

**BLADEN COUNTY, NORTH CAROLINA
FINANCIAL STATEMENTS
June 30, 2015**

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June 30, 2015

COUNTY MANAGER

Greg Martin

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COUNTY OFFICIALS

Lisa Coleman
Finance Officer

Johnson Law Firm
County Attorney

BLADEN COUNTY
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Financial Section



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Independent Auditors' Report

To the Board of County Commissioners
Bladen County, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Bladen County, North Carolina, as of and for the year then ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Bladen County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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 from material misstatement.

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

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

Opinions

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Bladen County, North Carolina as of June 30, 2015, 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 accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (pages 3 through 8) and the Law Enforcement Officers' Special Separation Allowance Schedules of Funding Progress and Employer Contributions (page 52), the Local Government Employees' Retirement System Schedules of the County's Proportionate Share of Net Pension Asset and County Contributions (pages 53-54), and the Register of Deeds' Supplemental Pension Fund Schedule of the County's Proportionate Share of the Net Pension Asset and Schedule of County Contributions (pages 55-56), be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of Bladen County, North Carolina. The combining and individual fund statements, budgetary schedules, other schedules, statistical section as well as the accompanying Schedule of Expenditures of Federal and State Awards, as required by 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 financial statements, budgetary schedules, other schedules and the Schedule of Expenditures of Federal and State Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us. In our opinion, based on our audit, the procedures performed as described above, the combining and individual fund financial statements, budgetary schedules, other schedules, and the Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2015 on our consideration of Bladen County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Bladen County's internal control over financial reporting and compliance.

Thompson, Price, Scott, Adams & Co., PA

*Elizabethtown, North Carolina
December 31, 2015*

Management's Discussion and Analysis

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, 2015. 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

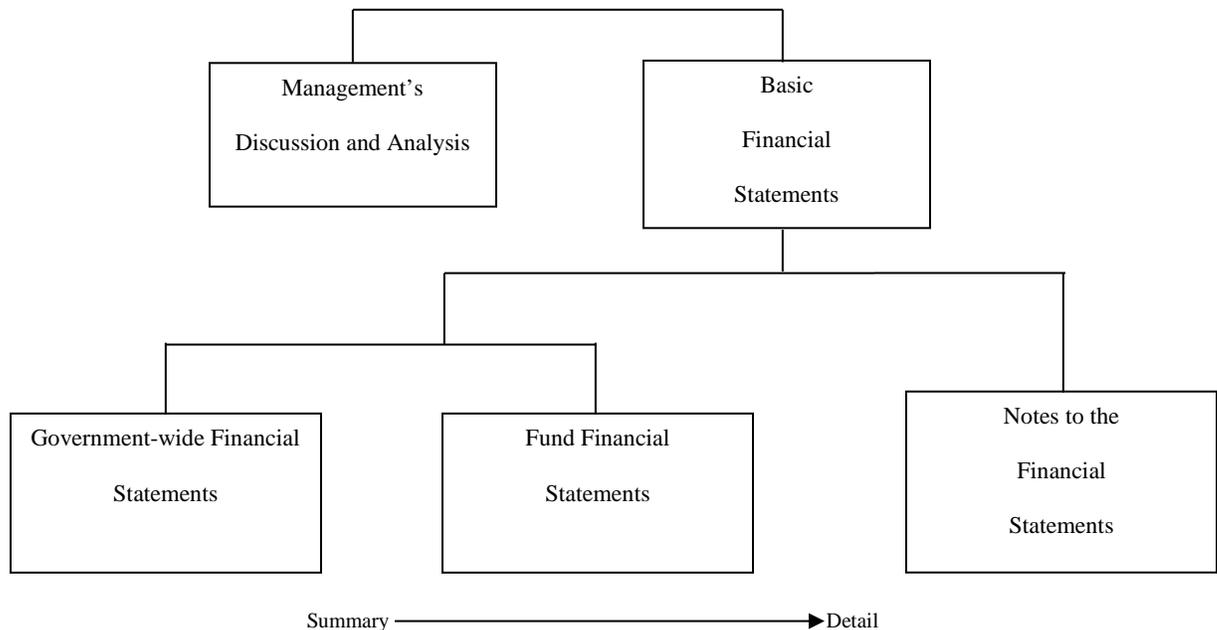
- The assets and deferred outflows of resources of Bladen County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$30,337,633 (*net position*).
- The County's total net position increased by \$1,176,244, primarily due to conservative budget practices throughout the governmental activities.
- As of the close of the current fiscal year, Bladen County's general fund reported ending fund balance of \$15,534,846, a decrease of \$1,403,360. Approximately 23 percent of this total amount, or \$3,450,104, is restricted or nonspendable.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$10,262,049, or 24 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 \$2,830,458 during this fiscal year. During the year the County made all scheduled debt service payments and incurred new installment purchase debt for equipment and vehicles.
- Moody's Investors Service has given Bladen County a "Aa3" bond rating.

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.

Following the notes is the required supplemental information. This section contains funding information about the County's pension plans.

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 position and how it has changed. Net position is the difference between the County's total assets and deferred outflows of resources and total liabilities and total deferred inflows of resources. Measuring net position 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 Position 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 solid waste operations. These funds are the same as those separate activities shown in the business-type activities in the Statement of Net Position 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.

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

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as one useful indicator of a government’s financial condition. The assets and deferred outflows of resources of Bladen County exceeded its liabilities and deferred inflows of resources by \$30,337,633 as of June 30, 2015. The County’s net position increased by \$1,176,244 for the fiscal year ended June 30, 2015. One of the largest portions \$15,693,676 (52%) reflects the County’s net investment in capital assets (e.g. land, buildings, machinery and equipment). Bladen County uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Bladen County’s net 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 position \$6,369,388 (21%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$8,274,569 (27%) is unrestricted.

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

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Assets						
Current and Other Assets	\$ 26,675,092	\$ 27,609,059	\$ 4,128,969	\$ 3,993,126	\$ 30,804,061	\$ 31,602,185
Capital Assets, Net of Depreciation	12,536,339	11,516,135	26,949,362	27,823,749	39,485,701	39,339,884
Total Assets	<u>39,211,431</u>	<u>39,125,194</u>	<u>31,078,331</u>	<u>31,816,875</u>	<u>70,289,762</u>	<u>70,942,069</u>
Deferred Outflows of Resources	<u>1,209,086</u>	<u>493,504</u>	<u>183,406</u>	<u>160,656</u>	<u>1,392,492</u>	<u>654,160</u>
Liabilities						
Long-term Debt Outstanding	11,428,925	13,637,714	19,374,631	19,996,300	30,803,556	33,634,014
Other Liabilities	6,241,891	5,985,549	993,277	993,218	7,235,168	6,978,767
Total liabilities	<u>17,670,816</u>	<u>19,623,263</u>	<u>20,367,908</u>	<u>20,989,518</u>	<u>38,038,724</u>	<u>40,612,781</u>
Deferred Inflows of Resources	<u>3,177,563</u>	<u>85,949</u>	<u>128,334</u>	<u>-</u>	<u>3,305,897</u>	<u>85,949</u>
Net Position						
Net Investment in Capital Assets	8,641,773	7,120,958	7,051,903	7,280,142	15,693,676	14,401,100
Restricted	6,184,454	6,586,559	184,934	86,937	6,369,388	6,673,496
Unrestricted(Deficit)	4,745,911	6,201,969	3,528,658	3,620,934	8,274,569	9,822,903
Total Net Position	<u>\$ 19,572,138</u>	<u>\$ 19,909,486</u>	<u>\$ 10,765,495</u>	<u>\$ 10,988,013</u>	<u>\$ 30,337,633</u>	<u>\$ 30,897,499</u>

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

- Continued diligence in the collection of property taxes by maintaining a collection percentage of 95.83%, and motor vehicles rate of 99.86%, for a combined total of 96.21%.
- Continued low cost of debt due to the County’s high bond rating.

Bladen County's Changes in Net Position
Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues						
Program Revenues						
Charges for Services	\$ 5,826,567	\$ 5,732,411	\$ 4,250,418	\$ 4,300,067	\$ 10,076,985	\$ 10,032,478
Operating Grant & Contributions	8,728,133	8,588,875	21,553	5,295	8,749,686	8,594,170
Capital Grants and Contributions	146,009	175,515	-	-	146,009	175,515
General Revenue						
Property Taxes	21,465,047	21,841,667	-	-	21,465,047	21,841,667
Other Taxes	4,911,959	4,722,576	-	-	4,911,959	4,722,576
Investment Earnings	15,474	18,200	763	713	16,237	18,913
Other	211,837	369,183	-	-	211,837	369,183
Total Revenues	<u>41,305,026</u>	<u>41,448,427</u>	<u>4,272,734</u>	<u>4,306,075</u>	<u>45,577,760</u>	<u>45,754,502</u>
Expenses						
General Government	5,035,818	5,181,741	-	-	5,035,818	5,181,741
Public Safety	11,502,135	10,794,396	-	-	11,502,135	10,794,396
Economic and Physical Development	1,272,284	1,372,140	-	-	1,272,284	1,372,140
Human Services	12,707,663	12,301,856	-	-	12,707,663	12,301,856
Cultural and Recreational	726,446	849,663	-	-	726,446	849,663
Education	8,111,867	7,392,683	-	-	8,111,867	7,392,683
Interest on Long-Term Debt	480,413	558,280	-	-	480,413	558,280
Hospital	-	-	258,158	260,534	258,158	260,534
Solid Waste	-	-	2,146,020	2,126,356	2,146,020	2,126,356
Water District	-	-	2,160,712	2,442,610	2,160,712	2,442,610
Total Expenses	<u>39,836,626</u>	<u>38,450,759</u>	<u>4,564,890</u>	<u>4,829,500</u>	<u>44,401,516</u>	<u>43,280,259</u>
Increase(decrease) in Net Position Before Transfers	1,468,400	2,997,668	(292,156)	(523,425)	1,176,244	2,474,243
Transfers	(141,102)	-	141,102	-	-	-
Increase(Decrease) in Net Position	1,327,298	2,997,668	(151,054)	(523,425)	1,176,244	2,474,243
Net Position - Beginning(restated)	18,244,840	16,911,818	10,916,549	11,511,438	29,161,389	28,423,256
Net Position - Ending	<u>\$ 19,572,138</u>	<u>\$ 19,909,486</u>	<u>\$ 10,765,495</u>	<u>\$ 10,988,013</u>	<u>\$ 30,337,633</u>	<u>\$ 30,897,499</u>

Governmental activities. Governmental activities increased the County's net position by \$1,327,298, thereby accounting for 100% of the total growth in the net position for the County. Key elements of this increase are 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 decreased the County's net position by \$151,054. Key elements of this decrease are as follows:

- The Solid Waste and Water District funds' revenue remained consistent while operating expenses decrease.

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 financing requirements. Specifically, fund balance available 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 \$10,262,049, while total fund balance reached \$15,534,846. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 24 percent of total General Fund expenditures, while total fund balance represents 47 percent of that same amount.

At June 30, 2015, the governmental funds of Bladen County reported a combined fund balance of \$18,673,516. The primary reason for the fund balance increase in the general fund was the increase in property taxes from the new billing and collection system.

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 position of Hospital Rental Fund at the end of their fiscal year amounted to \$0, and those of the Landfill Fund at the end of the fiscal year amounted to \$1,810,718 and those for the Water District equaled \$1,902,820. Total net position for the Water Fund at the end of the fiscal year was \$0, as its sole purpose is to report the limited obligation bonds issued to allow the Water District to refund certain debt. Which are reported within both fund reporting statements, but are eliminated in the government wide statements. 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, 2015, totals \$37,130,394 (net of accumulated depreciation). These assets include buildings, land, machinery and equipment, park facilities, and vehicles.

Major capital asset transactions during the year include:

- Equipment and vehicles purchased in the government activities.

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

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$ 263,250	\$ 363,460	\$ 981,481	\$ 981,481	\$ 1,244,731	\$ 1,344,941
Buildings	3,601,872	3,828,977	25,421,525	26,365,018	29,023,397	30,193,995
Improvements	3,044,781	2,965,510	-	-	3,044,781	2,965,510
Equipment	3,354,193	3,389,645	420,583	348,778	3,774,776	3,738,423
Vehicles and Motor Equipment	1,161,667	968,543	125,773	128,472	1,287,440	1,097,015
Construction in Progress	1,110,576	-	-	-	1,110,576	-
	<u>\$ 12,536,339</u>	<u>\$ 11,516,135</u>	<u>\$ 26,949,362</u>	<u>\$ 27,823,749</u>	<u>\$ 39,485,701</u>	<u>\$ 39,339,884</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, 2015, Bladen County had total bonded debt outstanding of \$30,936,085, all of which is debt backed by the full faith and credit of the County.

**Bladen County’s Outstanding Debt
Figure 5**

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
General Obligation Bonds	\$ 10,063,960	\$ 11,895,540	\$ 8,260,000	\$ 8,550,000	\$ 18,323,960	\$ 20,445,540
Limited Obligation Bonds	-	-	8,260,000	8,550,000	8,260,000	8,550,000
Revenue Bonds	-	-	10,269,136	10,490,545	10,269,136	10,490,545
Capitalized Leases	-	-	-	-	-	-
Installment Purchases	2,675,606	3,074,637	1,368,323	1,503,062	4,043,929	4,577,699
Total	<u>\$ 12,739,566</u>	<u>\$ 14,970,177</u>	<u>\$ 28,157,459</u>	<u>\$ 29,093,607</u>	<u>\$ 40,897,025</u>	<u>\$ 44,063,784</u>

Bladen County’s total debt decreased by \$3,166,759(8 percent) during the past fiscal year, primarily due to the issuance of debt for installment financing arrangements for various asset purchases. All scheduled debt payments were made. However, the decrease above does not reflect the bond premium amortization of \$45,409.

As mentioned in the financial highlights section of this document, Moodys’ Investors Service has given Bladen County a “Aa3” bond rating.. 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 \$205,427,245.

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 7.6%, higher than the state average of 5.5%.

Budget Highlights for the Fiscal Year Ending June 30, 2016

Governmental Activities: The total operating budget for Bladen County is \$51.1 million. The General Fund budget for fiscal year 2016 is \$40.9 million. This is an increase of 3.4% from the fiscal year 2015 amended General Fund budget and is largely due to an increase in debt service related to a new law enforcement and detention center.

The tax rate for fiscal year 2016 increased to 82 cents per \$100 of property value.

- Funding for our core services – Education, Public Safety, and Human Services – is maintained in the fiscal year 2016 budget, with a significant increase in Public Safety.
- With the higher property tax rate, revenue is expected to increase over the prior year. This additional revenue is intended to fund costs associated with the new law enforcement and detention facility project, as well as increased operating costs for Emergency Medical Services.

The fiscal year 2016 budget includes a fund balance appropriation of \$1.3 million. Fund balance appropriation is one of the available means to lower the burden on property tax owners. The County appropriates fund balance each year with the challenge to save the appropriated amount.

Business-type Activities: The water rates in the County will remain at the same base rate as 2015. General operating expenses will remain the same as 2015. Rates for landfill services will remain the same as in 2015.

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
finance@bladenco.org

Basic Financial Statements

Statement of Net Position

June 30, 2015

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash & Cash Equivalents	\$ 17,688,747	\$ 2,601,821	\$ 20,290,568
Restricted Cash and Cash Equivalents	586,306	195,679	781,985
Accounts Receivable (Net)	6,947,163	1,278,813	8,225,976
Notes Receivable	130,515	-	130,515
Pension Asset	1,322,361	52,656	1,375,017
Capital Assets:			
Land, Improvements, and Construction in Progress	1,373,826	981,481	2,355,307
Other Capital Assets, net of Depreciation	11,162,513	25,967,881	37,130,394
Total Capital Assets	<u>12,536,339</u>	<u>26,949,362</u>	<u>39,485,701</u>
Total Assets	<u>39,211,431</u>	<u>31,078,331</u>	<u>70,289,762</u>
Deferred Outflows of Resources	<u>1,209,086</u>	<u>183,406</u>	<u>1,392,492</u>
Liabilities			
Accounts Payable and Accrued Liabilities	3,144,636	207,295	3,351,931
Current Portion of Long-term Liabilities	3,097,255	590,357	3,687,612
Payable from Restricted Assets:			
Customer Deposits	-	195,625	195,625
Long-term Liabilities:			
Due in More Than One Year	11,428,925	19,374,631	30,803,556
Total liabilities	<u>17,670,816</u>	<u>20,367,908</u>	<u>38,038,724</u>
Deferred Inflows of Resources	<u>3,177,563</u>	<u>128,334</u>	<u>3,305,897</u>
Net Position			
Net Investment in Capital Assets	8,641,773	7,051,903	15,693,676
Restricted for:			
Stabilization by State Statute	3,538,771	-	3,538,771
4-H Programs	126,729	-	126,729
Public Safety	2,467,400	-	2,467,400
Economic Development	31,762	-	31,762
Capital Acquisitions	-	54	54
Debt Reserve	19,792	184,880	204,672
Unrestricted(Deficit)	4,745,911	3,528,658	8,274,569
Total Net Position	<u>\$ 19,572,138</u>	<u>\$ 10,765,495</u>	<u>\$ 30,337,633</u>

Bladen County
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Bladen County, North Carolina
Statement of Activities
For the Year Ended June 30, 2015

Exhibit 2

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total
Primary Government:							
Governmental Activities:							
General Government	\$ 5,035,818	\$ 1,274,236	\$ 8,900	\$ -	\$ (3,752,682)	\$ -	\$ (3,752,682)
Public Safety	11,502,135	3,065,131	639,529	-	(7,797,475)	-	(7,797,475)
Economic and Physical Development	1,272,284	387,147	4,783	-	(880,354)	-	(880,354)
Human Services	12,707,663	999,642	7,910,180	-	(3,797,841)	-	(3,797,841)
Cultural and Recreational	726,446	100,411	98,935	146,009	(381,091)	-	(381,091)
Education	8,111,867	-	65,806	-	(8,046,061)	-	(8,046,061)
Interest on Long-Term Debt	480,413	-	-	-	(480,413)	-	(480,413)
Total Governmental Activities	39,836,626	5,826,567	8,728,133	146,009	(25,135,917)	-	(25,135,917)
Business-Type Activities:							
Hospital Rental Fund	258,158	77,260	-	-	-	(180,898)	(180,898)
Solid Waste	2,146,020	2,024,206	17,815	-	-	(103,999)	(103,999)
Water Fund	-	-	-	-	-	-	-
Water District	2,160,712	2,148,952	3,738	-	-	(8,022)	(8,022)
Total Business-Type Activities	4,564,890	4,250,418	21,553	-	-	(292,919)	(292,919)
Total	\$ 44,401,516	\$ 10,076,985	\$ 8,749,686	\$ 146,009	(25,135,917)	(292,919)	(25,428,836)
General Revenues:							
Taxes:							
Property taxes, levied for general purpose					21,465,047	-	21,465,047
Local option sales tax					4,911,959	-	4,911,959
Interest income, unrestricted					15,474	763	16,237
Miscellaneous, unrestricted					211,837	-	211,837
Transfers					(141,102)	141,102	-
Total general revenues and transfers					26,463,215	141,865	26,605,080
Change in net position					1,327,298	(151,054)	1,176,244
Net Position, beginning, as previously reported					19,909,486	10,988,013	30,897,499
Restatement					(1,664,646)	(71,464)	(1,736,110)
Net Position, beginning, restated					18,244,840	10,916,549	29,161,389
Net position - Ending					\$ 19,572,138	\$ 10,765,495	\$ 30,337,633

Balance Sheet
Governmental Funds
June 30, 2015

	Major Funds		Total Non-Major Funds	Total Governmental Funds
	General Fund	Jail Capital Project Fund		
Assets				
Cash & Investments	\$ 14,760,310	\$ 431,550	\$ 2,496,887	\$ 17,688,747
Restricted Cash	501,263	-	85,043	586,306
Due from Other Funds	-	-	-	-
Taxes Receivables (Net)	2,580,867	-	199,431	2,780,298
Accounts Receivable (Net)	3,323,270	-	215,501	3,538,771
Total Assets	<u>\$ 21,165,710</u>	<u>\$ 431,550</u>	<u>\$ 2,996,862</u>	<u>\$ 24,594,122</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts Payable and Accrued Liabilities	\$ 2,957,503	\$ 76,876	\$ 13,435	\$ 3,047,814
Due to Other Funds	-	-	-	-
Total liabilities	<u>2,957,503</u>	<u>76,876</u>	<u>13,435</u>	<u>3,047,814</u>
Deferred Inflows of Resources				
Deferred Taxes	2,580,867	-	199,431	2,780,298
Prepaid Taxes	92,494	-	-	92,494
Total Deferred Inflows of Resources	<u>2,673,361</u>	<u>-</u>	<u>199,431</u>	<u>2,872,792</u>
Fund balances:				
Restricted				
Stabilization by State Statute	3,323,270	-	215,501	3,538,771
Public Safety	18,303	-	71,969	90,272
4-H	126,729	-	-	126,729
Economic Development	31,762	-	-	31,762
Fire Protection	-	-	2,377,128	2,377,128
Debt Reserve	19,792	-	-	19,792
Committed				
Tax Revaluation	324,480	-	-	324,480
Public Safety	-	354,674	-	354,674
Assigned				
Board Assigned	371,473	-	-	371,473
Subsequent Year's Expenditures	1,056,988	-	114,618	1,171,606
Unassigned	10,262,049	-	4,780	10,266,829
Total Fund Balances	<u>15,534,846</u>	<u>354,674</u>	<u>2,783,996</u>	<u>18,673,516</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 21,165,710</u>	<u>\$ 431,550</u>	<u>\$ 2,996,862</u>	<u>\$ 24,594,122</u>

Bladen County, North Carolina
Balance Sheet
Governmental Funds
June 30, 2015

Exhibit 3,
continued

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

Total Fund Balances - Governmental Funds	\$	18,673,516
Capital Assets used in governmental activities are not financial resources and therefore are not reported in the funds		12,536,339
Other long-term assets are not available to pay for current-period expenditures and therefore are unavailable in the funds.		758,609
Charges related to advance refunding bonds issued.		329,003
Net pension asset.		1,322,361
Contributions to pension plans in the current fiscal year are deferred outflows of resources on the Statement of Net Position.		861,996
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.		-
Deferred inflows of resources for taxes receivable.		2,780,298
Pension deferrals.		(3,066,982)
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		<u>(14,623,002)</u>
 Net position of governmental activities	 \$	 <u><u>19,572,138</u></u>

Bladen County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2015

Exhibit 4

	Major Funds		Total Non-Major Funds	Total Governmental Funds
	General Fund	Jail Capital Project Fund		
Revenues:				
Ad Valorem Taxes	\$ 21,134,454	\$ -	\$ 1,184,891	\$ 22,319,345
Local Option Sales Taxes	4,671,596	-	240,363	4,911,959
Other Taxes and Licenses	123,853	-	236,252	360,105
Restricted Intergovernmental Revenues	8,510,471	-	507,882	9,018,353
Permits and Fees	294,542	-	-	294,542
Sales and Services	5,027,709	-	-	5,027,709
Investment Earnings	14,792	-	675	15,467
Other	355,443	-	947	356,390
Total Revenues	<u>40,132,860</u>	<u>-</u>	<u>2,171,010</u>	<u>42,303,870</u>
Expenditures:				
Current:				
General Government	4,983,682	-	-	4,983,682
Public Safety	9,548,561	1,110,576	2,190,825	12,849,962
Economic and Physical Development	903,130	-	383,617	1,286,747
Human Services	12,885,896	-	-	12,885,896
Cultural and Recreational	1,031,078	-	-	1,031,078
Education	8,111,867	-	-	8,111,867
Debt Service				
Principal Retirement	2,677,026	-	-	2,677,026
Interest and Fees	329,881	-	-	329,881
Total Expenditures	<u>40,471,121</u>	<u>1,110,576</u>	<u>2,574,442</u>	<u>44,156,139</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(338,261)</u>	<u>(1,110,576)</u>	<u>(403,432)</u>	<u>(1,852,269)</u>
Other Financing Sources (Uses):				
Issuance of Installment Purchases	446,415	-	-	446,415
Transfers from Other Funds	99,838	1,465,250	5,000	1,570,088
Transfers to Other Funds	(1,611,352)	-	-	(1,611,352)
Total Other Financing Sources (Uses)	<u>(1,065,099)</u>	<u>1,465,250</u>	<u>5,000</u>	<u>405,151</u>
Net Change in Fund Balance	(1,403,360)	354,674	(398,432)	(1,447,118)
Fund Balance, Beginning	<u>16,938,206</u>	<u>-</u>	<u>3,182,428</u>	<u>20,120,634</u>
Fund Balance, Ending	<u>\$ 15,534,846</u>	<u>\$ 354,674</u>	<u>\$ 2,783,996</u>	<u>\$ 18,673,516</u>

Bladen County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2015

Exhibit 4,
continued

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

Net changes in fund balances - total governmental funds	\$	(1,447,118)
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.		1,120,414
Cost of capital asset disposed of during the year, not recognized on modified accrual basis.		(100,210)
Contributions to pension plans in the current fiscal year are not included on the Statement of Activities.		861,996
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(898,645)
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 position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		2,230,611
Expenses reported on fund statements that capitalized on government-wide statements - deferred charge from bond refunding.		(164,501)
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.		(175,418)
Net revenue of internal service funds determined to be governmental-type.		<u>(99,831)</u>
Total changes in net position of governmental activities.	\$	<u><u>1,327,298</u></u>

Bladen County
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Bladen County, North Carolina
**Statement of Revenues, Expenditures and Changes in Fund Balances -
 Budget and Actual - General Fund**
 For the Year Ended June 30, 2015

Exhibit 5

	Original Budget	Final Budget	Actual	Variance With Final Positive/(Negative)
Revenues:				
Ad Valorem Taxes	\$ 18,995,927	\$ 19,919,861	\$ 21,134,454	\$ 1,214,593
Local Option Sales Taxes	3,850,227	4,150,000	4,671,596	521,596
Other Taxes and Licenses	95,023	110,384	123,853	13,469
Restricted Intergovernmental Revenues	7,929,977	8,796,061	8,510,471	(285,590)
Permits and Fees	262,740	262,640	294,542	31,902
Sales and Services	4,755,504	5,172,731	5,027,709	(145,022)
Investment Earnings	15,100	10,100	14,660	4,560
Other	59,752	307,707	355,443	47,736
Total Revenues	<u>35,964,250</u>	<u>38,729,484</u>	<u>40,132,728</u>	<u>1,403,244</u>
Expenditures:				
Current:				
General Government	4,768,313	5,174,018	4,881,138	292,880
Public Safety	8,524,936	9,902,671	9,548,561	354,110
Economic and Physical Development	1,087,265	961,451	903,130	58,321
Human Services	13,051,804	13,529,812	12,885,896	643,916
Cultural and Recreational	783,480	1,113,846	1,031,078	82,768
Education	7,491,402	8,119,306	8,111,867	7,439
Debt Service	3,020,278	3,036,269	3,006,907	29,362
Total Expenditures	<u>38,727,478</u>	<u>41,837,373</u>	<u>40,368,577</u>	<u>1,468,796</u>
Revenues Over (Under) Expenditures	<u>(2,763,228)</u>	<u>(3,107,889)</u>	<u>(235,849)</u>	<u>2,872,040</u>
Other Financing Sources (Uses):				
Issuance of Installment Purchases	878,042	465,840	446,415	(19,425)
Transfers from Other Funds	-	99,830	99,838	8
Transfers to Other Funds	-	(1,661,352)	(1,661,352)	-
Total Other Financing Sources (Uses)	<u>878,042</u>	<u>(1,095,682)</u>	<u>(1,115,099)</u>	<u>(19,417)</u>
Revenues and Other Sources Over (Under) Expenditures and Other Uses	(1,885,186)	(4,203,571)	(1,350,948)	2,852,623
Fund Balance Appropriated / (Designated)	<u>1,885,186</u>	<u>4,203,571</u>	<u>-</u>	<u>(4,203,571)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>(1,350,948)</u>	<u>\$ (1,350,948)</u>
Fund Balance, Beginning			<u>16,561,314</u>	
Fund Balance, Ending			<u>\$ 15,210,366</u>	
A legally budgeted Tax Revaluation Fund is consolidated into the General Fund for reporting purposes:				
Interest Income			132	
Transfer-in from General Fund			50,000	
Expenditures			(102,544)	
Fund Balance, Beginning			<u>376,892</u>	
Fund Balance, Ending (Exhibit 4)			<u>\$ 15,534,846</u>	

Bladen County, North Carolina
Statement of Fund Net Position
Proprietary Funds
June 30, 2015

Exhibit 6

	Hospital Rental Fund	Solid Waste Fund	Water Fund	Water District	Total	Internal Service Fund
Assets						
Current Assets:						
Cash and Investments	\$ -	\$ 1,076,330	\$ -	\$ 1,525,491	\$ 2,601,821	\$ -
Taxes Receivable	-	849,407	-	-	849,407	-
Accounts Receivable (Net)	-	49,250	-	380,156	429,406	-
Due from Water District	-	-	290,000	-	290,000	-
Total Current Assets	-	1,974,987	290,000	1,905,647	4,170,634	-
Noncurrent assets:						
Restricted Assets						
Cash	54	-	-	195,625	195,679	-
Due from Water District	-	-	7,970,000	-	7,970,000	-
Pension Asset	-	26,328	-	26,328	52,656	-
Capital Assets:						
Land, Improvements, and Construction in Progress	140,188	386,438	-	454,855	981,481	-
Other Capital Assets, Net of Depreciation	868,525	1,281,375	-	23,817,981	25,967,881	-
Total Noncurrent Assets	1,008,767	1,694,141	7,970,000	24,494,789	35,167,697	-
Total Assets	1,008,767	3,669,128	8,260,000	26,400,436	39,338,331	-
Deferred Outflows of Resources	-	18,167	-	165,239	183,406	-

Bladen County, North Carolina
Statement of Fund Net Position
Proprietary Funds
June 30, 2015

Exhibit 6

	Hospital Rental Fund	Solid Waste Fund	Water Fund	Water District	Total	Internal Service Fund
Liabilities						
Current Liabilities:						
Accounts Payable & Accrued Expenses	\$ -	\$ 109,213	\$ -	\$ 34,564	\$ 143,777	\$ -
Accrued Interest	-	-	-	63,518	63,518	-
Compensated Absences Payable	-	10,821	-	14,419	25,240	-
Due to County	-	-	-	290,000	290,000	-
Bond\Long-term Debt - Current Maturities	65,083	-	290,000	210,034	565,117	-
Total Current Liabilities	65,083	120,034	290,000	612,535	1,087,652	-
Noncurrent Liabilities:						
Liabilities Payable from Rest Assets:						
Customer Deposits	-	-	-	195,625	195,625	-
Compensated Absences Payable	-	24,563	-	17,726	42,289	-
Due to County	-	-	-	7,970,000	7,970,000	-
Long-term Debt - Noncurrent	233,217	-	7,970,000	11,129,125	19,332,342	-
Total Noncurrent Liabilities	233,217	24,563	7,970,000	19,312,476	27,540,256	-
Total Liabilities	298,300	144,597	8,260,000	19,925,011	28,627,908	-
Deferred Inflows of Resources	-	64,167	-	64,167	128,334	-
Net Position:						
Net Investment in Capital Assets	710,413	1,667,813	-	4,673,677	7,051,903	-
Restricted, Expendable for Capital Acquisitions	54	-	-	-	54	-
Debt Reserve	-	-	-	184,880	184,880	-
Unrestricted	-	1,810,718	-	1,717,940	3,528,658	-
Total Net Position	\$ 710,467	\$ 3,478,531	\$ -	\$ 6,576,497	\$ 10,765,495	\$ -

Bladen County
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**Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds**

For The Fiscal Year Ended June 30, 2015

	Hospital Rental Fund	Solid Waste Fund	Water Fund	Water District	Total	Internal Service Fund
Operating revenues:						
Charges for Services	\$ 77,260	\$ 2,024,206	\$ -	\$ 2,002,809	\$ 4,104,275	\$ -
Water Taps	-	-	-	28,100	28,100	-
Other Operating Revenues	-	-	-	118,043	118,043	-
Total Operating Revenues	<u>77,260</u>	<u>2,024,206</u>	<u>-</u>	<u>2,148,952</u>	<u>4,250,418</u>	<u>-</u>
Operating expenses:						
Salaries and Employee Benefits	-	391,177	-	389,257	780,434	-
Operating Expenses	-	1,652,801	-	479,687	2,132,488	-
Depreciation	245,982	102,042	-	717,557	1,065,581	-
Total operating expenses	<u>245,982</u>	<u>2,146,020</u>	<u>-</u>	<u>1,586,501</u>	<u>3,978,503</u>	<u>-</u>
Total Operating Income (Loss)	<u>(168,722)</u>	<u>(121,814)</u>	<u>-</u>	<u>562,451</u>	<u>271,915</u>	<u>-</u>
Nonoperating Revenues(Expenses):						
Interest Earned	-	295	326,388	468	327,151	7
Interest Expense	(12,176)	-	(326,388)	(574,211)	(912,775)	-
Total Nonoperating Revenue (Expenses)	<u>(12,176)</u>	<u>295</u>	<u>-</u>	<u>(573,743)</u>	<u>(585,624)</u>	<u>7</u>
Income (Loss) Before Contributions and Transfers	(180,898)	(121,519)	-	(11,292)	(313,709)	7
Capital Contribution	-	17,815	-	3,738	21,553	-
Transfer In	-	-	-	141,102	141,102	-
Transfer Out	-	-	-	-	-	(99,838)
Change in Net Position	(180,898)	(103,704)	-	133,548	(151,054)	(99,831)
Net Position, beginning, as previously reported	891,365	3,617,967	-	6,478,681	10,988,013	99,831
Restatement	-	(35,732)	-	(35,732)	(71,464)	-
Net Position, beginning, restated	<u>891,365</u>	<u>3,582,235</u>	<u>-</u>	<u>6,442,949</u>	<u>10,916,549</u>	<u>99,831</u>
Net Position, ending	<u>\$ 710,467</u>	<u>\$ 3,478,531</u>	<u>\$ -</u>	<u>\$ 6,576,497</u>	<u>\$ 10,765,495</u>	<u>\$ -</u>

Bladen County, North Carolina
Statement of Cash Flows
Proprietary Funds
For The Fiscal Year Ended June 30, 2015

Exhibit 8

	Hospital Rental Fund	Solid Waste Fund	Water Fund	Water District	Total	Internal Service Fund
Cash Flows From Operating Activities:						
Cash Received from Customers	\$ -	\$ 2,222,506	\$ -	\$ 2,030,459	\$ 4,252,965	\$ -
Cash Paid for Goods and Services	-	(1,621,695)	-	(487,404)	(2,109,099)	-
Cash Paid to Employees for Services	-	(402,379)	-	(408,903)	(811,282)	-
Other Operating Receipts	-	-	-	118,043	118,043	-
Customer Deposits	-	-	-	2,075	2,075	-
Net Cash Provided by (Used for) Operating Activities	<u>-</u>	<u>198,432</u>	<u>-</u>	<u>1,254,270</u>	<u>1,452,702</u>	<u>-</u>
Cash Flows from Noncapital Financing Activities:						
Transfers Out	-	-	-	-	-	(99,838)
Transfers In	-	-	-	141,102	141,102	-
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>141,102</u>	<u>141,102</u>	<u>(99,838)</u>
Cash Flows from Capital and Related Financing Activities:						
Acquisition and Construction of Capital Assets	-	(43,007)	-	(148,187)	(191,194)	-
Principal Paid on Bond Maturities and Capital Leases	-	(39,619)	(290,000)	(206,036)	(535,655)	-
Advances Between Funds	-	-	290,000	(290,000)	-	-
Interest Paid on Bond\Note Maturities and Capital Leases	-	(670)	(326,388)	(607,564)	(934,622)	-
Capital Grants and Contributions	-	17,815	-	3,738	21,553	-
Net Cash Provided (Used for) Capital and Related Financing Activities	<u>-</u>	<u>(65,481)</u>	<u>(326,388)</u>	<u>(1,248,049)</u>	<u>(1,639,918)</u>	<u>-</u>
Cash Flows from Investing Activities:						
Interest on investments	-	295	326,388	468	327,151	7
Net Cash Flows from Investing Activities:	<u>-</u>	<u>295</u>	<u>326,388</u>	<u>468</u>	<u>327,151</u>	<u>7</u>
Net Increase (Decrease) in Cash and Cash Equivalents	-	133,246	-	147,791	281,037	(99,831)
Cash Balances, Beginning	54	943,084	-	1,573,325	2,516,463	99,831
Cash Balances, Ending	<u>\$ 54</u>	<u>\$ 1,076,330</u>	<u>\$ -</u>	<u>\$ 1,721,116</u>	<u>\$ 2,797,500</u>	<u>\$ -</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.

Bladen County, North Carolina
Statement of Cash Flows
Proprietary Funds
For The Fiscal Year Ended June 30, 2015

Exhibit 8

	Hospital Rental Fund	Solid Waste Fund	Water Fund	Water District	Total	Internal Service Fund
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:						
Operating Activities:						
Operating Income (Loss)	\$ (168,722)	\$ (121,814)	\$ -	\$ 562,451	\$ 271,915	\$ -
Adjustments to Reconcile Operating Income to Net Cash Provided						
Operating Activities:						
Depreciation	245,982	102,042	-	717,557	1,065,581	-
Pension Expenses	-	1,742	-	1,742	3,484	-
Operating Income Noncash Activity	(77,260)	-	-	-	(77,260)	-
Change in Provision for Doubtful Accounts	-	12,656	-	12,519	25,175	-
Changes in Assets and Liabilities:						
(Increase) Decrease						
in Accounts Receivable, advances						
Inventories and Prepays	-	185,644	-	(12,969)	172,675	-
in Deferred Outflows of Resources for Pensions	-	(17,802)	-	(17,802)	(35,604)	-
Increase (Decrease)						
in Accounts Payable & Accrued Liabilities	-	31,106	-	(7,717)	23,389	-
in Customer Deposits	-	-	-	2,075	2,075	-
in Accrued Vacation Pay	-	4,858	-	(3,586)	1,272	-
Total Adjustments	168,722	320,246	-	691,819	1,180,787	-
Net Cash Provided by Operating Activities	\$ -	\$ 198,432	\$ -	\$ 1,254,270	\$ 1,452,702	\$ -

Bladen County, North Carolina
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2015

Exhibit 9

Assets	<u>Agency Fund</u>
Cash and Cash Equivalents	\$ <u><u>115,067</u></u>
Liabilities and Net Position	
Liabilities	
Miscellaneous Liabilities	\$ 79,270
Intergovernmental Payable	<u>35,797</u>
Total Liabilities	<u>115,067</u>
Net Position	\$ <u><u>-</u></u>

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

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.

Component Unit	Reporting Method	Criteria for Inclusion	Separate Financial Statements
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 position and the statement of activities display information about the primary government's net position (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.

Jail Construction Capital Project: This fund accounts for the preliminary and construction phases of the upcoming new jail construction.

The County reports the following major enterprise funds:

Hospital Rental Fund – This fund is used to account for the rent of real estate per the lease 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.

Water Fund – This fund was created to record the issuance and subsequent repayment of Limited Obligation Bonds for the purpose of purchasing refunding general obligation bonds issued by the Bladen County Water District.

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 Municipal Tax Fund, which accounts for funds that are billed and collected by the County for various municipalities and special districts within the County but that are not revenues to the County; the Animal Control Trust, which accounts for funds received for use on the animal shelter; 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, which combines each individual fund into one presentation, and the CDBG Grant Scattered Site Fund are reported as nonmajor special revenue funds.

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.

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

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 revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. As of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

Sales taxes and certain intergovernmental revenues, such as 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 position 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.

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.

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.

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

D. Assets, Liabilities, Deferred Inflows and Outflows 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 Assets

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. Unspent loan proceeds in the General Fund are classified as restricted assets for the governmental activities because their use is completely restricted to the purpose for which the debt was incurred. 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.

<u>Bladen County Restricted Cash</u>	
Government Activities	
General Fund	
Public Safety	\$ 105
4-H	126,729
Revaluation	324,469
Emergency Telephone Fund	<u>85,043</u>
Total Governmental Activities	<u>\$ 536,346</u>
Business-Type Activities	
Hospital Rental Fund	
Escrow Funds	\$ 54
Water Districts	
Customer Deposits	<u>195,625</u>
Total Business-Type Activities	<u>\$ 195,679</u>
Total Restricted Cash	<u>\$ 732,025</u>

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

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, 2014. 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.

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

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The County has several items that meet this criterion - a charge on refunding, pension related deferrals, and contributions made to the pension plan in the current fiscal year. In addition to liabilities, the statement of financial position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has two items that meet the criterion for this category - prepaid taxes and other pension related deferrals.

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 position.

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 Position/Fund Balances

Net Position

Net position in government-wide and proprietary fund financial statements are classified as net investment in capital assets, restricted, and unrestricted. Restricted net position 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.

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.

Unspent Loan Proceeds – portion of fund balance that is restricted to the purpose for which debt was incurred.

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 the Bladen County's governing body (highest level of decision-making authority) through the formal action of a board resolution. Any changes or removal of specific purposes also requires a board resolution by the governing body.

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

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

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

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, NORTH CAROLINA
Notes to the Financial Statements

Bladen County has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-county funds, county funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and lastly, unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the County.

Defined Benefit Pension Plans

The County participates in three cost-sharing, multiple-employer, defined benefit pension plans that are administered by the State; the Local Governmental Employees' Retirement System (LGERS) and the Registers of Deeds' Supplemental Pension Fund (RODSPF) (collectively, the "state-administered defined benefit pension plans"). For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the state-administered defined benefit pension plans and additions to/deductions from the state-administered defined benefit pension plans' fiduciary net positions have been determined on the same basis as they are reported by the state-administered defined benefit pension plans. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The County's employer contributions are recognized when due and the County has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the state-administered defined benefit pension plans. Investments are reported at fair value.

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 position.

The governmental fund balance sheet included a reconciliation between fund balance for total governmental funds and net position for governmental activities as reported in the government-wide statement of net position. The net adjustment of \$898,622 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)	\$ 25,225,196
Less accumulated depreciation	<u>(12,688,857)</u>
Net capital assets	12,536,339
Deferred charges related to advance refunding bonds issued - included on government-wide statement of net position but are not current financial resources.	329,003
Accrued interest receivable less the amount claimed as unearned in the government-wide statements as these funds are unavailable in the fund statements.	579,000
Net pension asset.	1,322,361
Contributions to the pension plan in the current fiscal year.	861,996
Notes Receivable to area fire districts reported as public safety expense in the fund financial statements when expended.	130,515

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

Description	Amount
Receivable recorded in accordance with a grant for the reimbursement of interest expense related to the Qualified School Construction loan equal to the amount of interest accrued.	49,094
Liabilities for deferred inflows of resources reported in the fund statements but not the government-wide.	2,780,298
Pension related deferrals.	(3,066,982)
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	(12,739,566)
Compensated absences	(1,172,072)
Net Pension Obligation	(614,542)
Accrued interest payable	(96,822)
Total adjustment	\$ <u>898,622</u>

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 position of governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of \$2,774,416 as follows:

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities.	\$ 2,529,017
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.	(1,408,603)
Cost of disposed capital assets.	(100,210)
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 position.	(446,415)
Principal payments on debt owed are recorded as a use of funds on the fund statements but again affect only the government-wide statement of net position.	2,677,026
Expenses reported on fund statements that capitalized on government-wide statements - deferred charge from bond refunding.	(164,501)
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities.	861,996

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

<u>Description</u>	<u>Amount</u>
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.	(40,252)
Current year change in the grant receivable recorded for the reimbursement of interest expense related to the Qualified School Construction loan. This change is equal to the change in interest accrued for this loan only.	(4,091)
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).	13,969
Compensated absences are accrued in the government-wide statements but not in the fund statements because they do not use current resources.	(65,516)
Net pension obligation is accrued in the government-wide statements but not in the fund statements because they do not use current resources.	(43,899)
County's portion of collective pension expense.	(79,972)
Net revenue of internal service funds determined to be governmental-type.	(99,831)
Increase/(Decrease) in deferred inflows of resources - taxes receivable - at end of year.	(854,709)
Increase/(Decrease) in accrued taxes receivable.	<u>407</u>
Total adjustment	<u>\$ 2,774,416</u>

NOTE 2: Stewardship, Compliance and Accountability

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

Non-compliance with Medicaid regulations - In accordance with 42 CFR 435.10 and the State approved plan, the requirement applicable in this case, all applicants must have real property verification documented to determine if the applicant has exceeded the valuation amount of real estate that can be owned. Five applicants received assistance although a search for real estate owned by the applicants was not conducted. Human error resulted in required steps not being completed during the application process which caused the noncompliance. Also, the department does not have any procedures in place to verify that the correct calculations and thresholds are used in the eligibility determination for this program. The county agrees with the finding and will implement adequate checks and balances to ensure that this problem does not reoccur. This is a reoccurring finding that is taking longer to put procedures in practice than expected.

B. Deficit Fund Balance or Net Position 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

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

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, 2015, the County's deposits had a carrying amount of \$2,373,757 and a bank balance of \$3,175,619. Of the bank balance, \$500,000 was covered by federal depository insurance. The remaining balance was covered by collateral and held under the Pooling Method. \$1,650 consisted of cash on hand.

At June 30, 2015, the escrow account for the Hospital Rental Fund had a balance of \$55 and a bank balance of \$55.

2. Investments

At June 30, 2015 the County of Bladen had \$18,812,158 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, 2015 the District's Investments are included above, since it is a blended component unit.

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
2012	\$ 1,269,350	\$ 301,471	\$ 1,570,821
2013	1,276,183	188,237	1,464,420
2014	1,331,464	-	1,331,464
	<u>\$ 3,876,997</u>	<u>\$ 489,708</u>	<u>\$ 4,366,705</u>

BLADEN COUNTY, NORTH CAROLINA
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4. Receivables

Receivables at the government-wide level at June 30, 2015, were as follows:

	<u>Accounts</u>	<u>Taxes and Related Accrued Interest</u>	<u>Due From Other Governments</u>	<u>Other</u>	<u>Total</u>
Governmental Activities:					
General	\$ 1,000,291	\$ 3,962,913	\$ 2,400,164	\$ 49,094	\$ 7,412,462
Other Governmental	250	215,385	139,066	-	354,701
Total Receivables	<u>1,000,541</u>	<u>4,178,298</u>	<u>2,539,230</u>	<u>49,094</u>	<u>7,767,163</u>
Allowance for Doubtful Accounts	-	(820,000)	-	-	(820,000)
Total Governmental Activities	<u>\$ 1,000,541</u>	<u>\$ 3,358,298</u>	<u>\$ 2,539,230</u>	<u>\$ 49,094</u>	<u>\$ 6,947,163</u>
Business-type Activities					
Landfill	\$ 21,276	\$ 1,229,407	\$ 27,974	\$ -	\$ 1,278,657
Water and Sewer District	483,036	-	-	-	483,036
Total Receivables	<u>504,312</u>	<u>1,229,407</u>	<u>27,974</u>	<u>-</u>	<u>1,761,693</u>
Allowance for Doubtful Accounts	(102,880)	(380,000)	-	-	(482,880)
Total Business-type Activities	<u>\$ 401,432</u>	<u>\$ 849,407</u>	<u>\$ 27,974</u>	<u>\$ -</u>	<u>\$ 1,278,813</u>

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

Local Option Sales Tax	\$ 1,255,794
State or Federal Grant	<u>1,311,410</u>
	<u>\$ 2,567,204</u>

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

5. Capital Assets

Capital asset activity for the year ended June 30, 2015, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Primary Government				
Governmental Activities:				
Capital Assets not Being Depreciated:				
Land	\$ 363,460	\$ -	\$ (100,210)	\$ 263,250
Construction in Progress	-	1,110,576	-	1,110,576
Total Capital Assets not Being Depreciated:	<u>363,460</u>	<u>1,110,576</u>	<u>(100,210)</u>	<u>1,373,826</u>
Capital Assets Being Depreciated:				
Buildings	8,142,459	-	(855,790)	7,286,669
Improvements	3,444,790	332,609	(6,848)	3,770,551
Equipment	8,504,728	560,142	(143,087)	8,921,783
Vehicles and Motor Equipment	4,884,461	525,690	(1,537,784)	3,872,367
Total Capital Assets Being Depreciated:	<u>24,976,438</u>	<u>1,418,441</u>	<u>(2,543,509)</u>	<u>23,851,370</u>
Less Accumulated Depreciation				
Buildings	4,313,482	227,105	(855,790)	3,684,797
Improvements	479,280	253,338	(6,848)	725,770
Equipment	5,115,083	595,594	(143,087)	5,567,590
Vehicles and Motor Equipment	3,915,918	332,566	(1,537,784)	2,710,700
Total Accumulated Depreciation	<u>13,823,763</u>	<u>\$ 1,408,603</u>	<u>\$ (2,543,509)</u>	<u>12,688,857</u>
Total Capital Assets Being Depreciated, net	<u>11,152,675</u>			<u>11,162,513</u>
Governmental Activity Capital Assets, net	<u>\$ 11,516,135</u>			<u>\$ 12,536,339</u>

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

General Government	\$ 323,978
Public Safety	816,990
Economic and Physical Development	-
Human Services	239,463
Cultural and Recreational	28,172
Total Depreciation Expense	<u>\$ 1,408,603</u>

	Beginning Balances	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>386,438</u>
Capital Assets Being Depreciated:				
Buildings	2,477,022	-	-	2,477,022
Equipment	1,031,814	43,007	(83,782)	991,039
Vehicles and Motor Equipment	805,223	-	(343,263)	461,960
Total Capital Assets Being Depreciated:	<u>4,314,059</u>	<u>43,007</u>	<u>(427,045)</u>	<u>3,930,021</u>
Less Accumulated Depreciation				
Buildings	1,424,545	42,983	-	1,467,528
Equipment	836,655	45,535	(83,782)	798,408
Vehicles and Motor Equipment	712,449	13,524	(343,263)	382,710
Total Accumulated Depreciation	<u>2,973,649</u>	<u>\$ 102,042</u>	<u>\$ (427,045)</u>	<u>2,648,646</u>
Total Capital Assets Being Depreciated, net	<u>1,340,410</u>			<u>1,281,375</u>
Solid Waste Capital Assets, Net	<u>\$ 1,726,848</u>			<u>\$ 1,667,813</u>

BLADEN COUNTY, NORTH CAROLINA
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	Beginning Balances	Increases	Decreases	Ending Balances
Water District				
Capital Assets not Being Depreciated:				
Land	\$ 454,855	\$ -	\$ -	\$ 454,855
Construction in Progress	-	-	-	-
Total Capital Assets not Being Depreciated:	454,855	-	-	454,855
Capital Assets Being Depreciated:				
Plant and Distribution Systems	31,925,282	-	-	31,925,282
Equipment	361,943	127,993	-	489,936
Vehicles and Motor Equipment	420,144	20,194	(31,544)	408,794
Total Capital Assets Being Depreciated:	32,707,369	148,187	(31,544)	32,824,012
Less Accumulated Depreciation				
Plant and Distribution Systems	7,727,248	654,528	-	8,381,776
Equipment	208,324	53,660	-	261,984
Vehicles and Motor Equipment	384,446	9,369	(31,544)	362,271
Total Accumulated Depreciation	8,320,018	\$ 717,557	\$ (31,544)	9,006,031
Total Capital Assets Being Depreciated, net	24,387,351			23,817,981
Water District Capital Assets, Net	\$ 24,842,206			\$ 24,272,836
Hospital Rental Fund				
Capital Assets not Being Depreciated:				
Land and Land Improvements	\$ 140,188	\$ -	\$ -	\$ 140,188
Capital Assets Being Depreciated:				
Buildings	8,517,122	-	-	8,517,122
Total Capital Assets Being Depreciated:	8,517,122	-	-	8,517,122
Less Accumulated Depreciation	7,402,615	245,982	-	7,648,597
Total Capital Assets Being Depreciated, net	1,114,507	(245,982)	-	868,525
Hospital Capital Assets, Net	1,254,695	\$ (245,982)	\$ -	1,008,713
Business-type Activities Capital Assets, Net	\$ 27,823,749			\$ 26,949,362

B. Liabilities

1. Payables

Payables at the government wide level at June 30, 2015 were as follows:

	Vendors	Salaries and Benefits	Accrued Interest	Other	Total
Governmental Activities:					
General	\$ 2,264,073	\$ 693,430	\$ 96,822	\$ -	\$ 3,054,325
Other Governmental	87,969	2,342	-	-	90,311
Total Governmental Activities	\$ 2,352,042	\$ 695,772	\$ 96,822	\$ -	\$ 3,144,636
Business-type Activities					
Landfill	\$ 91,957	\$ 17,256	\$ -	\$ -	\$ 109,213
Water and Sewer District	11,947	22,617	63,518	-	98,082
Hospital Rental Fund	-	-	-	-	-
Total Business-type Activities	\$ 103,904	\$ 39,873	\$ 63,518	\$ -	\$ 207,295

Pension Plan Obligations and Other Postemployment Obligations

1. Local Governmental Employees' Retirement System

Plan Description. The County is a participating employer in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The 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, by calling (919) 981-5454, or at www.osc.nc.gov.

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

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County's contractually required contribution rate for the year ended June 30, 2015, was 7.41% of compensation for law enforcement officers and 7.07% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the County were \$854,474 for the year ended June 30, 2015.

Refunds of Contributions – County employees who have terminated service as a contributing member of LGERS, may file an application for a refund of their contributions. By state law, refunds to members with at least five years of service include 4% interest. State law requires a 60 day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by LGERS.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, the County reported an asset of \$1,316,374 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2014. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2013. The total pension liability was then rolled forward to the measurement date of June 30, 2014 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension asset was based on a projection of the County's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2014, the County's proportion was .223%, which was an decrease of .459% from its proportion measured as of June 30, 2013.

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For the year ended June 30, 2015, the County recognized pension expense of \$87,112. At June 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 143,837
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	3,064,486
Changes in proportion and differences between County contributions and proportionate share of contributions	18,279	-
County contributions subsequent to the measurement date	854,474	-
Total	<u>\$ 872,753</u>	<u>\$ 3,208,323</u>

\$854,474 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended June 30, 2016. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ (797,589)
2017	(797,589)
2018	(797,589)
2019	(797,277)
2020	-
Thereafter	-
	<u>\$ (3,190,044)</u>

Actuarial Assumptions. The total pension liability in the December 31, 2013 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	4.25 to 8.55 percent, including inflation and productivity factor
Investment rate of return	7.25 percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the December 31, 2013 valuation were based on the results of an actuarial experience study for the period January 1, 2005 through December 31, 2009.

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected

BLADEN COUNTY, NORTH CAROLINA
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future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2014 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	36.0%	2.5%
Global Equity	40.5%	6.1%
Real Estate	8.0%	5.7%
Alternatives	6.5%	10.5%
Credit	4.5%	6.8%
Inflation Protection	4.5%	3.7%
Total	<u>100%</u>	

The information above is based on 30 year expectations developed with the consulting actuary for the 2013 asset liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.19%. All rates of return and inflation are annualized.

A new asset allocation policy was finalized during the fiscal year ended June 30, 2014 to be effective July 1, 2014. The new asset allocation policy utilizes different asset classes, changes in the structure of certain asset classes, and adopts new benchmarks. Using the asset class categories in the preceding table, the new long-term expected arithmetic real rates of return are: Fixed Income 2.2%, Global Equity 5.8%, Real Estate 5.2%, Alternatives 9.8%, Credit 6.8% and Inflation Protection 3.4%.

Discount rate. The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's proportionate share of the net pension asset to changes in the discount rate. The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 7.25 percent, as well as what the County's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
County's proportionate share of the net pension liability (asset)	\$ 4,468,338	\$ (1,316,372)	\$ (6,186,912)

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

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. For reporting purposes, the Separation Allowance is presented as a pension trust fund; however, it does not meet the criteria for trust funds outlined in GASB Statement 68.

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All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2014, the Separation Allowance's membership consisted of:

Retirees receiving benefits	3
Terminated plan members entitled to but not yet receiving benefits	0
Active plan members	<u>49</u>
Total	<u><u>52</u></u>

A separate report was not issued for the plan.

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, 2015, the County contributed \$38,876, or 2% 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.

The annual required contribution for the current year was determined as part of the December 31, 2014 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, 2014 was 16 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	\$	102,448
Interest on net pension obligation		28,532
Adjustment to annual required contribution		<u>(48,205)</u>
Annual pension cost		82,775
Employer benefits paid		<u>38,876</u>
Increase (decrease) in net pension obligation		43,899
Net pension obligation beginning of year		<u>570,643</u>
Net pension obligation end of year	\$	<u><u>614,542</u></u>

Funding Status and Funding Progress

3 Year Trend Information:

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage APC Contributed	Net Pension Obligation
6/30/2013	\$ 71,447	53.28%	\$ 539,405
6/30/2014	64,924	51.89%	570,643
6/30/2015	82,775	46.97%	614,542

As of December 31 2013, the most recent actuarial valuation date, the plan was 0.00 percent funded. The actuarial accrued liability for benefits was \$755,284, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$755,284. The covered payroll (annual payroll of active employees covered by the plan) was \$2,163,117, and the ratio of the UAAL to the covered payroll was 34.92 percent.

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

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 officer's 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, 2015 were \$201,476, which consisted of \$98,216 from the County and \$103,260 from the law enforcement officers and other employees.

4. Register of Deeds' Supplemental Pension Fund

Plan Description. Bladen County also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a noncontributory, defined benefit plan administered by the North Carolina Department of State Treasurer. RODSPF provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Government Employees' Retirement System (LERS) 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. Management of the plan is vested in the LERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Registers 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 financial statements and required supplementary information for the Registers of Deeds' Supplemental Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. An individual's benefits for the year are calculated as a share of accumulated contributions available for benefits for that year, subject to certain statutory limits. An individual's eligibility is based on at least 10 years of service as a register of deeds with the individual's share increasing with years of service. Because of the statutory limits noted above, not all contributions available for benefits are distributed.

Contributions. Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County Commission under Article 1 of Chapter 161 of the North Carolina General Statutes. The statutory contribution currently has no relationship to the actuary's required contribution. The actuarially determined contribution this year and for the foreseeable future is zero. Registers of Deeds do not contribute. Contribution provisions are established by General Statute 161-50 and may be amended only by the North Carolina General Assembly. Contributions to the pension plan from the County were \$7,522 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, the County reported an asset of \$58,641 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2014. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2013. The total pension liability was then rolled forward to the measurement date of June 30, 2014 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension asset was based on the County's share of contributions to the pension plan, relative to contributions to the pension plan of all participating RODSPF employers. At June 30, 2014, the County's proportion was .259%, which was an increase of .033% from its proportion measured as of June 30, 2013.

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For the year ended June 30, 2015, the County recognized pension expense of \$(3,655). At June 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 538	\$ -
Net difference between projected and actual earnings on pension plan investments	-	318
Changes in proportion and differences between County contributions and proportionate share of contributions	-	4,762
County contributions subsequent to the measurement date	7,522	-
Total	<u>\$ 8,060</u>	<u>\$ 5,080</u>

\$7,522 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended June 30, 2016. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ (1,999)
2017	(1,999)
2018	(463)
2019	(81)
2020	-
Thereafter	-
	<u>\$ (4,542)</u>

Actuarial Assumptions. The total pension liability in the December 31, 2013 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	4.25 to 7.75 percent, including inflation and productivity factor
Investment rate of return	5.75 percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the December 31, 2013 valuation were based on the results of an actuarial experience study for the period January 1, 2005 through December 31, 2009.

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The adopted asset allocation policy for the RODSPF is 100% in the fixed income asset class. The best estimate of arithmetic real rate of return for the fixed income asset class as of June 30, 2014 is 2.5%.

The information above is based on 30 year expectations developed with the consulting actuary for the 2013 asset liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.19%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 5.75%. The projection of cash flows used to determine the discount rate assumed that contributions from employers will be made at statutorily required rates. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County’s proportionate share of the net pension asset to changes in the discount rate. The following presents the County’s proportionate share of the net pension asset calculated using the discount rate of 5.75 percent, as well as what the County’s proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (4.75 percent) or 1-percentage-point higher (6.75 percent) than the current rate:

	1% Decrease (4.75%)	Discount Rate (5.75%)	1% Increase (6.75%)
County’s proportionate share of the net pension liability (asset)	\$ (52,657)	\$ (58,641)	\$ (63,784)

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

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 established 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, 2015 the County paid all annual required contributions to the Plan for postemployment healthcare benefits of \$687,129. For the County, the current rate for employees not engaged in law enforcement and for law enforcement officers is 5.49% and 5.49%, respectively, of annual covered payroll. The contributions made by the County equaled the required contributions for the current year and preceding two years.

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.

For the fiscal year ended June 30, 2015, the County made contributions to the State for death benefits of \$0. The County's required contributions for employees not engaged in law enforcement and for law enforcement officers represented 0.00% and 0.00% of covered payroll, respectively.

Due to a surplus in the death benefit, a decision was made by the State to temporarily stop employer contributions to the LGERS Death Benefit Plan beginning July 1, 2012. A temporary relief period based on the number of years the employer has contributed as of December 31, 2010 was established as follows:

No. Years Contributing	Years Relief	FY Contributions Resume
10 - 20	2	2015
20 or more	3	2016

The period of reprieve is determined separately for law enforcement officers. Bladen County will have a three year reprieve because it has been contributing for more than 20 years. Contributions will resume in the fiscal year beginning July 1, 2015.

Deferred Outflows and Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Prepaid taxes not yet earned(General)	\$ -	\$ 92,494
Taxes receivable, net(General)	-	2,580,867
Taxes receivable, net(Special Revenue)	-	199,431
Charge on Refunding of Debt	476,075	-
Pensions - difference between expected and actual experience	-	143,837
LGERS	-	3,064,486
Register of Deeds	538	-
Pensions - difference between projected and actual investment earnings	-	318
Pensions - change in proportion and difference between employer contributions and proportionate share of contributions		
LGERS	18,279	-
Register of Deeds	-	4,762
Contributions to pension plan in 2014-2015 fiscal year	897,600	-
Total	<u>\$ 1,392,492</u>	<u>\$ 6,086,195</u>

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 two 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 \$200 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

BLADEN COUNTY, NORTH CAROLINA
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\$250,000 per occurrence, and workers' compensation coverage up to the North Carolina statutory limits. The pools are audited annually by certified public accountants, and the audited financial statements are available to the County upon request. Both of the pools are reinsured through a multi-state public entity captive for single occurrence losses in excess of a \$500,000 retention up to a \$2 million limit for liability coverage, and \$1,750,000 of each loss in excess of a \$250,000 per occurrence retention for property, and auto physical damage. For workers compensation there is a per occurrence retention of \$750,000. The County provides employee health and dental benefits through a private carrier.

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, 2015, 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, 2015 is \$688,951.

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, 2015 is \$430,333.

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, 2015 is \$959,479.

First Citizens Bank dated May 22, 2014 in the amount of \$383,328 for installment purchase of 10 heart monitors and 2 ambulances. Annual payments begin May 2014 with installments of \$129,544 with interest at 1.39%. Final payment due May 2016. Balance at June 30, 2015 is \$127,768.

BB&T dated January 14, 2014 in the amount of \$351,981 for installment purchase of Northwoods Document Management system. Payments begin January 2014 in 3 annual installments of \$119,066 with interest at 1.49%. Final payment due January 2016. Balance at June 30, 2015 is \$117,318.

BB&T dated October 29, 2013 in the amount of \$168,000 for various Sheriff vehicles. Annual payments begin October 2013 in the amount of \$56,835, with the final payment due October 2015. Balance at June 30, 2015 is \$55,995.

BB&T dated August 21, 2014 in the amount of \$81,575 for a remount ambulance. Annual payments begin August 2014 in the amount of \$27,646, with an interest rate of 1.68%. Final payment due August 2016. Balance at June 30, 2015 is \$53,977.

First Bank dated November 12, 2014 in the amount of \$196,000 for 7 Sheriff patrol cars. Annual payments of \$66,226 begin December 2014, with an interest rate of 1.25%. Final payment due December 2016. Balance at June 30, 2015 is \$ 129,977.

BLADEN COUNTY, NORTH CAROLINA
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BB&T dated December 11, 2014 in the amount of \$168,840 for 24 voting terminals and 24 digital scanners. Annual payments of \$57,030 begin December 2014, with an interest rate of 1.34%. Final payment is due December 2016. Balance at June 30, 2015 is \$111,808.

Serviced by the Business Type Activities

Serviced by the Water District

BB&T dated February 16, 2012 in the amount of \$620,000 for installment purchase of Bay Tree Utility System. Payments begin February 16, 2012 with 20 annual installments of \$43,485 with interest at 3.89%. Final payment is due February 16, 2031. Balance at June 30, 2015 is \$510,846.

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, 2015 is \$559,177.

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, 2015 was \$298,300.

For Bladen County, the future minimum payments as of June 30, 2015 are as follows:

Year Ending 30-Jun	Governmental Activities		Business Type Activities	
	Principal	Interest	Principal	Interest
2016	\$ 770,942	\$ 92,281	\$ 95,117	\$ 52,038
2017	488,377	72,942	98,697	48,440
2018	356,842	57,264	98,789	44,794
2019	127,335	42,923	100,109	41,097
2020	136,755	37,429	74,361	37,515
2021-2025	617,716	69,883	204,519	162,736
2026-2030	173,193	2,186	247,837	119,418
2031-2035	4,446	-	115,972	77,339
2036-2040	-	-	90,172	59,653
2041-2045	-	-	109,708	40,116
2046-2050	-	-	133,042	16,349
Total	\$ 2,675,606	\$ 374,908	\$ 1,368,323	\$ 699,495

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.

The County's general obligation bonds payable at June 30, 2015 are comprised of the following individual issues:

BLADEN COUNTY, NORTH CAROLINA
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Serviced by the County's General Fund:

\$1,523,700 September 2011 Qualified School Construction Bonds due in annual installments varying from \$183,402 to \$107,034; interest at 1.53%. \$ 1,218,960

\$10,880,000 October 2012 refunding School Bond due in annual payments varying from \$105,000 to \$1,730,000 with interest at 1.63%. Final payment is due May 2021. Due to the nature of this debt for noncounty owned property, this is not considered capital debt. \$ 8,845,000
\$ 10,063,960

Serviced by the Bladen County Water District, but presented as "Due to County" as detailed in the Limited Obligation Bond description:

\$9,280,000 October 2012 general obligation refunding water bonds due annually in June beginning in 2013. Payments vary from \$105,000 to \$455,000 with interest averaging 3.7%. Final payment is due June 2041. \$ 8,260,000
\$ 8,260,000

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

Year Ending 30-Jun	Governmental Activities		Business Type Activities	
	Principal	Interest	Principal	Interest
2016	\$ 1,816,580	\$ 205,186	\$ 290,000	\$ 317,687
2017	1,746,580	182,580	310,000	306,087
2018	1,686,580	157,386	315,000	293,687
2019	1,626,580	128,156	325,000	281,089
2020	1,566,580	118,185	335,000	268,088
2021-2025	1,417,900	136,371	1,765,000	1,135,638
2026-2030	203,160	16,365	1,875,000	768,438
2031-2035	-	-	1,720,000	437,163
2036-2040	-	-	1,115,000	153,832
2041-2045	-	-	210,000	7,350
Total	\$ <u>10,063,960</u>	\$ <u>944,229</u>	\$ <u>8,260,000</u>	\$ <u>3,969,059</u>

Limited Obligation Bonds

On October 24, 2012, 2013, the County Water District issued individual refunding bonds in the amount of \$9,280,000 for each of the USDA Bonds being refinanced. The County then issued Limited Obligation Bonds ("LOBs") to purchase these bonds. When debt service is due, the water district will remit the debt service payments for their respective bond to the County, who will then remit it to the bondholder. If the district does not pay, the County has the bonds (and the District's ad valorem taxing power for the general obligation bonds) as collateral. The Limited Obligation Bonds are appropriation-backed and require the Board and bi-annual interest payments with a 3.7% average interest rate over the life of the term. As of June 30, 2015, the balance of the bonds was \$8,260,000.

The Water District is a blended component unit of the County. On the fund statements, the amounts owed to the County to make the payments for the LOBs are classified as "Due to the County" in the Water District Fund and as "Due from Water District" in the Water Fund. On the government-wide statements, these amounts are eliminated. Therefore, when Exhibit 1 debt totals are compared to the total debt in the notes, the amount will differ by the amount eliminated for this LOB debt. All of the total 2015 LOB balance of \$8,260,000 is recorded as Due from Water District and is eliminated in Exhibit 1.

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The Limited Obligation Bond payments were budgeted by the Board to be recorded and presented in the Water District Fund. However, the fund financial statements correctly present the transactions as they should have taken place. For future years the Board will budget the LOB payments in the Water Fund in addition to budgeting repayment from the Water District Fund back to the Water Fund.

Annual debt service requirements to maturity for the Limited Obligation Bonds are as follows:

Year Ending 30-Jun	Business Type Activities	
	Principal	Interest
2016	\$ 290,000	\$ 317,687
2017	310,000	306,087
2018	315,000	293,687
2019	325,000	281,089
2020	335,000	268,088
2021-2025	1,765,000	1,135,638
2026-2030	1,875,000	768,438
2031-2035	1,720,000	437,163
2036-2040	1,115,000	153,832
2041-2045	210,000	7,350
Total	\$ 8,260,000	\$ 3,969,059

Revenue Bonds

5,991,000 January 2013 water revenue bonds due annually in June; interest at 2.5% Payments vary from \$96,000 to \$241,000 with final payment due June 2052. \$ 5,609,677

\$4,496,000 November 2010 water revenue 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 including interest at 2.25%. Final payment is expected June 2050. 4,167,813
\$ 9,777,490

Annual debt service requirements to maturity for the Water District's revenue bonds are as follows:

Year Ending 30-Jun	Business Type Activities	
	Principal	Interest
2016	\$ 180,000	\$ 243,270
2017	184,000	238,972
2018	189,000	234,580
2019	193,000	230,067
2020	198,000	225,460
2021-2025	1,061,000	1,054,138
2026-2030	1,195,000	921,227
2031-2035	1,345,000	771,483
2036-2040	1,515,000	602,800
2041-2045	1,703,000	412,990
2046-2050	1,918,000	199,298
2051-2055	96,490	17,925
Total	9,777,490	\$ 5,152,210
Unamortized Premiums	491,646	
Net Carrying Value	\$ 10,269,136	

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The County is in compliance with the covenants as to rates, fees and charges in Section 5.01 of the Bond Orders, authorizing the issuance of the Water District Revenue Bonds, Series 2010 (\$4,496,000) and 2012 (\$5,991,000). Sections 5.01(a) of the Bond Orders require the debt service coverage ratio to be no less than 110%. The debt service coverage ratio calculation for the year ended June 30, 2015, is as follows:

Operating revenues	\$	2,148,952
Operating expenses*		868,944
Operating income		1,280,008
Nonoperating revenues(expenses)**		(573,743)
Income available for debt service		706,265
Debt service, principal and interest paid (Revenue bond only)		423,270
Debt service coverage ratio		167%

* Per rate covenants, this does not include the depreciation expense of \$717,557.

** Per rate covenants, this does not include revenue bond interest paid of \$247,471.

The County has pledged future water customer revenues, net of specified operating expenses, to repay \$10,487,000 in water system revenue bonds issued in November 2010 (\$4,496,000) and January 2013(\$5,991,000). Proceeds from the bonds provided financing for the expansion of the water system in two different phases. The bonds are payable solely from water customer net revenues and are payable through 2050 and 2052, respectively. Annual principal and interest payments on the bonds are expected to require 50 percent of net revenues. The total principal and interest remaining to be paid on the bonds is \$14,929,700. Principal and interest paid for the current year and total customer net revenues were \$423,471 and \$706,265, respectively.

At June 30, 2015, Bladen County had no bonds authorized and had a legal debt margin of \$205,427,245.

Advance Refunding

On October 24, 2012, the County issued \$10,880,000 of general obligation advance refunding bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust for to be used for all future debt service payments of \$10,125,000 of general obligation bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$608,506. This amount is being netted against the new debt and amortized over the life of the refunded debt, which is shorter than the life of the new debt issued. This advance refunding was undertaken to reduce total debt service payments over the next 8 years by \$633,674 and resulted in an economic gain of \$594,713.

On June 28, 2013, the County issued \$9,280,000 of general obligation current refunding bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust to be used for all future debt service payments of \$9,492,500 of general obligation bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$187,823. This amount is being netted against the new debt and amortized over the life of the refunded debt, which is shorter than the life of the new debt issued. This advance refunding was undertaken to reduce total debt service payments over the next 28 years by \$2,358,127 and resulted in an economic gain of \$1,631,645.

Debt Related to Capital Activities

Of the total Governmental Activities debt listed above, \$8,845,000 relates to assets the County does not hold title to.

BLADEN COUNTY, NORTH CAROLINA
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Long-Term Obligation Activity

The following is a summary of changes in the County's long-term obligations for the fiscal year ended June 30, 2015:

	Balance July 1, 2014	Increases	Decreases	Unamortized Premiums	Balance June 30, 2015	Current Portion
Governmental Activities:						
General Obligation Debt	\$ 11,895,540	\$ -	\$ (1,831,580)	\$ -	\$ 10,063,960	\$ 1,816,580
Capitalized Leases	-	-	-	-	-	-
Installment Purchases	3,074,637	446,415	(845,446)	-	2,675,606	770,942
* Net Pension Obligation	570,643	43,899	-	-	614,542	-
Net Pension Liability (LGERS)	2,583,958	-	(2,583,958)	-	-	-
* Compensated Absences	1,106,556	509,733	(444,217)	-	1,172,072	509,733
Total Governmental Activities	\$ 19,231,334	\$ 1,000,047	\$ (5,705,201)	\$ -	\$ 14,526,180	\$ 3,097,255

* The General Fund is used to liquidate the liability for net pension obligation. 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, 2014	Increases	Decreases	Amortized Bond Premiums	Balance June 30, 2015	Current Portion
Business-Type Activities:						
Solid Waste						
*Compensated Absences	\$ 30,526	\$ 10,821	\$ (5,963)	\$ -	\$ 35,384	\$ 10,821
Net Pension Liability (LGERS)	53,832	-	(53,832)	-	-	-
Installment Purchases	39,619	-	(39,619)	-	-	-
Total Solid Waste	123,977	10,821	(99,414)	-	35,384	10,821
Water Fund						
Limited Obligation Bonds	8,550,000	-	(290,000)	-	8,260,000	290,000
Total Water Fund	8,550,000	-	(290,000)	-	8,260,000	290,000
Water District						
Refunding GO Debt	8,550,000	-	(290,000)	-	8,260,000	290,000
Revenue Bonds	10,490,545	-	(176,000)	(45,409)	10,269,136	180,000
Net Pension Liability (LGERS)	53,832	-	(53,832)	-	-	-
Installment Purchases	1,100,059	-	(30,036)	-	1,070,023	30,034
*Compensated Absences	35,731	14,419	(18,005)	-	32,145	14,419
Total Water District	20,230,167	14,419	(567,873)	(45,409)	19,631,304	514,453
Hospital Rental Fund						
Installment Purchases	363,384	-	(65,084)	-	298,300	65,083
Total Hospital	363,384	-	(65,084)	-	298,300	65,083
Total Business-Type Activities per Fund Statements	29,267,528	25,240	(1,022,371)	(45,409)	28,224,988	880,357
Eliminated debt in consolidation of component unit in Exhibit 1.	(8,550,000)	-	290,000	-	(8,260,000)	(290,000)
	\$ 20,717,528	\$ 25,240	\$ (732,371)	\$ (45,409)	\$ 19,964,988	\$ 590,357

*The Solid Waste Fund, Water District and the Hospital are used to liquidate the liability for compensated absences for governmental activities.

The LGERS plan had a net pension asset as of June 30, 2015; however, the plan had a net pension liability at the beginning of the fiscal year.

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

Fund Balance

Total Fund Balance - General Fund	\$15,534,846
Less:	
Stabilization by State Statute	3,323,270
Public Safety	18,303
4-H	126,729
Economic Development	31,762
Debt Reserve	19,792
Tax Revaluation	324,480
Board Assigned	371,473
Appropriated Fund Balance in 2015-2016 Budget	<u>1,056,988</u>
Remaining Fund Balance	<u>\$10,262,049</u>

Interfund Activity

Interfund activity between the Water Fund and Water District present an amount of \$8,260,000 due between the funds. This interfund balance is the result as described in the above Long Term Obligations.

Transfers From/To Other Funds at June 30, 2015, consists of the following:

<u>General Fund</u>	<u>From</u>	<u>To</u>
1 Jail Capital Project	\$ -	\$ 1,465,250
2 Self Insured Fund	99,838	
3 Water Fund	-	141,102
4 CDBG Project Fund	-	<u>5,000</u>
Total Transfers From/To Other Funds	<u>\$ 99,838</u>	<u>\$ 1,611,352</u>

- 1 To start the construction of the new jail.
- 2 To close the fund out.
- 3 Refund water collections previously deposited in the general fund.
- 4 To provide local match.

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 ex officio 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 \$760,803, \$31,700 and \$5,000 to the community college for operating, capital and scholarship purposes, respectively, during the fiscal year ending June 30, 2015. 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, 2015. 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. Its revenues are derived from water sales. Bladen County has no ongoing financial interest or responsibility for the authority.

The County, in conjunction 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

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

membership fees of \$15,111 and miscellaneous fees related to the Division of Aging in the amount of \$2,500 to the Council during the fiscal year ended June 30, 2015. The County was the sub recipient of a grant for \$376,629 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. The County paid the COG \$58,321 in fees associated with the Communities Development Block Grants.

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.

	<u>Federal</u>	<u>State</u>
Medicaid	\$ 42,741,168	\$ 23,656,542
Independent Living Grant	1,750	-
NC Health Choice	543,756	170,810
TANF and Work First Benefits	453,479	-
WIC	669,022	-
Adoption Assistance	18,991	4,727
IV-E Foster Care	42,279	13,753
CWS Adoption Subsidy	-	85,675
State Foster Home	-	26,768
Adult Special Assistance	-	413,118
	<u>\$ 44,470,445</u>	<u>\$ 24,371,393</u>

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.

NOTE 7: Revenue – Governmental Fund

During the year the Bladen County Board of Education donated the land and building of the Tar Heel school facilities to Bladen County. The County then obtained financing to make improvements to the facilities and has leased the facilities back to the Board of Education for the length of the financing agreement at a lease payment equal to the principle portion of the required payment. The County pays the interest portion and is refunded that amount under terms of the Qualified School Construction Bond. The property was valued at \$1,403,977. Future minimum lease payments are as follows based on the amortization of the debt:

Year Ending	Principal
<u>30-Jun</u>	
2016	\$ 101,580
2017	101,580
2018	101,580
2019	101,580
2020	101,580
2021-2025	507,900
2026-2030	203,160
	<u>\$ 1,218,960</u>

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

Revenue – Enterprise Fund

Under terms of the operating agreement with Cumberland County Hospital System, Inc., doing business as Cape Fear Valley Health System (CFVHS) to operate the Bladen County Hospital, CFVHS exercised the option to purchase all remaining assets and assumption of all remaining liabilities with the exception of the original hospital land and building and the related debt. The terms of the debt were more favorable as is, CFVHS is continuing the lease agreement based on the terms of the debt. Future minimum lease payments are as follows based on the amortization of the debt:

Year Ending		Principal	Interest	Total Rent
<u>30-Jun</u>		<u> </u>	<u> </u>	<u> </u>
2016	\$	65,084	\$ 9,799	\$ 74,883
2017		65,084	7,424	72,508
2018		65,084	5,048	70,132
2019		65,084	2,672	67,756
2020		37,964	461	38,425
2021-2025		-	-	-
	\$	<u>298,300</u>	\$ <u>25,404</u>	\$ <u>323,704</u>

NOTE 8: Change in Accounting Principles/Restatement

The County implemented Governmental Accounting Standards Board (GASB) statement 68, Accounting and Financial Reporting for Pensions (an amendment of GASB Statement No. 27), in the fiscal year ending June 30, 2015. The implementation of the statement required the County to record beginning net pension liability and the effects on net position of contributions made by the County during the measurement period (fiscal year ending June 30, 2014). As a result, net position for the governmental and business-type activities decreased by \$1,664,646 and \$71,464, respectively.

NOTE 9: Subsequent Events

Management has evaluated subsequent events through December 31, 2015, the date which the financial statements were available for issue.

Required Supplementary Financial Data

The section contains additional statements required by Generally Accepted Accounting Principals

Law Enforcement Officers' Special Separation Allowance
Schedule of Funding Progress

Law Enforcement Officers' Special Separation Allowance
Schedule of Employer Contributions

Schedule of County's Proportionate Share of Net Pension
Liability (Asset) - Local Government Employees' Retirement System

Schedule of County's Contributions to Local Government
Employees' Retirement System

Schedule of County's Proportionate Share of Net Pension
Liability (Asset) - Register of Deeds' Supplemental Pension

Schedule of County's Contributions to Register of Deeds'
Supplemental Pension

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)
12/31/2009	\$ -	\$ 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%
12/31/2011	-	628,244	628,244	0.0%	1,892,314	33.20%
12/31/2012	-	678,359	678,359	0.0%	1,839,185	36.88%
12/31/2013	-	725,747	725,747	0.0%	2,000,397	36.28%
12/31/2014	-	755,284	755,284	0.0%	2,163,117	34.92%

Schedule of Employer Contributions

Year Ended June 30,	Annual Pension Cost	Percentage Contributed	Net Pension Obligation End of Year
2013	\$ 71,447	53.28%	\$ 539,405
2014	64,924	51.89%	570,643
2015	102,448	46.97%	614,542

Bladen County, North Carolina
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
Local Governmental Employees' Retirement System
Last Two Fiscal Years *

	2015	2014
County's proportion of the net pension liability (asset) %	0.223%	0.682%
County's proportionate share of the net pension liability (asset) \$	\$ (1,316,374)	\$ 2,691,622
County's covered-employee payroll	\$ 12,516,017	\$ 12,682,757
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	(10.52%)	21.22%
Plan fiduciary net position as a percentage of the total pension liability	102.64%	94.35%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

Bladen County, North Carolina
Schedule of County Contributions
Local Governmental Employees' Retirement System
 Last 2 Fiscal Years

	2015	2014
Contractually required contribution	\$ 854,474	\$ 905,066
Contributions in relation to the contractually required contribution	854,474	905,066
Contribution deficiency (excess)	\$ -	\$ -
County's covered-employee payroll	\$ 12,516,017	\$ 12,682,757
Contributions as a percentage of covered-employee payroll	6.83%	7.14%

Bladen County, North Carolina
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Registers of Deeds' Supplemental Pension Fund
 Last Two Fiscal Years *

	2015	2014
County's proportion of the net pension liability (asset) %	0.259%	0.226%
County's proportionate share of the net pension liability (asset) \$	\$ (58,643)	\$ (48,336)
County's covered-employee payroll	\$ 59,942	\$ 53,191
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	(97.83%)	(90.87%)
Plan fiduciary net position as a percentage of the total pension liability	193.88%	190.50%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

Bladen County, North Carolina
Schedule of County Contributions
Registers of Deeds' Supplemental Pension Fund
 Last 2 Fiscal Years

	2015	2014
Contractually required contribution	\$ 7,522	\$ 6,628
Contributions in relation to the contractually required contribution		
	7,522	6,628
Contribution deficiency (excess)	\$ -	\$ -
County's covered-employee payroll	\$ 59,942	\$ 53,191
Contributions as a percentage of covered-employee payroll	12.55%	12.46%

Bladen County
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Combining and Individual Fund Statements and Schedules

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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Revenues:			
Ad Valorem Taxes:			
Taxes		\$ 20,684,084	
Penalties and Interest		450,370	
Total	\$ <u>19,919,861</u>	<u>21,134,454</u>	\$ <u>1,214,593</u>
Local Option Sales Taxes:			
Article 39		1,684,525	
Article 40		1,945,416	
Article 42		1,041,278	
Article 44		377	
Total	<u>4,150,000</u>	<u>4,671,596</u>	<u>521,596</u>
Other Taxes and Licenses:			
Real Estate Transaction Tax		123,853	
Total	<u>110,384</u>	<u>123,853</u>	<u>13,469</u>
Restricted Intergovernmental:			
State and Federal Grants		8,432,716	
ABC Tax		4,504	
Facilities Fees		73,251	
Total	<u>8,796,061</u>	<u>8,510,471</u>	<u>(285,590)</u>
Permits and Fees:			
Building Permits and Inspection Fees		157,367	
Business Registration Fee		1,085	
Other Permits		8,674	
Register of Deeds		120,966	
Gun Permits		6,450	
Total	<u>262,640</u>	<u>294,542</u>	<u>31,902</u>
Sales and Services:			
Rent and Concessions		440,951	
Jail and Inmate Fees		49,335	
Administrative Fees		269,000	
Fees - Health Department		964,745	
Data Processing, Mapping, Tax Notices		18,427	
Recreation Fees		76,337	
Court Costs, Fees & Charges		60,226	
Miscellaneous Fees		61,129	
Library Fines, Fees, Contributions		24,074	
Environmental Health Fees		34,897	
Soil Conservation - Ad Sales		3,750	
Billing for EMS		2,430,992	
Economic Development Reimbursements		-	
Motor Pool Reimbursements		156,900	

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, 2015

	Budget	Actual	Positive (Negative)
Sheriff Reimbursements		436,946	
Total	5,172,731	5,027,709	(145,022)
Investment Earnings	10,100	14,660	4,560
Miscellaneous:			
Sale of Assets/Insurance Claims		93,881	
VIPER Payments		46,328	
Miscellaneous		215,234	
Total	307,707	355,443	47,736
 TOTAL REVENUES	 38,729,484	 40,132,728	 1,403,244
Expenditures:			
General Government:			
Governing Body:			
Salaries		85,441	
Employee Benefits		11,195	
Capital Outlay		-	
Insurance and Bonds		636,930	
Other Operating Expenditures		216,380	
Special Appropriation		67,239	
Total	1,052,402	1,017,185	35,217
Administration:			
Salaries		136,122	
Employee Benefits		37,692	
Capital Outlay		-	
Other Operating Expenditures		18,000	
Total	192,020	191,814	206
Personnel & Workplace Safety:			
Salaries		96,871	
Employee Benefits		30,969	
Capital Outlay		-	
Other Operating Expenditures		7,946	
Total	137,044	135,786	1,258
Planning and Community Development:			
Salaries		72,440	
Employee Benefits		22,546	
Capital Outlay		-	
Other Operating Expenditures		5,760	
Total	104,472	100,746	3,726

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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Elections:			
Salaries		124,207	
Employee Benefits		40,831	
Capital Outlay		168,840	
Contracted Services		56,513	
Other Operating Expenditures		53,984	
Total	<u>481,626</u>	<u>444,375</u>	<u>37,251</u>
Finance:			
Salaries		197,289	
Employee Benefits		63,613	
Capital Outlay		-	
Other Operating Expenditures		60,046	
Total	<u>327,335</u>	<u>320,948</u>	<u>6,387</u>
Taxes:			
Salaries		244,445	
Employee Benefits		86,341	
Capital Outlay		-	
Other Operating Expenditures		119,051	
Contracted Services		66,906	
Total	<u>522,320</u>	<u>516,743</u>	<u>5,577</u>
Data Processing:			
Salaries		94,243	
Employee Benefits		30,224	
Capital Outlay		-	
Other Operating Expenditures		42,326	
Total	<u>212,079</u>	<u>166,793</u>	<u>45,286</u>
Mapping:			
Salaries		12,772	
Employee Benefits		5,397	
Capital Outlay		8,399	
Other Operating Expenditures		34,374	
Total	<u>64,232</u>	<u>60,942</u>	<u>3,290</u>
Register of Deeds:			
Salaries		138,608	
Employee Benefits		46,629	
Capital Outlay		-	
Other Operating Expenditures		158,604	
Total	<u>350,512</u>	<u>343,841</u>	<u>6,671</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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Operational Services:			
Central Services and Administration:			
Salaries		163,089	
Employee Benefits		57,469	
Capital Outlay		-	
Other Operating Expenditures		419,152	
Contracted Services		36,213	
Total	<u>682,253</u>	<u>675,923</u>	<u>6,330</u>
Court Facilities:			
Capital Outlay		-	
Other Operating Expenditures		18,688	
Total	<u>45,100</u>	<u>18,688</u>	<u>26,412</u>
Central Services - Vehicle Maintenance:			
Salaries		68,934	
Employee Benefits		24,223	
Capital Outlay		-	
Other Operating Expenditures		542,266	
Total	<u>747,587</u>	<u>635,423</u>	<u>112,164</u>
Housekeeping:			
Salaries		154,414	
Employee Benefits		67,673	
Capital Outlay		-	
Other Operating Expenditures		29,844	
Total	<u>255,036</u>	<u>251,931</u>	<u>3,105</u>
Total General Government	<u>5,174,018</u>	<u>4,881,138</u>	<u>292,880</u>
Public Safety:			
Sheriff:			
Salaries		2,124,112	
Employee Benefits		846,088	
Capital Outlay		171,690	
Contracted Services		7,578	
Other Operating Expenditures		244,578	
Total	<u>3,537,237</u>	<u>3,394,046</u>	<u>143,191</u>
Communications:			
Salaries		354,218	
Employee Benefits		131,093	
Capital Outlay		-	
Other Operating Expenditures		3,700	
Total	<u>491,201</u>	<u>489,011</u>	<u>2,190</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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Jail:			
Salaries		690,356	
Employee Benefits		237,446	
Capital Outlay		-	
Contracted Services		2,050	
Other Operating Expenditures		704,916	
Total	<u>1,725,004</u>	<u>1,634,768</u>	<u>90,236</u>
Pre Trial Release			
Salaries		40,936	
Employee Benefits		15,824	
Capital Outlay		-	
Other Operating Expenditures		13,245	
Total	<u>70,276</u>	<u>70,005</u>	<u>271</u>
Equitable Sharing			
Salaries		-	
Employee Benefits		-	
Capital Outlay		-	
Other Operating Expenditures		36,842	
Total	<u>52,933</u>	<u>36,842</u>	<u>16,091</u>
Animal Control:			
Salaries		132,681	
Employee Benefits		48,840	
Capital Outlay		-	
Other Operating Expenditures		68,600	
Total	<u>257,767</u>	<u>250,121</u>	<u>7,646</u>
Emergency Management:			
Salaries		134,334	
Employee Benefits		43,275	
Capital Outlay		36,959	
Other Operating Expenditures		46,649	
Total	<u>282,094</u>	<u>261,217</u>	<u>20,877</u>
Rescue Squads:			
Salaries		1,397,067	
Employee Benefits		393,962	
Capital Outlay		297,262	
Contracted Services		197,525	
Bad Debts		424,216	
Other Operating Expenditures		293,071	
Total	<u>3,042,038</u>	<u>3,003,103</u>	<u>38,935</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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Inspection:			
Salaries		123,888	
Employee Benefits		41,567	
Capital Outlay		26,554	
Other Operating Expenditures		11,424	
Total	<u>215,046</u>	<u>203,433</u>	<u>11,613</u>
Coroner:			
Salaries		5,108	
Employee Benefits		622	
Professional Services		-	
Other Operating Expenditures		26,721	
Total	<u>33,638</u>	<u>32,451</u>	<u>1,187</u>
Special Appropriations:			
Aviation		14,416	
Forest Services		153,774	
Storm Preparation		174	
Beaver Control		5,200	
Total	<u>195,437</u>	<u>173,564</u>	<u>21,873</u>
Total Public Safety	<u>9,902,671</u>	<u>9,548,561</u>	<u>354,110</u>
Economic and Physical Development:			
Economic Development			
Salaries		116,001	
Employee Benefits		33,865	
Other Operating Expenditures		396,491	
Special Appropriations		2,093	
Capital Outlay		-	
Total	<u>577,318</u>	<u>548,450</u>	<u>28,868</u>
Agricultural Extension:			
Salaries		137,186	
Employee Benefits		45,238	
Capital Outlay		-	
Other Operating Expenditures		23,950	
Total	<u>215,547</u>	<u>206,374</u>	<u>9,173</u>
Soil Conservation:			
Salaries		75,566	
Employee Benefits		26,306	
Capital Outlay		-	
Other Operating Expenditures		6,434	
Total	<u>128,586</u>	<u>108,306</u>	<u>20,280</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, 2015

	Budget	Actual	Positive (Negative)
Special Appropriations:			
Airport Contribution		40,000	
Total	40,000	40,000	-
 Total Economic and Physical Dev.	961,451	903,130	58,321
 Human services:			
Health:			
Administration:			
Salaries		314,529	
Employee Benefits		106,810	
Capital Outlay		-	
Professional Services		-	
Other Operating Expenditures		150,992	
Total	606,912	572,331	34,581
 Environmental Services:			
Salaries		132,696	
Employee Benefits		44,475	
Capital Outlay		29,052	
Other Operating Expenditures		6,723	
Total	213,079	212,946	133
 Women, Infants, and Children:			
Salaries		157,571	
Employee Benefits		59,917	
Capital Outlay		-	
Other Operating Expenditures		6,786	
Total	224,522	224,274	248
 Bio-Terrorism:			
Salaries		17,929	
Employee Benefits		5,476	
Other Operating Expenditures		2,832	
Capital Outlay		-	
Total	35,742	26,237	9,505
 Family Planning:			
Salaries		147,327	
Employee Benefits		51,669	
Capital Outlay		-	
Other Operating Expenditures		49,062	
Total	254,356	248,058	6,298

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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Maternal:			
Salaries		134,653	
Employee Benefits		48,499	
Capital Outlay		-	
Professional Services		-	
Other Operating Expenditures		24,139	
Total	<u>222,530</u>	<u>207,291</u>	<u>15,239</u>
Tuberculosis:			
Salaries		21,874	
Employee Benefits		6,887	
Capital Outlay		-	
Other Operating Expenditures		7,998	
Total	<u>43,606</u>	<u>36,759</u>	<u>6,847</u>
Child Health			
Salaries		152,131	
Employee Benefits		52,946	
Capital Outlay		-	
Other Operating Expenditures		13,608	
Total	<u>218,851</u>	<u>218,685</u>	<u>166</u>
Care Management			
Salaries		97,297	
Employee Benefits		31,882	
Capital Outlay		-	
Other Operating Expenditures		13,543	
Total	<u>168,416</u>	<u>142,722</u>	<u>25,694</u>
Health Check and Promotion:			
Salaries		64,084	
Employee Benefits		22,010	
Capital Outlay		-	
Other Operating Expenditures		3,147	
Total	<u>105,765</u>	<u>89,241</u>	<u>16,524</u>
Home Health:			
Salaries		414,715	
Employee Benefits		135,712	
Contracted Services		25,474	
Professional Services		-	
Capital Outlay		-	
Other Operating Expenditures		282,002	
Total	<u>947,024</u>	<u>857,903</u>	<u>89,121</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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Young Families Connect:			
Salaries		69,625	
Employee Benefits		25,096	
Capital Outlay		-	
Other Operating Expenditures		81,860	
Total	<u>200,000</u>	<u>176,581</u>	<u>23,419</u>
 H-CHAP			
Salaries		10,883	
Employee Benefits		2,198	
Capital Outlay		-	
Other Operating Expenditures		20,510	
Total	<u>34,657</u>	<u>33,591</u>	<u>1,066</u>
 H-CAP			
Salaries		173,536	
Employee Benefits		59,490	
Capital Outlay		-	
Other Operating Expenditures		36,833	
Total	<u>315,966</u>	<u>269,859</u>	<u>46,107</u>
 Mental Health:			
Mental Health Expense		53,229	
Capital Outlay		-	
Total	<u>53,229</u>	<u>53,229</u>	<u>-</u>
 School Health	250,000	250,000	-
H-IAP	46,618	40,395	6,223
Communicable Diseases	15,050	12,642	2,408
 Extension Services			
Grants:			
Salaries		59,632	
Employee Benefits		22,428	
Capital Outlay		-	
Juvenile Services		11,885	
Other Operating Expenditures		64,231	
Total	<u>162,270</u>	<u>158,176</u>	<u>4,094</u>
 Total Health	<u>4,118,593</u>	<u>3,830,920</u>	<u>287,673</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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Social services:			
Salaries		3,065,106	
Employee Benefits		1,056,189	
Capital Outlay		36,598	
Contract Services		259,013	
Other Operating Expenditures		1,571,610	
Total	<u>6,159,340</u>	<u>5,988,516</u>	<u>170,824</u>
Public Assistance:	<u>2,138,959</u>	<u>2,087,504</u>	<u>51,455</u>
Total Social Services	<u>8,298,299</u>	<u>8,076,020</u>	<u>222,279</u>
Senior Citizens:			
Salaries		490,892	
Employee Benefits		175,339	
Capital Outlay		15,750	
Other Operating Expenditures		279,082	
Total	<u>1,091,244</u>	<u>961,063</u>	<u>130,181</u>
Veterans service officer:			
Salaries		15,039	
Employee Benefits		1,192	
Capital Outlay		-	
Other Operating Expenditures		1,662	
Total	<u>21,676</u>	<u>17,893</u>	<u>3,783</u>
Total Human Services	<u>13,529,812</u>	<u>12,885,896</u>	<u>643,916</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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Cultural and Recreational:			
Recreation:			
Salaries		137,908	
Employee Benefits		41,300	
Capital Outlay		309,889	
Contracted Services		13,089	
Other Operating Expenditures		92,356	
Total	<u>594,941</u>	<u>594,542</u>	<u>399</u>
Library:			
Salaries		270,009	
Employee Benefits		102,628	
Capital Outlay		-	
Other Operating Expenditures		59,799	
Total	<u>513,230</u>	<u>432,436</u>	<u>80,794</u>
Special Appropriations:			
Other Charitable Organizations	<u>5,675</u>	<u>4,100</u>	<u>1,575</u>
Total Cultural and Recreational	<u>1,113,846</u>	<u>1,031,078</u>	<u>82,768</u>
Education:			
Public Schools:			
Current Expense		6,750,245	
Special Projects		7,500	
1/2 Cent Paid to Schools		208,491	
Additional 1/2 Cent Paid to Schools		348,128	
Community Colleges:			
Current Expense		760,803	
Capital Outlay		31,700	
Scholarship		5,000	
Total Education	<u>8,119,306</u>	<u>8,111,867</u>	<u>7,439</u>
Debt Service:			
Principal Retirement		2,677,026	
Interest and Fees		329,881	
Total Debt Service	<u>3,036,269</u>	<u>3,006,907</u>	<u>29,362</u>
TOTAL EXPENDITURES	<u>41,837,373</u>	<u>40,368,577</u>	<u>1,468,796</u>
Revenues over(under) Expenditures	<u>(3,107,889)</u>	<u>(235,849)</u>	<u>2,872,040</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, 2015

	<u>Budget</u>	<u>Actual</u>	Positive (Negative)
Other financing sources (uses):			
Issuance of Installment Purchases	465,840	446,415	(19,425)
Bond Refunding Proceeds			-
Fund Balance Appropriated	4,203,571	-	(4,203,571)
Transfers (to)/from Other Funds:			
Water Capital Project Fund	-		-
Water Fund	(141,102)	(141,102)	-
Self Insured Fund	99,830	99,838	8
CDBG Project Fund	(5,000)	(5,000)	-
Jail Construction Capital Project	(1,465,250)	(1,465,250)	-
Emergency Telephone Fund	-		-
Re-Assessment Fund	(50,000)	(50,000)	-
Total Other Financing Sources (Uses)	<u>3,107,889</u>	<u>(1,115,099)</u>	<u>(4,222,988)</u>
Net Change In Fund Balance	\$ <u>-</u>	(1,350,948)	\$ <u>(1,350,948)</u>
Fund Balance, Beginning		16,561,314	
Fund Balance, Ending		<u>\$ 15,210,366</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, 2015

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Investment Earnings	\$ -	\$ 132	\$ 132
Expenditures:			
General Government			
Salaries		-	
Employee Benefits		-	
Operating Supplies		-	
Contracted Services		102,544	
Capital Outlay		-	
Total Expenditures	<u>103,541</u>	<u>102,544</u>	<u>997</u>
Revenues Over (Under) Expenditures	<u>(103,541)</u>	<u>(102,412)</u>	<u>1,129</u>
Other Financing Sources (Uses):			
Transfers from General Fund	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(53,541)	(52,412)	1,129
Fund Balance Appropriated	<u>53,541</u>	<u>-</u>	<u>(53,541)</u>
Net Change In Fund Balance	\$ <u><u>-</u></u>	(52,412)	\$ <u><u>(52,412)</u></u>
Fund Balance, Beginning		<u>376,892</u>	
Fund Balance, Ending		\$ <u><u>324,480</u></u>	

Bladen County
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Bladen County, North Carolina
Jail Construction Capital Project Fund
Schedule of Revenues and Expenditures - Budget and Actual - (Non - GAAP)
From Inception and for the Fiscal Year Ended June 30, 2015

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Other Revenues:					
Investment Earnings	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:					
Public Safety					
Construction	1,465,250	-	1,110,576	1,110,576	354,674
Interest	-	-	-	-	-
Total Expenditures	<u>1,465,250</u>	<u>-</u>	<u>1,110,576</u>	<u>1,110,576</u>	<u>354,674</u>
Revenues Over (Under) Expenditures	<u>(1,465,250)</u>	<u>-</u>	<u>(1,110,576)</u>	<u>(1,110,576)</u>	<u>354,674</u>
Other Financing Sources (Uses):					
Issuance of Installment Purchases	-	-	-	-	-
Transfer from General Fund	1,465,250	-	1,465,250	1,465,250	-
Total Other Financing Sources (Uses)	<u>1,465,250</u>	<u>-</u>	<u>1,465,250</u>	<u>1,465,250</u>	<u>-</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>\$ -</u>	354,674	<u>\$ 354,674</u>	<u>\$ 354,674</u>
Fund Balance, Beginning			<u>-</u>		
Fund Balance, Ending			<u>\$ 354,674</u>		

Bladen County, North Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2015

	Fire District Funds(Combined)	Emergency Telephone System Fund	CDBG Grant	Totals June 30, 2015
Assets:				
Cash and Cash Equivalents	\$ 2,492,107	\$ -	\$ 4,780	\$ 2,496,887
Restricted Cash	-	85,043	-	85,043
Accounts Receivable	71,327	144,174	-	215,501
Taxes Receivable (Net)	199,431	-	-	199,431
Total Assets	<u>\$ 2,762,865</u>	<u>\$ 229,217</u>	<u>\$ 4,780</u>	<u>\$ 2,996,862</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable and Accrued				
Liabilities	\$ 361	\$ 13,074	\$ -	\$ 13,435
Due to Other Funds	-	-	-	-
Total Liabilities	<u>361</u>	<u>13,074</u>	<u>-</u>	<u>13,435</u>
Deferred Inflows				
Deferred Revenues	199,431	-	-	199,431
Total Deferred Inflows of Resources	<u>199,431</u>	<u>-</u>	<u>-</u>	<u>199,431</u>
Fund Balances:				
Restricted				
Stabilization by State Statute	71,327	144,174	-	215,501
Public Safety	-	71,969	-	71,969
Fire Protection	2,377,128	-	-	2,377,128
Committed				
Economic Development	-	-	-	-
Assigned				
Subsequent Year's Expenditures	114,618	-	-	114,618
Unassigned	-	-	4,780	4,780
Total Fund Balances	<u>2,563,073</u>	<u>216,143</u>	<u>4,780</u>	<u>2,783,996</u>
Total Liabilities and Fund				
Balances	<u>\$ 2,762,865</u>	<u>\$ 229,217</u>	<u>\$ 4,780</u>	<u>\$ 2,996,862</u>

Bladen County, North Carolina
**Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances**
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2015

	Fire District Fund(All)	Emergency Telephone System Fund	CDBG NC Tomorrow Grant	Totals June 30, 2015
Revenues:				
Ad Valorem Taxes	\$ 1,184,891	\$ -	\$ -	\$ 1,184,891
Investment Earnings	626	49	-	675
Sales Tax Revenue	240,363	-	-	240,363
Restricted Intergovernmental	-	124,485	383,397	507,882
Other Taxes and Licenses				
Emerg. Telephone System Chgs	-	236,252	-	236,252
Rent	-	-	-	-
Miscellaneous	-	947	-	947
Total revenues	<u>1,425,880</u>	<u>361,733</u>	<u>383,397</u>	<u>2,171,010</u>
Expenditures:				
Current:				
Public Safety	1,631,253	559,572	-	2,190,825
General Government	-	-	-	-
Cultural and Recreational	-	-	-	-
Education	-	-	-	-
Debt Service	-	-	-	-
Economic and Physical Development	-	-	383,617	383,617
Total Expenditures	<u>1,631,253</u>	<u>559,572</u>	<u>383,617</u>	<u>2,574,442</u>
Revenues Over (Under) Expenditures	<u>(205,373)</u>	<u>(197,839)</u>	<u>(220)</u>	<u>(403,432)</u>
Other Financing Sources:				
Operating Transfers In	-	-	5,000	5,000
Operating Transfers (Out)	-	-	-	-
Proceeds from Installment Loan	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>
Net Change In Fund Balance	(205,373)	(197,839)	4,780	(398,432)
Fund Balance, Beginning	<u>2,768,446</u>	<u>413,982</u>	<u>-</u>	<u>3,182,428</u>
Fund Balance, Ending	<u>\$ 2,563,073</u>	<u>\$ 216,143</u>	<u>\$ 4,780</u>	<u>\$ 2,783,996</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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 1,184,891	
Sales Tax Revenue		240,363	
Investment Earnings		626	
Total Revenues	\$ <u>1,006,736</u>	<u>1,425,880</u>	\$ <u>419,144</u>
Expenditures:			
Public Safety:			
Operating Expenses		216,644	
Professional Services		-	
Miscellaneous		471,535	
Contracted Services		943,074	
Total Public Safety	<u>1,722,664</u>	<u>1,631,253</u>	<u>91,411</u>
Total Expenditures	1,722,664	1,631,253	91,411
Revenues Over (Under) Expenditures	<u>(715,928)</u>	<u>(205,373)</u>	<u>510,555</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(715,928)	(205,373)	510,555
Fund Balance Appropriated	<u>715,928</u>	<u>-</u>	<u>(715,928)</u>
Net Change In Fund Balance	\$ <u><u>-</u></u>	(205,373)	\$ <u><u>(205,373)</u></u>
Fund Balance, Beginning		<u>2,768,446</u>	
Fund Balance, Ending		\$ <u><u>2,563,073</u></u>	

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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 55,961	
Sales Tax Revenue		12,059	
Investment Earnings		29	
Total Revenues	<u>\$ 57,285</u>	<u>68,049</u>	<u>\$ 10,764</u>
Expenditures:			
Public Safety:			
Operating Expenses		87	
Professional Services		-	
Miscellaneous		186	
Contracted Services		43,755	
Total Public Safety	<u>76,511</u>	<u>44,028</u>	<u>32,483</u>
Total Expenditures	76,511	44,028	32,483
Revenues Over (Under) Expenditures	<u>(19,226)</u>	<u>24,021</u>	<u>43,247</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(19,226)	24,021	43,247
Fund Balance Appropriated	<u>19,226</u>	<u>-</u>	<u>(19,226)</u>
Net Change In Fund Balance	<u>\$ -</u>	24,021	<u>\$ 24,021</u>
Fund Balance, Beginning		<u>126,332</u>	
Fund Balance, Ending		<u>\$ 150,353</u>	

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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 54,123	
Sales Tax Revenue		11,617	
Investment Earnings		39	
Total Revenues	<u>\$ 52,968</u>	<u>65,779</u>	<u>\$ 12,811</u>
Expenditures:			
Public Safety:			
Operating Expenses		75,152	
Professional Services		-	
Miscellaneous		144	
Contracted Services		54,166	
Total Public Safety	<u>130,268</u>	<u>129,462</u>	<u>806</u>
Total Expenditures	130,268	129,462	806
Revenues Over (Under) Expenditures	<u>(77,300)</u>	<u>(63,683)</u>	<u>13,617</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(77,300)	(63,683)	13,617
Fund Balance Appropriated	<u>77,300</u>	<u>-</u>	<u>(77,300)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>(63,683)</u>	<u>\$ (63,683)</u>
Fund Balance, Beginning		<u>214,211</u>	
Fund Balance, Ending		<u>\$ 150,528</u>	

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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 79,095	
Sales Tax Revenue		14,186	
Investment Earnings		22	
Total Revenues	<u>\$ 58,478</u>	<u>93,303</u>	<u>\$ 34,825</u>
Expenditures:			
Public Safety:			
Operating Expenses		75,605	
Professional Services		-	
Miscellaneous		154	
Contracted Services		45,463	
Total Public Safety	<u>71,318</u>	<u>121,222</u>	<u>(49,904)</u>
Total Expenditures	71,318	121,222	(49,904)
Revenues Over (Under) Expenditures	<u>(12,840)</u>	<u>(27,919)</u>	<u>(15,079)</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(12,840)	(27,919)	(15,079)
Fund Balance Appropriated	<u>12,840</u>	<u>-</u>	<u>(12,840)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>(27,919)</u>	<u>\$ (27,919)</u>
Fund Balance, Beginning		<u>73,333</u>	
Fund Balance, Ending		<u>\$ 45,414</u>	

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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 32,721	
Sales Tax Revenue		6,666	
Investment Earnings		17	
Total Revenues	<u>\$ 29,585</u>	<u>39,404</u>	<u>\$ 9,819</u>
Expenditures:			
Public Safety:			
Operating Expenses		114	
Professional Services		-	
Miscellaneous		67,000	
Contracted Services		19,777	
Total Public Safety	<u>96,615</u>	<u>86,891</u>	<u>9,724</u>
Total Expenditures	96,615	86,891	9,724
Revenues Over (Under) Expenditures	<u>(67,030)</u>	<u>(47,487)</u>	<u>19,543</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(67,030)	(47,487)	19,543
Fund Balance Appropriated	<u>67,030</u>	<u>-</u>	<u>(67,030)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>(47,487)</u>	<u>\$ (47,487)</u>
Fund Balance, Beginning		<u>89,324</u>	
Fund Balance, Ending		<u>\$ 41,837</u>	

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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 54,410	
Sales Tax Revenue		9,942	
Investment Earnings		17	
Total Revenues	<u>\$ 42,329</u>	<u>64,369</u>	<u>\$ 22,040</u>
Expenditures:			
Public Safety:			
Operating Expenses		2,679	
Professional Services		-	
Miscellaneous		8,467	
Contracted Services		42,995	
Total Public Safety	<u>54,939</u>	<u>54,141</u>	<u>798</u>
Total Expenditures	54,939	54,141	798
Revenues Over (Under) Expenditures	<u>(12,610)</u>	<u>10,228</u>	<u>22,838</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(12,610)	10,228	22,838
Fund Balance Appropriated	<u>12,610</u>	<u>-</u>	<u>(12,610)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>10,228</u>	<u>\$ 10,228</u>
Fund Balance, Beginning		<u>57,684</u>	
Fund Balance, Ending		<u>\$ 67,912</u>	

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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 41,067	
Sales Tax Revenue		8,505	
Investment Earnings		22	
Total Revenues	<u>\$ 39,271</u>	<u>49,594</u>	<u>\$ 10,323</u>
Expenditures:			
Public Safety:			
Operating Expenses		131	
Professional Services		-	
Miscellaneous		6,000	
Contracted Services		33,696	
Total Public Safety	<u>49,326</u>	<u>39,827</u>	<u>9,499</u>
Total Expenditures	49,326	39,827	9,499
Revenues Over (Under) Expenditures	<u>(10,055)</u>	<u>9,767</u>	<u>19,822</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(10,055)	9,767	19,822
Fund Balance Appropriated	<u>10,055</u>	<u>-</u>	<u>(10,055)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>9,767</u>	<u>\$ 9,767</u>
Fund Balance, Beginning		<u>84,830</u>	
Fund Balance, Ending		<u>\$ 94,597</u>	

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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 42,587	
Sales Tax Revenue		8,744	
Investment Earnings		21	
Total Revenues	<u>\$ 34,035</u>	<u>51,352</u>	<u>\$ 17,317</u>
Expenditures:			
Public Safety:			
Operating Expenses		153	
Professional Services		-	
Miscellaneous		60,205	
Contracted Services		36,623	
Total Public Safety	<u>96,979</u>	<u>96,981</u>	<u>(2)</u>
Total Expenditures	96,979	96,981	(2)
Revenues Over (Under) Expenditures	<u>(62,944)</u>	<u>(45,629)</u>	<u>17,315</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(62,944)	(45,629)	17,315
Fund Balance Appropriated	<u>62,944</u>	<u>-</u>	<u>(62,944)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>(45,629)</u>	<u>\$ (45,629)</u>
Fund Balance, Beginning		<u>78,069</u>	
Fund Balance, Ending		<u>\$ 32,440</u>	

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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 57,567	
Sales Tax Revenue		11,735	
Investment Earnings		53	
Total Revenues	<u>\$ 52,055</u>	<u>69,355</u>	<u>\$ 17,300</u>
Expenditures:			
Public Safety:			
Operating Expenses		255	
Professional Services		-	
Miscellaneous		102	
Contracted Services		52,055	
Total Public Safety	<u>57,285</u>	<u>52,412</u>	<u>4,873</u>
Total Expenditures	57,285	52,412	4,873
Revenues Over (Under) Expenditures	<u>(5,230)</u>	<u>16,943</u>	<u>22,173</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(5,230)	16,943	22,173
Fund Balance Appropriated	<u>5,230</u>	<u>-</u>	<u>(5,230)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>16,943</u>	<u>\$ 16,943</u>
Fund Balance, Beginning		<u>234,156</u>	
Fund Balance, Ending		<u>\$ 251,099</u>	

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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 145,236	
Sales Tax Revenue		30,878	
Investment Earnings		64	
Total Revenues	<u>\$ 122,923</u>	<u>176,178</u>	<u>\$ 53,255</u>
Expenditures:			
Public Safety:			
Operating Expenses		2,746	
Professional Services		-	
Miscellaneous		21,297	
Contracted Services		124,725	
Total Public Safety	<u>148,772</u>	<u>148,768</u>	<u>4</u>
Total Expenditures	148,772	148,768	4
Revenues Over (Under) Expenditures	<u>(25,849)</u>	<u>27,410</u>	<u>53,259</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(25,849)	27,410	53,259
Fund Balance Appropriated	<u>25,849</u>	<u>-</u>	<u>(25,849)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>27,410</u>	<u>\$ 27,410</u>
Fund Balance, Beginning		<u>229,154</u>	
Fund Balance, Ending		<u>\$ 256,564</u>	

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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 131,368	
Sales Tax Revenue		26,270	
Investment Earnings		90	
Total Revenues	<u>\$ 117,935</u>	<u>157,728</u>	<u>\$ 39,793</u>
Expenditures:			
Public Safety:			
Operating Expenses		26,392	
Professional Services		-	
Miscellaneous		253,662	
Contracted Services		45,000	
Total Public Safety	<u>343,222</u>	<u>325,054</u>	<u>18,168</u>
Total Expenditures	343,222	325,054	18,168
Revenues Over (Under) Expenditures	<u>(225,287)</u>	<u>(167,326)</u>	<u>57,961</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(225,287)	(167,326)	57,961
Fund Balance Appropriated	<u>225,287</u>	<u>-</u>	<u>(225,287)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>(167,326)</u>	<u>\$ (167,326)</u>
Fund Balance, Beginning		<u>502,197</u>	
Fund Balance, Ending		<u>\$ 334,871</u>	

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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 41,381	
Sales Tax Revenue		8,586	
Investment Earnings		10	
Total Revenues	<u>\$ 37,772</u>	<u>49,977</u>	<u>\$ 12,205</u>
Expenditures:			
Public Safety:			
Operating Expenses		6,128	
Professional Services		-	
Miscellaneous		35,240	
Contracted Services		38,484	
Total Public Safety	<u>79,859</u>	<u>79,852</u>	<u>7</u>
Total Expenditures	79,859	79,852	7
Revenues Over (Under) Expenditures	<u>(42,087)</u>	<u>(29,875)</u>	<u>12,212</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(42,087)	(29,875)	12,212
Fund Balance Appropriated	<u>42,087</u>	<u>-</u>	<u>(42,087)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>(29,875)</u>	<u>\$ (29,875)</u>
Fund Balance, Beginning		<u>68,274</u>	
Fund Balance, Ending		<u>\$ 38,399</u>	

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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 82,692	
Sales Tax Revenue		17,335	
Investment Earnings		44	
Total Revenues	<u>\$ 74,311</u>	<u>100,071</u>	<u>\$ 25,760</u>
Expenditures:			
Public Safety:			
Operating Expenses		2,757	
Professional Services		-	
Miscellaneous		415	
Contracted Services		66,292	
Total Public Safety	<u>77,357</u>	<u>69,464</u>	<u>7,893</u>
Total Expenditures	77,357	69,464	7,893
Revenues Over (Under) Expenditures	<u>(3,046)</u>	<u>30,607</u>	<u>33,653</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(3,046)	30,607	33,653
Fund Balance Appropriated	<u>3,046</u>	<u>-</u>	<u>(3,046)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>30,607</u>	<u>\$ 30,607</u>
Fund Balance, Beginning		<u>167,282</u>	
Fund Balance, Ending		<u>\$ 197,889</u>	

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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 135,672	
Sales Tax Revenue		28,687	
Investment Earnings		71	
Total Revenues	<u>\$ 119,065</u>	<u>164,430</u>	<u>\$ 45,365</u>
Expenditures:			
Public Safety:			
Operating Expenses		577	
Professional Services		-	
Miscellaneous		526	
Contracted Services		90,916	
Total Public Safety	<u>143,689</u>	<u>92,019</u>	<u>51,670</u>
Total Expenditures	143,689	92,019	51,670
Revenues Over (Under) Expenditures	<u>(24,624)</u>	<u>72,411</u>	<u>97,035</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(24,624)	72,411	97,035
Fund Balance Appropriated	<u>24,624</u>	<u>-</u>	<u>(24,624)</u>
Net Change In Fund Balance	<u>\$ -</u>	72,411	<u>\$ 72,411</u>
Fund Balance, Beginning		<u>247,281</u>	
Fund Balance, Ending		<u>\$ 319,692</u>	

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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 116,349	
Sales Tax Revenue		23,495	
Investment Earnings		95	
Total Revenues	<u>\$ 91,745</u>	<u>139,939</u>	<u>\$ 48,194</u>
Expenditures:			
Public Safety:			
Operating Expenses		21,145	
Professional Services		-	
Miscellaneous		18,084	
Contracted Services		50,274	
Total Public Safety	<u>130,914</u>	<u>89,503</u>	<u>41,411</u>
Total Expenditures	130,914	89,503	41,411
Revenues Over (Under) Expenditures	<u>(39,169)</u>	<u>50,436</u>	<u>89,605</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(39,169)	50,436	89,605
Fund Balance Appropriated	<u>39,169</u>	<u>-</u>	<u>(39,169)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>50,436</u>	<u>\$ 50,436</u>
Fund Balance, Beginning		<u>396,265</u>	
Fund Balance, Ending		<u>\$ 446,701</u>	

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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 71,243	
Sales Tax Revenue		14,884	
Investment Earnings		19	
Total Revenues	<u>\$ 65,258</u>	<u>86,146</u>	<u>\$ 20,888</u>
Expenditures:			
Public Safety:			
Operating Expenses		2,603	
Professional Services		-	
Miscellaneous		53	
Contracted Services		62,698	
Total Public Safety	<u>75,293</u>	<u>65,354</u>	<u>9,939</u>
Total Expenditures	75,293	65,354	9,939
Revenues Over (Under) Expenditures	<u>(10,035)</u>	<u>20,792</u>	<u>30,827</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(10,035)	20,792	30,827
Fund Balance Appropriated	<u>10,035</u>	<u>-</u>	<u>(10,035)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>20,792</u>	<u>\$ 20,792</u>
Fund Balance, Beginning		<u>51,911</u>	
Fund Balance, Ending		<u>\$ 72,703</u>	

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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 26,248	
Sales Tax Revenue		6,342	
Investment Earnings		13	
Total Revenues	<u>\$ 30,971</u>	<u>32,603</u>	<u>\$ 1,632</u>
Expenditures:			
Public Safety:			
Operating Expenses		118	
Professional Services		-	
Miscellaneous		-	
Contracted Services		119,000	
Total Public Safety	<u>119,120</u>	<u>119,118</u>	<u>2</u>
Total Expenditures	119,120	119,118	2
Revenues Over (Under) Expenditures	<u>(88,149)</u>	<u>(86,515)</u>	<u>1,634</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(88,149)	(86,515)	1,634
Fund Balance Appropriated	<u>88,149</u>	<u>-</u>	<u>(88,149)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>(86,515)</u>	<u>\$ (86,515)</u>
Fund Balance, Beginning		<u>146,627</u>	
Fund Balance, Ending		<u>\$ 60,112</u>	

Bladen County, North Carolina
Fire District Fund - Atkinson
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 2,390	
Sales Tax Revenue		432	
Investment Earnings		-	
Total Revenues	<u>\$ 2,063</u>	<u>2,822</u>	<u>\$ 759</u>
Expenditures:			
Public Safety:			
Operating Expenses		2	
Professional Services		-	
Miscellaneous		-	
Contracted Services		2,374	
Total Public Safety	<u>2,565</u>	<u>2,376</u>	<u>189</u>
Total Expenditures	2,565	2,376	189
Revenues Over (Under) Expenditures	<u>(502)</u>	<u>446</u>	<u>948</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(502)	446	948
Fund Balance Appropriated	<u>502</u>	<u>-</u>	<u>(502)</u>
Net Change In Fund Balance	<u>\$ -</u>	446	<u>\$ 446</u>
Fund Balance, Beginning		<u>1,516</u>	
Fund Balance, Ending		<u>\$ 1,962</u>	

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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Other Taxes and Licenses			
Emergency Telephone System Charges		\$ 236,252	
Restricted Intergovernmental Grants		124,485	
Miscellaneous		947	
Investment Income		49	
Total Revenues	\$ <u>360,737</u>	<u>361,733</u>	\$ <u>996</u>
Expenditures:			
Public safety:			
Operating Expenses		242,124	
Capital Outlay		317,448	
Total Expenditures	<u>654,498</u>	<u>559,572</u>	<u>94,926</u>
Total Expenditures	<u>654,498</u>	<u>559,572</u>	<u>94,926</u>
Revenues Over (Under) Expenditures	<u>(293,761)</u>	<u>(197,839)</u>	<u>95,922</u>
Other Financing Sources (Uses):			
Proceeds from Lease Purchase	-	-	-
Transfer to General Fund	-	-	-
Transfer from General Fund	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(293,761)	(197,839)	95,922
Fund Balance Appropriated	<u>293,761</u>	<u>-</u>	<u>(293,761)</u>
Net Change In Fund Balance	\$ <u>-</u>	(197,839)	\$ <u>(197,839)</u>
Fund Balance, Beginning		<u>413,982</u>	
Fund Balance, Ending		<u>\$ 216,143</u>	

Bladen County, North Carolina
Special Revenue Fund - CDBG Project
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and For the Fiscal Year Ended June 30, 2015

	Project Author - ization	Actual		Total to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues:					
Restricted intergovernmental					
Community Development Block Grant					
Scattered Site	\$ 400,000	\$ 159,697	\$ 228,807	\$ 388,504	\$ (11,496)
Community Investment	165,000	-	154,590	154,590	(10,410)
Small Business Entrep	250,000	127,246	-	127,246	(122,754)
Total restricted intergovernmental	<u>815,000</u>	<u>286,943</u>	<u>383,397</u>	<u>670,340</u>	<u>(144,660)</u>
Interest Income	-	-	-	-	-
Total Revenues	<u>815,000</u>	<u>286,943</u>	<u>383,397</u>	<u>670,340</u>	<u>(144,660)</u>
Expenditures:					
Current:					
Economic and physical development:					
Scattered Site					
Rehabilitation	360,000	145,000	203,504	348,504	11,496
Planning	5,000	4,697	303	5,000	-
Administration	35,000	10,000	25,000	35,000	-
Total Scattered Site	<u>400,000</u>	<u>159,697</u>	<u>228,807</u>	<u>388,504</u>	<u>11,496</u>
Scattered Site					
Rehabilitation	165,000	-	154,810	154,810	10,190
Total Scattered Site	<u>165,000</u>	<u>-</u>	<u>154,810</u>	<u>154,810</u>	<u>10,190</u>
Small Business Entrepreneurial					
Development financing	235,000	123,005	-	123,005	111,995
Other	10,000	-	-	-	10,000
Planning	5,000	4,241	-	4,241	759
Total Small Bus Entrepreneurial	<u>250,000</u>	<u>127,246</u>	<u>-</u>	<u>127,246</u>	<u>122,754</u>
Total expenditures	<u>815,000</u>	<u>286,943</u>	<u>383,617</u>	<u>670,560</u>	<u>144,440</u>
Revenues over expenditures	-	-	(220)	(220)	(220)
Other Financing Sources (Uses):					
Residual Equity Transfer from General Fund	-	-	5,000	5,000	5,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
Revenues, Other Sources Over (Under) Expenditures and Other Uses	<u>\$ -</u>	<u>\$ -</u>	4,780	<u>\$ 4,780</u>	<u>\$ 4,780</u>
Fund Balance, Beginning			-		
Fund Balance, Ending			<u>\$ 4,780</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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Operating revenues:			
Rent		\$ 77,260	
Other Revenue		-	
Total Operating Revenues	\$ 77,261	77,260	\$ (1)
Nonoperating revenues:			
Interest Income		-	
Total Nonoperating Revenues		-	-
Total Revenues	77,261	77,260	(1)
Expenditures:			
Other Operating Expense		-	
	-	-	-
Debt Service:			
Principal Retirement		65,084	
Interest		12,176	
Total Debt Service	77,261	77,260	1
Capital Outlay	-	-	-
Total Expenditures	77,261	77,260	1
Revenues Over (Under) Expenditures	-	-	-
Fund Balance Appropriated		-	-
Revenues and Other Financing Sources			
Over (Under) Expenditures and Other Uses	\$ -	\$ -	\$ -

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, 2015

	Budget	Actual	Variance Positive (Negative)
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:			
Revenues Over (Under) Expenditures		\$ <u> -</u>	
Reconciling Items:			
Principal Payments on Capital Leases and Debt		65,084	
Depreciation		<u>(245,982)</u>	
Total Reconciling Items		<u><u>(180,898)</u></u>	
Change in Net Position		\$ <u><u>(180,898)</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, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Operating Revenues			
Fees Solid Waste Collection		\$ 475,262	
Fees Solid Waste Disposal		1,126,704	
Fees Solid Waste Tipping		307,482	
Recyclable		35,337	
State Revenues		83,081	
Miscellaneous		8,996	
Total	<u>\$ 2,070,565</u>	<u>2,036,862</u>	<u>\$ (33,703)</u>
Nonoperating revenues:			
State Grant		17,815	
Interest Earnings		295	
Total Nonoperating Revenues	<u>64,498</u>	<u>18,110</u>	<u>(46,388)</u>
Total Revenues	<u>2,135,063</u>	<u>2,054,972</u>	<u>(80,091)</u>
Expenditures:			
Salaries		298,967	
Employee Benefits		103,412	
Operating Expense		1,652,801	
Budgetary Appropriations			
Capital Outlay		43,007	
Interest Paid		-	
Principle Payments Capital Leases & Debt		39,619	
Total Expenditures	<u>2,164,115</u>	<u>2,137,806</u>	<u>26,309</u>
Revenues Over (Under) Expenditures	<u>(29,052)</u>	<u>(82,834)</u>	<u>(53,782)</u>
Other Financing Sources and (Uses):			
Debt Issuance	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources			
Over (Under) Expenditures and Other Uses	(29,052)	(82,834)	(53,782)
Fund Balance Appropriated	<u>29,052</u>	<u>-</u>	<u>(29,052)</u>
Revenues, Other Sources and Appropriated			
Fund Balance Over (Under)	<u>-</u>	<u>(82,834)</u>	<u>(82,834)</u>
Expenditures and Other Uses	<u>\$ -</u>	<u>\$ (82,834)</u>	<u>\$ (82,834)</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, 2015

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual (modified accrual) to full accrual:			
Revenues and Other Sources Over (Under) Expenditures and Other Uses		\$ <u>(82,834)</u>	
Reconciling Items:			
Capital outlay		43,007	
Principal Payments on Capital Leases & Debt		39,619	
Debt Issuance		-	
Pension Expense		(1,742)	
Contributions made to the Pension Plan in the Current Fiscal year		17,802	
Bad Debts		(12,656)	
Change in Accrued Vacation		(4,858)	
Depreciation		<u>(102,042)</u>	
Total Reconciling Items and Adjustments		<u>(20,870)</u>	
Change in Net Position		\$ <u><u>(103,704)</u></u>	

Bladen County, North Carolina
Water Fund
Schedule of Revenues and Expenditures
Budget and Actual - (Non-GAAP)
For The Fiscal Year Ended June 30, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Operating Revenues			
Miscellaneous		\$ -	
Total Operating Revenues	\$ -	-	\$ -
Nonoperating Revenues			
Interest Income		326,388	
Total Nonoperating Revenues	-	326,388	326,388
Total Revenues	-	326,388	326,388
Expenditures:			
Operating Expenses		-	
Budgetary Appropriations:			
Interest Paid		326,388	
Debt Principal		290,000	
Total Expenditures	616,388	616,388	-
Revenues Over (Under) Expenditures	(616,388)	(290,000)	326,388
Other Financing Sources and (Uses):			
Debt Issuance		-	
Principle Repayment from Water District	616,388	290,000	
Total Other Financing Sources (Uses)	-	290,000	290,000
Revenues and Other Sources Over (Under) Expenses and Other Uses	(616,388)	-	616,388
Appropriated Fund Balance	-	-	-
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ (616,388)	\$ -	\$ 616,388

Bladen County, North Carolina
Water Fund
Schedule of Revenues and Expenditures
Budget and Actual - (Non-GAAP)
For The Fiscal Year Ended June 30, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:			
Revenues, Other Sources and Appropriated			
Fund Balance Over (Under)			
Expenditures and Other Uses		\$ -	
 Budgetary Appropriations:			
Principal Payments		290,000	
Principle Repayment from Water District		<u>(290,000)</u>	
Total reconciling items		<u>-</u>	
 Change in Net Position		\$ -	

Bladen County, North Carolina
Water District Fund
Schedule of Revenues and Expenditures
Budget and Actual - (Non-GAAP)
For The Fiscal Year Ended June 30, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Operating Revenues			
Tap on Fees		\$ 28,100	
Water Sales		2,015,328	
Late and Reconnect Fees		110,015	
Miscellaneous		8,028	
Total Operating Revenues	\$ <u>2,118,361</u>	<u>2,161,471</u>	\$ <u>43,110</u>
Nonoperating Revenues			
State Grant		3,738	
Interest on Investments		468	
Total Nonoperating Revenues	<u>3,738</u>	<u>4,206</u>	<u>468</u>
Total Revenues	<u>2,122,099</u>	<u>2,165,677</u>	<u>43,578</u>
Expenditures:			
Salaries		302,682	
Employee Benefits		106,221	
Operating Expenses		479,687	
Budgetary Appropriations:			
Capital Outlay		148,187	
Interest Paid		606,036	
Debt Principal		206,036	
Reduction in Water Fund Due to		290,000	
Total Expenditures	<u>2,158,666</u>	<u>2,138,849</u>	<u>19,817</u>
Revenues Over (Under) Expenditures	<u>(36,567)</u>	<u>26,828</u>	<u>63,395</u>
Other Financing Sources and (Uses):			
Debt Issuance		-	
Transfer from General Fund		141,102	
Total Other Financing Sources (Uses)	<u>-</u>	<u>141,102</u>	<u>141,102</u>
Revenues and Other Sources Over (Under) Expenses and Other Uses	(36,567)	167,930	204,497
Appropriated Fund Balance	<u>36,567</u>	<u>-</u>	<u>(36,567)</u>
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ <u><u>-</u></u>	\$ <u><u>167,930</u></u>	\$ <u><u>167,930</u></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, 2015

	Budget	Actual	Variance Positive (Negative)
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:			
Revenues, Other Sources and Appropriated			
Fund Balance Over (Under)			
Expenditures and Other Uses		\$ 167,930	
 Budgetary Appropriations:			
Capital Outlay		148,187	
Principal Payments		496,036	
Amortization of Bond Premiums		(13,584)	
Amortization of Deferred Charges		45,409	
Pension Expense		(1,742)	
Contributions made to the Pension Plan in the			
Current Fiscal year		17,802	
Change in Accrued Vacation		3,586	
Bad Debts		(12,519)	
Depreciation		(717,557)	
Total reconciling items		(34,382)	
 Change in Net Position		\$ 133,548	

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, 2015

	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Operating Revenues			
Premiums Received		-	
Total Operating Revenues	\$ -	-	\$ -
Nonoperating Revenues			
Interest on Investments		7	
Miscellaneous		-	
Total Nonoperating Revenues		7	7
Total Revenues	-	7	7
Expenditures:			
Claim Refund		-	
Claims		-	
Total Expenditures	-	-	-
Revenues Over (Under) Expenditures	-	7	7
Other Financing Sources and (Uses):			
Transfer to General Fund	(99,838)	(99,838)	-
Appropriated Fund Balance	99,838	-	(99,838)
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ -	\$ (99,831)	\$ (99,831)

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

Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses		\$ (99,831)	
Reconciling Items			
Capital Outlay		-	
Total reconciling items		-	
Change in Net Position		\$ (99,831)	

Bladen County, North Carolina
Agency Funds
Combining Statement of Fiduciary Assets and Liabilities
For the Fiscal Year Ended June 30, 2015

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
<u>Fines and Forfeitures</u>				
Assets:				
Cash and Investments	\$ -	\$ 251,535	\$ 251,535	\$ -
Liabilities:				
Miscellaneous Liabilities	-	251,535	251,535	-
<u>Social Services Fund</u>				
Assets:				
Cash and Investments	53,113	589,836	589,836	53,113
Liabilities:				
Miscellaneous Liabilities	53,113	589,836	589,836	53,113
<u>Municipal Tax Fund</u>				
Assets:				
Cash and Cash Equivalents	44,312	452,738	461,253	35,797
Liabilities:				
Intergovernmental Payable	44,312	452,738	461,253	35,797
<u>Animal Control Trust</u>				
Assets:				
Cash and Investments	1,567	3,056	1,978	2,645
Liabilities:				
Miscellaneous Liabilities	1,567	3,056	1,978	2,645
<u>Concealed Handgun Permits</u>				
Assets:				
Cash and Investments	10,475	32,475	38,720	4,230
Liabilities:				
Miscellaneous Liabilities	10,475	32,475	38,720	4,230
<u>Sheriff's Civil Account</u>				
Assets:				
Cash and Investments	2,044	16,645	16,765	1,924
Liabilities:				
Miscellaneous Liabilities	2,044	16,645	16,765	1,924
<u>Sheriff's Evidence Account</u>				
Assets:				
Cash and Investments	-	27,463	10,105	17,358
Liabilities:				
Miscellaneous Liabilities	-	27,463	10,105	17,358
Totals - All Agency Funds				
Assets:				
Cash and cash equivalents	111,511	1,373,748	1,370,192	115,067
Liabilities:				
Miscellaneous liabilities	67,199	921,010	908,939	79,270
Intergovernmental Payable	44,312	452,738	461,253	35,797
Total Liabilities	\$ 111,511	\$ 1,373,748	\$ 1,370,192	\$ 115,067

Bladen County
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Other Schedules

Bladen County, North Carolina
General Fund
Schedule of Ad Valorem Taxes Receivable
June 30, 2015

Fiscal Year	Uncollected Balance June 30, 2014	Additions	Collections And Credits	Uncollected Balance June 30, 2015
2014-2015	\$ -	\$ 20,180,430	\$ 19,416,132	\$ 764,298
2013-2014	1,416,116	2,394	779,185	639,325
2012-2013	745,928	115	260,180	485,863
2011-2012	498,544	120	148,785	349,879
2010-2011	414,234	-	97,242	316,992
2009-2010	383,709	-	91,356	292,353
2008-2009	245,442	-	47,533	197,909
2007-2008	199,799	22	33,529	166,292
2006-2007	125,080	458	22,513	103,025
2005-2006	100,893	-	15,962	84,931
2004-2005	83,329	-	83,329	-
TOTALS	\$ 4,213,074	\$ 20,183,539	\$ 20,995,746	3,400,867

Less Allowance for Doubtful Accounts (820,000)
\$ 2,580,867

Reconcilement with revenues:

Ad Valorem taxes - General Fund	\$ <u>21,134,454</u>
Reconciling items:	
Penalties and Interest	(450,370)
Release/Refunds	229,694
Discounts	<u>81,968</u>
Total Reconciling Items	<u>(138,708)</u>
 Total Collections and Credits	 \$ <u>20,995,746</u>

Bladen County, North Carolina
Analysis of Current Tax Levy
County - Wide Levy
For the Fiscal Year Ended June 30, 2015

	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	\$ 2,810,757,703	0.74	\$ 20,799,607	\$ 18,869,180	\$ 1,930,427
Total Original Levy	<u>2,810,757,703</u>		<u>20,799,607</u>	<u>18,869,180</u>	<u>1,930,427</u>
Discoveries:					
Current year taxes	16,899,324	0.74	125,055	125,055	-
Total Discoveries	<u>16,899,324</u>		<u>125,055</u>	<u>125,055</u>	<u>-</u>
Abatements					
Current Year Taxes	(100,571,892)	0.74	(744,232)	(744,220)	(12)
Total Abatements	<u>(100,571,892)</u>		<u>(744,232)</u>	<u>(744,220)</u>	<u>(12)</u>
Total for Year	<u>\$ 2,727,085,135</u>		20,180,430	18,250,015	1,930,415
Uncollected taxes at June 30, 2015			<u>764,298</u>	<u>761,612</u>	<u>2,686</u>
Current year's taxes collected			<u>\$ 19,416,132</u>	<u>\$ 17,488,403</u>	<u>\$ 1,927,729</u>
Current levy collection percentage			<u>96.21%</u>	<u>95.83%</u>	<u>99.86%</u>

Bladen County, North Carolina
Analysis of Current Tax Levy
County - Wide Levy
For the Fiscal Year Ended June 30, 2015

Secondary Market Disclosures:

Assessed Valuation:

Assessment Ratio ¹	100 %
Real Property	\$ 1,934,802,835
Personal Property	656,152,773
Public Service Companies ²	<u>136,129,527</u>
Total Assessed Valuation	<u>2,727,085,135</u>
Tax Rate per \$100	0.0074
Levy (includes discoveries, releases and abatements) ³	<u><u>\$ 20,180,430</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>\$ 1,005,585</u></u>
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¹ Percentage of appraised value has been established by statute.

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

³ The levy includes interest and penalties.

Bladen County, North Carolina
Schedule of Ten Largest Taxpayers
For the Fiscal Year Ended June 30, 2015

Taxpayer	Type of Business	2014 Assessed Valuation	Percentage of Total Assessed Valuation
E.I. Dupont	Plastic & Resin Products	\$ 153,643,081	5.63 %
Smithfield Packing	Pork Processor	114,851,647	4.21
Murphy Brown Farms	Agricultural Processor	39,757,067	1.46
Browns Realty Partnership	Agricultural Processor	25,993,700	0.95
Carolina Cold Storage	Processed Pork Storage	23,463,448	0.86
Danaher Controls	Electronics	14,505,050	0.53
Prestage Farms	Agricultural Processor	12,565,114	0.46
Marlowe Farms, LLC	Agricultural Processor	10,362,140	0.38
Red Mountain Timber Co., LLC	Timber Harvester	8,936,280	0.33
Sleepy Creek Farms, Inc	Agricultural Processor	8,251,350	0.30
Total		\$ <u>412,328,877</u>	<u>15.12</u> %

Bladen County
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Compliance Section



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**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***

Independent Auditors' Report

To the Board of County Commissioners
Bladen County, North Carolina

We have audited, in accordance with the 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, 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, 2015, and the related notes to the financial statement, which collectively comprises Bladen County's basic financial statements, and have issued our report thereon dated December 31, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Bladen County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Bladen County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

Our consideration of internal control was for limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned cost, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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 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. We consider the deficiencies described in the accompanying schedule of findings and question cost to be material weaknesses, listed as 2015-002.

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. We consider the deficiencies described in the accompanying schedule of findings and question cost to be significant deficiencies, listed as 2015-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bladen County's 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and question cost as items, listed as 2015-002.

Bladen County's Response to Findings

Bladen County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned cost. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Thompson, Price, Scott, Adams & Co., PA

*Elizabethtown, North Carolina
December 31, 2015*



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Report On Compliance With Requirements Applicable to Each Major Federal Program and Report on Internal Control Over Compliance; In accordance with OMB Circular A-133; and the State Single Audit Implementation Act

Independent Auditors' Report

To the Board of County Commissioners
Bladen County, North Carolina

Report on Compliance for Each Major Federal Program

We have audited Bladen County, North Carolina, compliance with the types of 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's major federal programs for the year ended June 30, 2015. 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.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Bladen County's major federal programs based on our audit of the types of compliance requirements referred to above. 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 a 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 on compliance for each major federal program. However, our audit does not provide a legal determination of Bladen County's compliance.

Opinion on Each Major Federal Program

In our opinion, Bladen County complied, in all material respects, with the types of 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, 2015.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as item 2015-002. Our opinion on each major federal program is not modified with respect to these matters.

Bladen County's response to the noncompliance finding identified in our audit is described in the accompanying corrective action plan. Bladen County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of Bladen County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Bladen County's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program 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.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance 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 a 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2015-002 to be a material weakness.

Bladen County's response to the internal control over compliance finding identified in our audit is described in the accompanying corrective action plan. Bladen County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Thompson, Price, Scott, Adams & Co., PA

Elizabethtown, North Carolina

December 31, 2015



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Report On Compliance With Requirements Applicable to Each Major State Program and Report on Internal Control Over Compliance; In accordance with OMB Circular A-133; and the State Single Audit Implementation Act

Independent Auditors' Report

To the Board of County Commissioners
Bladen County, North Carolina

Report on Compliance for Each Major State Program

We have audited Bladen County, North Carolina, compliance with the types of compliance requirements described in 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's major state programs for the year ended June 30, 2015. 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.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Bladen County's major state programs based on our audit of the types of compliance requirements referred to above. 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 and applicable sections of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, as described in the *Audit Manual for Governmental Auditors in North Carolina*, 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 a 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 on compliance for each major state program. However, our audit does not provide a legal determination of Bladen County's compliance.

Opinion on Each Major State Program

In our opinion, Bladen County complied, in all material respects, with the types of 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, 2015.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with applicable sections of section OMB Circular A-133 as described in the *Audit Manual for Governmental Auditors in North Carolina* and which are described in the accompanying schedule of findings and questioned costs as items 2015-002. Our opinion on each major state program is not modified with respect to these matters.

Bladen County's response to the noncompliance finding identified in our audit is described in the accompanying corrective action plan. The Bladen County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of Bladen County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Bladen County's internal control over compliance with the types of requirements that could have a direct and material effect on a major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state program 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.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance 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 a 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2015-002 to be a material weakness.

Bladen County's response to the internal control over compliance finding identified in our audit is described in the accompanying corrective action plan. Bladen County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Thompson, Price, Scott, Adams & Co., PA

Elizabethtown, North Carolina

December 31, 2015

Section II – Financial Statement Findings

SIGNIFICANT DEFICIENCY

2015 – 001 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. There are departments within the County that do not have a sufficient number of personal to separate billing and collection procedures.

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 review assigning procedures to other employees outside of those departments to help create compensation controls.

BLADEN COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2015

Section III – Federal Award Findings and Questioned Costs

US Department of Agriculture
Passed through the NC Dept. of Health and Human Services
Program Name: Medical Assistance Program (Medicaid; Title XIX)
CFDA # 93.778

Finding: 2015 – 002

MATERIAL WEAKNESS
MATERIAL NONCOMPLIANCE
Eligibility

Criteria: In accordance with 42 CFR 435.10 and in the State approved plan, the requirement applicable in this case, all applicants must have real property verification documented to determine if applicant has exceeded the valuation amount of real estate that can be owned. Also, verification of health insurance coverage over the applicant is to be completed during the application process.

Condition: Four applicants received assistance although a search for real estate owned by the applicants was not conducted. One applicant received assistance although a check for the existence of health insurance coverage was not completed.

Questioned Costs: Upon additional procedures, those case files in question were determined to be eligible. Therefore, no questioned cost was calculated.

Context: Of the 9,126 case files, we examined 60 and determined that five applicants received assistance for which eligibility was not properly determined.

Effect: Five applicants received assistance for which they could have not been eligible.

Cause: There is no documentation to determine if this step was completed. Also, the department does not have any procedures in place to verify that the correct calculations and thresholds are used in the eligibility determination for this program.

Recommendation: Checks and balances should be in place for any numeric calculations or thresholds and if all eligibility requirements have been properly completed that are used in the determination of eligibility in this program.

Views of responsible officials and planned corrective actions: The County agrees with the finding and will implement adequate checks and balances to ensure that this problem does not recur. This finding is a reoccurrence of the finding from the prior year and was not corrected due to various work load issues. However, management is currently working to create procedures and controls to eliminate this from future audits.

Section IV – State Award Findings and Questioned Costs

Finding 2015 – 002 is related to Medicaid, which has a State match for a federal program. Therefore, this finding relates to a major State program as identified the above federal award findings and questioned cost.

BLADEN COUNTY, NORTH CAROLINA
Corrective Action Plan
For the Year Ended June 30, 2015

Section II – Financial Statement Findings

Finding 2015 – 001 Name of contact person: Charles Ray Peterson, 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.

Finding 2015 – 002 Name of contact person: Charles Ray Peterson, Chairperson

Corrective Action: Procedures and controls are being developed for caseworkers to follow. Medicaid caseworkers will receive additional training on the newly created “Documentation Policy” to remind each of the policies and procedures to be followed in the application process. In addition, second party reviews will be conducted to monitor the actual application of the policy.

Proposed Completion Date: Certain controls are currently being created and reviewed. 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, 2015

Finding: 2014-1, 2013-2, 2012-1, 2011 -1, 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: 2014-2
Status: This finding is still occurring. New controls and procedures are currently being created and evaluated for effectiveness.

Finding: 2013-1
Status: This finding has been corrected.

Finding: 2012-2
Status: This finding has been corrected.

Finding: 2011-2 & 2010-2
Status: This finding has been corrected.

Finding: 2011-3
Status: This finding has been corrected.

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

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

Finding: 2009-2
Status: This finding has been corrected.

Finding: 2009-3
Status: This finding has been corrected.

Bladen County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2015

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Fed. (Direct & Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Local Expenditures</u>
Federal Awards:					
<u>U.S. Dept. of Agriculture</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Social Services:					
Administration:					
Supplemental Nutrition Assistance Program Cluster:					
State Administrative Matching Grants for					
the Supplemental Nutrition Assistance Program					
	10.561		\$ 436,851	\$ -	\$ 436,851
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Public Health:					
Administration:					
Special Supplemental Nutrition Program for					
Women, Infants, & Children					
	10.557		199,276	-	-
Direct Benefit Payments:					
Special Supplemental Nutrition Program for					
Women, Infants, & Children					
	10.557		669,022	-	-
Passed-through Lumber River Council of Governments:					
NSIP Supplement					
	10.570		20,786	-	-
Total U.S. Dept. of Agriculture					
			<u>1,325,935</u>	<u>-</u>	<u>436,851</u>
U.S. Dept. of Housing and Urban Development					
Passed-through N.C. Department of Commerce:					
CDBG - State - Administered Small Cities Program Cluster					
Community Development Block Grant					
Scattered Site					
	14.228	11-C-2346	228,807	-	-
Community Investment					
	14.228	SFRLP1203	154,590	-	220
Total CDBG - State - Administered Small Cities Program Cluster					
			<u>383,397</u>	<u>-</u>	<u>220</u>
<u>U.S. Dept. of Justice</u>					
<u>Office of Community Oriented Policing Services</u>					
COPS Hiring Program					
	16.710		65,495	-	21,830
Total U.S. Dept. of Justice					
			<u>65,495</u>	<u>-</u>	<u>21,830</u>

Bladen County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2015

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
<u>U.S. Dept of Transportation</u>					
Passed-through the N.C. Department of Transportation:					
Formula Grants for Other Than Urbanized Areas	20.509	36233.11.17.1	22,437	1,402	-
Formula Grants for Other Than Urbanized Areas	20.509	36233.11.16.1	43,078	2,692	-
Total U.S. Department of Transportation			65,515	4,094	-
<u>Institute of Museum & Library Services</u>					
Passed-through the N.C. Cultural Resources:					
LSTA Collaboration & Innovation Grant	45.310		7,315	-	-
<u>U. S. Department of Homeland Security</u>					
Passed-through N.C. Dept. of Public Safety:					
Emergency Service Performance Grant	97.042		37,331	-	223,886
Local Emergency Planning Committee	97.067		1,104	-	-
Hazard Mitigation Grant Program	97.039	HMGP 4019-006	33,750	11,250	-
Total U.S. Department of Homeland Security			72,185	11,250	223,886
<u>U.S. Dept. of Health & Human Services</u>					
<u>Administration on Aging:</u>					
Administration on Community Living	93.071		500	-	-
<u>Division of Aging and Adult Services</u>					
Passed-through Lumber River Council of Governments:					
<u>Aging Cluster</u>					
Home & Community Care Block Grant:					
Access - Title III-B	93.044		41,665	2,451	4,903
In-home Services:					
SSBG	93.667		29,729	849	3,396
Title III-B	93.044		12,570	739	1,478
Home Delivered Meals Title III-C2	93.045		13,404	788	1,577
Congregate Nutrition Title III-C1	93.045		94,137	5,537	11,075
Total Aging Cluster			191,505	10,364	22,429
<u>Administration for Children and Families:</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Social Services:					
Family Preservation	93.556		1,383	-	-
Child Support Enforcement	93.563		472,689	-	243,506
Low-Income Home Energy Assistance Block Grant:					
Administration	93.568		36,456	-	-
Energy Assistance - Direct Benefit Payments	93.568		283,677	-	-
Crisis Intervention	93.568		181,580	-	-
Permanency Planning	93.645		9,159	-	3,053
Social Services Block Grant	93.667		250,567	23,183	72,280
Independent Living Grant	93.674		2,216	554	-
Independent Living Grant - Direct Benefit Payments	93.674		1,750	-	-
Adoption/Foster Care			21,124	-	24,450
IV-E Adoption			5	-	205

Bladen County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2015

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
Temporary Assistance for Needy Families Cluster:					
Temporary Assistance for Needy Families (TANF)/ Workfirst	93.558		289,927	-	485,371
Work First/(TANF)-Direct Benefit Payments	93.558		453,479	-	354
Total TANF Cluster:			743,406	-	485,725
Foster Care and Adoption Cluster:					
Title IV-E Foster Care-Administration	93.658		84,578	33,101	68,953
Foster Care-Direct Benefit Payments	93.658		42,279	13,753	13,753
Title IV-E Adoption	93.659		320	-	320
Adoption Assistance-Direct Payments	93.659		18,991	4,727	47,707
Total Foster Care and Adoption Cluster			146,168	51,581	130,733
Division of Child Development:					
Subsidized Child Care (Note 3)					
<u>Child Care Development Cluster:</u>					
Division of Social Services					
Child Care and Development Fund - Administration	93.596		63,273	-	-
Division of Child Development:					
Child Care and Development Fund - Discretionary	93.575		367,782	-	-
Child Care and Development Fund - Mandatory	93.596		154,126	-	-
Child Care and Development Fund - Match	93.596		293,723	126,436	-
Total Child Care Development Fund Cluster			878,904	126,436	-
Temporary Assist. for Needy Families(TANF)	93.558		112,042	-	-
Foster Care Title IV-E	93.658		6,987	3,618	-
State Appropriations			-	63,034	-
TANF - MOE			-	78,924	-
Total Subsidized Child Care Cluster(note 3)			997,933	272,012	-
<u>Centers for Medicare and Medicaid Services</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Medical Assistance:					
Direct Benefit Payments:					
Medical Assistance Program	93.778		42,741,168	23,656,542	255,645
State Children's Insurance Prg - N.C. Health Choice	93.767		543,756	170,810	-
Division of Social Services:					
Administration:					
Medical Assistance Program	93.778		1,216,965	3,348	458,713
DMA Equipment			13,008	-	4,336
State Children's Insurance Prg - N.C. Health Choice	93.767		14,174	1,661	2,792

Bladen County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2015

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
<u>Centers for Disease Control and Prevention</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Public Health:					
PHEP Aligned Cooperative Agreement	93.074		32,877	-	-
Project Grants & Coop Agreements for Tuberculosis	93.116		28	-	-
Immunization Program/Aid to County Funding	93.268		11,924	-	-
Preventive Health and Health Services Block Grant	93.758		13,757	-	-
HIV Prevention Activities	93.940		1,000	-	-
Preventive Health Services - STD Control	93.977		50	-	-
Statewide Health Promotion Program	93.991		6,789	-	-
<u>Administration for Children and Families:</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Social Services:					
Temporary Assistance for Needy Families	93.558		4,980	-	-
<u>Health Resources and Service Administration</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Public Health:					
Maternal and Child Health Services Block Grant	93.994		64,636	48,482	-
<u>Office of the Secretary</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Public Health:					
ARRA-Pregnancy Assistance Fund Program	93.500		166,471	-	-
<u>Office of Population Affairs</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Office of Population Affairs					
Family Planning Services	93.217		49,130	-	-
Total U.S. Dept. of Health and Human Services			48,220,831	24,238,537	1,703,867
Total Federal Awards			50,140,673	24,253,881	2,386,654
State Awards:					
<u>N.C. Dept. of Cultural Resources</u>					
State Aid to Public Libraries					
Total N.C. Dept. of Cultural Resources			-	91,620	-
<u>N.C. Dept. of Health and Human Services</u>					
Division of Social Services:					
County Programs			-	-	939,853
CWS Adoption Assistance			-	85,675	26,075
Nonallocating Cost			-	-	30,912
Program Integrity			-	226	-
Energy Assistance - Private Donations			-	5,603	-
State/County Special Assistance for Adults			-	413,118	413,118
Work First Nonreimbursable			-	-	4,206
Foster Home			-	26,768	26,768
SFHF Maximation			-	40,698	40,698

Bladen County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2015

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
<u>Division of Public Health:</u>					
Food and Lodging Fees			-	4,783	-
School Nurse Funding			-	250,000	-
General Aid to Counties			-	106,595	-
TB Medical Services			-	1,529	-
General Communicable Disease Control			-	2,147	-
Child Health			-	2,208	-
HMHC - Family Planning			-	2,274	-
Tuberculosis			-	20,432	-
Maternal Health(HMHC)			-	3,636	-
HIV/STD State			-	400	-
HIV/STD SSBG Aid			-	100	-
Sexually Transmitted Diseases			-	1,542	-
Women's Health Service Fund			-	13,971	-
Risk Reduction/Health Promotion			-	6,285	-
<u>Division of Aging:</u>					
90 % State Funds			-	174,759	19,410
Total N. C. Department of Health and Human Services			-	1,162,749	1,501,040
<u>N.C. Dept. of Public Safety</u>					
Juvenile Crime Prevention Program			-	144,251	13,925
			-	144,251	13,925
<u>N.C. Dept. of Transportation</u>					
Rural Operating Assistance Program (ROAP)					
ROAP Elderly and Disabled Transportation Assistance Program		36220.10.5.1	-	56,209	-
ROAP Rural General Public Program		36228.22.5.1	-	55,095	-
ROAP Workfirst First Transitional - Employment Transportation Assistance Program		36236.11.3.1	-	23,088	-
Total N. C. Dept. Of Transportation			-	134,392	-
<u>N.C. Dept. of Environmental & Natural Resources</u>					
NC Parks and Recreation Trust Fund			-	146,009	146,267
DWH-Electronics Management			-	2,713	-
DWM-Scrap Tire Grant			-	17,318	-
2014 Waste Reduction & Recycling Grants			-	23,880	-
N.C. Dept. of Health & Natural Resources			-	189,920	146,267
<u>N.C. Dept of Agriculture</u>					
Animal Welfare & Spay/Neuter Program			-	27,220	-
<u>N.C. Dept of Public Instruction</u>					
Public School Building Capital Fund - Lottery Proceeds			-	68,020	-
N.C. Dept. of Insurance					
SHIIP Grant			-	3,026	-
<u>N.C. Dept. of Administration</u>					
Veteran Program			-	2,000	-
Total State Awards			-	1,823,198	1,661,232
Total Federal and State Awards			\$ 50,140,673	\$ 26,077,079	\$ 4,047,886

Bladen County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2015

<u>Grantor/Pass-through</u> <u>Grantor/Program Title</u>	Federal CFDA Number	State/ Pass-through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
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Notes to the Schedule of Expenditures of Federal and State Financial Awards:

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal and State awards (SEFSA) includes the federal and State grant activity of the Bladen County under the programs of the federal government and the State of North Carolina for the year ended June 30, 2015. The information in this SEFSA is presented in accordance with the requirements of Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and the State Single Audit Implementation Act. Because the SEFSA presents only a selected portion of the operations of Bladen County, it is not intended to and does not present the financial position, changes in net assets or cash flows of Bladen County.

Note 2: Summary of Significant Accounting Policies

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments or cost principles contained in the Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursements. Pass-through entity identifying numbers are presented where available.

2 Sub recipients

Of the federal and State expenditures presented in the schedule, Bladen County provided federal awards to sub recipients as follows:

<u>Program Title</u>	Federal CFDA Number	State/ Pass-through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
NC Education Lottery	NA	-	\$ -	\$ 68,020	\$ -

- 3 The following are clustered by the NC Department of Health and Human Services and are treated separately for state audit requirement purposes:
 Subsidized Child Care, Foster Care and Adoption.