

**BLADEN COUNTY, NORTH CAROLINA  
FINANCIAL STATEMENTS  
June 30, 2011**

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June 30, 2011

COUNTY MANAGER

Greg Martin

BOARD OF COUNTY COMMISSIONERS

Charles Ray Peterson - Chairperson

Lewis Tatum	Russell Priest
David R. Gooden	Billy Ray Pait
Daniel R. Dowless	Mark Gillespie
Dr. Delilah Blanks	James G. Smith

COUNTY OFFICIALS

Lisa Coleman  
Finance Officer

Johnson Law Firm  
County Attorney

BLADEN COUNTY  
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June 30, 2011

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CERTIFIED PUBLIC ACCOUNTANTS

R. Bryon Scott, CPA  
Gregory S. Adams, CPA  
Alan W. Thompson, CPA

Offices:  
Elizabethtown, NC  
Wilmington, NC  
Whiteville, NC

### Independent Auditors' Report

To the Board of County Commissioners  
Bladen County, North Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Bladen County, North Carolina, as of and for the year ended June 30, 2011, which collectively comprise Bladen County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Bladen County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 4, 2011 on our consideration of Bladen County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. The purpose the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis and the Law Enforcement Officers' Special Separation Allowance Schedule of Funding Progress and Employer Contributions are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit this information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of Bladen County, North Carolina. The combining and individual fund statements, budgetary schedules, and other schedules, as well as the accompanying schedule of expenditures of federal and State awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the State Single Audit Implementation Act are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements, budgetary schedules, other schedules and the accompanying schedule of expenditures of federal and State awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Thompson, Price, Scott, Adams & Co., P.A.*

Thompson, Price, Scott, Adams & Co., PA  
November 4, 2011

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## Management's Discussion and Analysis

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As management of Bladen County, North Carolina, we offer readers of Bladen County's financial statements this narrative overview and analysis of the financial activities of Bladen County for the fiscal year ended June 30, 2011. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

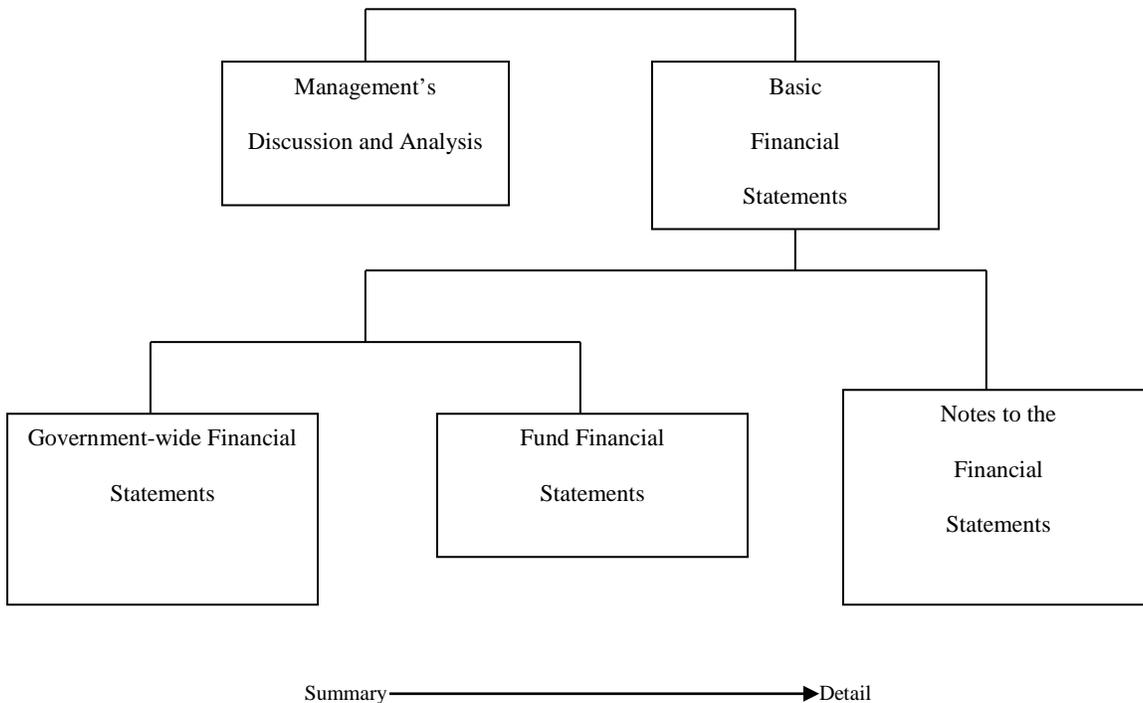
### Financial Highlights

- The assets of Bladen County exceeded its liabilities at the close of the fiscal year by \$21,466,915 (*net assets*).
- The County's total net assets increased by \$1,964,714, primarily due to conservative budget practices throughout all activities.
- As of the close of the current fiscal year, Bladen County's general fund reported ending fund balance of \$14,965,362, an increase of \$688,152. Approximately 27 percent of this total amount, or \$4,017,369, is restricted or nonspendable.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$10,947,993, or 28.41 percent of total general fund expenditures for the fiscal year. This amount is higher than the Local Government Commission's minimum of 8%.
- Bladen County's total debt decreased by \$2,144,584 during this fiscal year. The key factor of the decrease was continued schedule debt payments and sale of an asset with the proceeds paying the related debt.
- Bladen County has maintained its "A2" bond rating for the more than ten consecutive years and has increased the "A-" rate to "A" in October, 2004.

### Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Bladen County's basic financial statements. The County's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the County through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of Bladen County.

**Required Components of Annual Financial Report  
Figure 1**



## Basic Financial Statements

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

The next statements (Exhibits 3 through 9) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the County's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; 3) the proprietary fund statements; and 4) the fiduciary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the County's nonmajor governmental funds, all of which are added together in one column in the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statements.

## Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the County's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the County's financial status as a whole.

The two government-wide statements report the County's net assets and how they have changed. Net assets are the difference between the County's total assets and total liabilities. Measuring net assets is one way to gauge the County's financial condition.

The government-wide statements are divided into two categories: 1) governmental activities; and 2) business-type activities. The governmental activities include most of the County's basic services such as public safety, parks and recreation, and general administration. Property taxes and state and federal grant fund finance most of these activities. The business-type activities are those that the County charges customers to provide services. These include the water, landfill and hospital real estate services offered by Bladen County. Bladen County Hospital is a public hospital operated apart from the County, but not legally separated. The County appoints the board of trustees for the hospital and has issued debt on its behalf.

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

## Fund Financial Statements

The fund financial statements provide a more detailed look at the County's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Bladen County, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the County's budget ordinance. All of the funds of Bladen County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

**Governmental funds** – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the County's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*. This method also has a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the County's programs. The relationship between government activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is described in a reconciliation that is part of the fund financial statements.

Bladen County adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the County, the management of the County, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the County to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the County complied with the budget ordinance and whether or not the County succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the board; 2) the final budget as amended by the board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

**Proprietary Funds** – Bladen County has one kind of proprietary fund. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. Bladen County uses enterprise funds to account for its hospital, water and landfill operations. These funds are the same as those separate activities shown in the business-type activities in the Statement of Net Assets and the Statement of Activities.

**Fiduciary Funds** – Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. Bladen County has five fiduciary funds, one of which is a cafeteria benefits fund and four of which are agency funds.

**Notes to the Financial Statements** – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 22 of this report.

**Other Information** – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Bladen County’s progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning after the notes to the financial statements.

**Government-Wide Financial Analysis**

As noted earlier, net assets may serve over time as one useful indicator of a government’s financial condition. The assets of Bladen County exceeded liabilities by \$21,466,915 as of June 30, 2011. The County’s net assets increased by \$1,964,714 for the fiscal year ended June 30, 2011. One of the largest portions \$14,186,057(66%) reflects the County’s investment in capital assets (e.g. land, buildings, machinery and equipment) less any related debt outstanding that was issued to acquire those items. Within the governmental activities, assets exceed liabilities by 9,070,556, however unrestricted net assets is a deficit due to the large amount of debt that reflects the County’s liability on the schools of East and West Bladen High Schools. Bladen County uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Bladen County’s investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of Bladen County’s net assets \$6,124,877 (29%) represents resources that are subject external restrictions on how they may be used. The remaining balance of \$1,155,981 (5%) is unrestricted.

**Bladen County’s Net Assets  
Figure 2**

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
<b>Assets</b>						
Current and Other Assets	\$ 25,015,904	\$ 24,373,527	\$ 3,547,758	\$ 4,350,251	\$ 28,563,662	\$ 28,723,778
Capital Assets, Net of Depreciation	7,639,420	7,662,729	25,451,976	26,512,209	33,091,396	34,174,938
<b>Total Assets</b>	<b>\$ 32,655,324</b>	<b>\$ 32,036,256</b>	<b>\$ 28,999,734</b>	<b>\$ 30,862,460</b>	<b>\$ 61,655,058</b>	<b>\$ 62,898,716</b>
<b>Liabilities</b>						
Long-term Debt Outstanding	\$ 17,272,661	\$ 18,126,793	\$ 14,597,168	\$ 14,826,467	\$ 31,869,829	\$ 32,953,260
Other Liabilities	6,312,107	6,680,710	2,006,207	3,762,545	8,318,314	10,443,255
<b>Total liabilities</b>	<b>23,584,768</b>	<b>24,807,503</b>	<b>16,603,375</b>	<b>18,589,012</b>	<b>40,188,143</b>	<b>43,396,515</b>
<b>Net Assets</b>						
Invested in Capital Assets, Net of Related Debt	3,837,104	4,213,719	10,348,953	11,004,654	14,186,057	15,218,373
Restricted	5,997,885	2,428,389	21,637	251,021	6,019,522	2,679,410
Unrestricted(Deficit)	(764,433)	586,645	2,025,769	1,017,773	1,261,336	1,604,418
<b>Total Net Assets</b>	<b>\$ 9,070,556</b>	<b>\$ 7,228,753</b>	<b>\$ 12,396,359</b>	<b>\$ 12,273,448</b>	<b>\$ 21,466,915</b>	<b>\$ 19,502,201</b>

Several particular aspects of the County’s financial operations positively influenced the total unrestricted governmental net assets:

- Continued diligence in the collection of property taxes by maintaining a collection percentage of 94.56%, and motor vehicles rate of 69.69%, for a combined total of 92.47%.
- Hiring freeze that went into effect during the year.
- Continued low cost of debt due to the County’s high bond rating.

**Bladen County's Changes in Net Assets**  
**Figure 3**

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
<b>Revenues</b>						
<b>Program Revenues</b>						
Charges for Services	\$ 5,983,701	\$ 6,484,730	\$ 5,006,255	\$ 5,488,002	\$ 10,989,956	\$ 11,972,732
Operating Grant & Contributions	9,007,553	7,916,193	-	-	9,007,553	7,916,193
Capital Grants and Contributions	100,000	-	4,800	37,097	104,800	37,097
<b>General Revenue</b>						
Property Taxes	20,276,994	20,464,787	-	-	20,276,994	20,464,787
Other Taxes	3,982,234	4,593,819	-	-	3,982,234	4,593,819
Investment Earnings	52,794	40,600	6,059	10,797	58,853	51,397
Other	318,120	386,537	-	-	318,120	386,537
<b>Total Revenues</b>	<u>39,721,396</u>	<u>39,886,666</u>	<u>5,017,114</u>	<u>5,535,896</u>	<u>44,738,510</u>	<u>45,422,562</u>
<b>Expenses</b>						
General Government	4,895,287	5,141,156	-	-	4,895,287	5,141,156
Public Safety	9,463,478	10,258,508	-	-	9,463,478	10,258,508
Economic and Physical Development	2,523,309	1,635,127	-	-	2,523,309	1,635,127
Human Services	12,316,461	12,427,042	-	-	12,316,461	12,427,042
Cultural and Recreational	735,431	729,328	-	-	735,431	729,328
Education	7,019,988	6,717,263	-	-	7,019,988	6,717,263
Interest on Long-Term Debt	757,866	1,086,608	-	-	757,866	1,086,608
Hospital	-	-	1,320,541	2,890,170	1,320,541	2,890,170
Solid Waste	-	-	2,132,038	2,156,075	2,132,038	2,156,075
Water District	-	-	1,912,072	1,817,011	1,912,072	1,817,011
<b>Total Expenses</b>	<u>37,711,820</u>	<u>37,995,032</u>	<u>5,364,651</u>	<u>6,863,256</u>	<u>43,076,471</u>	<u>44,858,288</u>
Increase(decrease) in Net Assets Before Transfers	2,009,576	1,891,634	(347,537)	(1,327,360)	1,662,039	564,274
Extra Ordinary Gain on Sale of Hospital Operations	-	-	302,675	1,157,724	302,675	1,157,724
Transfers	(167,773)	6,954	167,773	(6,954)	-	-
Increase(Decrease) in Net Assets	<u>1,841,803</u>	<u>1,898,588</u>	<u>122,911</u>	<u>(176,590)</u>	<u>1,964,714</u>	<u>1,721,998</u>
Net assets - Beginning	7,228,753	5,330,165	12,273,448	12,450,038	19,502,201	17,780,203
Net assets - Ending	<u>\$ 9,070,556</u>	<u>\$ 7,228,753</u>	<u>\$ 12,396,359</u>	<u>\$ 12,273,448</u>	<u>\$ 21,466,915</u>	<u>\$ 19,502,201</u>

**Governmental activities.** Governmental activities increased the County's net assets by \$1,841,803, thereby accounting for 94% of the total growth in the net assets for the County. The key element of this increase is as follows:

- The County's continued efforts to reduce cost while still maintaining all services to the community.

**Business-type activities.** Business-type activities assets increased the County's net assets by \$122,911, thereby accounting for 6% of the total growth in the net assets for the County. Key elements of this increase are as follows:

- In the Water fund, capital contributions were received for the expansion on the water system.
- The Landfill fund maintained in revenue and expenditures.

**Financial Analysis of the County's Funds**

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

**Governmental Funds.** The focus of Bladen County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Bladen County's financial requirements. Specifically, fund balance for appropriation can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of Bladen County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$8,845,950, while total fund balance reached \$14,965,362. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 28.41 percent of total General Fund expenditures, while total fund balance represents 38.84 percent of that same amount.

At June 30, 2011, the governmental funds of Bladen County reported a combined fund balance of \$17,652,003. The primary reasons for the fund balance increase in the general fund were conservative budgeting practices for expenditures, Emergency Medical Services increase in collections.

**General Fund Budgetary Highlights.** During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services.

**Proprietary Fund.** Bladen County's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net assets of Hospital Rental Fund at the end of their fiscal year amounted to negative \$783,615, and those of the Landfill Fund at the end of the fiscal year amounted to \$1,592,970, and those for the Water District equaled \$1,294,355. Other factors concerning the finances of these two funds have already been addressed in the discussion of Bladen County's business-type activities.

**Capital Asset and Debt Administration**

**Capital Assets.** Bladen County's capital assets for its governmental and business-type activities as of June 30, 2011, totals \$33,091,396 (net of accumulated depreciation). These assets include buildings, land, machinery and equipment, park facilities, and vehicles.

Major capital asset transactions during the year include:

- Purchased new equipment for the Public Safety Department.
- Addition of construction in progress on Water lines.
- Construction of the EMS building.

**Bladen County's Capital Assets  
(net of depreciation)  
Figure 4**

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	\$ 205,160	\$ 205,160	\$ 422,413	\$ 404,438	\$ 627,573	\$ 609,598
Buildings and Fixed Equipment	2,933,228	2,526,412	21,493,864	16,998,172	24,427,092	19,524,584
Equipment	3,932,467	4,198,494	101,077	180,664	4,033,544	4,379,158
Vehicles and Motor Equipment	568,565	732,663	163,532	226,648	732,097	959,311
Construction in Progress	-	-	266,193	4,485,072	266,193	4,485,072
Bladen County Hospital Rental	-	-	3,004,897	4,217,215	3,004,897	4,217,215
	<u>\$ 7,639,420</u>	<u>\$ 7,662,729</u>	<u>\$ 25,451,976</u>	<u>\$ 26,512,209</u>	<u>\$ 33,091,396</u>	<u>\$ 34,174,938</u>

Additional information on the County's capital assets can be found in Note 3, item 5 of the Basic Financial Statements.

**Long-term Debt.** As of June 30, 2011, Bladen County had total bonded debt outstanding of \$28,753,500, all of which is debt backed by the full faith and credit of the County.

**Bladen County's Outstanding Debt  
General Obligation and Revenue Bonds  
Figure 5**

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
General Obligation Bonds (Backed by the County)	<u>\$ 14,535,000</u>	<u>\$ 16,140,000</u>	<u>\$ 14,218,500</u>	<u>\$ 14,436,500</u>	<u>\$ 28,753,500</u>	<u>\$ 30,576,500</u>

Bladen County's total debt decreased by \$2,144,584(6 percent) during the past fiscal year, primarily due to the sale of the fitness center building in the Hospital Rental fund the related debt and scheduled debt payments.

As mentioned in the financial highlights section of this document, Bladen County maintained for more than nine consecutive years, it A2 bond rating from Moody's Investor Service and in October, 2004 the A- rating was increased to A rating from Standard and Poor's Corporation. This bond rating is a clear indication of the sound financial condition of Bladen County.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Bladen County is \$189,949,538. The County has \$ -0- in bonds authorized but un-issued at June 30, 2011.

Additional information regarding Bladen County's long-term debt can be found in Note 3 beginning on page 39 of this audited financial report.

**Economic Factors and Next Year's Budgets and Rates**

The following key economic indicator reflects the growth and prosperity of the County.

- The County has an unemployment rate of 10.2%, higher than the state average of 8.8%.

**Budget Highlights for the Fiscal year Ending June 30, 2012**

**Governmental Activities.** Property taxes and revenues from permits and fees are expected to lead the increase in revenue projections by a slim margin. The County will use these increases in revenues to finance programs currently in place.

Budgeted expenditures in the General Fund are expected to rise. The largest increments are in education and personnel and other projects are as follows:

- Master Plan for Parks and Recreation
- Additional capital expenditures for Bladen Community College
- Additional capital expenditures for Bladen County Schools

**Business-type Activities.** The water rates in the County will remain at the same base rate as 2011. General operating expenses will remain the same as 2011. Rates for landfill services will increase for MSW-Commercial and Construction & Demolition from 33.50 and 25.00, respectively to 45.00 each per ton.

**Requests for Information**

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

Bladen County Finance  
PO Box 965  
166 Courthouse Drive  
Elizabethtown, NC 28337

## Basic Financial Statements

**Statement of Net Assets**

June 30, 2011

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Cash & Cash Equivalents	\$ 17,645,644	\$ 1,997,296	\$ 19,642,940
Restricted Cash and Cash Equivalents	644,654	337,817	982,471
Accounts Receivable (Net)	6,424,234	1,212,645	7,636,879
Notes Receivable	301,372	-	301,372
Capital Assets:			
Land, Improvements, and Construction in Progress	205,160	946,153	1,151,313
Other Capital Assets, net of Depreciation	7,434,260	24,505,823	31,940,083
Total Capital Assets	<u>7,639,420</u>	<u>25,451,976</u>	<u>33,091,396</u>
Total Assets	<u>\$ 32,655,324</u>	<u>\$ 28,999,734</u>	<u>\$ 61,655,058</u>
<b>Liabilities</b>			
Accounts Payable and Accrued Liabilities	\$ 3,569,371	\$ 382,127	\$ 3,951,498
Customer Deposits	-	168,475	168,475
Unearned Revenue	121,332	578,832	700,164
Current Portion of Long-term Liabilities	2,621,404	876,773	3,498,177
Long-term Liabilities:			
Due in More Than One Year	17,272,661	14,597,168	31,869,829
Total Liabilities	<u>23,584,768</u>	<u>16,603,375</u>	<u>40,188,143</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	3,837,104	10,348,953	14,186,057
Restricted for:			
Stabilization by State Statute	3,280,299	-	3,280,299
4-H Programs	126,992	-	126,992
Public Safety	2,717,586	-	2,717,586
Restricted, Expendable for			
Capital Acquisitions	-	21,637	21,637
Unrestricted(Deficit)	(891,425)	2,025,769	1,134,344
Total Net Assets	<u>\$ 9,070,556</u>	<u>\$ 12,396,359</u>	<u>\$ 21,466,915</u>

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

Bladen County, North Carolina  
**Statement of Activities**  
For the Year Ended June 30, 2011

Exhibit 2

Functions/Programs	Expenses	Program Revenues		
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>				
<b>Governmental Activities:</b>				
General Government	\$ 4,895,287	\$ 584,469	\$ 57,823	\$ -
Public Safety	9,463,478	3,501,295	91,358	100,000
Economic and Physical Development	2,523,309	417,511	1,189,191	-
Human Services	12,316,461	1,424,591	7,554,012	-
Cultural and Recreational	735,431	55,835	115,169	-
Education	7,019,988	-	-	-
Interest on Long-Term Debt	757,866	-	-	-
Total Governmental Activities	<u>37,711,820</u>	<u>5,983,701</u>	<u>9,007,553</u>	<u>100,000</u>
<b>Business-Type Activities:</b>				
Hospital Rental Fund	1,320,541	1,186,574	-	-
Solid Waste	2,132,038	2,089,233	4,800	-
Water District	1,912,072	1,730,448	-	-
Total Business-Type Activities	<u>5,364,651</u>	<u>5,006,255</u>	<u>4,800</u>	<u>-</u>
	<u>\$ 43,076,471</u>	<u>\$ 10,989,956</u>	<u>\$ 9,012,353</u>	<u>\$ 100,000</u>

**General Revenues:**

Taxes:

Property taxes, levied for general purpose

Local option sales tax

Other taxes and licenses

Investment earnings, unrestricted

Miscellaneous, unrestricted

Extra Ordinary Gain on Sale of Hospital Operations

Transfers

Total general revenues and transfers

Change in net assets

Net assets - Beginning

Net assets - Ending

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

<u>Net (Expense) Revenue and Changes in Net Assets</u>		
<u>Governmental</u>	<u>Business</u>	
<u>Activities</u>	<u>Type</u>	<u>Total</u>
<u>Activities</u>	<u>Activities</u>	
\$ (4,252,995)	\$ -	\$ (4,252,995)
(5,770,825)	-	(5,770,825)
(916,607)	-	(916,607)
(3,337,858)	-	(3,337,858)
(564,427)	-	(564,427)
(7,019,988)	-	(7,019,988)
(757,866)	-	(757,866)
<u>(22,620,566)</u>	<u>-</u>	<u>(22,620,566)</u>
-	(133,967)	(133,967)
-	(38,005)	(38,005)
-	(181,624)	(181,624)
<u>-</u>	<u>(353,596)</u>	<u>(353,596)</u>
<u>(22,620,566)</u>	<u>(353,596)</u>	<u>(22,974,162)</u>
20,276,994	-	20,276,994
3,982,234	-	3,982,234
-	-	-
52,794	6,059	58,853
318,120	-	318,120
-	302,675	302,675
(167,773)	167,773	-
<u>24,462,369</u>	<u>476,507</u>	<u>24,938,876</u>
1,841,803	122,911	1,964,714
7,228,753	12,273,448	19,502,201
<u>\$ 9,070,556</u>	<u>\$ 12,396,359</u>	<u>\$ 21,466,915</u>

Bladen County, North Carolina  
**Balance Sheet**  
**Governmental Funds**  
June 30, 2011

Exhibit 3

	Major	Non-Major	
	General	Other	Total
	Fund	Governmental	Governmental
		Funds	Funds
<b>Assets</b>			
Cash & Investments	\$ 14,905,093	\$ 2,640,836	\$ 17,545,929
Restricted Cash	644,654	-	644,654
Due from Other Funds	133,510	-	133,510
Taxes Receivables (Net)	2,897,539	220,307	3,117,846
Accounts Receivable (Net)	2,792,722	186,895	2,979,617
<b>Total Assets</b>	<b>\$ 21,373,518</b>	<b>\$ 3,048,038</b>	<b>\$ 24,421,556</b>
<b>Liabilities and Fund Balances</b>			
Liabilities:			
Accounts Payable and Accrued Liabilities	\$ 3,389,285	\$ 7,580	\$ 3,396,865
Due to Other Funds	-	133,510	133,510
Deferred Revenues	3,018,871	220,307	3,239,178
<b>Total Liabilities</b>	<b>6,408,156</b>	<b>361,397</b>	<b>6,769,553</b>
Fund balances:			
Restricted			
Stabilization by State Statute	3,226,914	53,385	3,280,299
Public Safety	84,330	424,083	508,413
4-H	126,992	-	126,992
Fire Protection	-	2,209,173	2,209,173
Committed			
Economic Development	18,877	-	18,877
Tax Revaluation	560,256	-	560,256
Assigned			
Subsequent Year's Expenditures	2,102,043	-	2,102,043
Unassigned	8,845,950	-	8,845,950
<b>Total Fund Balances</b>	<b>14,965,362</b>	<b>2,686,641</b>	<b>17,652,003</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 21,373,518</b>	<b>\$ 3,048,038</b>	

Amounts reported for governmental activities in the statement of net assets (Exhibit 1) are different because:

Capital Assets used in governmental activities are not financial resources and therefore are not reported in the funds	7,639,420
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	628,140
Internal service funds are used by management to charge the costs of certain activities, such as insurance, telecommunications, to individual funds. The assets and liabilities of certain internal service funds are included in governmental activities in the statement of net assets.	81,991
Liabilities for earned but deferred revenues in fund statements.	3,117,846
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds (Note 3).	(20,048,844)
<b>Net assets of governmental activities</b>	<b>\$ 9,070,556</b>

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

Bladen County, North Carolina  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
For the Year Ended June 30, 2011

Exhibit 4

	General Fund	Total Non-Major Funds	Total Governmental Funds
<b>Revenues:</b>			
Ad Valorem Taxes	\$ 19,127,454	\$ 971,284	\$ 20,098,738
Local Option Sales Taxes	3,786,203	196,031	3,982,234
Other Taxes and Licenses	110,341	303,838	414,179
Restricted Intergovernmental Revenues	8,996,418	160,218	9,156,636
Permits and Fees	286,087	-	286,087
Sales and Services	5,410,245	-	5,410,245
Investment Earnings	22,996	3,764	26,760
Other	367,277	60	367,337
<b>Total Revenues</b>	<u>38,107,021</u>	<u>1,635,195</u>	<u>39,742,216</u>
<b>Expenditures:</b>			
<b>Current:</b>			
General Government	4,710,382	-	4,710,382
Public Safety	8,537,610	1,265,890	9,803,500
Economic and Physical Development	2,357,451	160,034	2,517,485
Human Services	12,093,290	-	12,093,290
Cultural and Recreational	713,722	-	713,722
Education	7,019,988	-	7,019,988
Debt Service			
Principal Retirement	2,152,772	-	2,152,772
Interest and Fees	780,674	-	780,674
<b>Total Expenditures</b>	<u>38,365,889</u>	<u>1,425,924</u>	<u>39,791,813</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(258,868)</u>	<u>209,271</u>	<u>(49,597)</u>
<b>Other Financing Sources (Uses):</b>			
Proceeds from Installment Purchases	901,078	-	901,078
Transfers from Other Funds	213,715	-	213,715
Transfers to Other Funds	(167,773)	(146,715)	(314,488)
<b>Total Other Financing Sources (Uses)</b>	<u>947,020</u>	<u>(146,715)</u>	<u>800,305</u>
<b>Net Change in Fund Balance</b>	688,152	62,556	750,708
Fund Balance, Beginning	14,246,281	2,655,014	16,901,295
Prior Period Adjustment	30,929	(30,929)	-
Fund Balance, Beginning (restated)	<u>14,277,210</u>	<u>2,624,085</u>	<u>16,901,295</u>
<b>Fund Balance, Ending</b>	<u>\$ 14,965,362</u>	<u>\$ 2,686,641</u>	<u>\$ 17,652,003</u>

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

Bladen County, North Carolina  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
For the Year Ended June 30, 2011

Exhibit 4

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

Net changes in fund balances - total governmental funds	\$	750,708
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		(23,309)
Cost of capital asset disposed of during the year, not recognized on modified accrual basis.		-
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		155,073
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net assets.		1,251,694
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(223,544)
Net revenue of internal service funds determined to be governmental-type.		<u>(68,819)</u>
Total changes in net assets of governmental activities.	\$	<u><u>1,841,803</u></u>

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

Bladen County, North Carolina  
**Statement of Revenues, Expenditures and Changes in Fund Balances -  
 Budget and Actual - General Fund**  
 For the Year Ended June 30, 2011

Exhibit 5

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive/(Negative)
<b>Revenues:</b>				
Ad Valorem Taxes	\$ 18,362,549	\$ 18,362,549	\$ 19,127,454	\$ 764,905
Local Option Sales Taxes	3,527,743	3,527,743	3,786,203	258,460
Other Taxes and Licenses	108,603	108,603	110,341	1,738
Restricted Intergovernmental Revenues	7,803,601	9,958,822	8,996,418	(962,404)
Permits and Fees	239,519	239,819	286,087	46,268
Sales and Services	4,828,541	5,146,909	5,410,245	263,336
Investment Earnings	20,100	20,100	22,329	2,229
Other	454,217	580,397	367,277	(213,120)
Total Revenues	<u>35,344,873</u>	<u>37,944,942</u>	<u>38,106,354</u>	<u>161,412</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	4,468,433	4,951,838	4,710,382	241,456
Public Safety	7,957,605	8,912,033	8,537,610	374,423
Economic and Physical Development	1,393,211	2,459,978	2,357,451	102,527
Human Services	12,534,161	13,941,927	12,093,290	1,848,637
Cultural and Recreational	721,977	737,482	713,722	23,760
Education	7,068,480	7,068,480	7,019,988	48,492
Debt Service	3,373,181	3,556,803	2,933,446	623,357
Total Expenditures	<u>37,517,048</u>	<u>41,628,541</u>	<u>38,365,889</u>	<u>3,262,652</u>
Revenues Over (Under) Expenditures	<u>(2,172,175)</u>	<u>(3,683,599)</u>	<u>(259,535)</u>	<u>3,424,064</u>
<b>Other Financing Sources (Uses):</b>				
Proceeds from Installment Purchases	550,000	901,078	901,078	-
Transfers from Other Funds	117,000	117,000	213,715	96,715
Transfers to Other Funds	(60,000)	(227,773)	(227,773)	-
Total Other Financing Sources (Uses)	<u>607,000</u>	<u>790,305</u>	<u>887,020</u>	<u>96,715</u>
Revenues and Other Sources Over (Under) Expenditures and Other Uses	(1,565,175)	(2,893,294)	627,485	3,520,779
Fund Balance Appropriated / (Designated)	<u>1,565,175</u>	<u>2,893,294</u>	<u>-</u>	<u>(2,893,294)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>627,485</u>	<u>\$ 627,485</u>
Fund Balance, Beginning			13,746,671	
Prior Period Adjustment			<u>30,929</u>	
Fund Balance, Beginning (restated)			<u>13,777,600</u>	
Fund Balance, Ending			<u>\$ 14,405,085</u>	
A legally budgeted Tax Revaluation Fund is consolidated into the General Fund for reporting purposes:				
Interest Income			667	
Transfer-in from General Fund			60,000	
Expenditures			-	
Fund Balance, Beginning			<u>499,610</u>	
Fund Balance, Ending (Exhibit 4)			<u>\$ 14,965,362</u>	

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

## Statement of Fund Net Assets

## Proprietary Funds

June 30, 2011

	Hospital Rental Fund	Solid Waste Fund	Water District	Total	Internal Service Fund
<b>Assets</b>					
Current Assets:					
Cash and Investments	\$ -	\$ 771,078	\$ 1,226,218	\$ 1,997,296	\$ 99,715
Taxes Receivable	-	823,175	-	823,175	-
Accounts Receivable (Net)	-	100,137	289,333	389,470	3
Total Current Assets	-	1,694,390	1,515,551	3,209,941	99,718
Noncurrent assets:					
Restricted Assets					
Cash	21,637	-	316,180	337,817	-
Long-term investment	-	-	-	-	-
Other Receivable	-	-	-	-	-
Capital Assets:					
Land, Improvements, and Construction in Progress	257,547	386,438	302,168	946,153	-
Other Capital Assets, Net of Depreciation	2,747,350	1,392,421	20,366,052	24,505,823	-
Total Noncurrent Assets	3,026,534	1,778,859	20,984,400	25,789,793	-
Total Assets	\$ 3,026,534	\$ 3,473,249	\$ 22,499,951	\$ 28,999,734	\$ 99,718

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

	Hospital Rental Fund	Solid Waste Fund	Water District	Total	Internal Service Fund
<b>Liabilities</b>					
Current Liabilities:					
Accounts Payable & Accrued Expenses	\$ 204,783	\$ 76,050	\$ 96,866	\$ 377,699	\$ 17,727
Customer Deposits	-	-	168,475	168,475	-
Compensated Absences Payable	-	9,150	17,180	26,330	-
Deferred Revenue	578,832	-	-	578,832	-
Capitalized Leases - Current Maturities	-	-	-	-	-
Bond\Long-term Debt - Current Maturities	613,948	-	236,495	850,443	-
Total Current Liabilities	<u>1,397,563</u>	<u>85,200</u>	<u>519,016</u>	<u>2,001,779</u>	<u>17,727</u>
Liabilities to be Paid from Restricted Assets:					
Accrued Expenses	-	-	4,428	4,428	-
Noncurrent Liabilities:					
Compensated Absences Payable	-	16,220	12,188	28,408	-
Deferred Revenue	-	-	-	-	-
Long-term Debt - Noncurrent	-	-	14,568,760	14,568,760	-
Total Noncurrent Liabilities	-	16,220	14,580,948	14,597,168	-
Total Liabilities	<u>1,397,563</u>	<u>101,420</u>	<u>15,104,392</u>	<u>16,603,375</u>	<u>17,727</u>
Net Assets:					
Invested in Capital Assets, Net of Related Debt	2,390,949	1,778,859	6,179,145	10,348,953	-
Restricted, Expendable for Capital Acquisitions	21,637	-	-	21,637	-
Unrestricted	(783,615)	1,592,970	1,216,414	2,025,769	81,991
Total Net Assets	<u>\$ 1,628,971</u>	<u>\$ 3,371,829</u>	<u>\$ 7,395,559</u>	<u>\$ 12,396,359</u>	<u>\$ 81,991</u>

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

Bladen County, North Carolina  
**Statement of Revenues, Expenses, and Changes in Fund Net Assets**  
**Proprietary Funds**  
For The Fiscal Year Ended June 30, 2011

Exhibit 7

	Hospital Rental Fund	Solid Waste Fund	Water District	Total	Internal Service Fund
Operating revenues:					
Charges for Services	\$ 1,186,574	\$ 2,089,233	\$ 1,630,600	\$ 4,906,407	\$ -
Water Taps	-	-	27,725	27,725	-
Other Operating Revenues	-	-	72,123	72,123	-
Total Operating Revenues	<u>1,186,574</u>	<u>2,089,233</u>	<u>1,730,448</u>	<u>5,006,255</u>	<u>-</u>
Operating expenses:					
Salaries and Employee Benefits	-	386,586	394,617	781,203	-
Operating Expenses	708,860	1,547,470	475,223	2,731,553	2,025
Hospital Operations	-	-	-	-	-
Depreciation	586,132	197,982	472,410	1,256,524	-
Total operating expenses	<u>1,294,992</u>	<u>2,132,038</u>	<u>1,342,250</u>	<u>4,769,280</u>	<u>2,025</u>
Total Operating Income (Loss)	<u>(108,418)</u>	<u>(42,805)</u>	<u>388,198</u>	<u>236,975</u>	<u>(2,025)</u>
Nonoperating Revenues(Expenses):					
Interest Earned on Investments	1,605	1,242	3,212	6,059	206
Interest Expense	(25,549)	-	(569,822)	(595,371)	-
Unrestricted Gifts & Bequest	-	-	-	-	-
Program Services	-	-	-	-	-
Total Nonoperating Revenue (Expenses)	<u>(23,944)</u>	<u>1,242</u>	<u>(566,610)</u>	<u>(589,312)</u>	<u>206</u>
Income (Loss) Before Contributions and Transfers	(132,362)	(41,563)	(178,412)	(352,337)	(1,819)
Capital Contribution	-	4,800	-	4,800	-
Extra Ordinary Gain on Sale of Hospital Operations	302,675	-	-	302,675	-
Transfer In	167,773	-	-	167,773	-
Transfer Out	-	-	-	-	(67,000)
Change in Net Assets	338,086	(36,763)	(178,412)	122,911	(68,819)
Total Net Assets, beginning	<u>1,290,885</u>	<u>3,408,592</u>	<u>7,573,971</u>	<u>12,273,448</u>	<u>150,810</u>
Total Net Assets, ending	<u><u>1,628,971</u></u>	<u><u>\$ 3,371,829</u></u>	<u><u>\$ 7,395,559</u></u>	<u><u>\$ 12,396,359</u></u>	<u><u>\$ 81,991</u></u>

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

Bladen County, North Carolina  
**Statement of Cash Flow**  
**Proprietary Funds**  
For The Fiscal Year Ended June 30, 2011

Exhibit 8

	Hospital Rental Fund	Solid Waste Fund	Water District	Total	Internal Service Fund
<b>Cash Flows From Operating Activities:</b>					
Cash Received from Customers	\$ 1,000,000	\$ 2,020,023	\$ 1,714,912	\$ 4,734,935	\$ -
Cash Paid for Goods and Services	(1,230,989)	(1,518,396)	(463,323)	(3,212,708)	(13,316)
Cash Paid to Employees for Services	-	(378,395)	(389,038)	(767,433)	-
Other Operating Receipts	-	-	72,123	72,123	-
Customer Deposits	-	-	9,725	9,725	-
Net Cash Provided by (Used for) Operating Activities	<u>(230,989)</u>	<u>123,232</u>	<u>944,399</u>	<u>836,642</u>	<u>(13,316)</u>
<b>Cash Flows from Noncapital Financing Activities:</b>					
To Primary Government	-	-	-	-	(67,000)
From Primary Government	167,773	-	-	167,773	-
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>167,773</u>	<u>-</u>	<u>-</u>	<u>167,773</u>	<u>(67,000)</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>					
Acquisition and Construction of Capital Assets	-	-	(868,549)	(868,549)	-
Principal Paid on Bond Maturities and Capital Leases	(167,773)	-	(224,245)	(392,018)	-
Interest Paid on Bond/Note Maturities and Capital Leases	-	-	(569,822)	(569,822)	-
Proceeds of Capital Leases, Bonds and Notes	-	-	-	-	-
Capital Grants and Contributions	-	4,800	-	4,800	-
Net Cash Provided (Used for) Capital and Related Financing Activities	<u>(167,773)</u>	<u>4,800</u>	<u>(1,662,616)</u>	<u>(1,825,589)</u>	<u>-</u>
<b>Cash Flows from Investing Activities:</b>					
Advances to Joint Venture	-	-	-	-	-
Interest on investments	1,605	1,242	3,212	6,059	231
Net Cash Flows from Investing Activities:	<u>1,605</u>	<u>1,242</u>	<u>3,212</u>	<u>6,059</u>	<u>231</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(229,384)	129,274	(715,005)	(815,115)	(80,085)
Cash Balances, Beginning	251,021	641,804	2,257,403	3,150,228	179,800
Cash Balances, Ending	<u>\$ 21,637</u>	<u>\$ 771,078</u>	<u>\$ 1,542,398</u>	<u>\$ 2,335,113</u>	<u>\$ 99,715</u>

The statement of cash flows for the Hospital Rental Fund is only the activity of the Escrow Account. All other rental income and expenses are paid on behalf of the rental fund under a lease and operations agreements with Cape Fear Valley Health System.

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

	Hospital Rental Fund	Solid Waste Fund	Water District	Total	Internal Service Fund
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>					
Operating Activities:					
Operating Income (Loss)	\$ (108,418)	\$ (42,805)	\$ 388,198	\$ 236,975	\$ (2,025)
Adjustments to Reconcile Operating Income to Net Cash Provided					
Operating Activities:					
Depreciation	586,132	197,982	472,410	1,256,524	-
Operating Income Noncash Activity	(186,574)	-	-	(186,574)	-
Change in Provision for Doubtful Accounts	-	176,568	-	176,568	-
Changes in Assets and Liabilities:					
(Increase) Decrease					
in Accounts Receivable, advances					
Inventories and Prepays	-	(245,778)	56,587	(189,191)	-
Increase (Decrease)					
in Accounts Payable & Accrued Liabilities	(522,129)	29,074	11,900	(481,155)	(11,291)
in Customer Deposits	-	-	9,725	9,725	-
in Accrued Vacation Pay	-	8,191	5,579	13,770	-
Total Adjustments	<u>(122,571)</u>	<u>166,037</u>	<u>556,201</u>	<u>599,667</u>	<u>(11,291)</u>
Net Cash Provided by Operating Activities	<u>\$ (230,989)</u>	<u>\$ 123,232</u>	<u>\$ 944,399</u>	<u>\$ 836,642</u>	<u>\$ (13,316)</u>

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

Bladen County, North Carolina  
**Statement of Fiduciary Net Assets**  
**Fiduciary Funds**  
For the Year Ended June 30, 2011

Exhibit 9

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	<u>Agency Fund</u>
<b>Assets</b>	
Cash and Cash Equivalents	\$ <u><u>81,892</u></u>
<b>Liabilities and Net Assets</b>	
Liabilities	
Miscellaneous Liabilities	\$ 59,139
Intergovernmental Payable	<u>22,753</u>
Total Liabilities	<u>81,892</u>
Net Assets	\$ <u><u>-</u></u>

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

BLADEN COUNTY, NORTH CAROLINA  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2011

**NOTE 1: Summary of Significant Accounting Policies**

The accounting policies of Bladen County, North Carolina (the County) and its component units conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

**A. Reporting Entity**

The County, which is governed by a nine-member board of commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. As required by generally accepted accounting principles, these financial statements present the County and its component units, legally separate entities for which the County is financially accountable. Bladen County Water District (*the District*) exists to provide and maintain a water system for the county residents within the district. The District is reported as an enterprise fund in the County's financial statements. The blended presentation method presents component units as a department or unit of the County, and offers no separate presentation as with the discrete method. Bladen County Industrial Facility and Pollution Control Financing Authority (*the Authority*) exists to issue and service revenue bond debt of private businesses for economic development purposes. The Authority has no financial transactions or account balances; therefore, it is not presented in the basic financial statements.

<b>Component Unit</b>	<b>Reporting Method</b>	<b>Criteria for Inclusion</b>	<b>Separate Financial Statements</b>
Bladen County Water Districts	Blended	Under State law [NCGS 162A-89], the County's board of commissioners also serve as the governing board for the District.	None issued.
Bladen County Industrial Facility and Pollution Control Financing Authority	Discrete	The Authority is governed by a seven-member board of commissioners that is appointed by the county commissioners. The County can remove any commissioners of the Authority with or without cause.	None issued.

**B. Basis of Presentation, Measurement Focus – Basis of Accounting**

*Government-wide Statements:* The statement of net assets and the statement of activities display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental and business-type activities* of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

*Fund Financial Statements:* The fund financial statements provide information about the County's funds, including its fiduciary funds and blended component units. Separate statements for each fund category-*governmental, proprietary, and fiduciary*-are presented. The emphasis of fund financial statements is on major governmental and enterprise funds each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies, result from non-exchange transactions. Other non-operating items, such as investment earnings, are ancillary activities.

BLADEN COUNTY, NORTH CAROLINA  
Notes to the Financial Statements

The County reports the following major governmental funds:

*General Fund*: This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Tax Revaluation Fund is a legally budgeted fund under North Carolina General Statutes; however, for statement presentation in accordance with GASB Statement No. 54 it is consolidated in the General Fund.

The County reports the following major enterprise funds:

*Hospital Rental Fund* – This fund is used to account for the rent of equipment and real estate per the lease and operations agreement between the County and Cape Fear Valley Health Systems (CFVHS).

*Solid Waste Fund* - This fund is used to account for the operations of the County's solid waste disposal activities.

*Bladen County Water District* - This fund is used to account for the County's water operations.

The County reports the following fund types:

*Internal Service Fund* - The Self Insured Fund is used to account for the accumulation of cost associated with the County's self-insured fund.

*Agency Funds* - Agency funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for assets the County holds on behalf of others. The County maintains the following Agency Funds: the Social Services Fund, which accounts for moneys deposited with the Department of Social Services for the benefit of certain individuals; the Fines and Forfeitures Fund, which accounts for various legal fines and forfeitures that the County is required to remit to the Bladen County Board of Education; the Motor Vehicle Tax Fund, which accounts for registered motor vehicle property taxes that are billed and collected by the County for various municipalities and special districts within the County and the three percent interest on the first month of delinquent motor vehicle taxes that the County is required to remit to the North Carolina Department of Motor Vehicles; the Cafeteria Benefits Fund, which accounts for moneys deposited with the County to provide employee benefits; the Concealed Handgun Permit Fund, which accounts for the state portion of the concealed handgun permit fee that is required to be remitted to the state; the Sheriff's Civil Fund, which accounts for bailment and other civil fees collected and remitted accordingly.

*Nonmajor Funds*. The County maintains three legally budgeted funds. The Emergency Telephone System Fund, the Fire District Funds and the CDBG Grant Fund are reported as nonmajor special revenue funds.

Measurement Focus, Basis of Accounting

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

*Government-wide, Proprietary, and Fiduciary Fund Financial Statements*. The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus, except for the agency funds which have no measurement focus. The government-wide, proprietary fund, and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County enterprise funds are charges to customers for sales and services. The County also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the water system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

*Governmental Fund Financial Statements.* Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as a revenue because the amount is not susceptible to accrual. At June 30, taxes receivable are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of January 1, 1993, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, Bladen County is responsible for billing and collecting the property taxes on all registered motor vehicles on behalf of all municipalities and special tax districts in the County. For registered motor vehicles, property taxes are due the first day of the fourth month after the vehicles are registered. The billed taxes are applicable to the fiscal year in which they become due. Therefore, taxes for vehicles registered from March 2009 through February 2011 apply to the fiscal year ended June 30, 2011. Uncollected taxes that were billed during this period are shown as a receivable on these financial statements.

Sales taxes and certain intergovernmental revenues, such as the utilities franchise tax, collected and held by the State at year-end on behalf of the County are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

All governmental and business-type activities and enterprise funds of the County follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

#### C. Budgetary Data

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, the Emergency Telephone, Fire Districts and Revaluation Special Revenue Funds and the Enterprise Funds. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the CDBG Grant Fund and the Enterprise Capital Projects Funds. The enterprise capital project funds are consolidated with the enterprise operating funds for reporting purposes.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds, and at the project level for multi-year funds. The budget officer is authorized to transfer appropriations within a fund under the following conditions:

- a) He may transfer amounts between objects of expenditure within a department without a report being required.
- b) He may transfer amounts between departments of the same fund with an official report on such transfers at the next regular meeting of the Board of Commissioners.
- c) He may transfer amounts between funds and from contingency appropriations within any fund with an official report on such transfers at the next regular meeting of the Board of Commissioners.

BLADEN COUNTY, NORTH CAROLINA  
Notes to the Financial Statements

The governing board must approve all amendments. During the year, several immaterial amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

D. Assets, Liabilities, and Fund Equity

Deposits and Investments

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

State Law [G.S. 159-30(c)] authorizes the County and the District to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptance and the North Carolina Capital Management Trust (NCCMT).

The County and the District's investments are carried at fair value as determined by quoted market prices. The securities of the NCCMT Cash Portfolio, a SEC-registered (2a-7) money market mutual fund, are valued at fair value, which is the NCCMT's share price. The NCCMT term portfolio's securities are valued at fair value.

Cash and Cash Equivalents

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

Restricted Cash and Cash Equivalents

In agreements between the County and Cape Fear Valley Health Systems (CFVHS), an escrow account was created to receive rental funds which were restricted to the use of capital improvements to the facilities. CFVHS determines what the expenditures are to be expended with approval from the County.

The unexpended bond proceeds of the Water Fund are classified as restricted assets for the enterprise fund because their use is completely restricted to the purpose for which the bonds were originally issued. Customer deposits held by the County before any services are supplied are restricted to the service for which the deposit was collected. Money in the Tax Revaluation Fund is also classified as restricted assets because its use is restricted per North Carolina General Statute 153A-150.

Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the County levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2010. As allowed by State law, the County has established a schedule of discounts that apply to taxes, that are paid prior to the due date. In the County's General Fund, ad valorem tax revenues are reported net of such discounts.

Allowance for Doubtful Accounts

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.

Inventory and Prepaid Items

The County's general fund and enterprise fund inventories consist of expendable supplies that are recorded as expenditures when purchased. Such amounts are recorded as an expense at the time of purchase. The effect on net earnings in the enterprise fund is immaterial since the amount on hand at any specific time is minimal.

BLADEN COUNTY, NORTH CAROLINA  
Notes to the Financial Statements

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. Minimum capitalization costs are as follows: land, \$10,000; Buildings, improvements, substations, lines, and other plant and distribution systems, \$5,000; infrastructure, \$20,000; furniture and equipment, \$5,000; and vehicles, \$10,000. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital Assets of the County are depreciated on a straight-line basis over the following estimated useful lives:

Asset Class	Estimated Useful Life	Estimated Useful Life
Buildings	40	40
Improvements	40	40
Equipment	10	10
Vehicles	5	5
Plant and Distribution Systems	50	50

Long-term Obligations

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

In the fund financial statements for governmental fund types, the face amount of debt issued is reported as an other financing source.

Compensated Absences

The vacation policies of the County and the District allows all employees to accumulate unlimited and fully vested vacation. Although, no employee can carry forward more than thirty (30) days per year. Any amounts over the thirty (30) day limit is reclassified to sick leave. For the County's government-wide and proprietary funds an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned.

The sick leave policies of the County and the District provide for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since neither entity has any obligation for accumulated sick leave until it is actually taken, no accruals for sick leave have been made.

Net Assets/Fund Balances

Net Assets

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

Fund Balances

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balances as follows:

Nonspendable Fund Balance- This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

BLADEN COUNTY, NORTH CAROLINA  
Notes to the Financial Statements

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

Restricted for Stabilization of State Statute - portion of fund balance that is restricted by State Statute [G.S. 159-8(a)].

Restricted for 4-H - portion of fund balance that is restricted by revenue source to pay for the 4-H Program.

Restricted for Public Safety - portion of fund balance that is restricted by revenue source for E-911 expenditures.

Restricted for Fire Protection - portion of fund balance that is restricted by revenue source for fire protection expenditures.

Committed Fund Balance- Portion of fund balance that can only be used for specific purpose imposed by majority vote of Bladen County's governing body (highest level of decision-making authority). Any changes or removal of specific purposes requires majority action by the governing body.

Committed for Tax Revaluation - portion of fund balance that can only be used for Tax Revaluation.

Committed for Economic Development - portion of fund balance that can only be used for Economic Development.

Assigned Fund Balance - portion of fund balance that the Bladen County governing board has budgeted.

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

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

Bladen County adheres to the North Carolina Local Government Commission's recommendation of a minimum fund balance for the general fund which instructs management to conduct the business of the County in such a manner that available fund balance does not go below eight percent of budgeted expenditures. Any portion of the general fund balance in excess of 8% of budgeted expenditures may be appropriated for one-time expenditures and may not be used for any purpose that would obligate the County in a future budget

BLADEN COUNTY, NORTH CAROLINA  
Notes to the Financial Statements

E. Reconciliation of Government-wide and Fund Financial Statements

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

The governmental fund balance sheet included a reconciliation between fund balance-total governmental funds and net assets-governmental activities as reported in the government-wide statement of net assets. The net adjustment of \$(8,581,447) consists of several elements as follows:

<u>Description</u>	<u>Amount</u>
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds (total capital assets on government-wide statement in governmental activities column)	\$ 19,520,283
Less accumulated depreciation	<u>(11,880,863)</u>
Net capital assets	7,639,420
Accrued interest receivable less the amount claimed as unearned revenue in the government-wide statements as these funds are not available and therefore deferred in the fund statements	326,768
Notes Receivable reported in the fund financial statements as public safety expenditures and income.	301,372
Liabilities for revenue deferred but earned and therefore reported in the fund statements but not the government-wide	3,117,846
Internal service funds are used by management to charge the costs of certain activities, such as insurance, telecommunications, to individual funds. The assets and liabilities of certain internal service funds are included in governmental activities in the statement of net assets.	81,991
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not reported in the fund statements:	
Bonds, leases, and installment financing	(18,337,316)
Compensated absences	(1,072,718)
Net Pension Obligation	(484,031)
Accrued interest payable	<u>(154,779)</u>
Total adjustment	\$ <u><u>(8,581,447)</u></u>

BLADEN COUNTY, NORTH CAROLINA  
Notes to the Financial Statements

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances-total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of \$1,091, 095 as follows:

<b>Description</b>	<b>Amount</b>
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities.	\$ 717,170
Depreciation expense, the allocation of those assets over their useful lives, that is recorded on the statement of activities but not in the fund statements.	(740,479)
New debt issued during the year is recorded as a source of funds on the fund statements; it has no effect on the statement of activities - it affects only the government-wide statement of net assets.	(901,078)
The remaining undepreciated cost of equipment sold during the year.	-
Current year note receivable payments reported as miscellaneous revenue from fire districts, departments and towns within the county that were originally loaned out by the purchase of the VIPER system.	(23,183)
Principal payments on debt owed are recorded as a use of funds on the fund statements but again affect only the statement of net assets in the government-wide statements.	2,152,772
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements.	
Difference in interest expense between fund statements (modified accrual) and government-wide statements (full accrual).	22,808
Compensated absences are accrued in the government-wide statements but not in the fund statements because they do not use current resources.	(211,622)
Net pension obligation is accrued in the government-wide statements but not in the fund statements because they do not use current resources.	(34,730)
Net revenue of internal service funds determined to be governmental-type.	(68,819)
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements.	
Reversal of deferred tax revenue recorded at 7/1/10.	(2,974,688)
Recording of tax receipts deferred in the fund statements as of 6/30/11.	3,117,846
Increase in accrued taxes receivable for year ended 6/30/11.	35,098
Total adjustment	\$ <u>1,091,095</u>

BLADEN COUNTY, NORTH CAROLINA  
Notes to the Financial Statements

NOTE 2: Stewardship, Compliance and Accountability

A. Significant Violations of Finance-Related Legal and Contractual Provisions

None.

B. Deficit Fund Balance or Net Assets of Individual Funds

None.

C. Excess of Expenditures over Appropriations

None.

NOTE 3: Detail Notes On All Funds

A. Assets

1. Deposits

All of the County's and the District's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the County's or the District's agents in these units' names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County and the District, these deposits are considered to be held by their agents in the entities name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County, the Hospital, or the District, or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County, the District and Bladen Leasing Corporation under the Pooling Method, the potential exists for the under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The State Treasurer enforces standards of minimum capitalization for all pooling method financial institutions. The County and the District rely on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The County, the District, and the Hospital do not have formal policies regarding custodial credit risk for deposits.

At June 30, 2011, the County's deposits had a balance of \$1,422,651 and a bank balance of \$2,814,448. Of the bank balance, \$834,330 was covered by federal depository insurance. The remaining was covered by collateral and held under the Pooling Method.

At June 30, 2011, the escrow account for the Hospital Rental Fund had a balance of \$21,637 and a bank balance of \$251,021.

2. Investments

At June 30, 2011 the County of Bladen had \$19,263,015 invested in the North Carolina Capital Management Trust Cash Portfolio which carried a credit rating of AAAM by Standard and Poor's. The County had no policy regarding credit risk.

At June 30, 2011 the District's Investments are included above, since it is a blended component unit.

BLADEN COUNTY, NORTH CAROLINA  
Notes to the Financial Statements

3. Property Tax - Use-Value Assessment on Certain Lands

In accordance with the general statutes, agriculture, horticulture, and forestland may be taxed by the County at the present-use value as opposed to market value. When the property loses its eligibility for use-value taxation, the property tax is recomputed at market value for the current year and the three preceding fiscal years, along with the accrued interest from the original due date. This tax is immediately due and payable. The following are property taxes that could become due if present use-value eligibility is lost. These amounts have not been recorded in the financial statements.

Year Levied	Tax	Interest	Total
2008	\$ 1,200,085	\$ 285,020	\$ 1,485,105
2009	\$ 1,200,085	177,013	1,377,098
2010	\$ 1,200,085	-	1,200,085
	<u>\$ 3,600,255</u>	<u>\$ 462,033</u>	<u>\$ 4,062,288</u>

4. Receivables

Receivables at the government-wide level at June 30, 2011, were as follows:

	Accounts	Taxes and Related Accrued Interest	Due From Other Governments	Other	Total
<b>Governmental Activities:</b>					
General	\$ 1,761,126	\$ 3,976,682	\$ 1,031,599	\$ -	\$ 6,769,407
Other Governmental	14	237,932	186,881	-	424,827
Total Receivables	1,761,140	4,214,614	1,218,480	-	7,194,234
Allowance for Doubtful Accounts	-	(770,000)	-	-	(770,000)
Total Governmental Activities	<u>\$ 1,761,140</u>	<u>\$ 3,444,614</u>	<u>\$ 1,218,480</u>	<u>\$ -</u>	<u>\$ 6,424,234</u>
<b>Business-type Activities</b>					
Landfill	\$ 107,234	\$ 1,247,106	\$ -	\$ -	\$ 1,354,340
Water and Sewer District	367,274	-	-	-	367,274
Total Receivables	474,508	1,247,106	-	-	1,721,614
Allowance for Doubtful Accounts	(85,038)	(423,931)	-	-	(508,969)
Total Business-type Activities	<u>\$ 389,470</u>	<u>\$ 823,175</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,212,645</u>

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

Local Option Sales Tax	\$ 1,084,970
State or Federal Grant	133,510
	<u>1,218,480</u>

BLADEN COUNTY, NORTH CAROLINA  
Notes to the Financial Statements

5. Capital Assets

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

	Beginning Balances	Transfers	Increases	Decreases	Ending Balances
Primary Government					
Governmental Activities:					
Capital Assets not Being Depreciated:					
Land	\$ 205,160	\$ -	\$ -	\$ -	\$ 205,160
Total Capital Assets not Being Depreciated:	<u>205,160</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>205,160</u>
Capital Assets Being Depreciated:					
Buildings	6,611,593	(197,682)	480,851	-	6,894,762
Equipment	8,090,671	150,980	215,979	-	8,457,630
Vehicles and Motor Equipment	3,919,367	46,702	20,340	(23,678)	3,962,731
Total Capital Assets Being Depreciated:	<u>18,621,631</u>	<u>-</u>	<u>717,170</u>	<u>(23,678)</u>	<u>19,315,123</u>
Less Accumulated Depreciation					
Buildings	4,085,181	(197,682)	74,035	-	3,961,534
Equipment	3,892,177	150,980	482,006	-	4,525,163
Vehicles and Motor Equipment	3,186,704	46,702	184,438	(23,678)	3,394,166
Total Accumulated Depreciation	<u>11,164,062</u>	<u>\$ -</u>	<u>\$ 740,479</u>	<u>\$ (23,678)</u>	<u>11,880,863</u>
Total Capital Assets Being Depreciated, net	<u>7,457,569</u>				<u>7,434,260</u>
Governmental Activity Capital Assets, net	<u>\$ 7,662,729</u>				<u>\$ 7,639,420</u>

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

General Government	\$ 170,310
Public Safety	429,478
Economic and Physical Development	-
Human Services	125,881
Cultural and Recreational	14,810
Total Depreciation Expense	<u>\$ 740,479</u>

	Beginning Balances	Transfers	Increases	Decreases	Ending Balances
Business-type Activities:					
Solid Waste					
Capital Assets not Being Depreciated:					
Land	\$ 386,438	\$ -	\$ -	\$ -	\$ 386,438
Total Capital Assets not Being Depreciated:	<u>386,438</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>386,438</u>
Capital Assets Being Depreciated:					
Buildings	2,462,436	14,586	-	-	2,477,022
Equipment	851,220	3,447	-	-	854,667
Vehicles and Motor Equipment	794,307	(18,033)	-	-	776,274
Total Capital Assets Being Depreciated:	<u>4,107,963</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,107,963</u>
Less Accumulated Depreciation					
Buildings	1,095,322	14,586	137,758	-	1,247,666
Equipment	737,104	3,447	36,176	-	776,727
Vehicles and Motor Equipment	685,135	(18,033)	24,047	-	691,149
Total Accumulated Depreciation	<u>2,517,561</u>	<u>\$ -</u>	<u>\$ 197,981</u>	<u>\$ -</u>	<u>2,715,542</u>
Total Capital Assets Being Depreciated, net	<u>1,590,402</u>				<u>1,392,421</u>
Solid Waste Capital Assets, Net	<u>\$ 1,976,840</u>				<u>\$ 1,778,859</u>

BLADEN COUNTY, NORTH CAROLINA  
Notes to the Financial Statements

	Beginning Balances	Transfers	Increases	Decreases	Ending Balances
Water District					
Capital Assets not Being Depreciated:					
Land	\$ 18,000	\$ 16,575	\$ 1,400	\$ -	\$ 35,975
Construction in Progress	4,485,072	(5,034,155)	815,276	-	266,193
Total Capital Assets not Being Depreciated:	4,503,072	(5,017,580)	816,676	-	302,168
Capital Assets Being Depreciated:					
Plant and Distribution Systems	21,126,028	5,067,198	-	-	26,193,226
Equipment	239,257	(49,618)	5,800	-	195,439
Vehicles and Motor Equipment	399,516	-	-	-	399,516
Total Capital Assets Being Depreciated:	21,764,801	5,017,580	5,800	-	26,788,181
Less Accumulated Depreciation					
Plant and Distribution Systems	5,494,970	49,618	384,130	-	5,928,718
Equipment	172,709	(49,618)	49,211	-	172,302
Vehicles and Motor Equipment	282,040	-	39,069	-	321,109
Total Accumulated Depreciation	5,949,719	\$ -	\$ 472,410	\$ -	6,422,129
Total Capital Assets Being Depreciated, net	15,815,082				20,366,052
Water District Capital Assets, Net	\$ 20,318,154				\$ 20,668,220
	Beginning Balances	Adjustments	Increases	Decreases	Ending Balances
Hospital Rental Fund					
Capital Assets not Being Depreciated:					
Land and Land Improvements	\$ 307,547	\$ -	\$ -	\$ (50,000)	\$ 257,547
Capital Assets Being Depreciated:					
Buildings and Fixed Equipment	12,656,980	-	-	(1,664,296)	10,992,684
Major Moveable Equipment	4,991,727	-	-	-	4,991,727
Assets Under Capital Leases	1,473,981	-	-	-	1,473,981
Total Capital Assets Being Depreciated:	19,122,688	-	-	(1,664,296)	17,458,392
Less Accumulated Depreciation and Amortization	15,213,020	-	586,132	(1,088,110)	14,711,042
Total Capital Assets Being Depreciated, net	3,909,668	-	(586,132)	(576,186)	2,747,350
Hospital Capital Assets, Net	4,217,215	\$ -	\$ (586,132)	\$ (626,186)	3,004,897
Business-type Activities Capital Assets, Net	\$ 26,512,209				\$ 25,451,976

B. Liabilities

1. Payables

Payables at the government wide level at June 30, 2011 were as follows:

	Vendors	Salaries and Benefits	Accrued Interest	Other	Total
Governmental Activities:					
General	\$ 2,945,881	\$ 443,404	\$ 154,779	\$ 17,727	\$ 3,561,791
Other Governmental	5,013	2,567	-	-	7,580
Total Governmental Activities	\$ 2,950,894	\$ 445,971	\$ 154,779	\$ 17,727	\$ 3,569,371
Business-type Activities					
Landfill	\$ 59,195	\$ 16,855	\$ -	\$ -	\$ 76,050
Water and Sewer District	17,422	18,895	60,549	-	96,866
Hospital Rental Fund	204,783	-	-	-	204,783
Total Business-type Activities	\$ 281,400	\$ 35,750	\$ 60,549	\$ -	\$ 377,699

Pension Plan Obligations and Other Postemployment Obligations

1. Local Governmental Employees' Retirement System

Plan Description - Bladen County contributes to the statewide Local Government Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS provides retirement and disability benefits to plan members and beneficiaries. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Local Governmental Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy - Plan members are required to contribute six percent of their annual covered salary. The County is required to contribute at an actuarially determined rate. For the County, the current rate for employees not engaged in law enforcement and for law enforcement officers is 7.35% and 6.35%, respectively, of annual covered payroll. The contribution requirements of members and of Bladen County are established and may be amended by the North Carolina General Assembly. The County's contributions to LGERS for the years ended June 30, 2011, 2010, and 2009 were \$787,955, \$620,860, and \$583,966, respectively.

2. Law Enforcement Officers' Special Separation Allowance

Plan Description - Bladen County administers a public employee retirement system (the "Separation Allowance"), a single-employer defined benefit pension plan that provides retirement benefits to the County's qualified sworn law enforcement officers. The Separation Allowance is equal to .85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provision to the North Carolina General Assembly. The County has made no contributions to this plan.

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

Retirees receiving benefits	4
Terminated plan members entitled to but not yet receiving benefits	0
Active plan members	<u>48</u>
Total	<u>52</u>

Summary of Significant Accounting Policies

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

Method Used to Value Investments - No valuing method is used, due to no investments at year-end.

Contributions

The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts on a pay as you go basis through appropriations through the general fund. During the year ended June 30, 2011, \$45,567 in benefits were paid. For the current year, the County contributed \$ 0, or 0% of annual covered payroll. There were no contributions made by employees. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are paid by the general fund. Although the County has chosen the pay as you go basis, it does maintain actuarial valuations that state what should be contributed now to cover benefits.

BLADEN COUNTY, NORTH CAROLINA  
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The annual required contribution for the current year was determined as part of the December 31, 2010 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 5.00% investment rate of return (net of administrative expenses) and (b) projected salary increases of 4.25 to 7.85% per year. Both (a) and (b) included an inflation component of 3.0%. The assumptions did not include postretirement benefit increases. The actuarial value of assets was determined using the market value of investments. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2010 was 20 years.

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

Employer annual required contribution	\$	74,633
Interest on net pension obligation		22,465
Adjustment to annual required contribution		<u>(24,054)</u>
Annual pension cost		73,044
Employer contributions made		<u>38,314</u>
Increase (decrease) in net pension obligation		34,730
Net pension obligation beginning of year		<u>449,301</u>
Net pension obligation end of year	\$	<u><u>484,031</u></u>

3 Year Trend Information:

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/09	\$ 48,651	3.83 %	\$ 400,964
6/30/10	55,148	12.35	449,301
6/30/11	73,044	52.45	484,031

3. Supplemental Retirement Income Plan for Law Enforcement Officers

Plan Description - The County contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the County. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy - Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each officers salary, and all amounts contributed are vested immediately. Also, the law enforcement officers and other employees may make voluntary contributions to the plan. Contributions for the year ended June 30, 2011 were \$205,223, which consisted of \$87,439 from the County and \$117,784 from the law enforcement officers and other employees.

4. Register of Deeds' Supplemental Pension Fund

Plan Description - Bladen County also contributes to the Register of Deeds' Supplemental Pension Fund (Fund), a noncontributory, defined contribution plan administered by the North Carolina Department of State Treasurer. The Fund provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 161 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Register of Deeds' Supplemental Pension Fund is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy - On a monthly basis, the County remits to the Department of State Treasurer an amount equal to one and one half percent (1.5%) of the monthly receipts collected pursuant to Article 1 of G.S. 161. Immediately following January 1 of each year, the Department of State Treasurer divides ninety-three percent (93%) of the amount in the Fund at the end of the preceding calendar year into equal shares to be disbursed as monthly benefits. The remaining seven percent (7%) of the Fund's assets may be used by the State Treasurer in administering the Fund. For the fiscal year ended June 30, 2011, the County's required and actual contributions were \$1,724.

#### Healthcare Benefits and Other Postemployment Benefits

##### Healthcare Benefits

*Plan Description.* The postemployment healthcare benefits are provided through a cost-sharing multiple-employer defined benefit plan administered by the Executive Administrator and the Board of Trustees of the Comprehensive Major Medical Plan (the Plan). The Executive Administrator and the Board of Trustees of the Plan establishes premium rates except as may be established by the General Assembly in an appropriation act. The Plan's benefit and contribution provisions are established by Chapter 135-7, Article 1, and Chapter 135, Article 3 of the General Statutes and may be amended only by the North Carolina General Assembly. By General Statute, the Plan accumulates contributions from employers and any earnings on those contributions in the Retiree Health Benefit Fund. These assets shall be used to provide health benefits to retired and disabled employees and their applicable beneficiaries. These contributions are irrevocable. Also by law, these assets are not subject to the claims of creditors of the employers making contributions to the Plan.

The State of North Carolina issues a publicly available financial report that includes financial statements and required supplementary information for the State's Comprehensive Major Medical Plan (also, referred to as the State Health Plan). An electronic version of this report is available by accessing the North Carolina Office of the State Controller's Internet home page <http://www.ncosc.net/> and clicking on "Financial Reports", or by calling the State Controller's Financial Reporting Section at (919) 981-5454.

*Funding Policy.* The Comprehensive Major Medical Plan is administered by the Executive Administrator and Board of Trustees of the Plan, which establish premium rates except as may be established by the General Assembly in an appropriation act. The healthcare benefits for retired and disabled employees are the same as for active employees, except that the coverage becomes secondary when former employees become eligible for Medicare. Effective August 1, 1992 County employees other than Bladen County Hospital employees retiring with unreduced retirement benefits, with reduced benefits, or with five or more years of service retiring with disability, may continue their coverage in the county's group health and life insurance program. The premiums for individual group health and life coverage shall be paid by the County until age of disqualification if 50% or more of the qualifying years of service was dedicated to Bladen County. Premiums for dependent group health must be paid by the individual.

Contributions are determined as a percentage of covered monthly payroll. Annually, the monthly contribution rates to the Plan, which are intended to finance benefits and administrative expenses on a pay-as-you-go basis, are determined by the General Assembly in the Appropriations Bill. For the fiscal years ended June 30, 2011 the County paid all annual required contributions to the Plan for postemployment healthcare benefits of \$609,181 respectively. For the County, the current rate for employees not engaged in law enforcement and for law enforcement officers is 3.95% and 4.5%, respectively, of annual covered payroll.

##### Other Employment Benefits

The County has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State administered, cost-sharing plan funded on a one year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to the employee's death, but the benefit will be a minimum of \$25,000 and will not exceed \$50,000. All death benefit payments are made from the Death Benefit Plan. The County has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. The County considers these contributions immaterial.

Deferred/Unearned Revenues

The balance in deferred revenues at year-end is composed of the following elements:

	Deferred Revenue	Unearned Revenue
Prepaid taxes not yet earned(General)	\$ -	\$ 121,332
Taxes receivable, net(General)	2,897,539	-
Prepaid taxes not yet earned(Special Revenue)	-	-
Taxes receivable, net(Special Revenue)	220,307	-
Total	<u>\$ 3,117,846</u>	<u>\$ 121,332</u>

**Governmental Activities**

**Business type activities-Bladen County Hospital Fund**

Bladen County recognized a gain by the sale of the Hospital operations of \$2,935,153 based on net value of assets and liabilities assumed by Cape Fear Valley Health Systems. This was originally amortized over the five year agreement. In the subsequent period, Cape Fear exercised its option to purchase the real estate therefore paying off all unpaid amounts owed to the County. At June 30, 2011 \$578,832 was deferred for future years and all of that is considered current for the next operating period.

Risk Management

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County participates in three self-funded risk-financing pools administered by the North Carolina Association of County Commissioners. Through these pools, the County obtains property coverage equal to replacement cost values of owned property subject to a limit of \$125.5 million for any one occurrence, general, auto, professional, and employment practices liability coverage of \$2 million per occurrence, auto physical damage coverage for owned autos at actual cash value, crime coverage of \$250,000 per occurrence, workers' compensation coverage up to the statutory limits, and health and dental insurance for county employees. The pools are audited annually by certified public accountants, and the audited financial statements are available to the County upon request. Two of the pools are reinsured through a multi-state public entity captive for single occurrence losses in excess of \$500,000 up to a \$2 million limit for liability coverage, \$600,000 of aggregate annual losses in excess of \$50,000 per occurrence for property, auto physical damage, and crime coverage, and single occurrence losses of \$350,000 for workers' compensation. For health and dental insurance, the county is reinsured through the Pool for individual losses in excess of \$50,000 and aggregate annual losses in excess of 115% of expected claims. The pool is reinsured through commercial carrier for individual losses in excess of \$100,000.

In accordance with G.S. 159-29, the County's employees that have access to \$100 or more at any given time of the County's funds are performance bonded through a commercial surety bond. The finance officer, register of deeds, sheriff and tax collector are each individually bonded for \$100,000, \$50,000, \$25,000 and \$100,000 respectively.

The County carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in any of the past three fiscal years. Flood insurance is obtained for property located within a flood plain.

Contingent Liabilities

At June 30, 2011, the County was a defendant to various lawsuits. In the opinion of County's management and the County Attorney, the ultimate effect of these legal matters will not have a material adverse effect on the County's financial position.

Long-Term Obligations

Installment Purchases

Serviced by the Governmental Type Activities

BB&T dated August 25, 2008 in the amount of \$2,100,000 for the installment purchase of county wide radio system in 10 annual payments of \$247,654 including interest at 3.87%. Final payment due August 2017. Balance at June 30, 2011 is \$1,493,600.

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Notes to the Financial Statements

BB&T dated December 18, 2008 in the amount of \$280,990 for installment purchase of fire and alarm system at Bladen Community College in 5 annual payments of \$59,916 including interest at 3.31%. Final payment due December 2012. Balance at June 30, 2011 is \$114,135.

BB&T dated May 25, 2011 in the amount of \$351,078 for installment purchase of a documents and forms management system in 3 annual payments of \$119,409 including interest at 2.050%. Final payment due May 2013. Balance at June 30, 2011 is \$231,669.

BB&T dated August 25, 2008 in the amount of \$316,988 for installment purchase of financial software system in 5 annual payments of \$67,491 including interest at 3.23%. Final payment due August 2017. Balance at June 30, 2011 is \$128,713.

USDA dated December 20, 2010 in the amount of \$550,000 for installment purchase of constructing the EMS building in 2 annual payments of \$39,584 including interest at 0.0%. The first payment is due December 2011. Then 17 remaining annual payments of \$39,584 plus interest of 4.375% of the outstanding balance. Final payment due December 2030. Balance at June 30, 2011 is \$550,000.

Bank of America dated September 25, 2008 in the amount of \$1,335,342 for installment purchase of energy savings equipment system. Payments beginning Feb 2009 with 12 monthly payments of 9,684, then 12 monthly payments of \$8,490, then 12 payments of 8,745, then 12 monthly payments of \$9,007, then 12 monthly payments of 9,278, then 12 monthly payments of 9,556, then 12 monthly payments of \$9,842, then 12 monthly payments of \$10,138, then 12 monthly payments of \$10,442, then 12 monthly payments of \$10,755, then 12 monthly payments of \$11,078, then 12 monthly payments of \$11,411, then 12 monthly payments of \$22,753, then 12 monthly payments of \$12,106, then 12 monthly payments of \$12,469 all payments include interest at 4.15%. Final payment due January 2024. Balance at June 30, 2011 is \$1,221,197.

Serviced by the Business Type Activities

Serviced by the Water District

USDA dated January 1, 2010 in the amount of \$593,000 for additional financing for the expansion of the water service. Terms are 40 annual payments of \$29,965 each January including interest at 4.00%. Final payment due January 2050. Balance at June 30, 2011 is \$586,755.

Serviced by the Hospital Rental Fund

Notes payable collateralized by Hospital building improvements, interest at 3.65%, and payable in fixed principal payments of \$13,197 through 2011 and fixed principal payments of \$5,424 through 2019. Balance at June 30, 2011 was \$613,948.

For Bladen County, the future minimum payments as of June 30, 2011 are as follows:

Year Ending 30-Jun	Business Type Activities		Governmental Activities	
	Principal	Interest	Principal	Interest
2012	620,443	23,470	520,189	120,112
2013	6,755	23,210	539,436	104,056
2014	7,025	22,940	292,063	107,896
2015	7,306	22,659	307,154	96,187
2016	7,598	22,367	322,960	83,865
2017-2021	42,799	107,025	1,107,136	222,483
2022-2026	52,071	97,753	502,762	89,886
2027-2031	63,353	86,472	147,614	17,150
2032-2036	77,079	72,746	-	-
2037-2041	93,778	56,045	-	-
2042-2046	114,096	35,728	-	-
2047-2051	108,400	11,027	-	-
Total	\$ 1,200,703	\$ 581,442	\$ 3,739,314	\$ 841,635

Capital Leases

The County has entered into agreements to lease certain equipment and buildings. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

BLADEN COUNTY, NORTH CAROLINA  
Notes to the Financial Statements

Capital Leases at June 30, 2011, were as follows:

Governmental Activities

First Citizens agreement dated December 2007 in the amount of \$219,320 for lease purchase of 3 ambulances payable in 59 monthly payments of \$4,034 including interest at 3.44%. Final payment due October 2012. Balance at June 30, 2011 is \$63,002.

Under the terms of all agreements, title passes to the County at the end of the lease term.

The following is an analysis of the assets recorded under capital leases in the County's Fixed Assets at June 30, 2011:

In General Fixed Assets:

Classes of Property	
Equipment	\$ 219,320
Total	<u>\$ 219,320</u>

For Bladen County, the future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2011 were as follows:

Year Ending 30-Jun	Governmental Activities	
	Principal	Interest
2012	46,980	1,296
2013	16,022	69
2014	-	-
2015	-	-
2016	-	-
Thereafter	-	-
Total	<u>\$ 63,002</u>	<u>\$ 1,365</u>

General Obligation Indebtedness

All general obligation bonds serviced by the County's general fund are collateralized by the full faith, credit, and taxing power of the County. Bladen County Water District issues general obligation bonds to provide funds for the acquisition and construction of major water system capital improvements. These bonds, which are recorded in the Water District Fund, are collateralized by the full faith, credit, and taxing power of the District. Principal and interest payments are appropriated when due.

In addition to the general obligation bonds described above, the County has issued two special obligation bonds to finance a hospital fitness center and a solid waste transfer station. The hospital fitness center is not reported in the General Long-term Debt Fund and the transfer station is reported in the solid waste fund. The Bladen County Hospital will be making payments for the fitness center from operating revenues and has included the debt amount within its liabilities.

The County's general obligation bonds payable at June 30, 2011 are comprised of the following individual issues:

Serviced by the County's General Fund:

\$25,000,000 November 2004 refunding School bond payment interest payments every six months at an annual rate of 5.6%. Principle payments are made by May of each year at increasing payment amounts; final payment is due May 1, 2021. Due to the nature of this debt for noncounty owned property, this is not considered capital debt.

\$ 14,535,000

BLADEN COUNTY, NORTH CAROLINA  
Notes to the Financial Statements

General obligation bonds serviced by the Bladen County Water District:

\$150,000 February 1990 water bonds due in annual installments varying from \$10,800 to \$2,120; interest at 6%.	95,000
\$1,318,000 February 1990 water bonds due in annual installments varying from \$88,762 to \$24,085; interest at 5.75%.	863,000
\$1,400,000 May 1992 water bonds due in annual installments varying from \$94,000 to \$57,105; interest at 5.75%.	1,000,500
\$2,068,000 April 1996 water bonds due in annual installments varying from \$122,815 to \$92,290 including interest at 4.875% per annum. Principal portion will not be included with payment until June 1998.	1,652,000
\$900,000 April 1996 water bonds due in annual installments varying from \$53,875 to \$41,950 including interest at 4.875% per annum. Principal portion will not be included with payment until June 1998.	721,000
\$4,496,000 November 2010 water bonds due in interest only payments for years 2011 and 2012 at 2.25%. Then annual payments will be varying each year, but averaging \$177,000	4,496,000
\$5,983,000 May 2002 water bonds due in annual installments varying from \$346,693 to \$261,875; interest at 4.75%. Principle portion will not be included until the June 2004 payment.	<u>5,391,000</u>
	<u>\$ 14,218,500</u>

Annual debt service requirements to maturity for the County's and the Water District's general obligation bonds are as follows:

Year Ending	Governmental Activities		Business Type Activities	
	Principal	Interest	Principal	Interest
30-Jun				
2012	1,440,000	597,050	230,000	541,107
2013	1,460,000	553,850	317,000	573,956
2014	1,510,000	480,850	331,000	559,869
2015	1,530,000	428,000	347,000	545,118
2016	1,555,000	374,450	252,000	529,590
2017-2021	7,040,000	843,600	1,991,000	2,390,766
2022-2026	-	-	2,314,500	1,743,003
2027-2031	-	-	2,519,500	1,352,508
2032-2036	-	-	2,307,500	814,319
2037-2041	-	-	1,680,000	385,463
2042-2046	-	-	1,259,000	127,395
2047-2051	-	-	670,000	38,070
Total	<u>\$ 14,535,000</u>	<u>\$ 3,277,800</u>	<u>\$ 14,218,500</u>	<u>\$ 9,601,164</u>

At June 30, 2011, Bladen County had no bonds authorized and had a legal debt margin of \$189,949,538.

BLADEN COUNTY, NORTH CAROLINA  
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Advance Refunding

November 2004, the County defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County' financial statements. On June 30, 2011, \$14,535,000 of bonds outstanding defeased.

Changes in General Long-Term Debt

The following is a summary of changes in the County's long-term obligations for the fiscal year ended June 30, 2011:

	Balance July 1, 2010	Increases	Decreases	Balance June 30, 2011	Current Portion
<b>Governmental Activities:</b>					
General Obligation Debt	\$ 16,140,000	\$ -	\$ (1,605,000)	\$ 14,535,000	\$ 1,440,000
Capitalized Leases	108,275	-	(45,273)	63,002	46,980
Installment Purchases	3,340,735	901,078	(502,499)	3,739,314	520,189
Net Pension Obligation	449,301	34,730	-	484,031	-
*Compensated Absences	861,096	614,235	(402,613)	1,072,718	614,235
<b>Total Governmental Activities</b>	<b>\$ 20,899,407</b>	<b>\$ 1,550,043</b>	<b>\$ (2,555,385)</b>	<b>\$ 19,894,065</b>	<b>\$ 2,621,404</b>

\*The General Fund, Industrial Fund, Reassessment Fund, Emergency Telephone Fund are used to liquidate the liability for compensated absences for governmental activities.

	Balance July 1, 2010	Increases	Decreases	Balance June 30, 2011	Current Portion
<b>Business-Type Activities:</b>					
<b>Solid Waste</b>					
Compensated Absences	\$ 17,179	\$ 17,341	\$ (9,150)	\$ 25,370	\$ 9,150
<b>Total Solid Waste</b>	<b>17,179</b>	<b>17,341</b>	<b>(9,150)</b>	<b>25,370</b>	<b>9,150</b>
<b>Water District</b>					
General Obligation Debt	\$ 14,436,500	\$ 4,496,000	\$ (4,714,000)	\$ 14,218,500	\$ 230,000
Installment Purchases	593,000	-	(6,245)	586,755	6,495
Compensated Absences	23,789	22,759	(17,180)	29,368	17,180
<b>Total Water District</b>	<b>15,053,289</b>	<b>4,518,759</b>	<b>(4,737,425)</b>	<b>14,834,623</b>	<b>253,675</b>
<b>Hospital Rental Fund</b>					
Capitalized Leases	2,476	-	(2,476)	-	-
Installment Purchases	1,280,117	-	(666,169)	613,948	613,948
<b>Total Hospital</b>	<b>1,282,593</b>	<b>-</b>	<b>(668,645)</b>	<b>613,948</b>	<b>613,948</b>
<b>Total Business-Type Activities</b>	<b>\$ 16,353,061</b>	<b>\$ 4,536,100</b>	<b>\$ (5,415,220)</b>	<b>\$ 15,473,941</b>	<b>\$ 876,773</b>

BLADEN COUNTY, NORTH CAROLINA  
Notes to the Financial Statements

Interfund Activity

	Transfers	
	From	To
<b>Transfers From/To Other Funds at June 30, 2011, consists of the following:</b>		
<u>General Fund</u>		
2 General Area Fire District	\$ 50,000	\$
1 Hospital Rental Fund		167,773
3 Emergency Telephone System Fund	96,715	
1 Self Insured Fund	67,000	
<u>Special Revenue Fund</u>		
General Area Fire District		
General Fund		50,000
Housing Finance Authority Grant Fund		
General Fund		
Emergency Telephone System Fund		
General Fund		96,715
<u>Enterprise Fund</u>		
1 Hospital Rental Fund		
General Fund	167,773	
4 Water Fund		29,965
Capital Project Fund	29,965	
1 Self Insured Fund		
General Fund		67,000
<b>Total Transfers From/To Other Funds</b>	<b>\$ 411,453</b>	<b>\$ 411,453</b>

- 1 Transfers were made to supplement operations for the receiving fund.
- 2 Transfer was made to reimburse General Fund for public safety expenditures.
- 3 Transfer out non wireless fund balance.
- 4 Reimburse the fund for expenses paid.

Due to/from other funds at June 30, 2011, consist of the following:

	From	To
<u>General Fund</u>		
CDBG Grant Fund	\$ 133,510	\$ -
<u>Special Revenue Fund</u>		
General Fund	-	133,510
	\$ 133,510	\$ 133,510

BLADEN COUNTY, NORTH CAROLINA  
Notes to the Financial Statements

Fund Balance

Total Fund Balance - General Fund	\$14,965,362
Less:	
Stabilization by State Statute	3,226,914
Public Safety	84,330
4-H	126,992
Economic Development	18,877
Tax Revaluation	560,256
Appropriated Fund Balance in 2012 Budget	2,102,043
<b>Remaining Fund Balance</b>	<b>8,845,950</b>

NOTE 4: Joint Ventures

The County, in conjunction with the State of North Carolina and the Bladen County Board of Education, participates in a joint venture to operate Bladen Community College. Each of the three participants appoints four members of the thirteen- member board of trustees of the community college. The president of the community college's student government serves as an exofficio nonvoting member of the community college's board of trustees. The community college is included as a component unit of the State. The county has the basic responsibility for providing funding for the facilities of the community college and also provides some financial support for the community college's operations. The County contributed \$686,541, \$0 and \$5,000 to the community college for operating, capital and scholarship purposes, respectively, during the fiscal year ending June 30, 2011. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2011. Complete financial statements for the community college may be obtained from the community college's administrative offices at P.O. Box 266, Dublin, NC 28332.

Jointly Governed Organization

Bladen County appoints one member, out of a total of thirteen members, to the Lower Cape Fear Water and Sewer Authority Board (Authority). Four other counties and one municipality appoint the other board members. The authority exists to provide water to various entities. It's revenues are derived from water sales. Bladen County has no ongoing financial interest or responsibility for the authority.

The County, in conduction with three other counties and twenty-one municipalities, established the Lumber River Council of Governments (Council). The participating governments established the Council to coordinate various funding received from federal and state agencies. Each participating government appoints one member to the Council's governing board. The Council is a self-sufficient organization because its members' dues represent a small portion of its total revenues. The County paid membership fees of \$17,903 to the Council during the fiscal year ended June 30, 2011. The County was the sub recipient of a grant for \$412,739 from the U.S. Department of Health and Human Services and the Division of Aging of the North Carolina Department of Human Resources that was passed through the council.

NOTE 5: Benefit Payments Issued by the State

The amounts listed below were paid directly to individual recipients by the State from federal and State moneys. County personnel are involved with certain functions, primarily eligibility determinations, that cause benefit payments to be issued by the State. These amounts disclose this additional aid to County recipients that do not appear in the basic financial statements because they are not revenues and expenditures of the County. Federal and State portions cannot be separated.

BLADEN COUNTY, NORTH CAROLINA  
Notes to the Financial Statements

	Federal	State
Medicaid	42,545,577	17,062,358
TANF and Work First Benefits	557,847	8
WIC	679,609	-
Adoption Assistance	116,700	27,133
IV-E Foster Care	17,479	5,484
Independent Living Grant	817	-
CWS Adoption Subsidy	-	43,294
State Foster Home	-	18,256
Adult Special Assistance	-	466,132
Energy Assistance	511,179	-
	44,429,208	17,622,665

**NOTE 6:** Summary Disclosure of Significant Commitments and Contingencies

Federal and State Assisted Programs

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

Contingent Liability – Retiree Health Care and LGERS

On July 1, 2005, the County joined the North Carolina State Employees’ Health Plan (SHP) as a participating member. The County chose to cover both its current and retired employees that met their internal requirements for receiving this benefit. The County’s internal requirements for retired employees at that time required County employees to have twenty years of service to receive retiree health insurance benefits while State employees under the SHP only needed five years of service to receive retiree health insurance benefits. It was the County’s understanding upon joining SHP that the County had the option to keep its internal requirements for retired employees and that the County would pay a set monthly premium for each participating retired employee as opposed to paying a percentage of active payroll as other state agencies did at the time. The County began receiving and paid monthly invoices from the State Health Plan effective July 1, 2005 for the premiums on these retired employees. The Notice of Employer Contribution Rates which the County received from the North Carolina Department of State Treasurer Retirement Services’ Division for FY 2005-2006 and FY 2006-2007 did not include any percentage of payroll requirements for retiree health insurance coverage.

During Fiscal Year 2007-2008, the County became aware that G.S. 135-40, the statute that allowed certain local governments to participate in the SHP, was interpreted to mean that all member units were to pay a percentage of payroll to the LGERS for retiree health coverage. The County paid the premiums for its retiree coverage directly to SHP, based upon a per participant rate, beginning July 1, 2005 until June 30, 2008, in lieu of paying the stated percentage of payroll to LGERS. The net difference of the amount paid to SHP and the accumulated amount due under the percentage of payroll calculation is \$810,538. It is not known at this time if the County will be required to pay this amount to LGERS or when any repayment may occur. Beginning July 1, 2008, the County began paying the required percentage of payroll to LGERS and ceased paying premiums directly to SHP for its retiree coverage.

**NOTE 7:** Subsequent Event

*Asset Sale* - Cape Fear Valley Health Systems exercised its option to purchase the real estate listed in the lease agreement with Bladen County. Therefore, all debt has been shown as current.

*Bond Issuance* – In August 2011, the North Carolina Local Government Commission approved the issuance of \$7,170,000 in water bonds for the County. This will enable the County to expand its water service area.

**NOTE 8:** Prior Period Adjustment

Due to the County adopting GASB 54, the Industrial Fund special revenue fund is being reported in the General Fund for the year ended June 30, 2011. The General Fund’s beginning balance is being increased by \$30,929, from the ending fund balance as of June 30, 2010 for the Industrial Fund.

## Required Supplementary Financial Data

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The section contains additional statements required by Generally Accepted Accounting Principles

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Law Enforcement Officers' Special Separation Allowance  
Schedule of Funding Progress

Law Enforcement Officers' Special Separation Allowance  
Schedule of Employer Contributions

Law Enforcement Officers' Special Separation Allowance  
Notes to the Required Schedules

Bladen County, North Carolina  
**Law Enforcement Officers' Special Separation Allowance**  
**Required Supplementary Information**  
**Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Projected Unit Credit (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b - a)/c)
12/31/2001	-	\$ 271,559	271,559	0.0%	1,144,543	23.73%
12/31/2002	-	242,476	242,476	0.0%	1,066,931	22.73%
12/31/2003	-	271,794	271,794	0.0%	1,039,360	26.15%
12/31/2004	-	282,762	282,762	0.0%	1,128,038	25.07%
12/31/2005	-	253,473	253,473	0.0%	1,285,553	19.72%
12/31/2006	-	287,143	287,143	0.0%	1,539,225	18.66%
12/31/2007	-	338,531	338,531	0.0%	1,682,283	20.12%
12/31/2008	-	367,284	367,284	0.0%	1,964,621	18.69%
12/31/2009	-	586,128	586,128	0.0%	2,057,212	28.49%
12/31/2010	-	604,914	604,914	0.0%	1,765,361	34.27%

Bladen County, North Carolina  
**Law Enforcement Officers' Special Separation Allowance**  
**Required Supplementary Information**  
**Schedule of Employer Contributions**

<u>Year Ended June 30,</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>	<u>Net Pension Obligation End of Year</u>
2004	35,818	23.36%	221,744
2005	38,049	21.18%	251,736
2006	40,107	16.85%	285,085
2007	38,439	17.14%	316,936
2008	43,828	15.03%	354,176
2009	48,651	3.83%	400,964
2010	55,148	12.35%	449,301
2011	73,044	52.45%	484,031

**Notes to the Required Schedules:**

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

Valuation Date	12/31/2010
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percent of Pay Closed
Remaining Amortization Period	20 Years
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Investment Rate of Return	5.00%
Projected Salary Increases	4.25-7.85%
Includes Inflation at	3.00%
Cost of Living Adjustments	None

Bladen County, North Carolina  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	Budget	Actual	Positive (Negative)
<b>Revenues:</b>			
Ad Valorem Taxes:			
Taxes		\$ 18,807,861	
Penalties and Interest		319,593	
Total	\$ 18,362,549	19,127,454	\$ 764,905
Local Option Sales Taxes:			
Article 39		1,458,791	
Article 40		1,471,056	
Article 42		864,328	
Article 44		(7,972)	
Total	3,527,743	3,786,203	258,460
Other Taxes and Licenses:			
Privilege Licenses		3,322	
Real Estate Transaction Tax		107,019	
Total	108,603	110,341	1,738
Restricted Intergovernmental:			
State and Federal Grants		8,942,861	
Controlled Substance Tax		-	
ABC Tax		4,474	
Facilities Fees		49,083	
Total	9,958,822	8,996,418	(962,404)
Permits and Fees:			
Building Permits and Inspection Fees		150,036	
Other Permits		16,913	
Register of Deeds		115,403	
Gun Permits		3,735	
Total	239,819	286,087	46,268
Sales and Services:			
Rent and Concessions		391,399	
Jail and Inmate Fees		30,943	
Administrative Fees		212,028	
Fees - Health Department		1,387,420	
Data Processing, Mapping, Tax Notices		16,376	
Recreation Fees		37,270	
Court Costs, Fees & Charges		70,394	
Miscellaneous Fees		63,304	
Library Fines, Fees, Contributions		18,565	
Environmental Health Fees		37,171	
Soil Conservation - Ad Sales		4,375	
Billing for EMS		2,485,289	
Economic Development Reimbursements		75,478	
Motor Pool Reimbursements		189,169	

Bladen County, North Carolina  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	Budget	Actual	Positive (Negative)
Sheriff Reimbursements		391,064	
Total	5,146,909	5,410,245	263,336
Investment Earnings	20,100	22,329	2,229
Miscellaneous:			
Sale of Assets/Insurance Claims		113,692	
VIPER Payments		49,217	
Miscellaneous		204,368	
Total	580,397	367,277	(213,120)
 TOTAL REVENUES	 37,944,942	 38,106,354	 161,412
<b>Expenditures:</b>			
General Government:			
Governing Body:			
Salaries		81,202	
Employee Benefits		10,624	
Capital Outlay		-	
Insurance and Bonds		648,312	
Other Operating Expenditures		304,952	
Special Appropriation		61,233	
Total	1,145,534	1,106,323	39,211
Administration:			
Salaries		134,742	
Employee Benefits		34,775	
Capital Outlay		-	
Other Operating Expenditures		13,698	
Total	182,866	183,215	(349)
Personnel:			
Salaries		72,874	
Employee Benefits		20,039	
Capital Outlay		-	
Other Operating Expenditures		3,503	
Total	98,917	96,416	2,501
Planning and Community Development:			
Salaries		69,288	
Employee Benefits		19,822	
Capital Outlay		-	
Other Operating Expenditures		3,345	
Total	94,840	92,455	2,385

Bladen County, North Carolina  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
<b>Elections:</b>			
Salaries		109,719	
Employee Benefits		32,135	
Capital Outlay		-	
Contracted Services		-	
Other Operating Expenditures		94,441	
Total	<u>258,599</u>	<u>236,295</u>	<u>22,304</u>
<b>Finance:</b>			
Salaries		186,172	
Employee Benefits		54,665	
Capital Outlay		11,138	
Other Operating Expenditures		51,339	
Total	<u>345,964</u>	<u>303,314</u>	<u>42,650</u>
<b>Taxes:</b>			
Salaries		240,211	
Employee Benefits		74,712	
Capital Outlay		5,377	
Other Operating Expenditures		155,392	
Professional Services		-	
Contracted Services		-	
Total	<u>506,197</u>	<u>475,692</u>	<u>30,505</u>
<b>Data Processing:</b>			
Salaries		48,049	
Employee Benefits		14,206	
Capital Outlay		-	
Other Operating Expenditures		74,052	
Total	<u>168,313</u>	<u>136,307</u>	<u>32,006</u>
<b>Mapping:</b>			
Salaries		70,775	
Employee Benefits		24,488	
Capital Outlay		-	
Other Operating Expenditures		11,907	
Total	<u>107,133</u>	<u>107,170</u>	<u>(37)</u>
<b>Register of Deeds:</b>			
Salaries		135,843	
Employee Benefits		42,689	
Capital Outlay		-	
Other Operating Expenditures		119,122	
Total	<u>310,929</u>	<u>297,654</u>	<u>13,275</u>

Bladen County, North Carolina  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Operational Services:			
Central Services and Administration:			
Salaries		159,733	
Employee Benefits		53,505	
Capital Outlay		5,200	
Other Operating Expenditures		508,105	
Contracted Services		-	
Total	<u>716,379</u>	<u>726,543</u>	<u>(10,164)</u>
Court Facilities:			
Capital Outlay		-	
Other Operating Expenditures		2,134	
Total	<u>45,100</u>	<u>2,134</u>	<u>42,966</u>
Central Services - Vehicle Maintenance:			
Salaries		69,094	
Employee Benefits		21,475	
Capital Outlay		-	
Other Operating Expenditures		610,940	
Total	<u>726,100</u>	<u>701,509</u>	<u>24,591</u>
Housekeeping:			
Salaries		149,651	
Employee Benefits		63,327	
Capital Outlay		-	
Other Operating Expenditures		32,377	
Total	<u>244,967</u>	<u>245,355</u>	<u>(388)</u>
Total General Government	<u>4,951,838</u>	<u>4,710,382</u>	<u>241,456</u>
Public Safety:			
Sheriff:			
Salaries		1,838,385	
Employee Benefits		691,509	
Capital Outlay		8,697	
Contracted Services		-	
Other Operating Expenditures		172,191	
Total	<u>2,713,035</u>	<u>2,710,782</u>	<u>2,253</u>
Communications:			
Salaries		317,483	
Employee Benefits		106,209	
Contracted Services-VIPER		-	
Capital Outlay		156,868	
Other Operating Expenditures		15,111	
Total	<u>663,550</u>	<u>595,671</u>	<u>67,879</u>

Bladen County, North Carolina  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
<b>Jail:</b>			
Salaries		616,072	
Employee Benefits		173,997	
Capital Outlay		4,314	
Contracted Services			
Professional Services		-	
Other Operating Expenditures		475,268	
Total	<u>1,279,307</u>	<u>1,269,651</u>	<u>9,656</u>
<b>Pre Trial Release</b>			
Salaries		40,318	
Employee Benefits		14,658	
Capital Outlay		-	
Other Operating Expenditures		15,069	
Total	<u>70,560</u>	<u>70,045</u>	<u>515</u>
<b>Animal Control:</b>			
Salaries		99,001	
Employee Benefits		31,983	
Capital Outlay		3,177	
Other Operating Expenditures		23,582	
Total	<u>182,061</u>	<u>157,743</u>	<u>24,318</u>
<b>Emergency Management:</b>			
Salaries		65,059	
Employee Benefits		15,478	
Capital Outlay		-	
Other Operating Expenditures		15,327	
Total	<u>107,527</u>	<u>95,864</u>	<u>11,663</u>
<b>Rescue Squads:</b>			
Salaries		1,414,258	
Employee Benefits		367,169	
Capital Outlay		513,919	
Contracted Services		182,865	
Bad Debts		400,756	
Other Operating Expenditures		367,597	
Total	<u>3,499,371</u>	<u>3,246,564</u>	<u>252,807</u>
<b>Inspection:</b>			
Salaries		179,048	
Employee Benefits		53,677	
Capital Outlay		-	
Other Operating Expenditures		9,796	
Total	<u>245,040</u>	<u>242,521</u>	<u>2,519</u>

Bladen County, North Carolina  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	Budget	Actual	Positive (Negative)
<b>Coroner:</b>			
Salaries		4,988	
Employee Benefits		571	
Professional Services		-	
Other Operating Expenditures		19,393	
Total	27,883	24,952	2,931
<b>Special Appropriations:</b>			
Forest Services	116,964	116,964	
Storm Preparation	1,535	1,653	
Beaver Control	5,200	5,200	
Total	123,699	123,817	(118)
Total Public Safety	8,912,033	8,537,610	374,423
<b>Economic and Physical Development:</b>			
Economic Development			
Salaries		118,611	
Employee Benefits		31,030	
Other Operating Expenditures		363,867	
Special Appropriations		1,530,993	
Capital Outlay		-	
Total	2,064,655	2,044,501	20,154
<b>Agricultural Extension:</b>			
Salaries		111,826	
Employee Benefits		31,474	
Capital Outlay		-	
Other Operating Expenditures		20,949	
Total	227,475	164,249	63,226
<b>Soil Conservation:</b>			
Salaries		77,786	
Employee Benefits		24,212	
Capital Outlay		-	
Other Operating Expenditures		6,703	
Total	127,848	108,701	19,147
<b>Special Appropriations:</b>			
Airport Contribution		40,000	
Total	40,000	40,000	-
Total Economic and Physical Dev.	2,459,978	2,357,451	102,527

Bladen County, North Carolina  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Human services:			
Health:			
Administration:			
Salaries		379,431	
Employee Benefits		119,625	
Capital Outlay		-	
Professional Services			
Other Operating Expenditures		73,990	
Total	<u>616,091</u>	<u>573,046</u>	<u>43,045</u>
Environmental Services:			
Salaries		133,356	
Employee Benefits		42,509	
Capital Outlay		-	
Other Operating Expenditures		9,208	
Total	<u>188,638</u>	<u>185,073</u>	<u>3,565</u>
Women, Infants, and Children:			
Salaries		134,464	
Employee Benefits		50,186	
Capital Outlay		-	
Other Operating Expenditures		29,264	
Total	<u>274,949</u>	<u>213,914</u>	<u>61,035</u>
Bio-Terrorism:			
Salaries		17,610	
Employee Benefits		5,863	
Other Operating Expenditures		96,750	
Capital Outlay		-	
Total	<u>132,800</u>	<u>120,223</u>	<u>12,577</u>
Family Planning:			
Salaries		198,490	
Employee Benefits		62,690	
Capital Outlay		-	
Other Operating Expenditures		81,432	
Total	<u>356,292</u>	<u>342,612</u>	<u>13,680</u>
Maternal:			
Salaries		335,422	
Employee Benefits		108,309	
Capital Outlay		-	
Professional Services		-	
Other Operating Expenditures		30,713	
Total	<u>578,298</u>	<u>474,444</u>	<u>103,854</u>

Bladen County, North Carolina  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	Budget	Actual	Positive (Negative)
<b>Tuberculosis:</b>			
Salaries		11,785	
Employee Benefits		3,486	
Capital Outlay		-	
Other Operating Expenditures		12,011	
Total	28,748	27,282	1,466
<b>Child Health</b>			
Salaries		173,169	
Employee Benefits		49,347	
Capital Outlay		-	
Other Operating Expenditures		22,725	
Total	280,463	245,241	35,222
<b>Care Management</b>			
Salaries		101,025	
Employee Benefits		33,070	
Capital Outlay		-	
Other Operating Expenditures		8,473	
Total	182,631	142,568	40,063
<b>Health Check and Promotion:</b>			
Salaries		100,377	
Employee Benefits		30,641	
Capital Outlay		-	
Other Operating Expenditures		27,496	
Total	183,314	158,514	24,800
<b>Home Health:</b>			
Salaries		451,015	
Employee Benefits		141,582	
Contracted Services		282,329	
Professional Services		-	
Capital Outlay		-	
Other Operating Expenditures		-	
Total	1,012,980	874,926	138,054

Bladen County, North Carolina  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
IAP:			
Salaries		-	
Employee Benefits		-	
Capital Outlay		-	
Other Operating Expenditures		11,282	
Total	<u>14,656</u>	<u>11,282</u>	<u>3,374</u>
H-CAP			
Salaries		187,620	
Employee Benefits		57,688	
Capital Outlay		-	
Other Operating Expenditures		54,754	
Total	<u>334,515</u>	<u>300,062</u>	<u>34,453</u>
Health Watch			
Salaries		28,136	
Employee Benefits		9,496	
Capital Outlay		-	
Other Operating Expenditures		1,102	
Total	<u>41,552</u>	<u>38,734</u>	<u>2,818</u>
Mental Health:			
Mental Health Expense		53,198	
Capital Outlay		-	
Total	<u>53,198</u>	<u>53,198</u>	<u>-</u>
Communicable Diseases	<u>9,650</u>	<u>9,412</u>	<u>238</u>
Extension Services			
Grants:			
Salaries		51,198	
Employee Benefits		19,652	
Capital Outlay		-	
Juvenile Services		63,638	
Other Operating Expenditures		10,162	
Total	<u>147,546</u>	<u>144,650</u>	<u>2,896</u>
Total Health	<u>4,436,321</u>	<u>3,915,181</u>	<u>521,140</u>

Bladen County, North Carolina  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
<b>Social services:</b>			
Salaries		3,228,910	
Employee Benefits		1,036,782	
Capital Outlay		-	
Professional Services		112,367	
Other Operating Expenditures		1,061,669	
Total	<u>6,245,121</u>	<u>5,439,728</u>	<u>805,393</u>
<b>Special Appropriations:</b>			
USDA Commodities		14,510	
Food Stamp Issuance		17,190	
Christmas Fund/Foster Care		2,964	
Emergency Relief Funds		1,225	
Blind Aid		4,849	
Special Assistance		430,934	
Assistance		2,169	
Medicaid		17,870	
Adoption Assistance		47,309	
Smart Start Vendor		141,759	
Day Care		1,163,428	
Foster Care		50,059	
Foster Care IV-E		15,940	
Storm Disaster		6,451	
Special Foster Care		1,039	
Total	<u>2,353,703</u>	<u>1,917,696</u>	<u>436,007</u>
Total Social Services	<u>8,598,824</u>	<u>7,357,424</u>	<u>1,241,400</u>
<b>Senior Citizens:</b>			
Salaries		482,255	
Employee Benefits		159,034	
Capital Outlay		-	
Other Operating Expenditures		154,001	
Total	<u>882,488</u>	<u>795,290</u>	<u>87,198</u>
<b>Veterans service officer:</b>			
Salaries		19,643	
Employee Benefits		4,853	
Capital Outlay		-	
Other Operating Expenditures		899	
Total	<u>24,294</u>	<u>25,395</u>	<u>(1,101)</u>
Total Human Services	<u>13,941,927</u>	<u>12,093,290</u>	<u>1,848,637</u>

Bladen County, North Carolina  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Cultural and Recreational:			
Recreation:			
Salaries		126,331	
Employee Benefits		36,852	
Capital Outlay		8,480	
Contracted Services		-	
Other Operating Expenditures		47,359	
Total	<u>228,775</u>	<u>219,022</u>	<u>9,753</u>
Library:			
Salaries		318,937	
Employee Benefits		109,626	
Capital Outlay		-	
Books		-	
Other Operating Expenditures		60,162	
Total	<u>503,032</u>	<u>488,725</u>	<u>14,307</u>
Special Appropriations:			
Other Charitable Organizations	<u>5,675</u>	<u>5,975</u>	<u>(300)</u>
Total Cultural and Recreational	<u>737,482</u>	<u>713,722</u>	<u>23,760</u>
Education:			
Public Schools:			
Current Expense		6,032,245	
Capital Outlay		-	
Special Projects		7,542	
1/2 Cent Paid to Schools		148,615	
Additional 1/2 Cent Paid to Schools		140,045	
Community Colleges:			
Current Expense		686,541	
Capital Outlay		-	
Scholarship		5,000	
Total Education	<u>7,068,480</u>	<u>7,019,988</u>	<u>48,492</u>
Debt Service:			
Principal Retirement		2,152,772	
Interest and Fees		780,674	
Total Debt Service	<u>3,556,803</u>	<u>2,933,446</u>	<u>623,357</u>
TOTAL EXPENDITURES	<u>41,628,541</u>	<u>38,365,889</u>	<u>3,262,652</u>
Revenues over(under) Expenditures	<u>(3,683,599)</u>	<u>(259,535)</u>	<u>3,424,064</u>

Bladen County, North Carolina  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	<u>Budget</u>	<u>Actual</u>	Positive (Negative)
Other financing sources (uses):			
Proceeds From Installment Purchases	901,078	901,078	-
Fund Balance Appropriated	2,893,294	-	(2,893,294)
Transfers (to)/from Other Funds:			
Hospital Rental Fund	(167,773)	(167,773)	-
Self Insured Fund	67,000	67,000	-
Emergency Telephone Fund	-	96,715	96,715
Fire District Fund	50,000	50,000	-
Industrial Fund	-	-	-
Re-Assessment Fund	(60,000)	(60,000)	-
Total Other Financing Sources (Uses)	<u>3,683,599</u>	<u>887,020</u>	<u>(2,796,579)</u>
Net Change In Fund Balance	<u>\$ -</u>	627,485	<u>\$ 627,485</u>
Fund Balance, Beginning		13,746,671	
Prior Period Adjustment		<u>30,929</u>	
Fund Balance, Beginning(restated)		<u>13,777,600</u>	
Fund Balance, Ending		<u>\$ 14,405,085</u>	

Bladen County, North Carolina  
**Re-Valuation Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues			
Investment Earnings	\$ -	\$ 667	\$ 667
Expenditures:			
General Government			
Salaries		-	
Employee Benefits		-	
Operating Supplies		-	
Contracted Services		-	
Capital Outlay		-	
Total Expenditures	-	-	-
Revenues Over (Under) Expenditures	-	667	667
Other Financing Sources (Uses):			
Operating Transfers from General Fund		60,000	60,000
Total Other Financing Sources (Uses)	-	60,000	60,000
Revenues and Other Financing Sources Over (Under) Uses	-	60,667	60,667
Fund Balance Appropriated		-	-
Net Change In Fund Balance	\$ -	60,667	\$ 60,667
Fund Balance, Beginning		499,610	
Fund Balance, Ending		\$ 560,277	

Bladen County, North Carolina  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
For the Fiscal Year Ended June 30, 2011

	Fire District Fund(All)	Emergency Telephone System Fund	CDBG 08-C-1816 Grant	Totals June 30, 2011
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 2,209,173	\$ 431,663	\$ -	\$ 2,640,836
Accounts Receivable	53,371	14	133,510	186,895
Taxes Receivable (Net)	220,307	-	-	220,307
<b>Total Assets</b>	<b>\$ 2,482,851</b>	<b>\$ 431,677</b>	<b>\$ 133,510</b>	<b>\$ 3,048,038</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts Payable and Accrued				
Liabilities	\$ -	\$ 7,580	\$ -	\$ 7,580
Due to Other Funds	-	-	133,510	133,510
Deferred Revenue	220,307	-	-	220,307
<b>Total Liabilities</b>	<b>220,307</b>	<b>7,580</b>	<b>133,510</b>	<b>361,397</b>
<b>Fund Balances:</b>				
Restricted				
Stabilization by State Statute	53,371	14	-	53,385
Public Safety	-	424,083	-	424,083
Fire Protection	2,209,173	-	-	2,209,173
Committed				
Economic Development	-	-	-	-
Assigned				
Subsequent Year's Expenditures	-	-	-	-
Unassigned	-	-	-	-
<b>Total Fund Balances</b>	<b>2,262,544</b>	<b>424,097</b>	<b>-</b>	<b>2,686,641</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 2,482,851</b>	<b>\$ 431,677</b>	<b>\$ 133,510</b>	<b>\$ 3,048,038</b>

Bladen County, North Carolina  
**Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
For the Fiscal Year Ended June 30, 2011

	Economic Development Fund	Fire District Fund(All)	Emergency Telephone System Fund	CDBG 08-C-1816 Grant	Totals June 30, 2011
<b>Revenues:</b>					
Ad Valorem Taxes	\$ -	\$ 971,284	\$ -	\$ -	\$ 971,284
Investment Earnings	-	3,077	687	-	3,764
Sales Tax Revenue	-	196,031	-	-	196,031
Restricted Intergovernmental	-	-	-	160,218	160,218
Other Taxes and Licenses					
Emerg. Telephone System Chgs	-	-	303,838	-	303,838
Rent	-	-	-	-	-
Miscellaneous	-	-	60	-	60
Total revenues	<u>-</u>	<u>1,170,392</u>	<u>304,585</u>	<u>160,218</u>	<u>1,635,195</u>
<b>Expenditures:</b>					
Current:					
Public Safety	-	1,073,194	192,696	-	1,265,890
General Government	-	-	-	-	-
Cultural and Recreational	-	-	-	-	-
Education	-	-	-	-	-
Debt Service	-	-	-	-	-
Economic and Physical Development	-	-	-	160,034	160,034
Total Expenditures	<u>-</u>	<u>1,073,194</u>	<u>192,696</u>	<u>160,034</u>	<u>1,425,924</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>97,198</u>	<u>111,889</u>	<u>184</u>	<u>209,271</u>
<b>Other Financing Sources:</b>					
Operating Transfers In	-	-	-	-	-
Operating Transfers (Out)	-	(50,000)	(96,715)	-	(146,715)
Proceeds from Installment Loan	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(50,000)</u>	<u>(96,715)</u>	<u>-</u>	<u>(146,715)</u>
Net Change In Fund Balance	-	47,198	15,174	184	62,556
Fund Balance, Beginning	30,929	2,215,346	408,923	(184)	2,655,014
Prior Period Adjustment	(30,929)	-	-	-	(30,929)
Fund Balance, Beginning(restated)	<u>-</u>	<u>2,215,346</u>	<u>408,923</u>	<u>(184)</u>	<u>2,624,085</u>
Fund Balance, Ending	<u>\$ -</u>	<u>\$ 2,262,544</u>	<u>\$ 424,097</u>	<u>\$ -</u>	<u>\$ 2,686,641</u>

Bladen County, North Carolina  
**Fire District Funds (All Fire Districts)**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 971,284	
Investment Earnings		3,077	
Sales Tax Revenue		196,031	
Total Revenues	\$ 916,667	1,170,392	\$ 253,725
Expenditures:			
Public Safety:			
Miscellaneous Expense		35,000	
Professional Services		-	
Capital Outlay		-	
Contracted Services		1,038,194	
Total Public Safety	1,154,445	1,073,194	81,251
Total Expenditures	1,154,445	1,073,194	81,251
Revenues Over (Under) Expenditures	(237,778)	97,198	334,976
Other Financing Sources (Uses):			
Transfer to General Fund	(50,000)	(50,000)	-
Total Other Financing Sources (Uses)	(50,000)	(50,000)	-
Revenues and Other Financing Sources Over (Under) Uses	(287,778)	47,198	334,976
Fund Balance Appropriated	287,778	-	(287,778)
Net Change In Fund Balance	\$ -	47,198	\$ 47,198
Fund Balance, Beginning		2,215,346	
Fund Balance, Ending		\$ 2,262,544	

Bladen County, North Carolina  
**Fire District Fund - Tobermory**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 66,077	
Investment Earnings		204	
Sales Tax Revenue		9,004	
Total Revenues	\$ 47,596	75,285	\$ 27,689
Expenditures:			
Public Safety:			
Miscellaneous Expense		-	
Professional Services		-	
Capital Outlay		-	
Contracted Services		76,224	
Total Public Safety	80,064	76,224	3,840
Total Expenditures	80,064	76,224	3,840
Revenues Over (Under) Expenditures	(32,468)	(939)	31,529
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	(32,468)	(939)	31,529
Fund Balance Appropriated	32,468	-	(32,468)
Net Change In Fund Balance	\$ -	(939)	\$ (939)
Fund Balance, Beginning		133,379	
Fund Balance, Ending		\$ 132,440	

Bladen County, North Carolina  
**Fire District Funds- Ammon**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 51,708	
Investment Earnings		234	
Sales Tax Revenue		10,179	
Total Revenues	\$ 50,225	62,121	\$ 11,896
Expenditures:			
Public Safety:			
Miscellaneous Expense		-	
Professional Services		-	
Capital Outlay		-	
Contracted Services		59,852	
Total Public Safety	59,852	59,852	-
Total Expenditures	59,852	59,852	-
Revenues Over (Under) Expenditures	(9,627)	2,269	11,896
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	(9,627)	2,269	11,896
Fund Balance Appropriated	9,627	-	(9,627)
Net Change In Fund Balance	\$ -	2,269	\$ 2,269
Fund Balance, Beginning		175,783	
Fund Balance, Ending		\$ 178,052	

Bladen County, North Carolina  
**Fire District Fund - Clarkton**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 51,893	
Investment Earnings		93	
Sales Tax Revenue		10,788	
Total Revenues	\$ 48,894	62,774	\$ 13,880
Expenditures:			
Public Safety:			
Miscellaneous Expense		20,000	
Professional Services		-	
Capital Outlay		-	
Contracted Services		64,299	
Total Public Safety	84,299	84,299	-
Total Expenditures	84,299	84,299	-
Revenues Over (Under) Expenditures	(35,405)	(21,525)	13,880
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	(35,405)	(21,525)	13,880
Fund Balance Appropriated	35,405	-	(35,405)
Net Change In Fund Balance	\$ -	(21,525)	\$ (21,525)
Fund Balance, Beginning		79,828	
Fund Balance, Ending		\$ 58,303	

Bladen County, North Carolina  
**Fire District Fund - East Arcadia**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 22,458	
Investment Earnings		69	
Sales Tax Revenue		4,361	
Total Revenues	\$ 22,288	26,888	\$ 4,600
Expenditures:			
Public Safety:			
Miscellaneous Expense		-	
Professional Services		-	
Capital Outlay		-	
Contracted Services		19,787	
Total Public Safety	22,288	19,787	2,501
Total Expenditures	22,288	19,787	2,501
Revenues Over (Under) Expenditures	-	7,101	7,101
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	-	7,101	7,101
Fund Balance Appropriated		-	-
Net Change In Fund Balance	\$ -	7,101	\$ 7,101
Fund Balance, Beginning		46,832	
Fund Balance, Ending		\$ 53,933	

Bladen County, North Carolina  
**Fire District Fund - Hickory Grove**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 38,475	
Investment Earnings		135	
Sales Tax Revenue		7,793	
Total Revenues	\$ 41,300	46,403	\$ 5,103
Expenditures:			
Public Safety:			
Miscellaneous Expense		15,000	
Professional Services		-	
Capital Outlay		-	
Contracted Services		28,019	
Total Public Safety	45,520	43,019	2,501
Total Expenditures	45,520	43,019	2,501
Revenues Over (Under) Expenditures	(4,220)	3,384	7,604
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	(4,220)	3,384	7,604
Fund Balance Appropriated	4,220	-	(4,220)
Net Change In Fund Balance	\$ -	3,384	\$ 3,384
Fund Balance, Beginning		88,402	
Fund Balance, Ending		\$ 91,786	

Bladen County, North Carolina  
**Fire District Fund - Kelly**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 36,942	
Investment Earnings		109	
Sales Tax Revenue		7,550	
Total Revenues	\$ 35,799	44,601	\$ 8,802
Expenditures:			
Public Safety:			
Miscellaneous Expense		-	
Professional Services		-	
Capital Outlay		-	
Contracted Services		30,336	
Total Public Safety	35,799	30,336	5,463
Total Expenditures	35,799	30,336	5,463
Revenues Over (Under) Expenditures	-	14,265	14,265
Other Financing Sources (Uses):			
Transfer to General Fund	-		-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	-	14,265	14,265
Fund Balance Appropriated		-	-
Net Change In Fund Balance	\$ -	14,265	\$ 14,265
Fund Balance, Beginning		68,151	
Fund Balance, Ending		\$ 82,416	

Bladen County, North Carolina  
**Fire District Fund - White Lake**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 33,849	
Investment Earnings		71	
Sales Tax Revenue		7,244	
Total Revenues	\$ 37,671	41,164	\$ 3,493
Expenditures:			
Public Safety:			
Miscellaneous Expense		-	
Professional Services		-	
Capital Outlay		-	
Contracted Services		36,623	
Total Public Safety	37,671	36,623	1,048
Total Expenditures	37,671	36,623	1,048
Revenues Over (Under) Expenditures	-	4,541	4,541
Other Financing Sources (Uses):			
Transfer to General Fund		-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	-	4,541	4,541
Fund Balance Appropriated		-	-
Net Change In Fund Balance	\$ -	4,541	\$ 4,541
Fund Balance, Beginning		49,798	
Fund Balance, Ending		\$ 54,339	

Bladen County, North Carolina  
**Fire District Fund - White Oak**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 52,492	
Investment Earnings		250	
Sales Tax Revenue		10,040	
Total Revenues	\$ 47,571	62,782	\$ 15,211
Expenditures:			
Public Safety:			
Miscellaneous Expense		-	
Professional Services		-	
Capital Outlay		-	
Contracted Services		37,376	
Total Public Safety	47,571	37,376	10,195
Total Expenditures	47,571	37,376	10,195
Revenues Over (Under) Expenditures	-	25,406	25,406
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	-	25,406	25,406
Fund Balance Appropriated	-	-	-
Net Change In Fund Balance	\$ -	25,406	\$ 25,406
Fund Balance, Beginning		176,537	
Fund Balance, Ending		\$ 201,943	

Bladen County, North Carolina  
**Fire District Fund - Tar Heel**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 100,487	
Investment Earnings		187	
Sales Tax Revenue		25,825	
Total Revenues	\$ 107,989	126,499	\$ 18,510
Expenditures:			
Public Safety:			
Miscellaneous Expense		-	
Professional Services		-	
Capital Outlay		-	
Contracted Services		120,404	
Total Public Safety	121,405	120,404	1,001
Total Expenditures	121,405	120,404	1,001
Revenues Over (Under) Expenditures	(13,416)	6,095	19,511
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	(13,416)	6,095	19,511
Fund Balance Appropriated	13,416	-	(13,416)
Net Change In Fund Balance	\$ -	6,095	\$ 6,095
Fund Balance, Beginning		124,550	
Fund Balance, Ending		\$ 130,645	

Bladen County, North Carolina  
**Fire District Fund - Bladenboro**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 111,012	
Investment Earnings		336	
Sales Tax Revenue		23,042	
Total Revenues	\$ 114,897	134,390	\$ 19,493
Expenditures:			
Public Safety:			
Miscellaneous Expense		-	
Professional Services		-	
Capital Outlay		-	
Contracted Services		73,179	
Total Public Safety	114,897	73,179	41,718
Total Expenditures	114,897	73,179	41,718
Revenues Over (Under) Expenditures	-	61,211	61,211
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	-	61,211	61,211
Fund Balance Appropriated		-	-
Net Change In Fund Balance	\$ -	61,211	\$ 61,211
Fund Balance, Beginning		227,124	
Fund Balance, Ending		\$ 288,335	

Bladen County, North Carolina  
**Fire District Fund - Carvers Creek**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 38,444	
Investment Earnings		123	
Sales Tax Revenue		7,431	
Total Revenues	\$ 37,251	45,998	\$ 8,747
Expenditures:			
Public Safety:			
Miscellaneous Expense		-	
Professional Services		-	
Capital Outlay		-	
Contracted Services		35,494	
Total Public Safety	37,251	35,494	1,757
Total Expenditures	37,251	35,494	1,757
Revenues Over (Under) Expenditures	-	10,504	10,504
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	-	10,504	10,504
Fund Balance Appropriated	-	-	-
Net Change In Fund Balance	\$ -	10,504	\$ 10,504
Fund Balance, Beginning		81,741	
Fund Balance, Ending		\$ 92,245	

Bladen County, North Carolina  
**Fire District Fund - Lisbon**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 73,775	
Investment Earnings		246	
Sales Tax Revenue		14,686	
Total Revenues	\$ 76,944	88,707	\$ 11,763
Expenditures:			
Public Safety:			
Miscellaneous Expense		-	
Professional Services		-	
Capital Outlay		-	
Contracted Services		69,916	
Total Public Safety	76,944	69,916	7,028
Total Expenditures	76,944	69,916	7,028
Revenues Over (Under) Expenditures	-	18,791	18,791
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	-	18,791	18,791
Fund Balance Appropriated		-	-
Net Change In Fund Balance	\$ -	18,791	\$ 18,791
Fund Balance, Beginning		175,074	
Fund Balance, Ending		\$ 193,865	

Bladen County, North Carolina  
**Fire District Fund - Elizabethtown**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 91,260	
Investment Earnings		259	
Sales Tax Revenue		17,881	
Total Revenues	\$ 86,416	109,400	\$ 22,984
Expenditures:			
Public Safety:			
Miscellaneous Expense		-	
Professional Services		-	
Capital Outlay		-	
Contracted Services		90,915	
Total Public Safety	90,916	90,915	1
Total Expenditures	90,916	90,915	1
Revenues Over (Under) Expenditures	(4,500)	18,485	22,985
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	(4,500)	18,485	22,985
Fund Balance Appropriated	4,500	-	(4,500)
Net Change In Fund Balance	\$ -	18,485	\$ 18,485
Fund Balance, Beginning		185,926	
Fund Balance, Ending		\$ 204,411	

Bladen County, North Carolina  
**Fire District Fund - Dublin**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 105,864	
Investment Earnings		412	
Sales Tax Revenue		20,194	
Total Revenues	\$ 94,617	126,470	\$ 31,853
Expenditures:			
Public Safety:			
Miscellaneous Expense		-	
Professional Services		-	
Capital Outlay		-	
Contracted Services		185,278	
Total Public Safety	216,274	185,278	30,996
Total Expenditures	216,274	185,278	30,996
Revenues Over (Under) Expenditures	(121,657)	(58,808)	62,849
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	(121,657)	(58,808)	62,849
Fund Balance Appropriated	121,657	-	(121,657)
Net Change In Fund Balance	\$ -	(58,808)	\$ (58,808)
Fund Balance, Beginning		336,537	
Fund Balance, Ending		\$ 277,729	

Bladen County, North Carolina  
**Fire District Fund - Bay Tree**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 67,041	
Investment Earnings		94	
Sales Tax Revenue		12,329	
Total Revenues	\$ 68,409	79,464	\$ 11,055
Expenditures:			
Public Safety:			
Miscellaneous Expense		-	
Professional Services		-	
Capital Outlay		-	
Contracted Services		110,492	
Total Public Safety	119,493	110,492	9,001
Total Expenditures	119,493	110,492	9,001
Revenues Over (Under) Expenditures	(51,084)	(31,028)	20,056
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	(51,084)	(31,028)	20,056
Fund Balance Appropriated	51,084	-	(51,084)
Net Change In Fund Balance	\$ -	(31,028)	\$ (31,028)
Fund Balance, Beginning		69,915	
Fund Balance, Ending		\$ 38,887	

Bladen County, North Carolina  
**Fire District Fund - General County**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 29,507	
Investment Earnings		255	
Sales Tax Revenue		7,684	
Total Revenues	\$ 34,599	37,446	\$ 2,847
Expenditures:			
Public Safety:			
Miscellaneous Expense		-	
Professional Services		-	
Capital Outlay		-	
Contracted Services		-	
Total Public Safety	-	-	-
Total Expenditures	-	-	-
Revenues Over (Under) Expenditures	34,599	37,446	2,847
Other Financing Sources (Uses):			
Transfer to General Fund	(50,000)	(50,000)	-
Total Other Financing Sources (Uses)	(50,000)	(50,000)	-
Revenues and Other Financing Sources Over (Under) Uses	(15,401)	(12,554)	2,847
Fund Balance Appropriated	15,401	-	(15,401)
Net Change In Fund Balance	\$ -	(12,554)	\$ (12,554)
Fund Balance, Beginning		195,769	
Fund Balance, Ending		\$ 183,215	

Bladen County, North Carolina  
**Emergency Telephone System Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other Taxes and Licenses			
Emergency Telephone System Charges		\$ 303,838	
Restricted Intergovernmental Grants		-	
Miscellaneous		60	
Investment Income		687	
Total Revenues	\$ 270,300	304,585	\$ 34,285
<b>Expenditures:</b>			
Public safety:			
Salaries		38,138	
Employee Benefits		12,076	
Contracted Services		48,638	
Operating Expenses		93,844	
Capital Outlay		-	
Total Expenditures	270,300	192,696	77,604
Debt Services:			
Principal Retirement		-	
Interest		-	
Total Debt Service	-	-	-
Total Expenditures	270,300	192,696	77,604
Revenues Over (Under) Expenditures	-	111,889	111,889
Other Financing Sources (Uses):			
Proceeds from Lease Purchase	-	-	-
Transfer to General Fund	-	(96,715)	(96,715)
Transfer from General Fund	-	-	-
Total Other Financing Sources (Uses)	-	(96,715)	(96,715)
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	-	15,174	15,174
Fund Balance Appropriated		-	-
Net Change In Fund Balance	\$ -	15,174	\$ 15,174
Fund Balance, Beginning		408,923	
Fund Balance, Ending		\$ 424,097	

Bladen County, North Carolina  
**Special Revenue Fund - CDBG 08-C-1816**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
From Inception and For the Fiscal Year Ended June 30, 2011

	Project Author - ization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
<b>Revenues:</b>					
Restricted intergovernmental Community Development Block Grant	\$ 400,000	\$ 239,782	\$ 160,218	\$ 400,000	\$ -
Interest Income	-	-	-	-	-
Total Revenues	<u>400,000</u>	<u>239,782</u>	<u>160,218</u>	<u>400,000</u>	<u>-</u>
<b>Expenditures:</b>					
Current:					
Economic and physical development:					
Administration	40,000	26,526	13,474	40,000	-
Planning	3,500	3,500	-	3,500	-
Clearance Activities	30,000	11,698	18,302	30,000	-
Relocation Assistance	326,500	198,242	128,258	326,500	-
Total expenditures	<u>400,000</u>	<u>239,966</u>	<u>160,034</u>	<u>400,000</u>	<u>-</u>
Revenues over expenditures	-	(184)	184	-	-
<b>Other Financing Sources (Uses):</b>					
Residual Equity Transfer from General Fund	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues, Other Sources Over (Under) Expenditures and Other Uses	<u>\$ -</u>	<u>\$ (184)</u>	184	<u>\$ -</u>	<u>\$ -</u>
Fund Balance, Beginning			(184)		
Fund Balance, Ending			<u>\$ -</u>		

Bladen County, North Carolina  
**Bladen County Hospital Rental Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual - (Non - GAAP)**  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Operating revenues:			
Rent	\$	\$ 1,186,574	\$
Other Revenue		-	
Total Operating Revenues	<u>1,100,000</u>	<u>1,186,574</u>	<u>86,574</u>
Nonoperating revenues:			
Interest Income		1,605	
Total Nonoperating Revenues	<u>-</u>	<u>1,605</u>	<u>1,605</u>
Total Revenues	1,100,000	1,188,179	88,179
Expenditures:			
Other Operating Expense		708,860	
	<u>750,000</u>	<u>708,860</u>	<u>41,140</u>
Debt Service:			
Principal Retirement		668,645	
Interest		25,549	
Total Debt Service	<u>700,000</u>	<u>694,194</u>	<u>5,806</u>
Capital Outlay	-	-	-
Total Expenditures	<u>1,450,000</u>	<u>1,403,054</u>	<u>46,946</u>
Revenues Over (Under) Expenditures	(350,000)	(214,875)	135,125
Other Financing Sources (Uses):			
Proceeds from Long-term Debt	-	-	-
Transfer	-	167,773	167,773
Sale of Assets	350,000	350,000	-
Fund Balance Appropriated	-	-	-
Total Other Financing Sources(Uses)	<u>350,000</u>	<u>517,773</u>	<u>167,773</u>
Revenues and Other Financing Sources			
Over (Under) Expenditures and Other Uses	\$ <u>-</u>	\$ <u>302,898</u>	\$ <u>302,898</u>

Bladen County, North Carolina  
**Bladen County Hospital Rental Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual - (Non - GAAP)**  
For the Fiscal Year Ended June 30, 2011

	2011		
	Budget	Actual	Variance Positive (Negative)
<b>Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:</b>			
Revenues Over (Under) Expenditures		\$ <u>302,898</u>	
Reconciling Items:			
Capital Outlay		-	
Proceeds for Long-term Debt		-	
Principal Payments on Capital Leases and Debt		668,645	
Amortized Gain on Sale of Operations		578,862	
Cost of Disposed Asset		(626,187)	
Depreciation		(586,132)	
Total Reconciling Items		<u>35,188</u>	
Change in Net Assets		\$ <u><u>338,086</u></u>	

Bladen County, North Carolina  
**Solid Waste Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual - (Non - GAAP)**  
For The Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Operating Revenues			
Fees Solid Waste Collection	\$	\$ 772,160	\$
Fees Solid Waste Disposal		1,037,561	
Fees Solid Waste Tipping		328,013	
Recyclable		61,281	
State Revenues		64,257	
Miscellaneous		2,529	
Total	<u>2,019,681</u>	<u>2,265,801</u>	<u>246,120</u>
Nonoperating revenues:			
State Grant		4,800	
Interest Earnings		1,242	
Total Nonoperating Revenues	<u>6,442</u>	<u>6,042</u>	<u>(400)</u>
Total Revenues	<u>2,026,123</u>	<u>2,271,843</u>	<u>245,720</u>
<b>Expenditures:</b>			
Salaries		283,349	
Employee Benefits		103,237	
Operating Expense		1,547,470	
Budgetary Appropriations			
Capital Outlay		-	
Interest Paid		-	
Principle Payments Capital Leases & Debt		-	
Total Expenditures	<u>2,026,123</u>	<u>1,934,056</u>	<u>92,067</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>337,787</u>	<u>337,787</u>
<b>Other Financing Sources:</b>			
Fund Balance Appropriated		-	
Loan Proceeds		-	
Total Other Financing Sources and (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	<u>\$ -</u>	<u>\$ 337,787</u>	<u>\$ 337,787</u>

Bladen County, North Carolina  
**Solid Waste Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual - (Non - GAAP)**  
For The Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	<u>Budget</u>	<u>Actual</u>	
<b>Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual (modified accrual) to full accrual:</b>			
Revenues and Other Sources Over (Under) Expenditures and Other Uses		\$ <u>337,787</u>	
Reconciling Items:			
Capital outlay		-	
Principal Payments on Capital Leases & Debt		-	
Loan Proceeds		-	
Adjustments:			
Bad Debts		(176,568)	
Depreciation		(197,982)	
Total Reconciling Items and Adjustments		<u>(374,550)</u>	
Change in Net Assets		<u>\$ (36,763)</u>	

Bladen County, North Carolina  
**Water District Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual - (Non-GAAP)**  
For The Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Operating Revenues			
Tap on Fees		\$ 27,725	
Water Sales		1,630,600	
Late and Reconnect Fees		68,185	
Miscellaneous		3,938	
Total Operating Revenues	\$ 1,848,067	1,730,448	\$ (117,619)
Nonoperating Revenues			
State Grant		-	
Interest on Investments		2,208	
Total Nonoperating Revenues	-	2,208	2,208
Total Revenues	1,848,067	1,732,656	(115,411)
Expenditures:			
Salaries		292,922	
Employee Benefits		101,695	
Operating Expenses		475,223	
Budgetary Appropriations:			
Capital Outlay		7,200	
Interest Paid		569,822	
Debt Principal		224,245	
Total Expenditures	1,848,067	1,671,107	176,960
Revenues Over (Under) Expenditures	-	61,549	61,549
Other Financing Sources and (Uses):			
Transfer to General Fund			
Transfer from Capital Project		29,965	
Total Other Financing Sources (Uses)	-	29,965	29,965
Revenues and Other Sources Over (Under) Expenses and Other Uses	-	91,514	91,514
Appropriated Fund Balance	-	-	-
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ -	\$ 91,514	\$ 91,514

Bladen County, North Carolina  
**Water District Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual - (Non-GAAP)**  
For The Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
<b>Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:</b>			
Revenues, Other Sources and Appropriated			
Fund Balance Over (Under)			
Expenditures and Other Uses		\$ 91,514	
Budgetary Appropriations:			
Capital Outlay		7,200	
Principal Payments		224,245	
Interest Earned on Capital Projects		1,004	
Transfer to Capital Projects		(29,965)	
Adjustments:			
Depreciation		(472,410)	
Total reconciling items		(269,926)	
Change in Net Assets		\$ (178,412)	

Bladen County, North Carolina  
**Water District Capital Project Fund - Phase IIC**  
**Schedule of Revenues and Expenditures - Budget and Actual - (Non - GAAP)**  
From Inception and for the Fiscal Year Ended June 30, 2011

	Project Authorization	Actual		Total to Date	Variance Positive (Negative)
		Prior Years	Current Year		
<b>Restricted Intergovernmental Revenues:</b>					
Tap Fees	\$ 20,400	\$ -	\$ -	\$ -	\$ (20,400)
Investment Earnings	-	4,205	1,004	5,209	5,209
Total Revenues	<u>20,400</u>	<u>4,205</u>	<u>1,004</u>	<u>5,209</u>	<u>(15,191)</u>
<b>Expenditures:</b>					
Phase IIIA					
Construction	4,970,100	4,292,452	591,774	4,884,226	85,874
Interest	197,300	90,370	59,559	149,929	47,371
Phase IIIB					
Construction	500,000	102,250	163,943	266,193	233,807
Interest	-	-	-	-	-
Total Expenditures	<u>5,667,400</u>	<u>4,485,072</u>	<u>815,276</u>	<u>5,300,348</u>	<u>367,052</u>
Revenues Over (Under) Expenditures	<u>(5,647,000)</u>	<u>(4,480,867)</u>	<u>(814,272)</u>	<u>(5,295,139)</u>	<u>(382,243)</u>
<b>Other Financing Sources (Uses):</b>					
Proceeds from BANS	4,496,000	4,496,000	-	4,496,000	-
Proceeds from USDA Bonds	4,496,000	-	4,496,000	4,496,000	-
FHMA Loan Proceeds	593,000	593,000	-	593,000	-
Debt Principle Payment	(4,496,000)	-	(4,496,000)	(4,496,000)	-
Transfer from Water District	558,000	547,867	(29,965)	517,902	(40,098)
Total Other Financing Sources (Uses)	<u>5,647,000</u>	<u>5,636,867</u>	<u>(29,965)</u>	<u>5,606,902</u>	<u>(40,098)</u>
Unexpended Revenues and Receipts	<u>\$ -</u>	<u>\$ 1,156,000</u>	<u>\$ (844,237)</u>	<u>\$ 311,763</u>	<u>\$ (422,341)</u>

Bladen County, North Carolina  
**Self Insured Internal Service Fund**  
**Schedule of Revenues and Expenditures**  
**Financial Plan and Actual - (Non-GAAP)**  
For The Fiscal Year Ended June 30, 2011

	Financial Plan	Actual	Variance Positive (Negative)
<b>Revenues:</b>			
Operating Revenues			
Premiums Received		-	
Total Operating Revenues	\$ -	-	\$ -
Nonoperating Revenues			
Interest on Investments		206	
Miscellaneous		-	
Total Nonoperating Revenues	830,879	206	(830,673)
Total Revenues	830,879	206	(830,673)
<b>Expenditures:</b>			
Claim Refund		2,025	
Claims			
Total Expenditures	568,369	2,025	566,344
Revenues Over (Under) Expenditures	262,510	(1,819)	(264,329)
<b>Other Financing Sources and (Uses):</b>			
Transfer to General Fund	(262,510)	(67,000)	(195,510)
Appropriated Fund Balance		-	-
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ -	\$ (68,819)	\$ (459,839)

**Reconciliation from Financial Plan basis (Modified Accrual) to Full Accrual:**

Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ (68,819)
Reconciling Items	
Capital Outlay	-
Total reconciling items	-
Net Income	\$ (68,819)

Bladen County, North Carolina  
**Agency Funds**  
**Combining Statement of Fiduciary Assets and Liabilities**  
For the Fiscal Year Ended June 30, 2011

	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
<b><u>Fines and Forfeitures</u></b>				
Assets:				
Cash and Investments	\$ -	\$ -	\$ -	\$ -
Liabilities:				
Miscellaneous Liabilities	-	-	-	-
<b><u>Social Services Fund</u></b>				
Assets:				
Cash and Investments	27,042	364,944	348,972	43,014
Liabilities:				
Miscellaneous Liabilities	27,042	364,944	348,972	43,014
<b><u>Motor Vehicle Tax</u></b>				
Assets:				
Cash and Cash Equivalents	26,370	348,269	351,886	22,753
Liabilities:				
Intergovernmental Payable	26,370	348,269	351,886	22,753
<b><u>Cafeteria Benefits</u></b>				
Assets:				
Cash and Investments	13,525	47,715	49,924	11,316
Liabilities:				
Miscellaneous Liabilities	13,525	47,715	49,924	11,316
<b><u>Concealed Handgun Permits</u></b>				
Assets:				
Cash and Investments	7,758	12,300	16,463	3,595
Liabilities:				
Miscellaneous Liabilities	7,758	12,300	16,463	3,595
<b><u>Sheriff's Civil Account</u></b>				
Assets:				
Cash and Investments	1,875	5,997	6,658	1,214
Liabilities:				
Miscellaneous Liabilities	1,875	5,997	6,658	1,214
<b>Totals - All Agency Funds</b>				
Assets:				
Cash and cash equivalents	76,570	779,225	773,903	81,892
Liabilities:				
Miscellaneous liabilities	50,200	430,956	422,017	59,139
Intergovernmental Payable	26,370	348,269	351,886	22,753
Total Liabilities	\$ 76,570	\$ 779,225	\$ 773,903	\$ 81,892

Bladen County, North Carolina  
**General Fund**  
**Schedule of Ad Valorem Taxes Receivable**  
June 30, 2011

Fiscal Year	Uncollected Balance June 30, 2010	Additions	Collections And Credits	Uncollected Balance June 30, 2011
2010-2011	\$ -	\$ 19,266,534	\$ 17,816,101	\$ 1,450,433
2009-2010	1,580,062	10,852	812,994	777,920
2008-2009	652,767	980	193,364	460,383
2007-2008	411,107	42	89,195	321,954
2006-2007	204,699	-	30,322	174,377
2005-2006	140,067	-	12,080	127,987
2004-2005	105,977	-	5,697	100,280
2003-2004	92,303	-	3,036	89,267
2002-2003	87,268	-	1,695	85,573
2001-2002	80,185	-	824	79,361
2000-2001	70,133	-	70,133	-
<b>TOTALS</b>	<b>\$ 3,424,568</b>	<b>\$ 19,278,408</b>	<b>\$ 19,035,441</b>	<b>3,667,535</b>

Less Allowance for Doubtful Accounts (770,000)  
\$ 2,897,535

Reconciliation with revenues:

Ad Valorem taxes - General Fund	\$ <u>19,127,454</u>
Reconciling items:	
Penalties and Interest	(319,593)
Release/Refunds	145,494
Discounts	<u>82,086</u>
Total Reconciling Items	<u>(92,013)</u>
 Total Collections and Credits	 \$ <u>19,035,441</u>

Bladen County, North Carolina  
**Analysis of Current Tax Levy**  
**County - Wide Levy**  
For the Fiscal Year Ended June 30, 2011

	County - wide			Total Levy	
	Property Valuation	Rate Per 100	Amount of Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property Taxes at Current Year Rate	\$ 2,605,619,730	0.74	\$ 19,281,586	\$ 17,606,119	\$ 1,675,467
				-	
Total Original Levy	<u>2,605,619,730</u>		<u>19,281,586</u>	<u>17,606,119</u>	<u>1,675,467</u>
Discoveries:					
Current year taxes	46,106,216	0.74	341,186	341,186	-
Total Discoveries	<u>46,106,216</u>		<u>341,186</u>	<u>341,186</u>	<u>-</u>
Abatements					
Current Year Taxes	(48,140,270)	0.74	(356,238)	(284,703)	(71,535)
Total Abatements	<u>(48,140,270)</u>		<u>(356,238)</u>	<u>(284,703)</u>	<u>(71,535)</u>
Total for Year	<u>\$ 2,603,585,676</u>		19,266,534	17,662,602	1,603,932
Uncollected taxes at June 30, 2011			<u>1,450,433</u>	<u>961,030</u>	<u>489,403</u>
Current year's taxes collected			<u>\$ 17,816,101</u>	<u>\$ 16,701,572</u>	<u>\$ 1,114,529</u>
Current levy collection percentage			<u>92.47%</u>	<u>94.56%</u>	<u>69.49%</u>

Bladen County, North Carolina  
**Analysis of Current Tax Levy**  
**County - Wide Levy**  
For the Fiscal Year Ended June 30, 2011

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**Secondary Market Disclosures:**

Assessed Valuation:	
Assessment Ratio <sup>1</sup>	100 %
Real Property	\$ 1,908,667,082
Personal Property	608,302,366
Public Service Companies <sup>2</sup>	<u>86,616,228</u>
Total Assessed Valuation	<u>2,603,585,676</u>
Tax Rate per \$100	0.0074
Levy (includes discoveries, releases and abatements) <sup>3</sup>	<u><u>\$ 19,266,534</u></u>

In addition to the County-wide rate, the following table lists the levies by the County on behalf and fire protection districts for the fiscal year ended June 30:

Fire Protection Districts	<u><u>\$ 965,763</u></u>
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<sup>1</sup> Percentage of appraised value has been established by statute.

<sup>2</sup> Valuation of railroads, telephone companies and other utilities as determined by the North Carolina Property Tax Commission.

<sup>3</sup> The levy includes interest and penalties.

Bladen County, North Carolina  
**Schedule of Ten Largest Taxpayers**  
For the Fiscal Year Ended June 30, 2011

Taxpayer	Type of Business	2010 Assessed Valuation	Percentage of Total Assessed Valuation
E.I. Dupont	Plastic & Resin Products	\$ 128,659,757	4.94 %
Smithfield Packing	Pork Processor	114,319,938	4.39
Browns Realty Partnership	Agricultural Processor	21,912,600	0.84
Murphy Brown Farms	Agricultural Processor	20,770,130	0.80
Four County Electric Membership	Utility	19,349,628	0.74
Cedartown Manufacturing	Manufacturer	19,076,401	0.73
Progressive Energy	Utility	11,920,670	0.46
Danaher Controls	Electronics	10,836,086	0.42
Carolina Cold Storage	Processed Pork Storage	10,505,027	0.40
Marlow Farms, LLC	Agricultural Processor	9,119,600	0.35
<b>Total</b>		<b>\$ <u>366,469,837</u></b>	<b><u>14.08 %</u></b>

## Compliance Section



CERTIFIED PUBLIC ACCOUNTANTS

R. Bryon Scott, CPA  
Gregory S. Adams, CPA  
Alan W. Thompson, CPA

Offices:  
Elizabethtown, NC  
Wilmington, NC  
Whiteville, NC

Report on Internal Control Over Financial Reporting And On Compliance  
and Other Matters Based on An Audit of Financial Statements  
Performed In Accordance With Government Auditing Standards

To the Board of County Commissioners  
Bladen County, North Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregated remaining fund information of the Bladen County, North Carolina, as of and for the year ended June 30, 2011, which collectively comprises the Bladen County's basic financial statements, and have issued our report thereon dated November 4, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of Bladen County is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Bladen County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Bladen County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. However, we did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above. However, we identified certain deficiencies in internal control financial reporting described in the accompanying, described in the accompanying schedule of findings and question cost that we consider to be significant deficiencies in internal control over financial reporting, 2011-1, 2011-2 and 2011-3. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bladen County financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and question costs. We did not audit the County's response and accordingly, we express no opinion on it.

This report is intended solely for the information and use of the audit committee, management, others within the entity, members of Board of Commissioners, and federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Thompson, Price, Scott, Adams & Co., P.A.*

*Thompson, Price, Scott, Adams & Co., PA*  
November 4, 2011



CERTIFIED PUBLIC ACCOUNTANTS

R. Bryon Scott, CPA  
Gregory S. Adams, CPA  
Alan W. Thompson, CPA

Offices:  
Elizabethtown, NC  
Wilmington, NC  
Whiteville, NC

Report on Compliance with Requirements Applicable to each Major Federal Program and Internal Control over Compliance in Accordance with OMB Circular A-133 and the State Single Audit Implementation Act.

To the Board of County Commissioners  
Bladen County, North Carolina

Compliance

We have audited the compliance of Bladen County, North Carolina, compliance with the types compliance requirements described in the (OMB) Circular A-133 Compliance Supplement and the Audit Manual for Governmental Auditors in North Carolina, issued by the Local Government Commission, that could have a direct and material effect on each of Bladen County major federal programs for the year ended June 30, 2011. Bladen County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Bladen County's management. Our responsibility is to express an opinion on Bladen County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Bladen County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Bladen County's compliance with those requirements.

In our opinion, Bladen County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

Management of Bladen County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Bladen County's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the audit committee, management, others within the entity, the County Commissioners, and federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Thompson, Price, Scott, Adams & Co., P.A.*

*Thompson, Price, Scott, Adams & Co., PA*  
November 4, 2011



CERTIFIED PUBLIC ACCOUNTANTS

R. Bryon Scott, CPA  
Gregory S. Adams, CPA  
Alan W. Thompson, CPA

Offices:  
Elizabethtown, NC  
Wilmington, NC  
Whiteville, NC

Report on Compliance with Requirements Applicable to each Major State  
Program and Internal Control over Compliance in Accordance with OMB  
Circular A-133 and the State Single Audit Implementation Act

To the Board of County Commissioners  
Bladen County, North Carolina

Compliance

We have audited the compliance of Bladen County, North Carolina, with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that are applicable to each of its major State programs for the year ended June 30, 2011. Bladen County's major State programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major State programs is the responsibility of Bladen County's management. Our responsibility is to express an opinion on Bladen County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; applicable sections of OMB Circular A-133 as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, applicable sections of OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have direct and material effect on a major State program occurred. An audit includes examining, on a test basis, evidence about Bladen County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Bladen County's compliance with those requirements.

In our opinion, Bladen County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major State programs for the year ended June 30, 2011.

Internal Control Over Compliance

Management of Bladen County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to State programs. In planning and performing our audit, we considered Bladen County's internal control over compliance with the requirements that could have a direct and material effect on a major State program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, and the State Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a State program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the audit committee, management, others within the entity, the County Commissioners, and federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Thompson, Price, Scott, Adams & Co., P.A.*

*Thompson, Price, Scott, Adams & Co., PA*  
November 4, 2011





BLADEN COUNTY, NORTH CAROLINA  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2011

**Section II. Financial Statement Findings**

SIGNIFICANT DEFICIENCY

2011 – 1 Segregation of Duties

Criteria: Duties should be segregated to provide reasonable assurance that transactions are handled appropriately.

Condition: There is a lack of segregation of duties among County personnel.

Effect: Transactions could be mishandled.

Cause: There are a limited number of personnel for certain functions.

Recommendation: The duties should be separated as much as possible and alternative controls should be used to compensate for lack of separation.

Views of responsible officials and planned corrective actions: Management is aware of the deficiency, but the cost-benefit analysis indicates that hiring more personnel to mitigate the issue is not feasible. Management will request board members' continued involvement by providing additional oversight.

2011 – 2 Reconciling of the Ad Valorem tax scroll and outstanding balances to the general ledger.

Criteria: During the year the tax scroll was not being reconciled to the general ledger. This led to monthly adjustments in order to balance the outstanding balance reports to general ledger.

Condition: Procedures were not in place for finance to pick all changes to the tax scroll in order to reconcile the general ledger to the tax office.

Effect: Monthly adjustments had to be made in order to reconcile the general ledger to outstanding tax balance reports.

Cause: Conversion of the tax software and changes in personnel in the tax office.

Recommendation: Create procedures that will explain monthly changes to the tax scroll in order for the finance department to change the general ledger and reconcile outstanding balances to the accounts receivables on the general ledger.

Views of responsible officials and planned corrective actions: The County agrees with this finding. Additional procedures are being evaluated and will be set in place. The governing board will continue to monitor this until it is resolved.

2011 – 3 Abatement of taxes from the levied tax scroll.

Criteria: During the year the policies were changed which allowed anyone in the tax office to abate amounts from the tax scroll.

Condition: Abatements were made by persons who were also collecting payments and were able to do so without approval.

Effect: The tax scroll was vulnerable to change by anyone for any reason.

Cause: Control procedures were modified to give tellers ability to abate taxes within the tax office software.

Recommendation: Create new controls to safeguard the scroll and will allow a person separate from scroll maintenance and collections to approve all abatements before being sent to the Board for their approval.

Views of responsible officials and planned corrective actions: The County agrees with this finding. Management immediately implemented a new policy for abatements.

BLADEN COUNTY, NORTH CAROLINA  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2011

**III. Federal and State Awards Findings and Questioned Costs**

None reported.

BLADEN COUNTY, NORTH CAROLINA  
Corrective Action Plan  
For the Year Ended June 30, 2011

**Section II – Financial Statement Findings**

SIGNIFICANT DEFICIENCY

2011 - 1 Segregation of Duties

Name of contact person: Billy Ray Pait, Chairperson

Corrective Action: The duties will be separated as much as possible and alternative controls will be used to compensate for lack of separation.

Proposed Completion Date: Certain alternative controls have been established and personnel are being trained. Management will continue to monitor the progress of this issue and modify the controls as needed.

2011 – 2 Reconciling of the Ad Valorem tax scroll and outstanding balances to the general ledger.

Name of contact person: Billy Ray Pait, Chairperson

Corrective Action: The finance officer and tax assessor are planning to meet and discuss procedures that can be done to ensure all changes to the scroll are reconciled to the general ledger and will allow the accounts receivables to tie to tax office reports.

Proposed Completion Date: This is being done now. Management will continue to monitor the progress of this issue and modify the controls as needed.

2011 – 3 Abatement of taxes from the levied tax scroll.

Name of contact person: Billy Ray Pait, Chairperson

Corrective Action: New controls will be put in place.

Proposed Completion Date: Management will continue to monitor the progress of this issue and modify the controls as needed.

BLADEN COUNTY, NORTH CAROLINA  
Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2011

Finding: 2010-1 & 2009-1  
Status: Duties are being separated as much as possible and alternative controls are being implemented to compensate for lack of separation. Other employees from other departments are assisting and the finance department has implemented compensating controls to monitor revenues from those departments.

Finding: 2009-2  
Status: This finding is still occurring. However, it has been corrected for the 2011 fiscal year end.

Finding: 2009-3  
Status: This finding is still occurring. However, it has been corrected for the 2011 fiscal year end.

Finding: 2010-2  
Status: This finding is still occurring.

Finding: 2010-3  
Status: This finding has been corrected.

Finding: 2010-4  
Status: This finding has been corrected.

Finding: 2010-5  
Status: This finding is still occurring.

Finding: 2010-6  
Status: This finding is still occurring.