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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning 01-01-2011 and ending 12-31-2011

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization
CAROLINA MEADOWS INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
100 CAROLINA MEADOWS

City or town, state or country, and ZIP + 4
CHAPEL HILL, NC 275178505

D Employer identification number
56-1380014

E Telephone number
(919)942-4014

G Gross receipts $ 54,187,291

F Name and address of principal officer
KEVIN A MCLEOD
100 CAROLINA MEADOWS
CHAPEL HILL, NC 275178505

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

H(b) Are all affiliates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status ☑ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ WWW CAROLINAMEADOWS ORG

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1983 | **M** State of legal domicile NC

Part I Summary

1 Briefly describe the organization's mission or most significant activities
PROVIDING HOUSING, HEALTH CARE & OTHER RELATED SERVICES TO RESIDENTS THROUGH THE OPERATION OF A CCRC

2 Check this box ▶☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	14
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	14
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	**5**	503
6	Total number of volunteers (estimate if necessary)	**6**	85
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	0
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	0

		Prior Year	Current Year
Revenue			
8	Contributions and grants (Part VIII, line 1h)	27,461	16,484
9	Program service revenue (Part VIII, line 2g)	28,877,533	29,700,974
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	329,863	1,989,941
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	42,396	31,659
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	29,277,253	31,739,058
Expenses			
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	120,898	562,644
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	14,968,632	15,535,154
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	13,934,808	12,456,905
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	29,024,338	28,554,703
19	Revenue less expenses Subtract line 18 from line 12	252,915	3,184,355

		Beginning of Current Year	End of Year
Net Assets or Fund Balances			
20	Total assets (Part X, line 16)	86,938,201	90,802,708
21	Total liabilities (Part X, line 26)	73,341,839	74,130,462
22	Net assets or fund balances Subtract line 21 from line 20	13,596,362	16,672,246

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

****** | 2012-05-07
Signature of officer | Date

KEVIN A MCLEOD PRESIDENT AND CEO
Type or print name and title

Paid Preparer's Use Only

Preparer's signature: GREGORY W JOHNS	Date	Check if self-employed ▶☐	Preparer's taxpayer identification number (see instructions) P00535091
Firm's name (or yours if self-employed), address, and ZIP + 4: CLIFTONLARSONALLEN LLP, 101 N TRYON STREET SUITE 1000, CHARLOTTE, NC 28246			EIN ▶ 41-0746749
			Phone no ▶ (704) 998-5200

May the IRS discuss this return with the preparer shown above? (see instructions) ☑ Yes ☐ No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III . . . . . ☑

1 Briefly describe the organization's mission

TO PROVIDE HOUSING, HEALTH AND WELLNESS SERVICES, AND SOCIAL OPPORTUNITIES FOR OLDER ADULTS IN A FINANCIALLY SECURE COMMUNITY THAT RESPECTS INDIVIDUAL DIGNITY, ENCOURAGES INDEPENDENCE, AND PROMOTES LIFE-LONG LEARNING THROUGHOUT THE SEQUENCES OF AGING

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . . ☐ Yes ☑ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . . ☐ Yes ☑ No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses $ 23,998,494 including grants of $ 131,745) (Revenue $ 29,700,974)

CAROLINA MEADOWS' MISSION IS TO PROVIDE HOUSING, HEALTH AND WELLNESS SERVICES, AND SOCIAL OPPORTUNITIES FOR OLDER ADULTS IN A FINANCIALLY SECURE COMMUNITY THAT RESPECTS INDIVIDUAL DIGNITY, ENCOURAGES INDEPENDENCE, AND PROMOTES LIFE-LONG LEARNING THROUGHOUT THE SEQUENCES OF AGING WITH REGARD TO HOUSING, THERE WERE 136,780 DAYS OF INDEPENDENT LIVING PROVIDED, 21,587 DAYS OF ASSISTED LIVING, 4,621 DAYS OF CARE IN THE MEMORY SUPPORT UNIT AND 25,311 DAYS OF SKILLED NURSING CARE THE COMMUNITY HEALTH CLINIC SAW AN AVERAGE OF OVER 730 VISITS PER MONTH TO THE NURSE PRACTITIONERS, PHYSICIANS, AND SPECIALTY PHYSICIANS SUCH AS DERMATOLOGY AND AUDIOLOGY MEDICAL SERVICES ARE PROVIDED TO RESIDENTS IN ALL LEVELS OF LIVING THROUGH THE CLINIC THE FITNESS CENTER LOGGED SIGN-INS AVERAGED 1,400 PER MONTH WITH SOME MONTHS EXCEEDING 1,700 DURING 2011 IN ADDITION, 26 REGULARLY SCHEDULED FITNESS CLASSES ARE OFFERED INCLUDING POOL, AEROBICS, STRETCH, YOGA AND OTHERS WITH AN AVERAGE ATTENDANCE OF SIX TO TWENTY TWO THERE ARE FOUR ADDITIONAL NON-REGULAR FITNESS CLASSES AS WELL THREE AND A HALF EMPLOYEES ARE DESIGNATED FOR THE WELLNESS PROGRAM AND ADDITIONAL SERVICES ARE PROVIDED UNDER CONTRACT THERE ARE 217 EMPLOYEES ENROLLED IN THE WELLNESS INITIATIVE FURTHER, A REGISTERED NURSE EVALUATES EACH INDEPENDENT LIVING RESIDENT USING A STANDARDIZED ASSESSMENT TOOL (CHA) AS PART OF PARTICIPATION IN COLLAGE (CONSORTIUM OF CCRCS) APPROXIMATELY 30 RESIDENTS ARE ASSESSED EACH MONTH IN ADDITION TO CREATING AN INDIVIDUAL WELLNESS PLAN, DATA FROM THE ASSESSMENT IS USED IN AGGREGATE FORM ON BOTH THE COMMUNITY AND NATIONAL LEVEL FOR RESEARCH ON AGING PHYSICAL, OCCUPATIONAL AND SPEECH THERAPY SERVICES ARE AVAILABLE UNDER CONTRACT WITH GENESIS REHAB AVERAGE VISITS PER WEEK ARE AS FOLLOWS PHYSICAL THERAPY - 100, OCCUPATIONAL THERAPY - 40, SPEECH THERAPY - 20 ACTIVITIES ARE ARRANGED BY BOTH STAFF AND RESIDENTS OFFERINGS EACH MONTH ARE DESIGNED TO MEET THE FULL RANGE OF NEEDS AND INTERESTS SOCIAL, INTELLECTUAL, SPIRITUAL, PHYSICAL AND EMOTIONAL IN THE FAIRWAYS (ASSISTED LIVING), STAFF DESIGN AN ACTIVITIES CALENDAR WITH GROUP AND INDIVIDUAL OPPORTUNITIES RESIDENTS ARE ENCOURAGED TO CONTINUE INTERESTS AND HOBBIES DEVELOPED OVER A LIFETIME DESIGNATED STAFF PROVIDE ACTIVITIES IN THE GREEN, A MEMORY SUPPORT ENVIRONMENT WITHIN THE FAIRWAYS TWO SEPARATE PROGRAMS ARE PROVIDED IN THE HEALTH CENTER (SKILLED NURSING) APPROXIMATELY 15-20 RESIDENTS WITH SEVERE MEMORY IMPAIRMENT ARE SERVED DAILY IN A SPECIFIC PROGRAM FOR THIS POPULATION WHILE 15-20 RESIDENTS PARTICIPATE DAILY IN THE PROGRAM DESIGNED FOR THOSE WHOSE COGNITION IS INTACT DINING SERVICES PROVIDE MEALS DAILY IN ALL LEVELS OF LIVING APPROXIMATELY 6,700 MEALS PER MONTH ARE SERVED IN THE HEALTH CENTER, 6,100 IN THE FAIRWAYS, AND 12,100 IN THE INDEPENDENT LIVING DINING VENUES EACH YEAR, AN AVERAGE OF 35 INDEPENDENT LIVING UNITS ARE TURNED OVER THE PHYSICAL PLANT DEPARTMENT REFURBISHES EACH UNIT TO NEW OR LIKE-NEW CONDITION IN ADDITION, THIS DEPARTMENT COMPLETED 16,896 WORK ORDERS FOR INDEPENDENT LIVING RESIDENTS, 2,127 IN THE HEALTH CENTER AND 2,236 IN THE FAIRWAYS EXCLUSIVE OF SPECIAL PROJECTS OR TRASH PICKUP THE ENVIRONMENTAL SERVICES DEPARTMENT, IN ADDITION TO CLEANING ALL COMMON AREAS AND DAILY SERVICE TO ALL HEALTH CENTER AND ASSISTED LIVING RESIDENTS, PROVIDES SERVICE TO APPROXIMATELY 175 INDEPENDENT LIVING RESIDENTS PER MONTH APPROXIMATELY 1,200 PIECES OF LINEN ARE WASHED, DRIED AND IRONED DAILY FOR THE DINING ROOMS IN ADDITION TO LINENS PROVIDED IN THE HEALTH CENTER AND THE FAIRWAYS THE ORGANIZATION IS ACTIVELY INVOLVED IN THE COMMUNITY THROUGH PARTICIPATION IN VARIOUS COMMUNITY OUTREACH, EDUCATIONAL, CHARITABLE AND VOLUNTEER PROGRAMS SPONSORED ON CAMPUS OR THROUGHOUT THE COMMUNITY AT LARGE CHARITABLE DONATIONS AND COMMUNITY BENEFITS FOR THE YEAR ENDED DECEMBER 31, 2011 WERE $430,899 IN BENEVOLENT CARE, $166,270 IN CHARITABLE DONATIONS, AND $2,875 IN DONATED VOLUNTEER SERVICES

4b (Code) (Expenses $ including grants of $) (Revenue $)

4c (Code) (Expenses $ including grants of $) (Revenue $)

4d Other program services (Describe in Schedule O)
(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses** ▶ $ 23,998,494

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2		No
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		No
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9	Yes	
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*	11b	Yes	
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X.*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a	Yes	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b		No
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Part I*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the U S ? *If "Yes," complete Schedule F, Part II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the U S ? *If "Yes," complete Schedule F, Part III and IV*	16		No
17	Did the organization report a total of more than $15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a		No
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** All Form 990 filers that operated one or more hospitals must attach audited financial statements	20b		

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**	Yes	
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25*	**24a**	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		No
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	**34**		No
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	**35a**		No
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35b**		No
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V . . . . . .

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	**1a**	77		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	**1b**	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			**1c**		
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	**2a**	503		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			**2b**	Yes	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)					
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			**3a**		No
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			**3b**		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account or securities account)?			**4a**		No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .			**5a**		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			**5b**		No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?			**5c**		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?			**6a**		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			**6b**		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			**7a**		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			**7b**		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			**7c**		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	**7d**				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			**7e**		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .			**7f**		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			**7g**		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			**7h**		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			**8**		
9	**Sponsoring organizations maintaining donor advised funds.**					
a	Did the organization make any taxable distributions under section 4966?			**9a**		
b	Did the organization make a distribution to a donor, donor advisor, or related person?			**9b**		
10	**Section 501(c)(7) organizations.** Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	**10a**				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	**10b**				
11	**Section 501(c)(12) organizations.** Enter					
a	Gross income from members or shareholders	**11a**				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	**11b**				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			**12a**		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	**12b**				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state			**13a**		
b	Enter the aggregate amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	**13b**				
c	Enter the aggregate amount of reserves on hand	**13c**				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			**14a**		No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .			**14b**		

Part VI **Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI . . . . . ☑

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	14		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	14		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .		3		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .		5		No
6	Did the organization have members or stockholders?		6		No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		7a		No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?		8a	Yes	
b	Each committee with authority to act on behalf of the governing body?		8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		9		No

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a		No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review the Form 990			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	Yes	
b	Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes	
13	Did the organization have a written whistleblower policy?	13	Yes	
14	Did the organization have a written document retention and destruction policy?	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	Yes	
b	Other officers or key employees of the organization	15b	Yes	
	If "Yes," to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		No
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed ▶ NC

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you made these available Check all that apply

☐ Own website ☑ Another's website ☑ Upon request

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public See Additional Data Table

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶

GARY LEVINE
100 CAROLINA MEADOWS
CHAPEL HILL, NC 275178505
(919) 370-7128

Part VII **Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response to any question in this Part VII . . . . . .☐

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees, if any See instructions for definition of "key employee "
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

☐ Check this box if neither the organization nor any related organizations compensated any current or former officer, director, or trustee

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) AMY GORELY CHAIR	3 00	X						0	0	0
(2) STEPHEN PIKE VICE CHAIR	3 00	X						0	0	0
(3) WAYNE J JONES TREASURER	2 50	X						0	0	0
(4) RAYMOND H DAWSON SECRETARY	2 50	X						0	0	0
(5) DAVID M KLEIN MD ASST SECRETARY	2 00	X						0	0	0
(6) WILLIAM AYCOCK BOARD MEMBER	2 00	X						0	0	0
(7) MURRAY E BOVARNICK BOARD MEMBER	2 00	X						0	0	0
(8) PHILIP SLOANE BOARD MEMBER	2 00	X						0	0	0
(9) ROSEMARY A HUTCHINSON BOARD MEMBER	2 50	X						0	0	0
(10) VIVIENNE JACOBSON BOARD MEMBER	2 50	X						0	0	0
(11) ROBIN MCDUFFIE BOARD MEMBER	2 50	X						0	0	0
(12) STEVEN MICHALAK BOARD MEMBER	2 50	X						0	0	0
(13) RICHARD J RICHARDSON BOARD MEMBER	2 00	X						0	0	0
(14) THOMAS M MILLER PAST CHAIR	2 00	X						0	0	0
(15) ROY CARROLL EX OFFICER	2 00	X						0	0	0
(16) SALLIE COMEY EX OFFICER	2 00	X						0	0	0
(17) HOLLY JEAN COWARD EX OFFICER	2 00	X						0	0	0

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** (continued)

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) KEVIN A MCLEOD PRESIDENT/CEO	40 00			X				240,566	0	19,579
(19) ELSIE NORTON VP/COO	40 00			X				24,526	0	6
(20) ROBERTA GRAY COO	40 00			X				166,824	0	7,626
(21) SUSAN CUTCHIN VP/CFO	40 00			X				134,293	0	12,879
(22) MARILYN MADDEN HEALTH AND WELLNESS DIRECTOR	40 00					X		116,030	0	11,347
(23) HOLLY JEAN COWARD MEDICAL DIRECTOR	24 00					X		123,233	0	733
(24) MARK MAXWELL VICE PRESIDENT DINING SERV	40 00					X		107,975	0	11,431
(25) JOSEPH ZANNINI VICE PRESIDENT OF FACILITIES	40 00					X		104,447	0	6,696
1b Sub-Total . . . . . ▶										
c Total from continuation sheets to Part VII, Section A . . . . ▶										
d Total (add lines 1b and 1c) . . . . . ▶								1,017,894	0	70,297

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 7

			Yes	No
3	Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3		No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	4	Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	5		No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
WEAVER COOKE CONSTRUCTION LLC 8401 KEY BOULEVARD GREENSBORO, NC 27420	CONSTRUCTION CONTRACTOR	2,852,707
THE STEELE GROUP ARCHITECTS 939 BURKE STREET WINSTONSALEM, NC 27101	ARCHITECTURAL	390,059

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 2

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . 1a				
	b	Membership dues 1b				
	c	Fundraising events 1c				
	d	Related organizations . . . 1d				
	e	Government grants (contributions) 1e				
	f	All other contributions, gifts, grants, and similar amounts not included above 1f 16,484				
	g	Noncash contributions included in lines 1a-1f $				
	h	**Total.** Add lines 1a-1f . . . . . ▶	16,484			
Program Service Revenue		Business Code				
	2a	INDEPENDENT LIVING REV	623000	15,692,490	15,692,490	
	b	HEALTH CARE CENTER REV	623000	7,118,758	7,118,758	
	c	ASSISTED LIVING REV	623000	4,761,686	4,761,686	
	d	REFURBISHING	623000	764,393	764,393	
	e	REMARKETING	623000	464,846	464,846	
	f	All other program service revenue		898,801	898,801	
	g	**Total.** Add lines 2a–2f . . . . . ▶		29,700,974		
	3	Investment income (including dividends, interest and other similar amounts) . . . . . ▶		600,240		600,240
	4	Income from investment of tax-exempt bond proceeds . . ▶				
	5	Royalties . . . . . ▶				
		(i) Real / (ii) Personal				
	6a	Gross rents 17,299				
	b	Less rental expenses				
	c	Rental income or (loss) 17,299				
	d	Net rental income or (loss) . . . . . ▶		17,299		17,299
		(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory 23,837,934				
	b	Less cost or other basis and sales expenses 22,448,233				
	c	Gain or (loss) 1,389,701				
	d	Net gain or (loss) . . . . . ▶		1,389,701		1,389,701
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 . . . a				
	b	Less direct expenses . . . b				
	c	Net income or (loss) from fundraising events . . ▶				
	9a	Gross income from gaming activities See Part IV, line 19 . . . a				
	b	Less direct expenses . . . b				
	c	Net income or (loss) from gaming activities . . ▶				
	10a	Gross sales of inventory, less returns and allowances . a				
	b	Less cost of goods sold . . b				
	c	Net income or (loss) from sales of inventory . . ▶				
		Miscellaneous Revenue / Business Code				
	11a	COPIER REVENUE 623000	1,858			1,858
	b					
	c					
	d	All other revenue	12,502			12,502
	e	**Total.** Add lines 11a–11d . . . . . ▶	14,360			
	12	**Total revenue.** See Instructions . . . ▶	31,739,058	29,700,974	0	2,021,600

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D)

Check if Schedule O contains a response to any question in this Part IX . . . . . ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the United States See Part IV, line 21	131,745	131,745		
2	Grants and other assistance to individuals in the United States See Part IV, line 22	430,899	430,899		
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	606,299		606,299	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	11,897,189	10,515,975	1,381,214	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	358,472	277,484	80,988	
9	Other employee benefits	1,731,533	1,562,843	168,690	
10	Payroll taxes	941,661	806,159	135,502	
11	Fees for services (non-employees)				
a	Management				
b	Legal	54,955	28,013	26,942	
c	Accounting	43,473		43,473	
d	Lobbying				
e	Professional fundraising *See Part IV, line 17*				
f	Investment management fees	173,436		173,436	
g	Other	1,152,741	1,097,075	55,666	
12	Advertising and promotion	136,274	22,871	113,403	
13	Office expenses	840,327	770,928	69,399	
14	Information technology	42,747		42,747	
15	Royalties				
16	Occupancy	1,763,661	1,217,454	546,207	
17	Travel	107,028	79,855	27,173	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	64,267	22,226	42,041	
20	Interest	467,516	467,516		
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	3,224,967	3,224,967		
23	Insurance				
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	FOOD COSTS	1,464,227	1,464,227		
b	SHARED APPRECIATION	1,037,277		1,037,277	
c	UPGRADES & MODIFICATION	883,696	883,696		
d	REPAIRS & MAINTENANCE	880,113	880,113		
e					
f	All other expenses	120,200	114,448	5,752	
25	**Total functional expenses.** Add lines 1 through 24f	28,554,703	23,998,494	4,556,209	0
26	**Joint costs.** Check here ▶ ☐ if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		102,577	1	96,766
	2	Savings and temporary cash investments		418,001	2	717,631
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		1,411,535	4	1,536,107
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		120,331	8	123,654
	9	Prepaid expenses and deferred charges		43,862	9	99,399
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 110,155,890			
	b	Less accumulated depreciation	10b 48,680,134	56,126,717	10c	61,475,756
	11	Investments—publicly traded securities			11	
	12	Investments—other securities See Part IV, line 11		28,447,915	12	26,493,025
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		267,263	15	260,370
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		86,938,201	16	90,802,708
Liabilities	17	Accounts payable and accrued expenses		2,024,385	17	3,860,433
	18	Grants payable			18	
	19	Deferred revenue		46,785,740	19	45,061,938
	20	Tax-exempt bond liabilities		17,810,000	20	17,305,000
	21	Escrow or custodial account liability *Complete Part IV of Schedule D*		2,456,713	21	2,247,360
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		4,265,001	25	5,655,731
	26	**Total liabilities.** Add lines 17 through 25		73,341,839	26	74,130,462
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		13,596,362	27	16,672,246
	28	Temporarily restricted net assets			28	
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		13,596,362	33	16,672,246
	34	Total liabilities and net assets/fund balances		86,938,201	34	90,802,708

Part XI Reconcilliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI . . . . . ☑

1	Total revenue (must equal Part VIII, column (A), line 12) . . .	1	31,739,058
2	Total expenses (must equal Part IX, column (A), line 25)	2	28,554,703
3	Revenue less expenses Subtract line 2 from line 1	3	3,184,355
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	13,596,362
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-108,471
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	16,672,246

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII . . . . . ☑

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☑ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? . .	2a		No
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	2c	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both ☑ Separate basis ☐ Consolidated basis ☐ Both consolidated and separated basis			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits . .	3b		

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
CAROLINA MEADOWS INC

Employer identification number
56-1380014

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

1 ☐ A church, convention of churches, or association of churches **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state

_____

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)** (Complete Part II)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)

9 ☑ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)

10 ☐ An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally integrated **d** ☐ Type III - Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
(i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization? **11g(i)**		
(ii) a family member of a person described in (i) above? **11g(ii)**		
(iii) a 35% controlled entity of a person described in (i) or (ii) above? **11g(iii)**		

h Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document? Yes	(iv) No	(v) Did you notify the organization in col (i) of your support? Yes	(v) No	(vi) Is the organization in col (i) organized in the U S ? Yes	(vi) No	(vii) Amount of support?
Total									

Part II **Support Schedule for Organizations Described in IRC 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public Support.** Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
11 **Total support** (Add lines 7 through 10)						

12 Gross receipts from related activities, etc (See instructions) **12**

13 **First Five Years** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

14 Public Support Percentage for 2011 (line 6 column (f) divided by line 11 column (f)) **14**

15 Public Support Percentage for 2010 Schedule A, Part II, line 14 **15**

16a **33 1/3% support test—2011.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization

b **33 1/3% support test—2010.** If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization

17a **10%-facts-and-circumstances test—2011.** If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization

b **10%-facts-and-circumstances test—2010.** If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization

18 **Private Foundation** If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions

Part III Support Schedule for Organizations Described in IRC 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")	26,807	28,211	352,931	27,461	16,484	451,894
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	25,585,691	27,698,830	27,673,539	28,877,533	29,700,974	139,536,567
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5	25,612,498	27,727,041	28,026,470	28,904,994	29,717,458	139,988,461
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						0
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						0
c Add lines 7a and 7b						0
8 **Public Support** (Subtract line 7c from line 6)						139,988,461

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6	25,612,498	27,727,041	28,026,470	28,904,994	29,717,458	139,988,461
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	845,255	628,249	320,705	387,496	600,240	2,781,945
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	845,255	628,249	320,705	387,496	600,240	2,781,945
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)	4,938	6,722	8,832	25,610	31,659	77,761
13 **Total support** (Add lines 9, 10c, 11 and 12)	26,462,691	28,362,012	28,356,007	29,318,100	30,349,357	142,848,167

14 **First Five Years** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** ▶

Section C. Computation of Public Support Percentage

15	Public Support Percentage for 2011 (line 8 column (f) divided by line 13 column (f))	15	98 000 %
16	Public support percentage from 2010 Schedule A, Part III, line 15	16	96 640 %

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2011** (line 10c column (f) divided by line 13 column (f))	17	1 950 %
18	Investment income percentage from **2010** Schedule A, Part III, line 17	18	2 110 %

19a **33 1/3% support tests—2011.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☑

b **33 1/3% support tests—2010.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶

20 **Private Foundation** If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions ▶

Part IV **Supplemental Information.** Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Explanation

Additional Data

Software ID:
Software Version:
EIN: 56-1380014
Name: CAROLINA MEADOWS INC

Form 990, Special Condition Description:

Special Condition Description

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
CAROLINA MEADOWS INC

Employer identification number
56-1380014

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit ☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or pleasure)
☐ Preservation of an historically importantly land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

		Held at the End of the Year
a	Total number of conservation easements	2a
b	Total acreage restricted by conservation easements	2b
c	Number of conservation easements on a certified historic structure included in (a)	2c
d	Number of conservation easements included in (c) acquired after 8/17/06	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ $ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

(ii) Assets included in Form 990, Part X ▶ $ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

b Assets included in Form 990, Part X ▶ $ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

- a ☐ Public exhibition
- b ☐ Scholarly research
- c ☐ Preservation for future generations
- d ☐ Loan or exchange programs
- e ☐ Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☑ No

b If "Yes," explain the arrangement in Part XIV and complete the following table

		Amount
c Beginning balance	1c	2,456,713
d Additions during the year	1d	429,980
e Distributions during the year	1e	639,333
f Ending balance	1f	2,247,360

2a Did the organization include an amount on Form 990, Part X, line 21? ☑ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current Year	(b) Prior Year	(c) Two Years Back	(d) Three Years Back	(e) Four Years Back
1a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶
- c Term endowment ▶

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		1,451,123		1,451,123
b Buildings		83,910,179	36,129,154	47,781,025
c Leasehold improvements				
d Equipment		10,947,309	8,262,487	2,684,822
e Other		13,847,279	4,288,493	9,558,786
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				61,475,756

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other (A) INVESTMENTS AND ASSETS WHOSE USE IS LIMITED	26,493,025	F
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶	26,493,025	

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. *(Column (b) should equal Form 990, Part X, col (B) line 13)* ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	

Part X Other Liabilities. See Form 990, Part X, line 25.

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
EQUITY REFUNDS DUE	593,047
INTEREST RATE SWAP AGREEMENTS	1,369,614
ANNUITY OBLIGATIONS	65,470
ADVANCE DEPOSITS	3,627,600
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	5,655,731

2. Fin 48 (ASC 740) Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC740)

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	31,739,058
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	28,554,703
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	3,184,355
4	Net unrealized gains (losses) on investments	4	449,695
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	-558,166
9	Total adjustments (net) Add lines 4 - 8	9	-108,471
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	3,075,884

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements			1	31,630,587
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	449,695		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d	-558,166		
e	Add lines **2a** through **2d**			2e	-108,471
3	Subtract line **2e** from line **1**			3	31,739,058
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b			
c	Add lines **4a** and **4b**			4c	0
5	Total Revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12)			5	31,739,058

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements			1	28,554,703
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIV)	2d			
e	Add lines **2a** through **2d**			2e	0
3	Subtract line **2e** from line **1**			3	28,554,703
4	Amounts included on Form 990, Part IX, line 25, but not on line **1:**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b			
c	Add lines **4a** and **4b**			4c	0
5	Total expenses Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18)			5	28,554,703

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b Also complete this part to provide any additional information

Identifier	Return Reference	Explanation
	PART IV, LINE 2B	RESIDENT FUNDS HELD IN AGENCY ACCOUNTS REPRESENT ADVANCE FEE REFUNDS FROM THE TRANSFER OF UNIT RIGHTS FOR INDIVIDUALS WHO ARE PERMANENT HEALTH CENTER RESIDENTS THEY ALSO REPRESENT FUNDS WITHHELD FROM RESIDENTS DETERMINED TO BE A FINANCIAL RISK AND RESIDENTS WISHING TO ESTABLISH AGENCY ACCOUNTS IN LIEU OF LONG-TERM CARE INSURANCE CAROLINA MEADOWS HAS DEPOSITED THESE FUNDS ON THE RESIDENTS' BEHALF IN CERTIFICATES OF DEPOSIT OR MONEY MARKET FUNDS WITH A FINANCIAL INSTITUTION CAROLINA MEADOWS ACTS AS CUSTODIAN FOR THE AGENCY ACCOUNTS, WHICH ARE LEGALLY OWNED BY THE RESIDENTS AT DECEMBER 31, 2011 AND 2010, AGENCY FUNDS DUE RESIDENTS WERE $2,247,360 AND $2,456,713, RESPECTIVELY
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X	CAROLINA MEADOWS IS A NONPROFIT, TAX-EXEMPT ORGANIZATION EXEMPT FROM FEDERAL INCOME TAXES UNDER INTERNAL REVENUE CODE SECTION 501(C)(3), ACCORDINGLY, THE ACCOMPANYING FINANCIAL STATEMENTS DO NOT REFLECT A PROVISION OR LIABILITY FOR FEDERAL AND STATE INCOME TAXES CAROLINA MEADOWS HAS DETERMINED THAT IT DOES NOT HAVE ANY MATERIAL UNRECOGNIZED TAX BENEFIT OR OBLIGATION AS OF DECEMBER 31, 2011
PART XI, LINE 8 - OTHER ADJUSTMENTS		CHANGE IN FAIR VALUE INTEREST RATE SWAP -542,461 CHANGE IN VALUE OF GIFT ANNUITIES -15,705 TOTAL TO SCHEDULE D, PART XI, LINE 8 -558,166
PART XII, LINE 2D - OTHER ADJUSTMENTS		CHANGE IN VALUE OF GIFT ANNUITIES -15,705 CHANGE IN FAIR VALUE INTEREST RATE SWAP -542,461

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments and Individuals in the United States

Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
CAROLINA MEADOWS INC

Employer identification number
56-1380014

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . ☑ Yes ☐ No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed . . . ▶ ☐

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
See Additional Data Table							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . ▶ 14

3 Enter total number of other organizations listed in the line 1 table . . . ▶ 0

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Use Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
(1) RESIDENT FINANCIAL ASSISTANCE	4	430,899			

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

Identifier	Return Reference	Explanation
PROCEDURE FOR MONITORING GRANTS IN THE U S	PART I, LINE 2	SCHEDULE I, PART I, LINE 2 GRANTEES MUST HAVE 501(C)(3) STATUS AND MUST BE LOCATED IN AND/OR SERVE RESIDENTS IN CHATHAM COUNTY, NC THE FOLLOWING CRITERIA ARE USED DURING THE GRANT EVALUATION PROCESS PROJECT DESCRIPTION (1) IS THE PROPOSED PROJECT OR PROGRAM CLEARLY DESCRIBED? (2) MISSION SUPPORT - IS THERE CLEAR EVIDENCE THAT THE PROJECT SUPPORTS THE MISSION OF THE AGENCY? (3) NEED - DOES THE PROPOSAL CLEARLY DOCUMENT/EXPLAIN THE NEED FOR THE PROJECT/PROGRAM IN CHATHAM COUNTY? (4) IMPACT - ARE THE PROPOSED OUTCOMES CLEAR, REALISTIC AND MEASURABLE? (5) BUDGET - IS THE BUDGET SUFFICIENTLY DETAILED, REALISTIC AND APPROPRIATE GIVEN THE DESIRED GOALS/IMPACT? (6) EFFECT - IS THERE EVIDENCE THAT A GRANT FROM CAROLINA MEADOWS WILL SIGNIFICANTLY INCREASE THE IMPACT OF THE PROPOSED PROJECT? (7) COLLABORATIVE EFFORT - IS THE PROPOSED PROJECT A COLLABORATIVE EFFORT INVOLVING MULTIPLE AGENCIES? (8) GRANTEES ARE REQUIRED TO SUBMIT INTERIM AND FINAL REPORTS TO CAROLINA MEADOWS

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 56-1380014
Name: CAROLINA MEADOWS INC

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
FUEL UP AT PERRY HARRISON SCHOOL270 BINGHAM RIDGE DRIVE PITTSBORO,NC 27312	26-2873876	501(C)(3)	7,500				PURCHASE FOOD FOR WEEKEND MEALS FOR ELIGIBLE STUDENTS
CHATHAM CO COUNCIL ON AGINGPO BOX 715 PITTSBORO,NC 27312	56-1084260	501(C)(3)	11,250				TO PURCHASE FOOD FOR THE HOME DELIVERED MEAL AND CONGREGATE MEAL PROGRAM FOR OLDER ADULTS
CHATHAM OUTREACH ALLIANCE (CORA) PO BOX 1326 PITTSBORO,NC 27312	56-1668767	501(C)(3)	10,000				PURCHASE OF EMERGENCY FOOD FOR NEEDY RESIDENTS FOR DISTRIBUTION THROUGH PANTY OR SNACK PROGRAM
FAMILY VIOLENCE & RAPE CRISIS SERVICES PO BOX 1105 PITTSBORO,NC 27312	56-1345420	501(C)(3)	7,350				SUPPORT THE INFRASTRUCTURE OF FV RC TO CONTINUE ITS CRITICAL SERVICES TO END VIOLENCE
ST JULIA CATHOLIC CHURCH210 HAROLD HART ROAD SILER CITY,NC 27344	56-1791634	501(C)(3)	10,000				SUPPORT THE BROWN BAG MINISTRY (PROVIDES STAPLE GROCERIES TO FAMILIES IN NEED)
WEST CHATHAM FOOD PANTRY126 VILLAGE LAKE ROAD SILER CITY,NC 27344	51-0634273	501(C)(3)	10,000				TO PROVIDE WEEKEND FOOD FOR BACKPACKS FOR AS MANY HUNGRY CHILDREN AS POSSIBLE
EL FUTURO106-B SOUTH CHATHAM AVENUE SILER CITY,NC 27344	80-0122334	501(C)(3)	5,000				TO SUPPORT THE PUENTES PROGRAM TO PROVIDE MENTAL HEALTHCARE FOR LATINO STUDENTS IN CHATHAM COUNTY
CHATHAM FAMILY RESOURCE CENTER223 CHATHAM SQUARE SILER CITY,NC 27344	31-1577560	501(C)(3)	10,000				FUNDING FOR SALARY SUPPORT AND VEHICLE MAINTENANCE IN ORDER TO INCREASE TRANSPORTATION SERVICES TO LOW INCOME WOMEN WHO OTHERWISE COULD NOT GET THEMSELVES OR THEIR CHILDREN TO MEDICAL APPOINTMENTS
FAMILY PROMISE OF CHATHAM COUNTYPO BOX 997 PITTSBORO,NC 27312	27-0146720	501(C)(3)	5,000				TO PURCHASE START-UP ITEMS SUCH AS BEDS AND PARTITIONS AND TO FUND PROGRAMMING COSTS FOR THE INTERFAITH HOSPITALITY NETWORK OF CHATHAM CO , WHICH PROVIDES SHELTER AND MEALS TO HOMELESS FAMILIES
FARMER FOODSHARE104 GRANITE RIDGE ROAD CHAPEL HILL,NC 27516	27-3727889	501(C)(3)	5,000				TO PURCHASE FRESH, LOCAL FOOD TO DISTRIBUTE TO AGENCIES AND NEEDY FAMILIES AND TO PAY SALARY SUPPORT
HISPANIC LIAISON OF CHATHAM CO105 E SECOND STREET SILER CITY,NC 27344	56-1974043	501(C)(3)	8,000				TO SUPPORT THE BASIC NEEDS ASSISTANCE FOR IMMIGRANT FAMILIES/HUNGER RELIEF INITIATIVE
MONCURE UNITED METHODIST CHURCH-GOD'S HELPING HAND FOOD PANTRY16 POST OFFICE ROAD MONCURE,NC 27559	36-2167731	501(C)(3)	7,500				TO PURCHASE FOOD FROM THE FOOD BANK OF NC SO THAT THE PANTRY CAN SERVE MORE FOOD TO MORE FAMILIES IN THE MONCURE AREA
TAKE AND EAT FOOD PANTRY AT EVERGREEN UMC 11098 US HWY 15-501 N CHAPEL HILL,NC 27517	56-1763504	501(C)(3)	7,500				PROVIDE FREE SUPPLEMENTAL NOURISHING FOOD TO ECONOMICALLY DISADVANTAGED CITIZENS OF EASTERN CHATHAM COUNTY
CHATHAM COUNTY12 EAST STREET PITTSBORO,NC 27312		501(C)(3)	10,000				TO PAY FOR PORTION OF THE NEW COUNTY PARK

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
CAROLINA MEADOWS INC

Employer identification number
56-1380014

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax idemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)			
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement orprovision of all the expenses described above? If "No," complete Part III to explain	**1b**		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	**2**		
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply ☐ Compensation committee ☐ Written employment contract ☐ Independent compensation consultant ☑ Compensation survey or study ☑ Form 990 of other organizations ☑ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**		No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		No
b	Any related organization?	**5b**		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization?	**6b**		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, columns (D) and (E) for that individual

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) KEVIN A MCLEOD	(i)	227,312	0	13,254	11,510	8,069	260,145	0
	(ii)	0	0	0	0	0	0	0
(2) ROBERTA GRAY	(i)	161,541	0	5,283	3,173	4,453	174,450	0
	(ii)	0	0	0	0	0	0	0

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8 Also complete this part for any additional information

Identifier	Return Reference	Explanation

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Schedule O (Form 990).**
▶ **Attach to Form 990.** ▶ **See separate instructions.**

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
CAROLINA MEADOWS INC

Employer identification number
56-1380014

Part I Bond Issues

	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	NC MEDICAL CARE COMMISSION	52-1309402	NONEAVAIL	12-22-2010	17,810,000	TO REFUND THE 2004 BONDS		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired				
2	Amount of bonds defeased				
3	Total proceeds of issue	17,810,000			
4	Gross proceeds in reserve funds				
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrow				
7	Issuance costs from proceeds				
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds				
11	Other spent proceeds				
12	Other unspent proceeds				
13	Year of substantial completion	2006			

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?	X							
15	Were the bonds issued as part of an advance refunding issue?		X						
16	Has the final allocation of proceeds been made?	X							
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

Part III Private Business Use

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X						
2	Are there any lease arrangements that may result in private business use of bond-financed property?		X						

Part III Private Business Use *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use?		X						
b	If 'Yes' to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?		X						
d	If 'Yes' to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	0 %							
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶	0 %							
6	Total of lines 4 and 5	0 %							
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X							

Part IV Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X						
2	Is the bond issue a variable rate issue?	X							
3a	Has the organization or the governmental issuer entered into a hedge with respect to the bond issue?		X						
b	Name of provider								
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was a hedge terminated?								
4a	Were gross proceeds invested in a GIC?		X						
b	Name of provider								
c	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
5	Were any gross proceeds invested beyond an available temporary period?		X						
6	Did the bond issue qualify for an exception to rebate?		X						

Part V Procedures To Undertake Corrective Action

Check the box if the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations . . . . . ☐ Yes ☑ No

Part VI Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule K (see instructions)

Identifier	Return Reference	Explanation

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
CAROLINA MEADOWS INC

Employer identification number
56-1380014

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 11	FORM 990 IS FIRST REVIEWED IN DETAIL BY THE MEMBERS OF THE BOARD FINANCE COMMITTEE AT ITS QUARTERLY MEETING IN APRIL THE ENTIRE BOARD THEN REVIEWS FORM 990 AT ITS QUARTERLY MEETING HELD THE FIRST THURSDAY IN MAY PRIOR TO THE RETURN BEING FILED ON MAY 15TH
	FORM 990, PART VI, SECTION B, LINE 12C	THE GOVERNANCE COMMITTEE ANNUALLY REVIEWS THE CONFLICT-OF-INTEREST POLICY TO MAKE SURE THAT ALL BOARD MEMBERS ARE IN COMPLIANCE THE FORM IS SENT TO EACH MEMBER FOR SIGNATURE IN APRIL AND REVIEWED BY THE GOVERNANCE COMMITTEE AT ITS MEETING FOLLOWING THE BOARD'S ANNUAL MEETING IN MAY
	FORM 990, PART VI, SECTION B, LINE 15	IN DETERMINING THE CEO'S COMPENSATION, SALARY SURVEY DATA IS COMPILED BY THE HUMAN RESOURCE DIRECTOR FOR USE BY THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS QUESTIONNAIRES RELATING TO THE CEO'S PERFORMANCE ARE ALSO COMPLETED BY SENIOR STAFF AND BOARD MEMBERS USING THE SURVEY DATA AND QUESTIONNAIRES AS BENCHMARKS, THE EXECUTIVE COMMITTEE SETS THE CEO'S COMPENSATION BASED ON PERFORMANCE AND WITHIN SALRY RANGES IN DETERMINING THE COMPENSSATION OF OTHER OFFICERS AND KEY EMPLOYEES, SARLARY SURVEY DATA IS COMPILED BY THE HUMAN RESOURCE DIRECTOR FOR USE BY THE CEO USING THE SURVEY DATA AS A BENCHMARK, THE CEO SETS COMPENSATION BASED ON PERFORMANCE AND WITHIN SALARY RANGES THE PROPOSED SALARIES ARE SUBMITTED TO THE BOARD OF DIRECTORS FOR REVIEW AND APPROVAL
	FORM 990, PART VI, SECTION C, LINE 19	GOVERNING DOCUMENTS, INCLUDING BY-LAWS AND CONFLICT OF INTEREST STATEMENTS, ARE PLACED IN THE CAROLINA MEADOWS RESIDENT'S LIBRARY QUARTERLY AND ANNUAL FINANCIAL STATEMENTS ARE INCLUDED IN THE BOARD OF DIRECTORS MINUTES AND ALSO PLACED IN THE LIBRARY ARTICLES OF INCORPORATION ARE AVAILABLE ON THE WEBSITE OF THE NC SECRETARY OF STATE ANNUAL DISCLOSURE STATEMENT IS AVAILABLE ON-LINE THROUGH THE NC DEPARTMENT OF INSURANCE (NCDOI COM), AND INCLUDES IN APPENDICES COPIES OF THE DOI CCRC LICENSE, DHSR NURSING FACILITY LICENSE, ANNUAL AUDITED FINANCIAL STATEMENTS, 5-YEAR FINANCIAL PROJECTIONS, CONFLICT OF INTEREST POLICY, CCRC CONTRACT, AND OTHER CORPORATE INFORMATION ALL GOVERNING DOCUMENTS ARE AVAILABLE UPON REQUEST
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	NET UNREALIZED GAINS ON INVESTMENTS 449,695 CHANGE IN FAIR VALUE INTEREST RATE SWAP - 542,461 CHANGE IN VALUE OF GIFT ANNUITIES -15,705 TOTAL TO FORM 990, PART XI, LINE 5 -108,471
	FORM 990, PART XII, LINE 2C	THE COMMITTEE THAT ASSUMES RESPONSIBILITY FOR OVERSIGHT OF THE AUDIT AND SELECTION OF INDEPENDENT ACCOUNTANTS HAS NOT CHANGED THEIR PROCESSES FROM THE PRIOR YEAR