Vulcan Materials CO
Form 11-K/A
July 01, 2008

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 11-K/A
Amendment No. 1
ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the Fiscal Year Ended December 31, 2007
Commission file number: 001-33841
FLORIDA ROCK INDUSTRIES, INC. PROFIT SHARING AND DEFERRED EARNINGS PLAN
(full title of the plan)
VULCAN MATERIALS COMPANY
(Name of issuer of the securities held pursuant to the plan)
1200 Urban Center Drive
Birmingham, Alabama 35242
(Address of issuer s principal executive offices and address of the plan)
Florida Rock Industries, Inc.
Profit Sharing and Deferred Earnings Plan
Financial Statements as of December 31, 2007 and 2006,
for the Year Ended December 31, 2007,
Supplemental Schedule as of December 31, 2007,
and Reports of Independent Registered Public Accounting Firms

Explanatory Note:
The purpose of this amended filing is to include the Report of Independent Public Accounting Firm of KPMG LLP which was not included in the original filing made June 30, 2008.

FLORIDA ROCK INDUSTRIES, INC.
PROFIT SHARING AND DEFERRED EARNINGS PLAN
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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Trustees and Participants of
Florida Rock Industries, Inc. Profit Sharing and Deferred Earnings Plan
Birmingham, Alabama

We have audited the accompanying statement of net assets available for benefits of the Florida Rock Industries, Inc. Profit Sharing and Deferred Earnings Plan (the Plan) as of December 31, 2007, and the related statement of changes in net assets available for benefits for the year then ended. These financial statements are the responsibility of the Plan s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2007, and the changes in net assets available for benefits for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) as of December 31, 2007 is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan s management. Such supplemental schedule has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

/s/ DELOITTE & TOUCHE LLP
Birmingham, Alabama
June 30, 2008

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Report of Independent Registered Public Accounting Firm

Administrative Committee
Florida Rock Industries, Inc. Profit Sharing and Deferred Earnings Plan

We have audited the accompanying statement of net assets available for benefits of Florida Rock Industries, Inc. Profit Sharing and Deferred Earnings Plan (the Plan) as of December 31, 2006. This financial statement is the responsibility of the Plan s management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2006 in conformity with U.S. generally accepted accounting principles.

/s/ KPMG LLP
June 29, 2007
Jacksonville, Florida
Certified Public Accountants

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FLORIDA ROCK INDUSTRIES, INC. PROFIT SHARING AND DEFERRED EARNINGS PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2007 AND 2006

	2007	2006
ASSETS:		
Investments at fair value:		
Mutual funds	$ 233,953,564	$ 156,408,356
Common stock:		
Florida Rock Industries, Inc.		76,440,984
Patriot Transportation Holding, Inc.	5,811,501	6,395,493
Vulcan Materials Company	29,297,295	
Participant loans	11,308,903	10,492,591
Total investments	280,371,263	249,737,424
Receivables:		
Employer contributions	20,436,084	27,448,486
Participant contributions		152,606
Dividends	354,258	399,024
Total receivables	20,790,342	28,000,116
Cash	17,883	107,136
Total assets	301,179,488	277,844,676
EXCESS CONTRIBUTION REFUNDS PAYABLE	299,971	186,270
NET ASSETS AVAILABLE FOR BENEFITS	$ 300,879,517	$ 277,658,406

See notes to financial statements.

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FLORIDA ROCK INDUSTRIES, INC. PROFIT SHARING AND DEFERRED EARNINGS PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2007

Investment income:	
Net appreciation in fair value of investments	$ 33,347,446
Dividends and interest	12,036,775
Total investment income	45,384,221
Contributions:	
Participant	7,588,505
Employer	24,572,465
	32,160,970
Total additions to net assets	77,545,191
Benefits paid to participants	54,276,000
Plan expenses	48,080
Total deductions from net assets	54,324,080
NET INCREASE	23,221,111
NET ASSETS AVAILABLE FOR BENEFITS:	
Beginning of year	277,658,406
End of year	$ 300,879,517

See notes to financial statements.

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FLORIDA ROCK INDUSTRIES, INC.
PROFIT SHARING AND DEFERRED EARNINGS PLAN
NOTES TO FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2007 AND 2006 AND FOR THE YEAR ENDED DECEMBER 31, 2007

1. DESCRIPTION OF THE PLAN

The following description of Florida Rock Industries, Inc. Profit Sharing and Deferred Earnings Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan s provisions.

General The Plan is a defined contribution retirement plan established by Florida Rock Industries, Inc. (Florida Rock) effective December 30, 1958. The Plan covers former employees of Florida Rock and affiliated companies which are party to the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

On November 16, 2007, Vulcan Materials Company (the Company) acquired 100% of the outstanding common stock of Florida Rock. In accordance with the merger agreement, Plan participants had the option to elect to receive $67 per share to be invested in the STI Classic Prime Quality Money Market Fund for each Florida Rock share held, or 0.63 of a share of common stock of the Company, subject to proration. The Plan ceased accepting new participants, allowing employee deferrals, and making employer matching contributions; however the profit sharing contribution attributable to the period from January 1, 2007 to the closing of the merger was made during the subsequent Plan year.

Plan Administration The Plan is administered by the Company. The Plan Trustee is SunTrust, N.A. (Trustee). Permissible administrative expenses are paid by the Trustee out of the Plan s gross investment income, unless the Company, at its discretion, agrees to pay such expenses.

Participation and Vesting Generally, employees qualify to participate on the first day of employment service.

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Participants are fully vested in their contributions plus actual earnings thereon. Vesting in the Company s matching and profit sharing contributions was based on years of service as follows (prior to the full vesting that occurred in connection with the acquisition):

Years of Service	Vested Percentage
1	0%
2	20
3	40
4	80
5	100

Effective April 1, 2007, the Plan was amended to allow participants to immediately become 100% vested in their accounts in the event of a change in control, which occurred on November 16, 2007.

Contributions Plan participants may elect to contribute a portion of their annual pre-tax compensation, as defined in the Plan document. The annual maximum deferral percentage for highly compensated employees is calculated based on the average actual deferral percentage of non-highly compensated employees for the prior plan year plus 2%.

The Company provides a matching contribution of 50% of the first 6% of a participant s annual pre-tax compensation. During 2007, the Company made matching contributions to the Plan of $3.5 million.

The Company may provide a discretionary annual profit sharing contribution to the Plan in an amount determined by the Board of Directors. During 2007, the Company declared it would make discretionary profit sharing contributions to the Plan of $20.4 million. These amounts are reflected in employer contributions receivable in the statement of net assets.

All contributions are subject to the limitations set forth in the Internal Revenue Code (IRC).

Participant Accounts Each participant s account is credited with the participant s contributions, the employer s matching contributions, investment earnings, and an allocation of the employer s discretionary profit sharing contributions. Allocation of investment earnings is based on a participant s account balance. Allocation of the Company s profit sharing contributions is based on a percentage of the participant s Included Compensation as defined in the Plan document. The benefit to which a participant is entitled is the benefit that can be provided from the participant s vested account.

Participant Loans Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of the vested portion of their account balance. The loans are secured by the balance in the participant s account and bear interest at rates determined by the Plan Administrator at the time of approval (averaging 8.46% and 7.79% at December 31, 2007 and 2006, respectively). Principal and interest are paid over a stipulated period of time through payroll deductions.

Payment of Benefits Upon termination of service due to death, disability or retirement, a participant or beneficiary receives a lump-sum amount equal to the value of the participant s vested account interest.

Forfeitures The nonvested portion of the Company contributions of a terminated participant shall be forfeited as of the date the vested portion is distributed or after the participant has incurred five consecutive one-year breaks in service. Other conditions of forfeiture allocations and restoration are defined within the Plan document. In accordance with the provisions of the Plan document, forfeitures are utilized first to pay Plan expenses and then allocated back to the remaining participants as additional Company contributions.

Plan Termination In the event of Plan termination, the Company, by written notice to the Trustee and the Executive Committee of the Board of Directors, may direct either:

1. Complete distribution of the assets in the Trust Fund to the participants or,

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2. Continuation of the Trust and the distribution of benefits at such time and in such manner as though the Plan had not been terminated.

Other Segregated Accounts The Plan received assets from the pension plans of certain merged subsidiaries at the time of their mergers. These assets were added to the general assets of the Plan, but the specific participant accounts are maintained in segregated accounts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting The financial statements of the Plan have been prepared in accordance with accounting principles generally accepted in the United States of America.

Investment Valuation and Income Recognition Investments in marketable debt and equity securities, including common stock of the Company and Patriot Transportation Holding, Inc. (Patriot), that are traded on a national or over-the-counter exchange, are valued at the last reported sales price on the last business day of the fiscal year; such securities traded in the over-the-counter market are stated at the mean between the last reported bid and asked prices. Investments in pooled investment funds, which are based on the net value of the fund at fair value, are valued at the unit value established by the Trustee. Participant loans are valued at their outstanding balances, which approximate fair value.

Purchases and sales of securities are recorded as of the trade dates. Gains or losses on sales of securities are based on the cost of each specific security. Net appreciation or depreciation of investments is recorded to reflect changes in the fair value of investments.

Dividend income is recognized on the basis of the ex-dividend date. Income from other investments is recognized as earned on an accrual basis.

Benefit Payments Benefits are recorded when paid.

Use of Estimates and Risks and Uncertainties The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities. The Plan invests in various securities including U.S. government securities, corporate debt instruments, and corporate stocks. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants account balances and the amounts reported in the statements of net assets available for benefits.

Recently Issued Accounting Pronouncement In September 2006, the Financial Accounting Standards Board issued Statement of Financial Accounting Standard No. 157*, Fair Value Measurements* (FAS 157), which defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements. FAS 157 does not require new fair value measurements, but provides guidance on how to measure fair value by establishing a fair value hierarchy used to classify the source of information. FAS 157 is effective for fiscal years beginning after November 15, 2007. The Plan s management is currently evaluating the impact the adoption of FAS 157 would have on the Plan s financial position or results of operations.

3. INVESTMENTS

The Plan s investments are held in a bank-administered trust fund. All of the Plan s investment options are participant directed and participants may change their investment options at any time. All participants who have not made an investment election are deemed to have elected to have contributions made to their accounts invested in the STI Classic Prime Quality Money Market Fund.

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Underlying investments that represent 5% or more of the Plan s net assets consisted of the following at December 31, 2007:

	Units	Fair Value
Investments at fair value as determined by quoted market price:		
Mutual funds:		
Longleaf Partners Fund	682,972	$22,647,360
STI Classic Prime Quality Money Market Fund	82,510,825	82,510,825
T. Rowe Price Growth Stock Fund	956,397	31,761,937
Vanguard 500 Index Fund	168,501	22,772,888
Common stock:		
Vulcan Materials Company	370,430	29,297,295

Underlying investments that represent 5% or more of the Plan s net assets consisted of the following at December 31, 2006:

	Units	Fair Value
Investments at fair value as determined by quoted market price:		
Mutual funds:		
Longleaf Partners Fund	581,813	$20,282,017
STI Classic Prime Quality Money Market Fund	27,906,259	27,906,259
T. Rowe Price Growth Stock Fund	1,051,818	32,827,229
Vanguard 500 Index Fund	163,982	21,414,402
Common stock:		
Florida Rock Industries Inc.	1,775,633	76,440,984

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The Plan s investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) in value during 2007 as follows:

Mutual funds	$ 2,113,755
Common stock:	
Florida Rock Industries, Inc.	32,919,401
Patriot Transportation Holding, Inc.	(131,153)
Vulcan Materials Company	(1,554,557)
	$ 33,347,446

4. FORFEITURES

Following is a summary of forfeitures for the years ended December 31, 2007 and 2006:

	2007	**2006**
Beginning balance	$ 1,139,843	$ 1,163,384
Current year forfeitures	1,949,329	1,158,272
Interest and dividends	63,197	36,621
Allocation to participants	103,421	(1,178,447)
Plan expenses	(43,045)	(39,987)
Ending balance	$ 3,212,745	$ 1,139,843

Forfeitures are invested in the STI Classic Prime Quality Money Market Fund at December 31, 2007 and 2006.

5. PARTIES-IN-INTEREST

Certain Plan investments are either shares of mutual funds managed by the Trustee, common stock of the Company, or participant loans and are therefore considered to be transactions with parties-in-interest. Dividends on the common stock of Vulcan Materials Company totaled $157,976 during 2007. Dividends on the common stock of Florida Rock totaled $6,623 during 2007. During 2007, all administrative expenses of the Plan fees were paid out of the Plan s forfeiture accounts.

6. TAX STATUS

The Plan uses a prototype plan document sponsored by SunTrust Bank (SunTrust). SunTrust received an opinion letter from the Internal Revenue Service (IRS), dated January 16, 2002, which states that the prototype document satisfies the applicable provisions of the IRC. The Plan itself has not received a determination letter from the IRS. However, the Plan s management believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income tax has been included in the Plan s financial statements.

7. REFUND OF EXCESS CONTRIBUTION

For the year ended December 31, 2007, the Company determined that the Plan was not in compliance with the Internal Revenue Code 415(c) Maximum Annual Additions compliance test. As a result, the Plan was required to reimburse employees whose contributions exceeded the maximum percentage, as defined. The total to be refunded to employees at December 31, 2007 was $299,971, which was reimbursed to the respective employees during the subsequent Plan year.

For the year ended December 31, 2006, the Company determined that the Plan was not in compliance with the Internal Revenue Code 415(c) Maximum Annual Additions compliance test. As a result, the Plan was required to reimburse employees whose contributions exceeded the maximum percentage, as defined.

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The total to be refunded to employees at December 31, 2006 was $186,270, which was reimbursed to the respective employees during the 2007 Plan year.

8. RECONCILIATION TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 for the year ended December 31, 2007:

Net assets available for benefits per the financial statements	$ 300,879,517
Contributions receivable at December 31, 2007	(20,436,084)
Dividends receivable at December 31, 2007	(354,258)
Excess contribution refunds payable at December 31, 2007	299,971
Net assets available for benefits per Form 5500	$ 280,389,146

The following is a reconciliation of investment income per the financial statements to the Form 5500 for the year ended December 31, 2007:

Total investment income per the financial statements	$ 45,384,221
Dividends receivable at December 31, 2007	(354,258)
Dividends receivable at December 31, 2006	399,024
Total investment income per Form 5500	$ 45,428,987

The following is a reconciliation of contributions per the financial statements to the Form 5500 for the year ended December 31, 2007:

Total contributions per the financial statements	$ 32,160,970
Contributions receivable at December 31, 2007	(20,436,084)
Contributions receivable at December 31, 2006	27,601,092
Excess contributions refunds payable at December 31, 2007	299,971
Excess contributions refunds payable at December 31, 2006	(186,270)
Total contributions per Form 5500	$ 39,439,679

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 at December 31, 2006:

Net assets available for benefits per the financial statements	$ 277,658,406
Contributions receivable at December 31, 2006	(27,601,092)
Dividends receivable at December 31, 2006	(399,024)
Excess contribution refunds payable at December 31, 2006	186,270
Net assets available for benefits per Form 5500	$ 249,844,560

9. SUBSEQUENT EVENTS

Effective February 14, 2008, the Plan was merged into the Vulcan Materials Company 401(k) and Profit Sharing Retirement Plan.

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FLORIDA ROCK INDUSTRIES, INC. PROFIT SHARING AND DEFERRED EARNINGS PLAN
FORM 5500, SCHEDULE H, PART IV, LINE 4i
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF DECEMBER 31, 2007

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, and Par or Maturity Value	(d) Cost	(e) Current Value
	Chase Growth Fund	Mutual fund	**	$ 9,808,192
	Federated Kaufmann Fund	Mutual fund	**	4,929,526
	Federated Mortgage Fund	Mutual fund	**	591,520
	Fidelity Advisor Inflation Protected Bond Fund	Mutual fund	**	1,526,603
	Longleaf Partners Fund	Mutual fund	**	22,647,360
	MFS Research Bond Fund	Mutual fund	**	1,110,779
*	STI Classic Prime Quality Money Market Fund	Mutual fund	**	82,510,825
	T. Rowe Price Capital Appreciation Fund	Mutual fund	**	7,780,540
	T. Rowe Price Equity Income Fund	Mutual fund	**	5,338,669
	T. Rowe Price Growth Stock Fund	Mutual fund	**	31,761,937
	T. Rowe Price New Horizons Fund	Mutual fund	**	6,324,458
	T. Rowe Price U.S. Treasury Intermediate Fund	Mutual fund	**	7,838,082
	T. Rowe Price Retirement 2020 Fund	Mutual fund	**	5,189,451
	T. Rowe Price Retirement 2030 Fund	Mutual fund	**	7,357,832
	T. Rowe Price Retirement 2040 Fund	Mutual fund	**	10,299,475
	Templeton Foreign Fund	Mutual fund	**	6,165,427
	Vanguard 500 Index Fund	Mutual fund	**	22,772,888
				233,953,564
*	Vulcan Materials Company Common Stock	Common stock	**	29,297,295
	Patriot Transportation Holding, Inc. Common Stock	Common stock	**	5,811,501
				35,108,796
*	Various participants	Participant loans (payable through 2021 bearing interest at rates between 5% and 10.50%)		11,308,903

$ 280,371,263

* Parties in interest

** Cost information is not required for participant-directed investments and therefore is not included.

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SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustee (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

FLORIDA ROCK INDUSTRIES, INC.
PROFIT SHARING AND DEFERRED EARNINGS PLAN

Date: July 1, 2008

By: /s/ Charles D. Lockhart
Charles D. Lockhart
Chairman of the Administrative Committee