422	(9,710,176)	(101,647,378)	(165,198,807)	(212,807,711)	(252,340,355)	(321,679,351)	

Note:

- (1) The 2006 amounts have been reclassified for comparative purposes.
- (2) The 2009 unrestricted net assets have been reduced by \$3,581,095 to reflect the restatement of beginning net assets required by the 2010 implementation of Governmental Accounting Standards Board Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*.
- (3) The 2010 restricted and unrestricted net assets have been reclassified to reflect the impact of the 2011 implementation of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The years prior to 2010 have not been reclassified.

Guilford County, North Carolina
Schedule of Changes in Fund Balances / Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues		(Restated)								
Taxes:										
Property taxes	\$ 219,066,626	222,529,052	235,782,968	254,318,144	267,441,956	285,914,118	306,464,934	334,877,456	338,881,551	338,901,967
Sales taxes	53,789,277	62,861,654	74,631,354	79,845,527	82,561,886	88,899,038	88,097,598	72,903,563	62,749,914	62,543,117
Occupancy taxes	3,825,082	4,006,760	3,976,303	4,232,851	4,485,837	4,419,986	4,618,458	4,036,491	3,853,035	4,084,391
Excise taxes	2,057,359	1,949,926	2,680,418	2,935,945	3,399,037	3,268,199	3,155,087	1,686,397	1,560,241	1,544,182
911 charges	1,034,031	1,022,015	871,980	769,657	824,713	788,590	381,944	-	-	-
Local gross receipts taxes	799,508	775,777	721,737	789,591	746,443	736,098	751,131	631,080	578,291	628,422
Franchise taxes	590,491	413,145	506,089	520,014	618,753	462,080	143,515	148,147	149,479	82,213
Total taxes	281,162,374	293,558,329	319,170,849	343,411,729	360,078,625	384,428,109	403,612,667	414,283,134	407,772,511	407,784,292
Licenses and permits	2,093,241	2,646,591	2,991,576	3,387,258	3,470,989	2,420,370	2,263,699	1,585,588	1,440,463	1,565,894
Intergovernmental	94,911,830	79,806,114	83,470,521	94,419,673	92,559,452	101,329,674	108,160,439	108,863,768	102,154,244	108,877,034
Charges for services	37,835,744	40,826,767	42,020,340	40,891,308	42,299,395	37,116,489	39,836,114	40,359,429	38,919,317	37,771,760
Investment earnings	8,847,992	5,515,396	3,365,125	7,207,426	14,408,915	15,605,317	15,895,947	7,130,248	3,098,015	1,761,870
Other	5,381,366	5,566,681	5,124,932	5,344,140	5,309,364	7,631,167	7,235,788	7,234,433	5,787,254	4,859,173
Total revenues	430,232,547	427,919,878	456,143,343	494,661,534	518,126,740	548,531,126	577,004,654	579,446,600	559,171,804	562,620,023
Expenditures										
General government	30,313,342	33,445,902	34,160,259	37,795,664	43,048,897	40,509,958	39,464,132	41,209,590	39,026,532	41,211,152
Human services	152,663,170	157,893,840	161,072,839	168,618,392	170,804,456	167,594,028	173,386,520	171,232,873	157,837,907	156,312,988
Public safety	61,100,678	63,221,245	69,943,520	77,030,474	83,730,591	88,984,727	92,098,335	95,896,858	94,698,652	94,936,538
Environmental protection	974,932	1,027,260	1,138,238	1,125,296	1,086,756	1,237,988	1,171,174	1,141,212	1,203,142	1,236,978
Culture - recreation	1,641,649	1,459,007	2,336,710	3,247,907	4,230,945	4,979,283	5,154,091	5,774,257	5,757,497	4,882,347
Urban redevelopment & housing	4,056	311,888	259,242	152,052	158,816	165,681	-	185,987	219,047	-
Economic development & assistance	4,549,424	4,746,102	4,477,063	5,375,881	7,046,010	5,421,073	5,653,323	5,156,366	4,580,634	5,764,008
Education (1)	122,720,100	124,913,318	133,434,005	138,892,306	150,696,921	166,425,861	175,956,849	186,918,211	186,918,211	186,918,211
Capital outlay - Education (1)	99,977,936	73,643,684	55,820,196	71,848,629	107,474,465	144,743,338	98,468,186	76,149,549	64,802,350	87,236,308
Capital outlay - Other	3,843,303	4,103,909	4,309,253	6,499,337	11,182,101	12,158,726	11,038,077	9,880,574	31,362,531	76,124,528
Debt service:										
Principal	9,865,000	9,865,000	13,830,000	13,810,000	19,410,000	19,790,000	27,715,000	28,160,200	36,215,200	37,545,200
Interest	7,903,473	9,354,570	10,801,897	12,916,990	17,228,026	18,171,528	22,211,212	19,935,396	20,852,231	27,018,923
Other fiscal charges	77,746	104,410	265,087	67,360	504,413	470,194	985,535	854,108	3,834,542	1,776,942
Bond issuance / put bond costs	-	542,893	343,858	825,559	-	542,749	-	300,443	1,748,409	-
Total expenditures	495,634,809	484,633,028	492,192,167	538,205,647	616,602,397	671,195,134	653,302,434	642,794,624	649,056,885	720,964,123
Excess (deficiency) of revenues over expenditures	(65,402,262)	(56,713,150)	(36,048,824)	(43,544,313)	(98,475,657)	(122,664,008)	(76,297,780)	(63,348,024)	(89,885,081)	(158,344,100)

Other Financing Sources (Uses) & Other Changes in Fund Balances											
Refunding bonds issued	-	16,015,000	-	54,380,000	-	-	-	-	-	135,990,000	-
General obligation bonds issued	-	123,355,000	-	183,220,000	-	185,440,000	-	164,600,000	-	165,000,000	-
Capital-related debt issued	-	320,000	417,391	158,845	253,812	485,187	5,102,000	-	-	-	-
Payment to bond refunding escrow agent	-	(16,153,861)	-	(60,717,190)	-	-	-	-	-	(146,310,850)	-
Premiums on bonds/put bonds/refunding bonds issued	-	334,267	6,509,700	5,657,142	-	1,879,435	-	10,526,417	-	30,354,381	-
Payment to terminate interest rate swaps	-	-	-	-	-	-	-	-	-	(11,211,119)	-
Transfers in	17,749,793	32,186,463	16,745,665	12,118,221	9,131,329	1,494,729	5,317,116	2,930,621	9,781,781	6,794,162	6,794,162
Transfers out	(17,749,793)	(31,484,608)	(16,745,665)	(12,118,221)	(9,131,329)	(1,494,729)	(5,317,116)	(2,930,621)	(9,781,781)	(6,794,162)	(6,794,162)
Sale of capital assets	350,865	299,807	155,595	191,586	250,004	2,317,974	248,922	119,073	165,734	7,822,165	7,822,165
Special Items	-	-	(4,500,000)	-	-	-	-	-	-	-	-
Total other financing sources (uses) and other changes in fund balances	350,865	124,872,068	2,582,686	182,890,383	503,816	190,122,596	5,350,922	175,245,490	173,988,146	7,822,165	7,822,165
Changes in Fund Balances											
Governmental funds	\$ (65,051,397)	68,155,918	(33,466,138)	139,346,070	(97,971,841)	67,458,588	(70,946,858)	111,897,466	84,103,065	(150,521,935)	(150,521,935)
Debt service as a percentage of noncapital expenditures (2)	3.62%	4.02%	5.12%	5.04%	6.08%	5.77%	7.80%	7.61%	9.27%	9.82%	9.82%
Fund Balances											
General fund:		(Restated)								(Reclassified) (3)	(3)
Reserved	\$ 29,393,205	35,833,092	37,807,777	44,883,408	43,905,906	48,386,558	49,298,419	49,720,293	-	-	-
Unreserved	57,994,642	61,188,365	66,940,342	69,579,976	73,346,411	75,041,272	77,941,742	95,477,488	-	-	-
Non spendable	-	-	-	-	-	-	-	-	54,351	499,646	499,646
Restricted	-	-	-	-	-	-	-	-	60,625,494	51,084,382	51,084,382
Committed	-	-	-	-	-	-	-	-	33,342	27,692	27,692
Assigned	-	-	-	-	-	-	-	-	25,541,815	25,447,565	25,447,565
Unassigned	-	-	-	-	-	-	-	-	53,291,259	55,209,633	55,209,633
Total general fund	87,387,847	97,021,457	104,748,119	114,463,384	117,252,317	123,427,830	127,240,161	145,197,781	139,546,261	132,268,918	132,268,918
All other governmental funds:		(Restated)								(3)	
Reserved	9,774,903	11,224,504	10,159,955	6,462,668	9,403,431	10,531,341	14,888,243	14,873,636	85,380,194	-	-
Unreserved, reported in:											
Special revenue funds	(69,911)	(184,893)	276,287	648,399	1,005,990	1,215,613	1,277,213	657,736	310,200	-	-
Capital projects funds	87,826,128	145,016,817	104,427,386	237,383,366	133,324,238	193,269,780	114,092,089	208,666,019	228,261,582	-	-
Non spendable	-	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	148,181,022	148,181,022
Committed	-	-	-	-	-	-	-	-	-	18,629,202	18,629,202
Assigned	-	-	-	-	-	-	-	-	-	5,587,932	5,587,932
Unassigned	-	-	-	-	-	-	-	-	-	(1,690,772)	(1,690,772)
Total all other governmental funds	97,531,120	156,055,428	114,863,628	244,494,433	143,733,659	205,016,734	130,257,545	224,197,391	313,951,976	170,707,384	170,707,384
Total fund balances	\$ 184,918,967	253,077,885	219,611,747	358,957,817	260,985,976	328,444,564	257,497,706	369,395,172	453,498,237	302,976,302	302,976,302

Notes:

- For years 2005 - 2010, annual capital appropriations to Guilford Technical Community College and Guilford County Board of Education from the General Fund are included in Capital outlay - Education as in the prior years and 2011 when these appropriations were reported in the School Capital Outlay Fund.
- Debt service as a percentage of noncapital expenditures reflects principal and interest only divided by the sum of total expenditures less capital expenditures in all functional categories but only to the extent capitalized as an asset by the County. Water and sewer and school capital expenditures in the Capital Projects Funds which are assets of the municipalities, Guilford County Schools and Guilford Technical Community College are included in noncapital expenditures for the purposes of this calculation.
- The 2010 fund balances have been reclassified to reflect the impact of the 2011 implementation of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The years prior to 2010 have not been reclassified.

**Guilford County, North Carolina
Assessed and Estimated Actual Value
of Taxable Property
Last Ten Fiscal Years**

Fiscal Year	Total Real Property (1)		Personal Property (2)	Public Service Companies' Property (2)	Total		Ratio of Total Assessed To Total Estimated Actual Taxable Value	Total Direct Tax Rate (4)
	Assessed Taxable Value	Estimated Actual Taxable Value			Assessed Taxable Value	Estimated Actual Taxable Value		
2002	\$ 23,114,025,234	27,266,751,485	7,378,751,313	1,093,908,849	31,586,685,396	35,739,411,647	88.4 %	\$ 0.6959
2003	23,791,217,316	28,598,650,458	7,112,928,391	1,010,523,814	31,914,669,521	36,722,102,663	86.9	0.6983
2004	24,527,780,895	30,431,489,944	6,883,615,331	925,129,727	32,336,525,953	38,240,235,002	84.6	0.7310
2005 ⁽³⁾	32,330,383,860	32,541,906,251	6,854,211,987	1,051,999,890	40,236,595,537	40,448,117,928	99.5	0.6429
2006	32,679,098,070	33,112,876,755	7,016,390,035	1,047,823,964	40,743,312,069	41,177,090,754	98.9	0.6636
2007	33,648,245,400	35,006,497,503	7,548,094,997	1,079,835,566	42,276,175,963	43,634,428,066	96.9	0.6829
2008	34,819,671,635	37,553,571,651	7,476,297,491	1,101,662,076	43,397,631,202	46,131,531,218	94.1	0.7130
2009	35,994,252,248	39,295,035,205	7,459,633,640	1,134,193,063	44,588,078,951	47,888,861,908	93.1	0.7575
2010	36,596,181,356	40,193,499,567	7,223,197,327	1,072,382,177	44,891,760,860	48,489,079,071	92.6	0.7590
2011	36,814,403,214	38,743,846,784	7,017,828,595	1,034,274,005	44,866,505,814	46,795,949,384	95.9	0.7592

Notes:

- (1) Estimated actual taxable value of real property is calculated by dividing taxable assessed value by a real estate assessment sales ratio study percentage by county obtained from the North Carolina Department of Revenue Tax Research Division.
- (2) Personal property is appraised each year and assessed at 100% of appraised value. Public service companies' property includes real and personal property of utilities, railroads and airlines, etc. These assessments are made by the North Carolina Department of Revenue with no distinction between real and personal property.
- (3) A revaluation of real property is required by the North Carolina General Statutes at least every eight years. The latest revaluation is reflected in the increased real property values in fiscal year 2005.
- (4) Per \$100 of assessed value. See Table 4 for details of the County's total direct rate, a weighted average rate.

Guilford County, North Carolina
Property Tax Rates - Direct and Overlapping Governments
(Per \$100 of Assessed Value)
Last Ten Fiscal Years

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Fiscal Year Taxes Are Payable										
County Direct Rates:										
General Levy (1):										
Property taxed at current year's rate	\$ 0.6420	0.6448	0.6813	0.5961	0.6191	0.6367	0.6693	0.7148	0.7164	0.7182
Registered motor vehicles at prior rate	0.0304	0.0294	0.0304	0.0257	0.0228	0.0241	0.0211	0.0212	0.0210	0.0192
Total general direct rate	0.6724	0.6742	0.7117	0.6218	0.6419	0.6608	0.6904	0.7360	0.7374	0.7374
Fire Protection Districts (2)	0.0235	0.0241	0.0193	0.0211	0.0217	0.0221	0.0226	0.0215	0.0216	0.0218
Total direct rate	\$ 0.6959	0.6983	0.7310	0.6429	0.6636	0.6829	0.7130	0.7575	0.7590	0.7592
City Rates:										
Burlington (3)	\$ 0.4218	0.4971	0.5000	0.5545	0.5550	0.6247	0.6250	0.6250	0.5904	0.5900
Greensboro	0.5828	0.6163	0.6177	0.5717	0.5700	0.6158	0.6369	0.6374	0.6375	0.6352
High Point	0.6220	0.6220	0.6220	0.5424	0.5914	0.6075	0.6323	0.6330	0.6330	0.6330
Kernersville (3)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.5500	0.4975	0.4975
Town Rates:										
Archdale (4)	\$ 0.2300	0.2300	0.2300	0.2600	0.2600	0.2600	0.2900	0.2900	0.2900	0.2900
Gibsonville (4)	0.5150	0.5150	0.5150	0.4950	0.5150	0.5150	0.5150	0.5150	0.5100	0.5100
Jamestown	0.3100	0.3386	0.3495	0.3500	0.3500	0.3500	0.3500	0.3693	0.3700	0.3895
Oak Ridge	None	None	None	0.0863	0.0863	0.0863	0.0863	0.0863	0.0863	0.0863
Pleasant Garden	None	None	None	None	0.0500	0.0500	0.0500	0.0260	0.0250	0.0250
Sedalia	None	None	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2729
Summerfield (5)	None	None	None	0.1050	0.0523	0.0395	0.0390	0.0351	0.0018	0.0350
Whitsett	None	None	None	None	None	None	None	0.0500	0.0500	0.0500
Sedgefield Sanitary District	\$ 0.0400	0.0400	0.0400	0.0352	0.0398	0.0257	0.0298	0.0300	0.0300	0.0300

Notes:

- (1) All taxable property is subject to a county-wide tax. The general County direct rate differs from the county-wide rate approved by the Board of Commissioners each fiscal year because direct rates are a weighted average rate. The most significant differences are from certain registered motor vehicles levied at prior year tax rates in accordance with North Carolina General Statutes.
- (2) Most property in unincorporated areas is subject to one of twenty-three special fire district taxes. The fire protection districts' direct rate is a combined rate as the impact of each individual fire district is considered insignificant. The district rate is much lower than the individual rates approved by the Board of Commissioners each fiscal year because direct rates are a weighted average rate and are impacted by assessed taxable values outside the fire protection districts' boundaries.
- (3) Burlington's and Kernersville's total direct rates are computed only with regard to assessed taxable value in Guilford County.
- (4) The difference between the Archdale and Gibsonville total direct rates and the reported city-wide rates are considered insignificant.
- (5) For FY 2011, city-wide rates are reported, as data to compute total direct rates is not available.

**Guilford County, North Carolina
Principal Taxpayers
Current Year and Nine Years Ago**

Taxpayer	Fiscal Year 2011		Fiscal Year 2002	
	Assessed Value	Percentage of Total Assessed Value	Assessed Value	Percentage of Total Assessed Value
Duke Energy Corporation	\$ 342,955,400	0.76	\$ 277,881,593	0.88
Lorillard Tobacco Company	280,789,617	0.63	199,965,879	0.63
Koury Corporation	276,394,628	0.62	310,360,448	0.98
CBL LLC	214,340,937	0.48	-	-
TYCO Electronics (AMP)	190,001,464	0.42	160,683,398	0.51
International Home Furnishings Center	182,538,600	0.41	-	-
Procter & Gamble Manufacturing Company	173,352,050	0.39	164,359,110	0.52
Liberty Property LP	141,769,338	0.32	-	-
A T & T(BellSouth)	140,531,448	0.31	198,842,809	0.63
RF Micro Devices	135,203,960	0.30	202,072,967	0.64
Highwoods / Forsyth Limited	-	-	139,047,600	0.44
VF Corporation	-	-	126,824,980	0.40
Starmount Company	-	-	113,282,234	0.36
	<u>\$ 2,077,877,442</u>	<u>4.64</u>	<u>\$ 1,893,321,018</u>	<u>5.99</u>

Source: Guilford County Tax Department.

**Guilford County, North Carolina
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year	Taxes Levied for the Fiscal Year	Subsequent Years' Adjustments	Total Adjusted Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percent of Original Levy		Amount	Percent of Adjusted Tax Levy
2002	\$ 219,054,553	(224,804)	218,829,749	216,755,652	98.95	1,611,085	218,366,737	99.79
2003	222,664,562	(242,802)	222,421,760	220,251,203	98.92	1,716,315	221,967,518	99.80
2004	236,247,761	(205,238)	236,042,523	233,477,931	98.83	2,042,848	235,520,779	99.78
2005 ⁽²⁾	254,868,218	(1,616,050)	253,252,168	251,554,341	98.70	1,079,710	252,634,051	99.76
2006	268,492,562	(423,886)	268,068,676	265,412,691	98.85	2,006,006	267,418,697	99.76
2007	287,334,796	(322,213)	287,012,583	283,471,941	98.66	2,751,639	286,223,580	99.73
2008	308,030,341	(326,593)	307,703,748	303,163,588	98.42	3,360,512	306,524,100	99.62
2009	336,841,767	(213,481)	336,628,286	330,670,794	98.17	4,204,446	334,875,240	99.48
2010	339,838,448	(166,010)	339,672,438	333,596,483	98.16	3,798,115	337,394,598	99.33
2011	339,943,072	-	339,943,072	333,063,607	97.98	-	333,063,607	97.98

Note:

- (1) Original levy adjusted for discoveries, penalties, discounts allowed and releases as of fiscal year end of the levy.
- (2) A revaluation of real property is required by the North Carolina General Statutes at least every eight years. The latest revaluation is reflected in the increased real property values in fiscal year 2005 which generally result in appeals of these revalued amounts and thus, larger adjustments due to releases based on these appeals.

Guilford County, North Carolina
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding		Percentage of Estimated Actual Taxable Value of Property (2)	Other Governmental Activities Debt		Total Primary Government (1)	Percentage of Personal Income (3)	Per Capita (3)
	General Obligation Bonds (1)			Capital Leases and Installment Financings (1)				
2002	\$ 169,850,000	396.72	0.48	1,255,693		171,105,693	1.24	399.66
2003	283,740,000	657.99	0.77	1,016,256		284,756,256	2.04	660.34
2004	269,910,000	620.91	0.71	862,328		270,772,328	1.90	622.89
2005	438,880,000	1,001.13	1.09	513,298		439,393,298	2.90	1,002.30
2006	419,470,000	941.83	1.02	423,913		419,893,913	2.63	942.78
2007	585,120,000	1,284.76	1.34	571,479		585,691,479	3.42	1,286.01
2008	557,405,000	1,198.92	1.21	5,422,364		562,827,364	3.15	1,210.58
2009	694,355,000	1,464.55	1.45	4,783,962		699,138,962	3.81	1,474.64
2010	813,410,000	1,693.33	1.68	4,147,088		817,557,088	4.52	1,701.96
2011	776,375,000	1,589.61	1.66	3,571,400		779,946,400	4.08	1,596.92

Notes:

(1) Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(2) See Table 3 for estimated actual taxable value of property data.

(3) See Table 10 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

Guilford County, North Carolina
Direct and Overlapping Governmental Activities Debt
June 30, 2011

Jurisdiction	Debt Outstanding (1)	Estimated Percentage Applicable (1),(2)	Estimated Share of Direct and Overlapping Debt
Guilford County	\$ 779,946,400	100.00	\$ 779,946,400
City of Greensboro	206,176,976	100.00	206,176,976
City of High Point	97,291,044	95.07	92,494,596
Town of Oak Ridge	2,680,000	100.00	2,680,000
Town of Gibsonville	535,575	48.22	258,254
City of Burlington	14,292,894	1.73	247,267
Town of Jamestown	130,500	100.00	130,500
Town of Kernersville	6,908,503	1.25	86,356
City of Archdale	1,039,500	2.74	28,482
Total overlapping debt			<u>302,102,431</u>
Total direct and overlapping debt			<u>\$ 1,082,048,831</u>

Notes:

- (1) Debt and assessed valuation information were obtained from each municipality.
- (2) The percentage of overlap is based on assessed property values.

**Guilford County, North Carolina
Legal Debt Margin Information
Last Ten Fiscal Years (in thousands)**

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Debt limit	\$ 2,526,935	2,553,174	2,586,922	3,218,928	3,259,465	3,382,094	3,471,810	3,567,046	3,591,341	3,589,320
Total net debt applicable to limit	<u>289,866</u>	<u>280,849</u>	<u>567,245</u>	<u>629,005</u>	<u>610,091</u>	<u>603,424</u>	<u>1,232,525</u>	<u>1,204,916</u>	<u>1,158,903</u>	<u>1,185,811</u>
Legal debt margin	\$ <u>2,237,069</u>	<u>2,272,325</u>	<u>2,019,677</u>	<u>2,589,923</u>	<u>2,649,374</u>	<u>2,778,670</u>	<u>2,239,285</u>	<u>2,362,130</u>	<u>2,432,438</u>	<u>2,403,509</u>
Total net debt applicable to limit as a percentage of debt limit	11.47%	11.00%	21.93%	19.54%	18.72%	17.84%	35.50%	33.78%	32.27%	33.04%

Legal Debt Margin Calculation for Fiscal Year 2011

Assessed value of taxable property	\$ 44,866,505,814
Debt limit (8% of total assessed value)	\$ 3,589,320,465
Debt applicable to limit:	
Bonded debt	776,375,000
Bonds authorized, unissued	411,340,000
Obligations under capital leases and purchase money installment contracts	<u>3,571,400</u>
Gross debt	1,191,286,400
Less statutory deductions:	
Bonds issued and outstanding for water purposes	<u>5,475,100</u>
Net amount of debt applicable to debt limit	<u>1,185,811,300</u>
Legal debt margin	\$ <u>2,403,509,165</u>

**Guilford County, North Carolina
Demographic and Economic Statistics
Last Ten Fiscal Years**

Fiscal Year	Population (1)	Personal Income (2) <i>(in thousands)</i>	Per Capita Income (3)	Median Age (4)	Public School Enrollment (5)	Unemployment Rate (6)
2002	428,132	13,785,422	32,199	35.51	62,767	6.3 %
2003	431,224	13,945,353	32,339	35.80	63,873	6.2
2004	434,703	14,286,949	32,866	36.06	65,118	5.4
2005	438,384	15,175,977	34,618	36.22	66,367	5.1
2006	445,378	15,953,885	35,821	36.51	68,118	4.6
2007	455,432	17,132,896	37,619	36.53	69,677	4.7
2008	464,924	17,893,995	38,488	36.66	70,707	6.1
2009	474,108	18,345,135	38,694	36.83	70,968	10.8
2010	480,362	18,089,472	37,658	36.93	70,710	10.9
2011	488,406	19,128,421	39,165	36.30	71,227	10.2

Sources:

- (1) Calendar years 2001 through 2010
United States Census Bureau estimates.
- (2) Computed as a factor of population times per capita income.
- (3) Calendar years 2001 through 2009
Calendar year 2010
Bureau of Economic Analysis, U.S. Department of Commerce.
Piedmont Triad Council of Governments estimate.
- (4) Fiscal years 2002 through 2010
Calendar year 2010
North Carolina Office of State Planning estimates.
United States Census Bureau estimates.
- (5) Average daily membership of Guilford County Schools as compiled by North Carolina Department of Public Instruction.
- (6) North Carolina Employment Security Commission - Calendar year annual average except for 2011 which is the average adjusted monthly rate for January through June.

**Guilford County, North Carolina
Principal Employers
Current Year and Nine Years Ago**

Employer	2011		2002	
	Employees	Percentage of Total County Employment	Employees	Percentage of Total County Employment
Guilford County School System	10,132	4.61	8,000	3.59
Moses H. Cone Health Systems	7,776	3.54	6,520	2.92
City of Greensboro	2,985	1.36	2,857	1.28
United States Postal Service	2,800	1.27	2,180	0.98
University of North Carolina at Greensboro	2,552	1.16	1,900	0.85
Guilford County Government	2,437	1.11	2,719	1.22
North Carolina A & T State University	2,049	0.93	1,500	0.67
High Point Regional Health System	2,036	0.93	1,975	0.89
Bank of America (formerly Nationsbank, N.A.)	2,000	0.91	1,800	0.81
United Parcel Service (UPS)	2,000	0.91	1,900	0.85
Lorillard, Inc.	1,800	0.82	1,500	0.67
American Express Credit Card Services	1,736	0.79	2,800	1.26
AT&T	1,600	0.73	900	0.40
Citi Cards	1,500	0.68	-	-
VF Corporation	1,400	0.64	1,685	0.76
Thomas Built Buses	1,248	0.57	1,650	0.74
TIMCO Aviation Services, Inc.	1,000	0.46	1,550	0.70
Old Dominion Freight Line, Inc.	507	0.23	1,500	0.67
Tyco Electronics	-	-	4,115	1.85
Total County Employment	219,781		222,969	

Sources:

Principal employer data is from the Greensboro Economic Development Alliance, the High Point Economic Development Corporation and the individual employers. Total County employment is for calendar years 2001 and 2010 from the North Carolina Employment Security Commission civilian labor force estimates.

Guilford County, North Carolina
Total County Government Employees by Function
Last Ten Fiscal Years

Function/Program	Total Number of Employees Paid as of June 30									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General government (1)	472	395	401	394	462	380	419	338	464	323
Human services	1,528	1,445	1,451	1,462	1,460	1,376	1,369	1,366	1,264	1,176
Public safety	840	798	830	855	891	897	892	953	913	932
Environmental protection	1	-	1	3	6	6	5	5	5	4
Culture-recreation	-	-	-	-	-	-	2	2	2	2
Total	<u>2,841</u>	<u>2,638</u>	<u>2,683</u>	<u>2,714</u>	<u>2,819</u>	<u>2,659</u>	<u>2,687</u>	<u>2,664</u>	<u>2,648</u>	<u>2,437</u>

Note:

(1) General government employee numbers fluctuate due to election workers being included.

Table 13

Guilford County, North Carolina
Operating Indicators by Function
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General government: (2)										
Real estate documents processed	338,034	556,164	656,458	691,835	541,936	598,176	590,300	510,744	329,094	357,284
Vital records recorded and issued	68,018	74,332	59,058	61,126	63,240	64,870	73,560	79,814	68,196	69,484
Building permits issued	2,785	2,750	2,765	2,765	2,659	2,660	2,800	2,800	2,200	2,200
Bldg, plumb, mech & elec insp completed	51,678	51,000	51,500	51,500	56,881	51,152	45,700	45,700	29,200	29,700
Human Services:										
Laboratory tests performed (2)	157,204	148,421	136,802	142,046	165,916	180,160	194,148	187,314	203,250	209,096
Number of prescriptions filled (2)	85,000	48,215	85,284	66,413	89,393	80,791	82,825	82,000	77,906	98,741
Adoption assistance cases (2),(4)	600	715	715	875	1,100	1,117	1,118	1,090	1,059	1,027
Children in Social Services custody (2)	645	573	573	500	559	496	475	475	386	374
Schedule GTA, SCAT trips (2)	114,400	119,600	149,500	157,500	160,000	N/A	N/A	N/A	N/A	N/A
Bus Service-Senior (2)	9,000	7,600	4,515	4,620	4,650	N/A	N/A	N/A	N/A	N/A
Bus Service-Medicaid (2)	9,780	13,100	21,900	22,550	22,550	N/A	N/A	N/A	N/A	N/A
Social Services paratransit (2)	98,220	112,600	110,659	113,979	114,000	N/A	N/A	N/A	N/A	N/A
Public Safety:										
911 calls received (1),(3)	106,000	112,000	116,000	118,000	121,709	117,180	125,201	123,504	128,892	130,947
Emergency HazMat responses (2)	52	150	100	100	95	90	90	70	70	42
Average daily population juvenile detention (2)	48	48	48	48	48	48	48	48	48	35
Average daily population adult jail (6)	735	781	825	855	875	885	914	907	955	920
Number of animals received (2)	12,112	14,341	16,000	15,325	14,935	15,100	15,827	15,993	16,890	17,000
Number of spay/neuter surgeries performed (2)	3,749	4,000	4,500	5,000	6,149	4,500	6,500	5,495	5,098	7,200
Environmental protection: (2)										
Number of scrap tires processed	594,000	625,000	650,000	650,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	745,000
Number of white goods disposed of (tons)	2,654	2,700	2,800	2,800	2,800	2,000	2,400	2,600	2,500	2,898
Culture - recreation: (2)										
Number of park and rec participants	675,100	1,130,000	1,373,100	1,590,600	1,815,100	1,825,100	1,925,100	2,385,100	2,770,350	2,788,440
Education:										
Average daily membership (5)	62,767	63,873	65,118	66,367	68,118	69,677	70,707	70,968	70,710	71,227
County appropriation per pupil (7)	\$1,842.36	\$1,841.77	\$1,929.81	\$1,968.83	\$2,079.71	\$2,248.45	\$2,335.91	\$2,468.23	\$2,477.24	\$2,459.26

Note: (1) Effective 2007, Guilford County and the City of Greensboro formed the combined Guilford-Metro 911 Emergency Communications Center.

Sources:

- (2) Guilford County Annual Budget
- (3) Guilford -Metro 911 Emergency Communications Center
- (4) Guilford County Department of Social Services for 2006 - 2011
- (5) North Carolina Department of Public Instruction
- (6) Guilford County Annual Budget except for 2008 and 2011 per Law Enforcement Department
- (7) Guilford County Current Appropriations per average daily membership

Table 14

Guilford County, North Carolina
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Human Services: (2),(5)										
Public health occupied square footage	121,723	121,723	95,806	95,806	95,806	101,098	101,098	101,098	101,098	101,098
Mental health occupied square footage	193,037	193,037	203,515	203,515	203,515	176,673	208,742	208,742	208,742	119,750
Social services occupied square footage	156,328	156,328	148,262	148,262	148,262	148,262	148,262	148,262	148,262	155,738
Cooperative extension occupied square footage	47,022	47,022	47,022	47,022	47,022	47,022	47,022	47,022	47,022	47,022
Child support occupied square footage	-	-	-	-	9,040	9,040	9,040	9,040	9,040	15,101
Public Safety:										
Number of law enforcement vehicles (4),(5)	270	305	304	304	319	344	363	376	426	419
Number of law enforcement centers (5)	2	2	2	2	2	2	2	2	2	2
Number of emergency medical vehicles (4),(5)	48	69	67	73	73	75	77	84	92	83
Number of emergency medical stations (5)	11	11	11	11	11	12	14	14	14	15
Number of fire marshal vehicles (4),(5)	10	17	16	15	16	23	19	19	15	21
Number of volunteer fire stations (3),(6)	38	38	38	38	37	37	37	37	37	36
Number of volunteer firefighters (6)	1,100	1,100	1,100	800	800	691	629	629	629	682
Number of animal control vehicles (4),(5)	8	14	15	14	13	13	16	17	14	14
Culture-recreation:										
Parks (9)	205	256	257	257	257	266	268	275	275	275
Libraries (7)	10	10	10	10	10	10	10	10	10	10
Education: (1)										
Number of schools (8)	101	102	107	108	108	116	120	120	121	122

Notes:

- (1) Includes Guilford County Schools only.
- (2) Human service square footage is based on occupancy of County owned properties only and does not include data related to services moving to non-County owned properties.
- (3) Includes any volunteer fire station which serves Guilford County regardless of location. In 2002 two stations began operation under the City of Greensboro and in 2006 one station began operation under Gibsonville.

Sources:

- (4) Guilford County Risk Management
- (5) Guilford County Fixed Assets System
- (6) Guilford County Emergency Medical Services Department
- (7) Cities of Greensboro, High Point, Gibsonville and Jamestown
- (8) Guilford County Schools
- (9) Guilford County Planning and Development

