

**BLADEN COUNTY, NORTH CAROLINA
FINANCIAL STATEMENTS
June 30, 2012**

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FINANCIAL STATEMENTS
June 30, 2012

COUNTY MANAGER

Greg Martin

BOARD OF COUNTY COMMISSIONERS

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COUNTY OFFICIALS

Lisa Coleman
Finance Officer

Johnson Law Firm
County Attorney

BLADEN COUNTY
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Bladen County
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Financial Section



CERTIFIED PUBLIC ACCOUNTANTS

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Offices:
Elizabethtown, NC
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Whiteville, NC

Independent Auditors' Report

To the Board of County Commissioners
Bladen County, North Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Bladen County, North Carolina, as of and for the year ended June 30, 2012, which collectively comprise Bladen County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Bladen County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Bladen County, North Carolina as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2012 on our consideration of Bladen County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grants 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the Law Enforcement Officers' Special Separation Allowances' Schedules of Funding Progress and Employer Contributions on pages 44 through 45, 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 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires 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.

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Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Bladen County's basic financial statements. The combining and individual nonmajor fund statements, budgetary schedules and other schedules, as well as the accompanying schedule of expenditures of federal and State awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the State Single Audit Implementation Act are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The combining and individual nonmajor fund financial statements, budgetary schedules, other schedules and the schedule of expenditures of federal and State awards have been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor 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 taken as a whole.

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

*Thompson, Price, Scott, Adams & Co., PA
November 29, 2012*

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, 2012. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

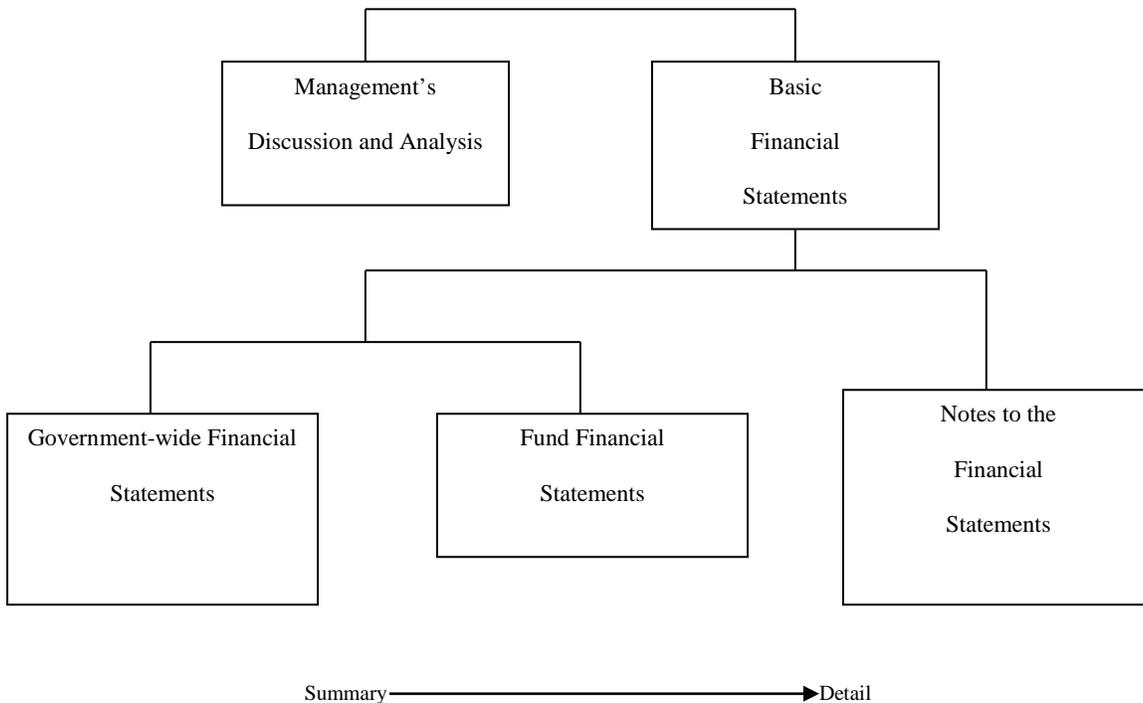
Financial Highlights

- The assets of Bladen County exceeded its liabilities at the close of the fiscal year by \$23,885,583 (*net assets*).
- The County's total net assets increased by \$2,418,668, primarily due to a donation of real estate and conservative budget practices throughout all activities.
- As of the close of the current fiscal year, Bladen County's general fund reported ending fund balance of \$13,334,394, a decrease of \$1,630,968. Approximately 30 percent of this total amount, or \$4,024,664, is restricted or nonspendable.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$7,041,264, or 17 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 increased by \$4,538,036 during this fiscal year. The key factor of the increase was issuance of new bonds for the water system expansion and installment agreements for improvements.
- Moodys' 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.

Government-wide Financial Statements

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

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

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

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

Fund Financial Statements

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

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

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

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

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

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

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

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 assets may serve over time as one useful indicator of a government’s financial condition. The assets of Bladen County exceeded liabilities by \$23,885,583 as of June 30, 2012. The County’s net assets increased by \$2,418,668 for the fiscal year ended June 30, 2012. One of the largest portions \$16,001,421(67%) reflects the County’s investment in capital assets (e.g. land, buildings, machinery and equipment) less any related debt outstanding that was issued to acquire those items. Bladen County uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Bladen County’s investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of Bladen County’s net assets \$6,725,999 (28%) represents resources that are subject external restrictions on how they may be used. The remaining balance of \$1,149,163 (5%) is unrestricted.

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

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Assets						
Current and Other Assets	\$ 24,674,998	\$ 25,015,904	\$ 5,330,202	\$ 3,547,758	\$ 30,005,200	\$ 28,563,662
Capital Assets, Net of Depreciation	10,924,765	7,639,420	27,698,348	25,451,976	38,623,113	33,091,396
Total Assets	<u>\$ 35,599,763</u>	<u>\$ 32,655,324</u>	<u>\$ 33,028,550</u>	<u>\$ 28,999,734</u>	<u>\$ 68,628,313</u>	<u>\$ 61,655,058</u>
Liabilities						
Long-term Debt Outstanding	\$ 16,678,906	\$ 17,272,661	\$ 19,685,950	\$ 14,597,168	\$ 36,364,856	\$ 31,869,829
Other Liabilities	7,463,861	6,312,107	914,013	2,006,207	8,377,874	8,318,314
Total liabilities	<u>24,142,767</u>	<u>23,584,768</u>	<u>20,599,963</u>	<u>16,603,375</u>	<u>44,742,730</u>	<u>40,188,143</u>
Net Assets						
Invested in Capital Assets, Net of Related Debt	5,889,012	3,837,104	10,121,409	10,348,953	16,010,421	14,186,057
Restricted	6,703,728	5,997,885	22,271	21,637	6,725,999	6,019,522
Unrestricted(Deficit)	(1,135,744)	(764,433)	2,284,907	2,025,769	1,149,163	1,261,336
Total Net Assets	<u>\$ 11,456,996</u>	<u>\$ 9,070,556</u>	<u>\$ 12,428,587</u>	<u>\$ 12,396,359</u>	<u>\$ 23,885,583</u>	<u>\$ 21,466,915</u>

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

- Continued diligence in the collection of property taxes by maintaining a collection percentage of 94.19%, and motor vehicles rate of 73.97%, for a combined total of 92.43%.
- Donated real estate by the Bladen County Board of Education for financing improvements.
- Continued low cost of debt due to the County’s high bond rating.

Bladen County's Changes in Net Assets
Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Revenues						
Program Revenues						
Charges for Services	\$ 5,977,729	\$ 5,983,701	\$ 4,927,838	\$ 5,006,255	\$ 10,905,567	\$ 10,989,956
Operating Grant & Contributions	8,176,120	9,007,553	12,200	4,800	8,188,320	9,012,353
Capital Grants and Contributions	-	100,000	-	-	-	100,000
General Revenue						
Property Taxes	20,439,617	20,276,994	-	-	20,439,617	20,276,994
Other Taxes	4,365,178	3,982,234	-	-	4,365,178	3,982,234
Investment Earnings	29,646	52,794	6,403	6,059	36,049	58,853
Other	261,146	318,120	-	-	261,146	318,120
Total Revenues	39,249,436	39,721,396	4,946,441	5,017,114	44,195,877	44,738,510
Expenses						
General Government	4,795,059	4,895,287	-	-	4,795,059	4,895,287
Public Safety	9,522,949	9,463,478	-	-	9,522,949	9,463,478
Economic and Physical Development	1,907,978	2,523,309	-	-	1,907,978	2,523,309
Human Services	12,033,197	12,316,461	-	-	12,033,197	12,316,461
Cultural and Recreational	715,181	735,431	-	-	715,181	735,431
Education	7,040,260	7,019,988	-	-	7,040,260	7,019,988
Interest on Long-Term Debt	771,384	757,866	-	-	771,384	757,866
Hospital	-	-	1,054,071	1,320,541	1,054,071	1,320,541
Solid Waste	-	-	2,112,540	2,132,038	2,112,540	2,132,038
Water District	-	-	2,060,740	1,912,072	2,060,740	1,912,072
Total Expenses	36,786,008	37,711,820	5,227,351	5,364,651	42,013,359	43,076,471
Increase(decrease) in Net Assets Before Transfers						
Assets Before Transfers	2,463,428	2,009,576	(280,910)	(347,537)	2,182,518	1,662,039
Special Event Items	1,403,977	-	(1,167,827)	302,675	236,150	302,675
Transfers	(1,480,965)	(167,773)	1,480,965	167,773	-	-
Increase(Decrease) in Net Assets	2,386,440	1,841,803	32,228	122,911	2,418,668	1,964,714
Net assets - Beginning	9,070,556	7,228,753	12,396,359	12,273,448	21,466,915	19,502,201
Net assets - Ending	\$ 11,456,996	\$ 9,070,556	\$ 12,428,587	\$ 12,396,359	\$ 23,885,583	\$ 21,466,915

Governmental activities. Governmental activities increased the County's net assets by \$2,386,440, thereby accounting for 98% of the total growth in the net assets for the County. The key element of this increase is as follows:

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

Business-type activities. Business-type activities assets increased the County's net assets by \$32,228, thereby accounting for 2% of the total growth in the net assets for the County. Key elements of this increase are as follows:

- In the Water fund, a transfer from the General Fund was received for the water system expansion project.
- The Landfill fund maintained in revenue and expenditures.
- The Hospital fund reported a special item loss for the sale of hospital property.

Financial Analysis of the County's Funds

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

Governmental Funds. The focus of Bladen County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Bladen County's financial requirements. Specifically, fund balance 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 \$7,041,264, while total fund balance reached \$13,334,394. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 17.10 percent of total General Fund expenditures, while total fund balance represents 32.39 percent of that same amount.

At June 30, 2012, the governmental funds of Bladen County reported a combined fund balance of \$16,084,398. The primary reason for the fund balance decrease in the general fund was the large transfer to the water district capital project.

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

Proprietary Fund. Bladen County's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net assets of Hospital Rental Fund at the end of their fiscal year amounted to \$0, and those of the Landfill Fund at the end of the fiscal year amounted to \$1,509,620, and those for the Water District equaled \$775,287. 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, 2012, totals \$38,648,906 (net of accumulated depreciation). These assets include buildings, land, machinery and equipment, park facilities, and vehicles.

Major capital asset transactions during the year include:

- Receipt of donated real estate and improvements to that property.
- Addition of construction in progress on Water lines.

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

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Land	\$ 363,460	\$ 205,160	\$ 841,293	\$ 422,413	\$ 1,204,753	\$ 627,573
Buildings	4,072,013	2,933,228	21,015,118	21,493,864	25,087,131	24,427,092
Improvements	2,870,941	1,409,376	-	-	2,870,941	1,409,376
Equipment	2,872,946	2,523,091	242,534	101,077	3,115,480	2,624,168
Vehicles and Motor Equipment	745,405	568,565	125,535	163,532	870,940	732,097
Construction in Progress	-	-	4,622,881	266,193	4,622,881	266,193
Bladen County Hospital Rental	-	-	850,987	3,004,897	850,987	3,004,897
	<u>\$ 10,924,765</u>	<u>\$ 7,639,420</u>	<u>\$ 27,698,348</u>	<u>\$ 25,451,976</u>	<u>\$ 38,623,113</u>	<u>\$ 33,091,396</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, 2012, Bladen County had total bonded debt outstanding of \$33,015,294, all of which is debt backed by the full faith and credit of the County.

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

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
General Obligation Bonds (Backed by the County)	<u>\$ 14,618,700</u>	<u>\$ 14,535,000</u>	<u>\$ 18,396,594</u>	<u>\$ 14,218,500</u>	<u>\$ 33,015,294</u>	<u>\$ 28,753,500</u>

Bladen County's total debt increased by \$4,538,036(13 percent) during the past fiscal year, primarily due to the issuance of debt for the water system expansion and installment financing arrangements for the improvements to real estate. All scheduled debt payments were made.

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 \$189,427,312. The County has \$ -0- in bonds authorized but un-issued at June 30, 2012. However, in October of 2012 the County went through a bond refund transaction to reduce interest.

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

Economic Factors and Next Year's Budgets and Rates

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

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

Budget Highlights for the Fiscal year Ending June 30, 2013

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

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

- Additional capital expenditures for Bladen County Schools

Business-type Activities. The water rates in the County will remain at the same base rate as 2013. General operating expenses will remain the same as 2013. Rates for landfill services will increase for MSW-Commercial and Construction & Demolition from 33.50 and 25.00, respectively to 45.00 each per ton.

Requests for Information

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

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

Basic Financial Statements

Statement of Net Assets

June 30, 2012

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash & Cash Equivalents	\$ 15,512,892	\$ 1,676,353	\$ 17,189,245
Restricted Cash and Cash Equivalents	1,309,446	2,470,025	3,779,471
Accounts Receivable (Net)	7,589,516	1,183,824	8,773,340
Notes Receivable	263,144	-	263,144
Capital Assets:			
Land, Improvements, and Construction in Progress	363,460	5,604,362	5,967,822
Other Capital Assets, net of Depreciation	10,561,305	22,093,986	32,655,291
Total Capital Assets	<u>10,924,765</u>	<u>27,698,348</u>	<u>38,623,113</u>
Total Assets	<u>\$ 35,599,763</u>	<u>\$ 33,028,550</u>	<u>\$ 68,628,313</u>
Liabilities			
Accounts Payable and Accrued Liabilities	\$ 4,411,507	\$ 202,664	\$ 4,614,171
Customer Deposits	-	183,150	183,150
Unearned Revenue	118,331	-	118,331
Current Portion of Long-term Liabilities	2,934,023	528,199	3,462,222
Long-term Liabilities:			
Due in More Than One Year	16,678,906	19,685,950	36,364,856
Total liabilities	<u>24,142,767</u>	<u>20,599,963</u>	<u>44,742,730</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	5,889,012	10,121,409	16,010,421
Restricted for:			
Stabilization by State Statute	3,554,683	-	3,554,683
4-H Programs	125,951	-	125,951
Unspent Loan Proceeds	306,888	-	306,888
Public Safety	2,716,206	-	2,716,206
Capital Acquisitions	-	55	55
Debt Reserve	-	22,216	22,216
Unrestricted(Deficit)	<u>(1,135,744)</u>	<u>2,284,907</u>	<u>1,149,163</u>
Total Net Assets	<u>\$ 11,456,996</u>	<u>\$ 12,428,587</u>	<u>\$ 23,885,583</u>

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

Bladen County, North Carolina
Statement of Activities
For the Year Ended June 30, 2012

Exhibit 2

Functions/Programs	Program Revenues			
Expenses	Charges for	Operating Grants	Capital Grants	
Primary Government:	Service	and	and	
Governmental Activities:	Contributions	Contributions	Contributions	
General Government	\$ 4,795,059	\$ 741,766	\$ 21,613	\$ -
Public Safety	9,522,949	3,325,093	293,474	-
Economic and Physical Development	1,907,978	537,650	-	-
Human Services	12,033,197	1,311,340	7,696,788	-
Cultural and Recreational	715,181	61,880	96,059	-
Education	7,040,260	-	68,186	-
Interest on Long-Term Debt	771,384	-	-	-
Total Governmental Activities	36,786,008	5,977,729	8,176,120	-
Business-Type Activities:				
Hospital Rental Fund	1,054,071	950,254	-	-
Solid Waste	2,112,540	2,093,454	12,200	-
Water District	2,060,740	1,884,130	-	-
Total Business-Type Activities	5,227,351	4,927,838	12,200	-
	\$ 42,013,359	\$ 10,905,567	\$ 8,188,320	\$ -
 General Revenues:				
Taxes:				
Property taxes, levied for general purpose				
Local option sales tax				
Investment earnings, unrestricted				
Miscellaneous, unrestricted				
Special Events				
Transfers				
Total general revenues and transfers				
Change in net assets				
Net assets - Beginning				
Net assets - Ending				

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

<u>Net (Expense) Revenue and Changes in Net Assets</u>		
<u>Governmental</u>	<u>Business</u>	
<u>Activities</u>	<u>Type</u>	
<u>Activities</u>	<u>Activities</u>	<u>Total</u>
\$ (4,031,680)	\$ -	\$ (4,031,680)
(5,904,382)	-	(5,904,382)
(1,370,328)	-	(1,370,328)
(3,025,069)	-	(3,025,069)
(557,242)	-	(557,242)
(6,972,074)	-	(6,972,074)
(771,384)	-	(771,384)
<u>(22,632,159)</u>	<u>-</u>	<u>(22,632,159)</u>
-	(103,817)	(103,817)
-	(6,886)	(6,886)
-	(176,610)	(176,610)
<u>-</u>	<u>(287,313)</u>	<u>(287,313)</u>
<u>(22,632,159)</u>	<u>(287,313)</u>	<u>(22,919,472)</u>
20,439,617	-	20,439,617
4,365,178	-	4,365,178
29,646	6,403	36,049
261,146	-	261,146
1,403,977	(1,167,827)	236,150
(1,480,965)	1,480,965	-
<u>25,018,599</u>	<u>319,541</u>	<u>25,338,140</u>
2,386,440	32,228	2,418,668
9,070,556	12,396,359	21,466,915
<u>\$ 11,456,996</u>	<u>\$ 12,428,587</u>	<u>\$ 23,885,583</u>

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

Bladen County
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Balance Sheet
Governmental Funds
June 30, 2012

	<u>Major</u>	<u>Non-Major</u>	
	General	Other	Total
	Fund	Governmental	Governmental
		Funds	Funds
Assets			
Cash & Investments	\$ 13,004,955	\$ 2,408,165	\$ 15,413,120
Restricted Cash	1,024,291	285,155	1,309,446
Due from Other Funds	3,592	-	3,592
Taxes Receivables (Net)	3,191,498	223,588	3,415,086
Accounts Receivable (Net)	3,609,849	63,165	3,673,014
Total Assets	<u>\$ 20,834,185</u>	<u>\$ 2,980,073</u>	<u>\$ 23,814,258</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts Payable and Accrued Liabilities	\$ 4,189,962	\$ 2,889	\$ 4,192,851
Due to Other Funds	-	3,592	3,592
Deferred Revenues	3,309,829	223,588	3,533,417
Total liabilities	<u>7,499,791</u>	<u>230,069</u>	<u>7,729,860</u>
Fund balances:			
Restricted			
Stabilization by State Statute	3,495,110	59,573	3,554,683
Public Safety	96,715	288,328	385,043
4-H	125,951	-	125,951
Unspent Loan Proceeds	306,888	-	306,888
Fire Protection	-	2,331,163	2,331,163
Committed			
Tax Revaluation	620,621	-	620,621
Assigned			
Economic Development	-	-	-
Subsequent Year's Expenditures	1,647,845	70,940	1,718,785
Unassigned	7,041,264	-	7,041,264
Total Fund Balances	<u>13,334,394</u>	<u>2,750,004</u>	<u>16,084,398</u>
Total Liabilities and Fund Balances	<u>\$ 20,834,185</u>	<u>\$ 2,980,073</u>	

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

Capital Assets used in governmental activities are not financial resources and therefore are not reported in the funds	10,924,765
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	764,561
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.	92,620
Liabilities for earned but deferred revenues in fund statements.	3,415,086
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds (Note 3).	<u>(19,824,434)</u>
Net assets of governmental activities	<u>\$ 11,456,996</u>

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

Bladen County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2012

Exhibit 4

	General Fund	Total Non-Major Funds	Total Governmental Funds
Revenues:			
Ad Valorem Taxes	\$ 19,063,005	\$ 972,910	\$ 20,035,915
Local Option Sales Taxes	4,125,967	239,211	4,365,178
Other Taxes and Licenses	81,669	242,987	324,656
Restricted Intergovernmental Revenues	8,161,997	3,592	8,165,589
Permits and Fees	283,459	-	283,459
Sales and Services	5,494,267	-	5,494,267
Investment Earnings	16,693	1,965	18,658
Other	310,110	252	310,362
Total Revenues	<u>37,537,167</u>	<u>1,460,917</u>	<u>38,998,084</u>
Expenditures:			
Current:			
General Government	4,700,011	-	4,700,011
Public Safety	8,633,333	1,343,962	9,977,295
Economic and Physical Development	1,908,437	3,592	1,912,029
Human Services	12,349,919	-	12,349,919
Cultural and Recreational	715,724	-	715,724
Education	8,508,525	-	8,508,525
Debt Service			
Principal Retirement	2,154,928	-	2,154,928
Interest and Fees	714,658	-	714,658
Total Expenditures	<u>39,685,535</u>	<u>1,347,554</u>	<u>41,033,089</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,148,368)</u>	<u>113,363</u>	<u>(2,035,005)</u>
Other Financing Sources (Uses):			
Proceeds from Installment Purchases	1,948,365	-	1,948,365
Transfers from Other Funds	50,000	-	50,000
Transfers to Other Funds	(1,480,965)	(50,000)	(1,530,965)
Total Other Financing Sources (Uses)	<u>517,400</u>	<u>(50,000)</u>	<u>467,400</u>
Net Change in Fund Balance	(1,630,968)	63,363	(1,567,605)
Fund Balance, Beginning	<u>14,965,362</u>	<u>2,686,641</u>	<u>17,652,003</u>
Fund Balance, Ending	<u>\$ 13,334,394</u>	<u>\$ 2,750,004</u>	<u>\$ 16,084,398</u>

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

Bladen County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2012

Exhibit 4

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

Net changes in fund balances - total governmental funds	\$	(1,567,605)
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.</p>		
		1,881,368
<p>Cost of capital asset disposed of during the year, not recognized on modified accrual basis.</p>		
		-
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
		1,837,638
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net assets.</p>		
		206,563
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
		17,847
<p>Net revenue of internal service funds determined to be governmental-type.</p>		
		10,629
Total changes in net assets of governmental activities.	\$	2,386,440

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

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, 2012

Exhibit 5

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive/(Negative)
Revenues:				
Ad Valorem Taxes	\$ 18,354,230	\$ 18,405,221	\$ 19,063,005	\$ 657,784
Local Option Sales Taxes	3,527,743	3,707,743	4,125,967	418,224
Other Taxes and Licenses	98,352	98,352	81,669	(16,683)
Restricted Intergovernmental Revenues	7,196,995	8,628,632	8,161,997	(466,635)
Permits and Fees	231,529	231,679	283,459	51,780
Sales and Services	5,099,101	5,262,760	5,494,267	231,507
Investment Earnings	20,100	20,100	16,318	(3,782)
Other	55,000	189,657	310,110	120,453
Total Revenues	<u>34,583,050</u>	<u>36,544,144</u>	<u>37,536,792</u>	<u>992,648</u>
Expenditures:				
Current:				
General Government	4,569,402	4,843,139	4,700,011	143,128
Public Safety	7,854,390	8,739,556	8,633,333	106,223
Economic and Physical Development	1,897,217	2,043,702	1,908,437	135,265
Human Services	12,068,357	13,745,417	12,349,919	1,395,498
Cultural and Recreational	709,470	729,577	715,724	13,853
Education	6,850,559	8,554,260	8,508,525	45,735
Debt Service	2,780,254	2,869,586	2,869,586	-
Total Expenditures	<u>36,729,649</u>	<u>41,525,237</u>	<u>39,685,535</u>	<u>1,839,702</u>
Revenues Over (Under) Expenditures	<u>(2,146,599)</u>	<u>(4,981,093)</u>	<u>(2,148,743)</u>	<u>2,832,350</u>
Other Financing Sources (Uses):				
Proceeds from Installment Purchases	236,000	1,956,550	1,948,365	(8,185)
Transfers from Other Funds	50,000	50,000	50,000	-
Transfers to Other Funds	(60,000)	(1,540,965)	(1,540,965)	-
Total Other Financing Sources (Uses)	<u>226,000</u>	<u>465,585</u>	<u>457,400</u>	<u>(8,185)</u>
Revenues and Other Sources Over (Under) Expenditures and Other Uses	(1,920,599)	(4,515,508)	(1,691,343)	2,824,165
Fund Balance Appropriated / (Designated)	<u>1,920,599</u>	<u>4,515,508</u>	<u>-</u>	<u>(4,515,508)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>(1,691,343)</u>	<u>\$ (1,691,343)</u>
Fund Balance, Beginning			<u>14,405,085</u>	
Fund Balance, Ending			<u>\$ 12,713,742</u>	
A legally budgeted Tax Revaluation Fund is consolidated into the General Fund for reporting purposes:				
Interest Income			375	
Transfer-in from General Fund			60,000	
Expenditures			-	
Fund Balance, Beginning			<u>560,277</u>	
Fund Balance, Ending (Exhibit 4)			<u>\$ 13,334,394</u>	

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

Statement of Fund Net Assets

Proprietary Funds

June 30, 2012

	Hospital Rental Fund	Solid Waste Fund	Water District	Total	Internal Service Fund
Assets					
Current Assets:					
Cash and Investments	\$ -	\$ 852,059	\$ 824,294	\$ 1,676,353	\$ 99,772
Taxes Receivable	-	823,267	-	823,267	-
Accounts Receivable (Net)	-	61,896	298,661	360,557	-
Total Current Assets	<u>-</u>	<u>1,737,222</u>	<u>1,122,955</u>	<u>2,860,177</u>	<u>99,772</u>
Noncurrent assets:					
Restricted Assets					
Cash	55	-	2,469,970	2,470,025	-
Long-term investment	-	-	-	-	-
Other Receivable	-	-	-	-	-
Capital Assets:					
Land, Improvements, and Construction in Progress	140,188	386,438	5,077,736	5,604,362	-
Other Capital Assets, Net of Depreciation	710,799	1,470,007	19,913,180	22,093,986	-
Total Noncurrent Assets	<u>851,042</u>	<u>1,856,445</u>	<u>27,460,886</u>	<u>30,168,373</u>	<u>-</u>
Total Assets	<u>\$ 851,042</u>	<u>\$ 3,593,667</u>	<u>\$ 28,583,841</u>	<u>\$ 33,028,550</u>	<u>\$ 99,772</u>

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

	Hospital Rental Fund	Solid Waste Fund	Water District	Total	Internal Service Fund
Liabilities					
Current Liabilities:					
Accounts Payable & Accrued Expenses	\$ -	\$ 85,417	\$ 117,247	\$ 202,664	\$ 7,152
Customer Deposits	-	-	183,150	183,150	-
Compensated Absences Payable	-	13,448	18,119	31,567	-
Bond\Long-term Debt - Current Maturities	65,083	30,233	401,316	496,632	-
Total Current Liabilities	<u>65,083</u>	<u>129,098</u>	<u>719,832</u>	<u>914,013</u>	<u>7,152</u>
Liabilities to be Paid from Restricted Assets:					
Accrued Expenses	-	-	-	-	-
Noncurrent Liabilities:					
Compensated Absences Payable	-	11,844	6,936	18,780	-
Deferred Revenue	-	-	-	-	-
Long-term Debt - Noncurrent	428,469	86,660	19,152,041	19,667,170	-
Total Noncurrent Liabilities	<u>428,469</u>	<u>98,504</u>	<u>19,158,977</u>	<u>19,685,950</u>	<u>-</u>
Total Liabilities	<u>493,552</u>	<u>227,602</u>	<u>19,878,809</u>	<u>20,599,963</u>	<u>7,152</u>
Net Assets:					
Invested in Capital Assets, Net of Related Debt	357,435	1,856,445	7,907,529	10,121,409	-
Restricted, Expendable for Capital Acquisitions	55	-	-	55	-
Debt Reserve	-	-	22,216	22,216	-
Unrestricted	-	1,509,620	775,287	2,284,907	92,620
Total Net Assets	<u>\$ 357,490</u>	<u>\$ 3,366,065</u>	<u>\$ 8,705,032</u>	<u>\$ 12,428,587</u>	<u>\$ 92,620</u>

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

Bladen County
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Bladen County, North Carolina
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For The Fiscal Year Ended June 30, 2012

Exhibit 7

	Hospital Rental Fund	Solid Waste Fund	Water District	Total	Internal Service Fund
Operating revenues:					
Charges for Services	\$ 950,254	\$ 2,093,454	\$ 1,744,906	\$ 4,788,614	\$ -
Water Taps	-	-	61,850	61,850	-
Other Operating Revenues	-	-	77,374	77,374	10,576
Total Operating Revenues	<u>950,254</u>	<u>2,093,454</u>	<u>1,884,130</u>	<u>4,927,838</u>	<u>10,576</u>
Operating expenses:					
Salaries and Employee Benefits	-	380,377	395,784	776,161	-
Operating Expenses	626,791	1,640,131	585,737	2,852,659	-
Depreciation	407,250	92,032	452,872	952,154	-
Total operating expenses	<u>1,034,041</u>	<u>2,112,540</u>	<u>1,434,393</u>	<u>4,580,974</u>	<u>-</u>
Total Operating Income (Loss)	<u>(83,787)</u>	<u>(19,086)</u>	<u>449,737</u>	<u>346,864</u>	<u>10,576</u>
Nonoperating Revenues(Expenses):					
Interest Earned on Investments	163	1,122	5,118	6,403	53
Interest Expense	(20,030)	-	(626,347)	(646,377)	-
Total Nonoperating Revenue (Expenses)	<u>(19,867)</u>	<u>1,122</u>	<u>(621,229)</u>	<u>(639,974)</u>	<u>53</u>
Income (Loss) Before Contributions and Transfers	(103,654)	(17,964)	(171,492)	(293,110)	10,629
Capital Contribution	-	12,200	-	12,200	-
Special Events					
Sale of Hospital Assets	(1,167,827)	-	-	(1,167,827)	-
Transfer In	-	-	1,480,965	1,480,965	-
Transfer Out	-	-	-	-	-
Change in Net Assets	<u>(1,271,481)</u>	<u>(5,764)</u>	<u>1,309,473</u>	<u>32,228</u>	<u>10,629</u>
Total Net Assets, beginning	<u>1,628,971</u>	<u>3,371,829</u>	<u>7,395,559</u>	<u>12,396,359</u>	<u>81,991</u>
Total Net Assets, ending	<u><u>357,490</u></u>	<u><u>\$ 3,366,065</u></u>	<u><u>\$ 8,705,032</u></u>	<u><u>\$ 12,428,587</u></u>	<u><u>\$ 92,620</u></u>

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

Bladen County, North Carolina
Statement of Cash Flow
Proprietary Funds
For The Fiscal Year Ended June 30, 2012

Exhibit 8

	Hospital Rental Fund	Solid Waste Fund	Water District	Total	Internal Service Fund
Cash Flows From Operating Activities:					
Cash Received from Customers	\$ 809,828	\$ 2,131,603	\$ 1,797,428	\$ 4,738,859	\$ 10,576
Cash Paid for Goods and Services	(831,574)	(1,630,764)	(565,356)	(3,027,694)	(10,576)
Cash Paid to Employees for Services	-	(380,455)	(400,097)	(780,552)	-
Other Operating Receipts	-	-	77,374	77,374	-
Customer Deposits	-	-	14,675	14,675	-
Net Cash Provided by (Used for) Operating Activities	<u>(21,746)</u>	<u>120,384</u>	<u>924,024</u>	<u>1,022,662</u>	<u>-</u>
Cash Flows from Noncapital Financing Activities:					
To Primary Government	-	-	1,480,965	1,480,965	-
From General Fund	-	-	-	-	-
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>1,480,965</u>	<u>1,480,965</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities:					
Acquisition and Construction of Capital Assets	-	(169,618)	(4,779,996)	(4,949,614)	-
Principal Paid on Bond Maturities and Capital Leases	-	(40,288)	(381,886)	(422,174)	-
Interest Paid on Bond\Note Maturities and Capital Leases	-	-	(626,347)	(626,347)	-
Proceeds of Capital Leases, Bonds and Notes	-	157,181	5,130,000	5,287,181	-
Capital Grants and Contributions	-	12,200	-	12,200	-
Net Cash Provided (Used for) Capital and Related Financing Activities	<u>-</u>	<u>(40,525)</u>	<u>(658,229)</u>	<u>(698,754)</u>	<u>-</u>
Cash Flows from Investing Activities:					
Advances to Joint Venture	-	-	-	-	-
Interest on investments	163	1,122	5,118	6,403	57
Net Cash Flows from Investing Activities:	<u>163</u>	<u>1,122</u>	<u>5,118</u>	<u>6,403</u>	<u>57</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(21,583)	80,981	1,751,878	1,811,276	57
Cash Balances, Beginning	21,638	771,078	1,542,386	2,335,102	99,715
Cash Balances, Ending	<u>\$ 55</u>	<u>\$ 852,059</u>	<u>\$ 3,294,264</u>	<u>\$ 4,146,378</u>	<u>\$ 99,772</u>

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

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

	Hospital Rental Fund	Solid Waste Fund	Water District	Total	Internal Service Fund
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:					
Operating Activities:					
Operating Income (Loss)	\$ (83,787)	\$ (19,086)	\$ 449,737	\$ 346,864	\$ 10,576
Adjustments to Reconcile Operating Income to Net Cash Provided					
Operating Activities:					
Depreciation	407,250	92,032	452,872	952,154	-
Operating Income Noncash Activity	(140,426)	-	-	(140,426)	-
Change in Provision for Doubtful Accounts	-	-	-	-	-
Changes in Assets and Liabilities:					
(Increase) Decrease					
in Accounts Receivable, advances					
Inventories and Prepays	-	38,149	(9,328)	28,821	-
Increase (Decrease)					
in Accounts Payable & Accrued Liabilities	(204,783)	9,367	20,381	(175,035)	(10,576)
in Customer Deposits	-	-	14,675	14,675	-
in Accrued Vacation Pay	-	(78)	(4,313)	(4,391)	-
Total Adjustments	<u>62,041</u>	<u>139,470</u>	<u>474,287</u>	<u>675,798</u>	<u>(10,576)</u>
Net Cash Provided by Operating Activities	<u>\$ (21,746)</u>	<u>\$ 120,384</u>	<u>\$ 924,024</u>	<u>\$ 1,022,662</u>	<u>\$ -</u>

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

Bladen County, North Carolina
Statement of Fiduciary Net Assets
Fiduciary Funds
For the Year Ended June 30, 2012

Exhibit 9

	<u>Agency Fund</u>
Assets	
Cash and Cash Equivalents	\$ <u><u>119,263</u></u>
Liabilities and Net Assets	
Liabilities	
Miscellaneous Liabilities	\$ 89,109
Intergovernmental Payable	<u>30,154</u>
Total Liabilities	<u>119,263</u>
Net Assets	\$ <u><u>-</u></u>

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

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2012

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

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

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

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

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

The County reports the following major governmental funds:

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

The County reports the following major enterprise funds:

Hospital Rental Fund – This fund is used to account for the rent of 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.

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

The County reports the following fund types:

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

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

Nonmajor Funds. The County maintains three legally budgeted funds. The Emergency Telephone System Fund, the Fire District Funds and the Scattered Site Grant 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.

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.

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as a revenue because the amount is not susceptible to accrual. At June 30, taxes receivable are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of January 1, 1993, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, Bladen County is responsible for billing and collecting the property taxes on all registered motor vehicles on behalf of all municipalities and special tax districts in the County. For registered motor vehicles, property taxes are due the first day of the fourth month after the vehicles are registered. The billed taxes are applicable to the fiscal year in which they become due. Therefore, taxes for vehicles registered from March 2011 through February 2012 apply to the fiscal year ended June 30, 2012. Uncollected taxes that were billed during this period are shown as a receivable on these financial statements.

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

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

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

C. Budgetary Data

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

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

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

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

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

D. Assets, Liabilities, and Fund Equity

Deposits and Investments

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

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

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

Cash and Cash Equivalents

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

Restricted Cash and Cash Equivalents

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

The unexpended bond proceeds of the Water Fund are classified as restricted assets for the enterprise fund because their use is completely restricted to the purpose for which the bonds were originally issued. 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.

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, 2011. 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

Long-term Obligations

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

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

Compensated Absences

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

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

Net Assets/Fund Balances

Net Assets

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

Fund Balances

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

The governmental fund types classify fund balances as follows:

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

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

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

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

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

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

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 majority vote of Bladen County's governing body (highest level of decision-making authority). Any changes or removal of specific purposes requires majority action by the governing body.

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

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

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

E. Reconciliation of Government-wide and Fund Financial Statements

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

The governmental fund balance sheet included a reconciliation between fund balance-total governmental funds and net assets-governmental activities as reported in the government-wide statement of net assets. The net adjustment of \$(4,627,402) 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)	\$ 23,534,033
Less accumulated depreciation	<u>(12,609,268)</u>
Net capital assets	10,924,765
Accrued interest receivable less the amount claimed as unearned revenue in the government-wide statements as these funds are not available and therefore deferred in the fund statements	433,230
Notes Receivable reported in the fund financial statements as public safety expenditures and income.	263,144
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.	68,187
Liabilities for revenue deferred but earned and therefore reported in the fund statements but not the government-wide	3,415,086
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.	92,620
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not reported in the fund statements:	
Bonds, leases, and installment financing	(18,130,753)
Compensated absences	(976,151)
Net Pension Obligation	(506,025)
Accrued interest payable	<u>(211,505)</u>
Total adjustment	<u>\$ (4,627,402)</u>

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances-total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of \$3,954,045 as follows:

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities.	\$ 2,609,773
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.	(728,405)
New debt issued during the year is recorded as a source of funds on the fund statements; it has no effect on the statement of activities - it affects only the government-wide statement of net assets.	(1,948,365)
Value of land and building donated.	1,403,977
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.	(38,228)
Current year change in the 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.	68,187
Principal payments on debt owed are recorded as a use of funds on the fund statements but again affect only the statement of net assets in the government-wide statements.	2,154,928
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).	(56,726)
Compensated absences are accrued in the government-wide statements but not in the fund statements because they do not use current resources.	96,567
Net pension obligation is accrued in the government-wide statements but not in the fund statements because they do not use current resources.	(21,994)
Net revenue of internal service funds determined to be governmental-type.	10,629
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements.	
Reversal of deferred tax revenue recorded at 7/1/11.	(3,117,846)
Recording of tax receipts deferred in the fund statements as of 6/30/12.	3,415,086
Increase in accrued taxes receivable for year ended 6/30/12.	106,462
Total adjustment	\$ <u>3,954,045</u>

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

NOTE 2: Stewardship, Compliance and Accountability

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

None.

B. Deficit Fund Balance or Net Assets of Individual Funds

None.

C. Excess of Expenditures over Appropriations

None.

NOTE 3: Detail Notes On All Funds

A. Assets

1. Deposits

All of the County's and the District's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the County's or the District's agents in these units' names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County and the District, these deposits are considered to be held by their agents in the entities name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County, the Hospital, or the District, or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County, the District and Bladen Leasing Corporation under the Pooling Method, the potential exists for the under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

The State Treasurer enforces standards of minimum capitalization for all pooling method financial institutions. The County and the District rely on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The County, the District, and the Hospital do not have formal policies regarding custodial credit risk for deposits.

At June 30, 2012, the County's deposits had a balance of \$2,868,633 and a bank balance of \$3,617,274. Of the bank balance, \$1,208,161 was covered by federal depository insurance. The remaining was covered by collateral and held under the Pooling Method. \$1,525 consisted of cash on hand and \$119,263 was cash held in the Fiduciary Funds.

At June 30, 2012, the escrow account for the Hospital Rental Fund had a balance of \$55 and a bank balance of \$55.

2. Investments

At June 30, 2012 the County of Bladen had \$18,098,503 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, 2012 the District's Investments are included above, since it is a blended component unit.

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

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

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

Year Levied	Tax	Interest	Total
2009	\$ 1,175,025	\$ 279,068	\$ 1,454,093
2010	\$ 1,175,025	173,316	1,348,341
2011	\$ 1,175,025	-	1,175,025
	<u>\$ 3,525,075</u>	<u>\$ 452,385</u>	<u>\$ 3,977,460</u>

4. Receivables

Receivables at the government-wide level at June 30, 2012, were as follows:

	Accounts	Taxes and Related Accrued Interest	Due From Other Governments	Other	Total
Governmental Activities:					
General	\$ 2,652,882	\$ 4,394,728	\$ 1,025,153	\$ -	\$ 8,072,763
Other Governmental	13	223,588	63,152	-	286,753
Total Receivables	2,652,895	4,618,316	1,088,305	-	8,359,516
Allowance for Doubtful Accounts	-	(770,000)	-	-	(770,000)
Total Governmental Activities	<u>\$ 2,652,895</u>	<u>\$ 3,848,316</u>	<u>\$ 1,088,305</u>	<u>\$ -</u>	<u>\$ 7,589,516</u>
Business-type Activities					
Landfill	\$ 64,376	\$ 1,203,267	\$ -	\$ -	\$ 1,267,643
Water and Sewer District	364,022	-	-	-	364,022
Total Receivables	428,398	1,203,267	-	-	1,631,665
Allowance for Doubtful Accounts	(67,841)	(380,000)	-	-	(447,841)
Total Business-type Activities	<u>\$ 360,557</u>	<u>\$ 823,267</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,183,824</u>

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

Local Option Sales Tax	\$ 1,084,713
State or Federal Grant	3,592
	<u>1,088,305</u>

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

5. Capital Assets

Capital asset activity for the year ended June 30, 2012, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Primary Government				
Governmental Activities:				
Capital Assets not Being Depreciated:				
Land	\$ 205,160	\$ 158,300	\$ -	\$ 363,460
Total Capital Assets not Being Depreciated:	<u>205,160</u>	<u>158,300</u>	<u>-</u>	<u>363,460</u>
Capital Assets Being Depreciated:				
Buildings	6,894,762	1,245,677	-	8,140,439
Improvements	1,727,788	1,510,632	-	3,238,420
Equipment	6,729,842	635,374	-	7,365,216
Vehicles and Motor Equipment	3,962,731	463,767	-	4,426,498
Total Capital Assets Being Depreciated:	<u>19,315,123</u>	<u>3,855,450</u>	<u>-</u>	<u>23,170,573</u>
Less Accumulated Depreciation				
Buildings	3,961,534	106,892	-	4,068,426
Improvements	318,412	49,067	-	367,479
Equipment	4,206,751	285,519	-	4,492,270
Vehicles and Motor Equipment	3,394,166	286,927	-	3,681,093
Total Accumulated Depreciation	<u>11,880,863</u>	<u>\$ 728,405</u>	<u>\$ -</u>	<u>12,609,268</u>
Total Capital Assets Being Depreciated, net	<u>7,434,260</u>			<u>10,561,305</u>
Governmental Activity Capital Assets, net	<u>\$ 7,639,420</u>			<u>\$ 10,924,765</u>

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

General Government	\$ 167,533
Public Safety	422,475
Economic and Physical Development	-
Human Services	123,829
Cultural and Recreational	14,568
Total Depreciation Expense	<u>\$ 728,405</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	854,667	169,618	-	1,024,285
Vehicles and Motor Equipment	776,274	-	-	776,274
Total Capital Assets Being Depreciated:	<u>4,107,963</u>	<u>169,618</u>	<u>-</u>	<u>4,277,581</u>
Less Accumulated Depreciation				
Buildings	1,247,666	64,470	-	1,312,136
Equipment	776,727	19,787	-	796,514
Vehicles and Motor Equipment	691,149	7,775	-	698,924
Total Accumulated Depreciation	<u>2,715,542</u>	<u>\$ 92,032</u>	<u>\$ -</u>	<u>2,807,574</u>
Total Capital Assets Being Depreciated, net	<u>1,392,421</u>			<u>1,470,007</u>
Solid Waste Capital Assets, Net	<u>\$ 1,778,859</u>			<u>\$ 1,856,445</u>

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

	Beginning Balances	Increases	Decreases	Ending Balances
Water District				
Capital Assets not Being Depreciated:				
Land	\$ 35,975	\$ 418,880	\$ -	\$ 454,855
Construction in Progress	266,193	4,356,688	-	4,622,881
Total Capital Assets not Being Depreciated:	<u>302,168</u>	<u>4,775,568</u>	<u>-</u>	<u>5,077,736</u>
Capital Assets Being Depreciated:				
Plant and Distribution Systems	26,193,226	-	-	26,193,226
Equipment	195,439	-	-	195,439
Vehicles and Motor Equipment	399,516	-	-	399,516
Total Capital Assets Being Depreciated:	<u>26,788,181</u>	<u>-</u>	<u>-</u>	<u>26,788,181</u>
Less Accumulated Depreciation				
Plant and Distribution Systems	5,928,718	414,276	-	6,342,994
Equipment	172,302	8,374	-	180,676
Vehicles and Motor Equipment	321,109	30,222	-	351,331
Total Accumulated Depreciation	<u>6,422,129</u>	<u>\$ 452,872</u>	<u>\$ -</u>	<u>6,875,001</u>
Total Capital Assets Being Depreciated, net	<u>20,366,052</u>			<u>19,913,180</u>
Water District Capital Assets, Net	<u>\$ 20,668,220</u>			<u>\$ 24,990,916</u>
Hospital Rental Fund				
Capital Assets not Being Depreciated:				
Land and Land Improvements	\$ 257,547	\$ -	\$ (117,359)	\$ 140,188
Capital Assets Being Depreciated:				
Buildings and Fixed Equipment	10,992,684	-	(2,117,181)	8,875,503
Major Moveable Equipment	4,991,727	-	(4,991,727)	-
Assets Under Capital Leases	1,473,981	-	(1,473,981)	-
Total Capital Assets Being Depreciated:	<u>17,458,392</u>	<u>-</u>	<u>(8,582,889)</u>	<u>8,875,503</u>
Less Accumulated Depreciation and Amortization	<u>14,711,042</u>	<u>191,548</u>	<u>(6,737,886)</u>	<u>8,164,704</u>
Total Capital Assets Being Depreciated, net	<u>2,747,350</u>	<u>(191,548)</u>	<u>(1,845,003)</u>	<u>710,799</u>
Hospital Capital Assets, Net	<u>3,004,897</u>	<u>\$ (191,548)</u>	<u>\$ (1,962,362)</u>	<u>850,987</u>
Business-type Activities Capital Assets, Net	<u>\$ 25,451,976</u>			<u>\$ 27,698,348</u>

B. Liabilities

1. Payables

Payables at the government wide level at June 30, 2012 were as follows:

	Vendors	Salaries and Benefits	Accrued Interest	Other	Total
Governmental Activities:					
General	\$ 3,626,821	\$ 563,141	\$ 211,505	\$ 7,151	\$ 4,408,618
Other Governmental	1,184	1,705	-	-	2,889
Total Governmental Activities	<u>\$ 3,628,005</u>	<u>\$ 564,846</u>	<u>\$ 211,505</u>	<u>\$ 7,151</u>	<u>\$ 4,411,507</u>
Business-type Activities					
Landfill	\$ 70,211	\$ 12,778	\$ 2,428	\$ -	\$ 85,417
Water and Sewer District	24,797	13,499	78,951	-	117,247
Hospital Rental Fund	-	-	-	-	-
Total Business-type Activities	<u>\$ 95,008</u>	<u>\$ 26,277</u>	<u>\$ 81,379</u>	<u>\$ -</u>	<u>\$ 202,664</u>

Pension Plan Obligations and Other Postemployment Obligations

1. Local Governmental Employees' Retirement System

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

Funding Policy - Plan members are required to contribute six percent of their annual covered salary. The County is required to contribute at an actuarially determined rate. For the County, the current rate for employees not engaged in law enforcement and for law enforcement officers is 7.05% and 6.98%, respectively, of annual covered payroll. The contribution requirements of members and of Bladen County are established and may be amended by the North Carolina General Assembly. The County's contributions to LGERS for the years ended June 30, 2012, 2011, and 2010 were \$870,622, \$787,955, and \$620,860, respectively.

2. Law Enforcement Officers' Special Separation Allowance

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

All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2011, the Separation Allowance's membership consisted of:

Retirees receiving benefits	4
Terminated plan members entitled to but not yet receiving benefits	0
Active plan members	<u>50</u>
Total	<u>54</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, 2012, \$45,567 in benefits were paid. For the current year, the County contributed \$ 0, or 0% of annual covered payroll. There were no contributions made by employees. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are paid by the general fund. Although the County has chosen the pay as you go basis, it does maintain actuarial valuations that state what should be contributed now to cover benefits.

The annual required contribution for the current year was determined as part of the December 31, 2011 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 on 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

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

December 31, 2011 was 20 years.

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

Employer annual required contribution	\$	72,484
Interest on net pension obligation		24,202
Adjustment to annual required contribution		<u>(28,875)</u>
Annual pension cost		67,811
Employer contributions made		<u>45,817</u>
Increase (decrease) in net pension obligation		21,994
Net pension obligation beginning of year		<u>484,031</u>
Net pension obligation end of year	\$	<u><u>506,025</u></u>

3 Year Trend Information:

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage APC Contributed	Net Pension Obligation
6/30/2010	\$ 55,148	12.35%	\$ 449,301
6/30/2011	73,044	52.45%	484,031
6/30/2012	67,811	67.57%	506,025

Funding Status and Funding Progress

As of December 31 2011, the most recent actuarial valuation date, the plan was 0.00 percent funded. The actuarial accrued liability for benefits was \$624,244, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$624,244. The covered payroll (annual payroll of active employees covered by the plan) was \$1,892,314, and the ratio of the UAAL to the covered payroll was 33.20 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 officers salary, and all amounts contributed are vested immediately. Also, the law enforcement officers and other employees may make voluntary contributions to the plan. Contributions for the year ended June 30, 2012 were \$213,460, which consisted of \$92,424 from the County and \$121,036 from the law enforcement officers and other employees.

4. Register of Deeds' Supplemental Pension Fund

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

Funding Policy - On a monthly basis, the County remits to the Department of State Treasurer an amount equal to one and one half percent (1.5%) of the monthly receipts collected pursuant to Article 1 of G.S. 161. Immediately following January 1 of each year, the Department of State Treasurer divides ninety-three percent (93%) of the amount in the Fund at the end of the preceding calendar year into equal shares to be disbursed as monthly benefits. The remaining seven percent (7%) of the Fund's assets may be used by the State Treasurer in administering the Fund. For the fiscal year ended June 30, 2012, the County's required and actual contributions were \$2,072.

Healthcare Benefits and Other Postemployment Benefits

Healthcare Benefits

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

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

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

Contributions are determined as a percentage of covered monthly payroll. Annually, the monthly contribution rates to the Plan, which are intended to finance benefits and administrative expenses on a pay-as-you-go basis, are determined by the General Assembly in the Appropriations Bill. For the fiscal years ended June 30, 2012 the County paid all annual required contributions to the Plan for postemployment healthcare benefits of \$608,188 respectively. For the County, the current rate for employees not engaged in law enforcement and for law enforcement officers is 5.0% and 5.0%, respectively, of annual covered payroll.

Other Employment Benefits

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

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Notes to the Financial Statements

Deferred/Unearned Revenues

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

	Deferred Revenue	Unearned Revenue
Prepaid taxes not yet earned(General)	\$ -	\$ 118,331
Taxes receivable, net(General)	3,191,498	-
Prepaid taxes not yet earned(Special Revenue)	-	-
Taxes receivable, net(Special Revenue)	223,588	-
Total	<u>\$ 3,415,086</u>	<u>\$ 118,331</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 three self-funded risk-financing pools administered by the North Carolina Association of County Commissioners. Through these pools, the County obtains property coverage equal to replacement cost values of owned property subject to a limit of \$125.5 million for any one occurrence, general, auto, professional, and employment practices liability coverage of \$2 million per occurrence, auto physical damage coverage for owned autos at actual cash value, crime coverage of \$250,000 per occurrence, workers' compensation coverage up to the statutory limits, and health and dental insurance for county employees. The pools are audited annually by certified public accountants, and the audited financial statements are available to the County upon request. Two of the pools are reinsured through a multi-state public entity captive for single occurrence losses in excess of \$500,000 up to a \$2 million limit for liability coverage, \$600,000 of aggregate annual losses in excess of \$50,000 per occurrence for property, auto physical damage, and crime coverage, and single occurrence losses of \$350,000 for workers' compensation. For health and dental insurance, the county is reinsured through the Pool for individual losses in excess of \$50,000 and aggregate annual losses in excess of 115% of expected claims. The pool is reinsured through commercial carrier for individual losses in excess of \$100,000.

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

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

Contingent Liabilities

At June 30, 2012, 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, 2012 is \$1,303,748.

BB&T dated December 18, 2008 in the amount of \$280,990 for installment purchase of fire and alarm system at Bladen Community College in 5 annual payments of \$59,916 including interest at 3.31%. Final payment due December 2012. Balance at June 30, 2012 is \$57,996.

BB&T dated May 25, 2011 in the amount of \$351,078 for installment purchase of a documents and forms management system in 3 annual payments of \$119,409 including interest at 2.050%. Final payment due May 2013. Balance at June 30, 2012 is \$117,009.

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

BB&T dated August 25, 2008 in the amount of \$316,988 for installment purchase of financial software system in 5 annual payments of \$67,491 including interest at 3.23%. Final payment due August 2017. Balance at June 30, 2012 is \$65,379.

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, 2012 is \$510,416.

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, 2012 is \$1,164,577.

BB&T dated August 30, 2011 in the amount of \$227,815 for installment purchase of 10 Ford Crown Victorias and related equipment. Payments begin August 30, 2011 with 3 annual installments of \$77,214 with interest at 1.69%. Final payment due August 30, 2013. Balance at June 30, 2012 is \$150,600.

BB&T dated May 23, 2012 in the amount of \$196,850 for installment purchase of (2) 2012 Miller Medic Ambulances. Payments begin May 23, 2012 with 3 annual installments of \$66,589 with interest at 1.69%. Final payment due May 23, 2014. Balance at June 30, 2012 is \$130,260.

Serviced by the Business Type Activities

Serviced by the Solid Waste Fund

BB&T dated October 19, 2011 in the amount of \$157,181 for installment purchase of a Caterpillar 924H Loader. Payments begin October 19, 2011 with annual installments of \$40,288 with interest at 1.69%. Final payment is due November 19, 2014. Balance at June 30, 2012 is \$116,893.

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, 2012 is \$576,514.

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, 2012 is \$580,249.

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, 2012 was \$493,552.

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

For Bladen County, the future minimum payments as of June 30, 2012 are as follows:

Year Ending 30-Jun	Business Type Activities		Governmental Activities	
	Principal	Interest	Principal	Interest
2013	\$ 123,131	\$ 48,064	\$ 680,694	\$ 106,601
2014	124,810	46,385	431,665	109,178
2015	126,542	44,653	307,154	96,187
2016	120,706	42,863	322,960	83,865
2017	97,517	41,016	339,513	70,901
2018-2022	350,384	164,648	924,796	194,359
2023-2027	220,853	148,482	378,715	53,566
2028-2032	224,146	102,155	114,488	10,692
2033-2037	80,162	72,746	-	-
2038-2042	97,529	56,045	-	-
2043-2047	118,659	35,728	-	-
2048-2052	82,769	11,027	-	-
Total	\$ 1,767,208	\$ 813,812	\$ 3,499,985	\$ 725,349

Capital Leases

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

Capital Leases at June 30, 2012, were as follows:

Governmental Activities

First Citizens agreement dated December 2007 in the amount of \$219,320 for lease purchase of 3 ambulances payable in 59 monthly payments of \$4,034 including interest at 3.44%. Final payment due October 2012. Balance at June 30, 2012 is \$12,068.

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

The following is an analysis of the assets recorded under capital leases in the County's Fixed Assets at June 30, 2012:

In General Fixed Assets:

Classes of Property	
Equipment	\$ 219,320
Total	\$ 219,320

For Bladen County, the future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2012 were as follows:

Year Ending 30-Jun	Governmental Activities	
	Principal	Interest
2013	\$ 12,068	\$ 69
2014	-	-
2015	-	-
2016	-	-
2017	-	-
Thereafter	-	-
Total	\$ 12,068	\$ 69

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

General Obligation Indebtedness

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

In addition to the general obligation bonds described above, the County has issued one other special obligation bond to finance a solid waste transfer station.

The County's general obligation bonds payable at June 30, 2012 are comprised of the following individual issues:

Serviced by the County's General Fund:

<p>\$25,000,000 November 2004 refunding School bond payment interest payments every six months at an annual rate of 5.6%. Principle payments are made by May of each year at increasing payment amounts; final payment is due May 1, 2021. Due to the nature of this debt for noncounty owned property, this is not considered capital debt.</p>	<p>\$ 13,095,000</p>
<p>\$1,523,700 September 2011 Qualified School Construction Bonds due in annual installments varying from \$183,402 to \$107,034; interest at 1.53%.</p>	<p>1,523,700</p>
	<p>\$ <u>14,618,700</u></p>
<p>General obligation bonds serviced by the Bladen County Water District:</p>	
<p>\$150,000 February 1990 water bonds due in annual installments varying from \$10,800 to \$2,120; interest at 6%.</p>	<p>\$ 90,000</p>
<p>\$1,318,000 February 1990 water bonds due in annual installments varying from \$88,762 to \$24,085; interest at 5.75%.</p>	<p>824,000</p>
<p>\$1,400,000 May 1992 water bonds due in annual installments varying from \$94,000 to \$57,105; interest at 5.75%.</p>	<p>964,500</p>
<p>\$2,068,000 April 1996 water bonds due in annual installments varying from \$122,815 to \$92,290 including interest at 4.875% per annum. Principal portion will not be included with payment until June 1998.</p>	<p>1,611,000</p>
<p>\$900,000 April 1996 water bonds due in annual installments varying from \$53,875 to \$41,950 including interest at 4.875% per annum. Principal portion will not be included with payment until June 1998.</p>	<p>703,000</p>
<p>\$4,496,000 November 2010 water bonds due in interest only payments for years 2011 and 2012 at 2.25%. Then annual payments will be varying each year, but averaging \$177,000 including interest at 2.25%.</p>	<p>4,394,094</p>

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4,510,000 June 2012 Revenue water bonds due December 2012; interest at 1.53% Estimated amortization based on commitment for refinancing of loan for a total of \$7,170,000 in December 2012 at 3.25% for 40 years. 4,510,000

\$5,983,000 May 2002 water bonds due in annual installments varying from \$346,693 to \$261,875; interest at 4.75%. Principle portion will not be included until the June 2004 payment. 5,300,000

\$ 18,396,594

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

Year Ending 30-Jun	Governmental Activities		Business Type Activities	
	Principal	Interest	Principal	Interest
2013	\$ 1,561,580	\$ 635,672	\$ 373,501	\$ 720,531
2014	1,611,580	557,217	389,337	704,608
2015	1,631,580	498,913	407,233	687,961
2016	1,656,580	439,908	423,191	670,475
2017	1,641,580	212,241	440,212	652,236
2018-2022	6,007,900	772,156	2,440,753	2,961,281
2023-2027	507,900	219,223	2,837,099	2,237,471
2028-2032	-	-	3,010,582	1,767,728
2033-2037	-	-	2,816,547	1,161,608
2038-2042	-	-	2,365,660	655,507
2043-2047	-	-	1,562,959	338,738
2048-2052	-	-	1,329,520	114,948
Total	\$ <u>14,618,700</u>	\$ <u>3,335,330</u>	\$ <u>18,396,594</u>	\$ <u>12,673,092</u>

At June 30, 2012, Bladen County had no bonds authorized and had a legal debt margin of \$189,427,312.

Advance Refunding

November 2004, the County defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County' financial statements. On June 30, 2012, \$13,095,000 of bonds outstanding are defeased.

Debt Related to Capital Activities – Of the total Governmental Activities debt listed above, \$13,095,000 relates to assets the County does not hold title to.

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

Changes in General Long-Term Debt

The following is a summary of changes in the County's long-term obligations for the fiscal year ended June 30, 2012:

	Balance July 1, 2011	Increases	Decreases	Balance June 30, 2012	Current Portion
Governmental Activities:					
General Obligation Debt	\$ 14,535,000	\$ 1,523,700	\$ (1,440,000)	\$ 14,618,700	\$ 1,561,580
Capitalized Leases	63,002	-	(50,934)	12,068	12,068
Installment Purchases	3,739,314	424,665	(663,994)	3,499,985	680,694
Net Pension Obligation	484,031	67,811	(45,817)	506,025	-
*Compensated Absences	1,072,718	679,679	(776,246)	976,151	679,681
Total Governmental Activities	<u>\$ 19,894,065</u>	<u>\$ 2,695,855</u>	<u>\$ (2,976,991)</u>	<u>\$ 19,612,929</u>	<u>\$ 2,934,023</u>

*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, 2011	Increases	Decreases	Balance June 30, 2012	Current Portion
Business-Type Activities:					
Solid Waste					
*Compensated Absences	\$ 25,370	\$ 13,448	\$ (13,526)	\$ 25,292	\$ 13,448
Installment Purchases	-	157,181	(40,288)	116,893	30,233
Total Solid Waste	<u>25,370</u>	<u>170,629</u>	<u>(53,814)</u>	<u>142,185</u>	<u>43,681</u>
Water District					
General Obligation Debt	14,218,500	4,510,000	(331,906)	18,396,594	373,501
Installment Purchases	586,755	620,000	(49,992)	1,156,763	27,815
*Compensated Absences	29,368	18,119	(22,432)	25,055	18,119
Total Water District	<u>14,834,623</u>	<u>5,148,119</u>	<u>(404,330)</u>	<u>19,578,412</u>	<u>419,435</u>
Hospital Rental Fund					
Installment Purchases	613,948	-	(120,396)	493,552	65,083
Total Hospital	<u>613,948</u>	<u>-</u>	<u>(120,396)</u>	<u>493,552</u>	<u>65,083</u>
Total Business-Type Activities	<u>\$ 15,473,941</u>	<u>\$ 5,318,748</u>	<u>\$ (578,540)</u>	<u>\$ 20,214,149</u>	<u>\$ 528,199</u>

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

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

Interfund Activity

Transfers From/To Other Funds at June 30, 2012, consists of the following:

	<u>From</u>	<u>To</u>
<u>General Fund</u>		
2 General Area Fire District	\$ 50,000	\$ -
1 Water Capital Project	-	1,480,965
 <u>Special Revenue Fund</u>		
General Area Fire District		
2 General Fund	-	50,000
 <u>Enterprise Fund</u>		
1 Capital Project Fund	1,480,965	-
Total Transfers From/To Other Funds	<u>\$ 1,530,965</u>	<u>\$ 1,530,965</u>

- 1 Transfers were made to meet the cash flow needs of the capital project.
- 2 Transfer was made to reimburse General Fund for public safety expenditures.

Due to/from other funds at June 30, 2012, consist of the following:

	<u>From</u>	<u>To</u>
<u>General Fund</u>		
Scattered Sites	\$ 3,592	\$ -
 <u>Special Revenue Fund</u>		
General Fund	-	3,592
	<u>\$ 3,592</u>	<u>\$ 3,592</u>

Due to the General Fund is to be repaid upon the receipt of grant revenue.

Fund Balance

Total Fund Balance - General Fund	\$13,334,394
Less:	
Stabilization by State Statute	3,495,110
Public Safety	96,715
4-H	125,951
Unspent Loan Proceeds	306,888
Tax Revaluation	620,621
Appropriated Fund Balance in 2012-2013 Budget	1,647,845
Remaining Fund Balance	<u>7,041,264</u>

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 \$696,541, \$90,000 and \$5,000 to the community college for operating, capital and scholarship purposes, respectively, during the fiscal year ending June 30, 2012. 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, 2012. 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 conduction with three other counties and twenty-one municipalities, established the Lumber River Council of Governments (Council). The participating governments established the Council to coordinate various funding received from federal and state agencies. Each participating government appoints one member to the Council's governing board. The Council is a self-sufficient organization because its members' dues represent a small portion of its total revenues. The County paid membership fees of \$17,643 to the Council during the fiscal year ended June 30, 2012. The County was the sub recipient of a grant for \$215,021 from the U.S. Department of Health and Human Services and the Division of Aging of the North Carolina Department of Human Resources that was passed through the council.

NOTE 5: Benefit Payments Issued by the State

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

	<u>Federal</u>	<u>State</u>
Medicaid	38,233,253	22,382,527
TANF and Work First Benefits	578,248	-
WIC	223,321	-
Adoption Assistance	113,838	30,409
IV-E Foster Care	7,033	1,880
CWS Adoption Subsidy	-	39,454
State Foster Home	-	804
Adult Special Assistance	-	491,280
	<u>39,155,693</u>	<u>22,946,354</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.

Contingent Liability – Retiree Health Care and LGERS

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

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

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

NOTE 7: Subsequent Event

Bond Refund - In October 2012, the County refunded \$10,880,000 in bonds related to the above school bonds with expected savings of \$600,000. Also, the \$9,280,000 of the above water bonds were refunded with expected savings of \$2.3 million.

NOTE 8: Special Item – 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 30-Jun	Principal
2013	\$ 101,580
2014	101,580
2015	101,580
2016	101,580
2017	101,580
2018-2022	507,900
2023-2027	507,900
	\$ 1,523,700

Special Item – Revenue – Governmental 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 30-Jun	Principal	Interest	Total Rent
2013	\$ 65,084	\$ 16,926	\$ 82,010
2014	65,084	14,550	79,634
2015	65,084	12,175	77,259
2016	65,084	9,799	74,883
2017	65,084	7,424	72,508
2018-2022	168,132	8,181	176,313
	\$ 493,552	\$ 69,055	\$ 562,607

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

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

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

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Projected Unit Credit (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b - a)/c)
12/31/2006	\$ -	\$ 287,143	\$ 287,143	0.0%	\$ 1,539,225	18.66%
12/31/2007	-	338,531	338,531	0.0%	1,682,283	20.12%
12/31/2008	-	367,284	367,284	0.0%	1,964,621	18.69%
12/31/2009	-	586,128	586,128	0.0%	2,057,212	28.49%
12/31/2010	-	604,914	604,914	0.0%	1,765,361	34.27%
12/31/2012	-	628,244	628,244	0.0%	1,892,314	33.20%

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

<u>Year Ended June 30,</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>	<u>Net Pension Obligation End of Year</u>
2007	38,439	17.14%	316,936
2008	43,828	15.03%	354,176
2009	48,651	3.83%	400,964
2010	55,148	12.35%	449,301
2011	73,044	52.45%	484,031
2012	67,811	67.57%	506,025

Notes to the Required Schedules:

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

Valuation Date	12/31/2011
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percent of Pay Closed
Remaining Amortization Period	20 Years
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Investment Rate of Return	5.00%
Projected Salary Increases	4.25-7.85%
Includes Inflation at	3.00%
Cost of Living Adjustments	None

Bladen County
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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, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Revenues:			
Ad Valorem Taxes:			
Taxes		\$ 18,723,610	
Penalties and Interest		339,395	
Total	\$ 18,405,221	19,063,005	\$ 657,784
Local Option Sales Taxes:			
Article 39		1,514,346	
Article 40		1,691,953	
Article 42		928,027	
Article 44		(8,359)	
Total	3,707,743	4,125,967	418,224
Other Taxes and Licenses:			
Privilege Licenses		3,268	
Real Estate Transaction Tax		78,401	
Total	98,352	81,669	(16,683)
Restricted Intergovernmental:			
State and Federal Grants		8,099,873	
ABC Tax		4,469	
Facilities Fees		57,655	
Total	8,628,632	8,161,997	(466,635)
Permits and Fees:			
Building Permits and Inspection Fees		147,321	
Other Permits		7,226	
Register of Deeds		123,772	
Gun Permits		5,140	
Total	231,679	283,459	51,780
Sales and Services:			
Rent and Concessions		492,943	
Jail and Inmate Fees		53,341	
Administrative Fees		150,000	
Fees - Health Department		1,282,016	
Data Processing, Mapping, Tax Notices		19,430	
Recreation Fees		41,862	
Court Costs, Fees & Charges		74,195	
Miscellaneous Fees		91,119	
Library Fines, Fees, Contributions		20,018	
Environmental Health Fees		29,324	
Soil Conservation - Ad Sales		3,800	
Billing for EMS		2,591,336	
Economic Development Reimbursements		51,567	
Motor Pool Reimbursements		207,461	

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, 2012

	Budget	Actual	Positive (Negative)
Sheriff Reimbursements		385,855	
Total	5,262,760	5,494,267	231,507
Investment Earnings	20,100	16,318	(3,782)
Miscellaneous:			
Sale of Assets/Insurance Claims		47,748	
VIPER Payments		49,217	
Miscellaneous		213,145	
Total	189,657	310,110	120,453
 TOTAL REVENUES	 36,544,144	 37,536,792	 992,648
Expenditures:			
General Government:			
Governing Body:			
Salaries		81,663	
Employee Benefits		10,777	
Capital Outlay		-	
Insurance and Bonds		536,252	
Other Operating Expenditures		315,063	
Special Appropriation		59,816	
Total	1,026,758	1,003,571	23,187
Administration:			
Salaries		135,821	
Employee Benefits		35,944	
Capital Outlay		-	
Other Operating Expenditures		12,325	
Total	184,557	184,090	467
Personnel:			
Salaries		66,605	
Employee Benefits		20,246	
Capital Outlay		-	
Other Operating Expenditures		27,848	
Total	117,046	114,699	2,347
Planning and Community Development:			
Salaries		64,181	
Employee Benefits		18,932	
Capital Outlay		-	
Other Operating Expenditures		4,576	
Total	88,947	87,689	1,258

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, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Elections:			
Salaries		110,407	
Employee Benefits		35,343	
Capital Outlay		-	
Contracted Services		55,237	
Other Operating Expenditures		49,776	
Total	<u>250,666</u>	<u>250,763</u>	<u>(97)</u>
Finance:			
Salaries		193,000	
Employee Benefits		60,167	
Capital Outlay		11,439	
Other Operating Expenditures		52,598	
Total	<u>339,266</u>	<u>317,204</u>	<u>22,062</u>
Taxes:			
Salaries		231,735	
Employee Benefits		70,834	
Capital Outlay		-	
Other Operating Expenditures		95,735	
Professional Services		27,306	
Contracted Services		48,131	
Total	<u>469,923</u>	<u>473,741</u>	<u>(3,818)</u>
Data Processing:			
Salaries		48,595	
Employee Benefits		14,808	
Capital Outlay		-	
Other Operating Expenditures		72,780	
Total	<u>151,811</u>	<u>136,183</u>	<u>15,628</u>
Mapping:			
Salaries		52,626	
Employee Benefits		20,722	
Capital Outlay		21,281	
Other Operating Expenditures		21,981	
Total	<u>97,916</u>	<u>116,610</u>	<u>(18,694)</u>
Register of Deeds:			
Salaries		137,119	
Employee Benefits		43,940	
Capital Outlay		-	
Other Operating Expenditures		112,842	
Total	<u>310,498</u>	<u>293,901</u>	<u>16,597</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, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Operational Services:			
Central Services and Administration:			
Salaries		161,363	
Employee Benefits		54,642	
Capital Outlay		13,940	
Other Operating Expenditures		394,403	
Contracted Services		29,248	
Total	<u>659,920</u>	<u>653,596</u>	<u>6,324</u>
Court Facilities:			
Capital Outlay		32,932	
Other Operating Expenditures		25,427	
Total	<u>77,865</u>	<u>58,359</u>	<u>19,506</u>
Central Services - Vehicle Maintenance:			
Salaries		65,773	
Employee Benefits		21,865	
Capital Outlay		-	
Other Operating Expenditures		685,147	
Total	<u>822,945</u>	<u>772,785</u>	<u>50,160</u>
Housekeeping:			
Salaries		142,044	
Employee Benefits		61,818	
Capital Outlay		-	
Other Operating Expenditures		32,958	
Total	<u>245,021</u>	<u>236,820</u>	<u>8,201</u>
Total General Government	<u>4,843,139</u>	<u>4,700,011</u>	<u>143,128</u>
Public Safety:			
Sheriff:			
Salaries		1,937,261	
Employee Benefits		757,442	
Capital Outlay		244,988	
Contracted Services		30,873	
Other Operating Expenditures		164,058	
Total	<u>3,121,368</u>	<u>3,134,622</u>	<u>(13,254)</u>
Communications:			
Salaries		328,562	
Employee Benefits		113,277	
Capital Outlay		88,743	
Other Operating Expenditures		1,639	
Total	<u>563,019</u>	<u>532,221</u>	<u>30,798</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, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Jail:			
Salaries		622,882	
Employee Benefits		190,211	
Capital Outlay		9,329	
Contracted Services		4,711	
Professional Services		250,361	
Other Operating Expenditures		242,548	
Total	<u>1,289,117</u>	<u>1,320,042</u>	<u>(30,925)</u>
Pre Trial Release			
Salaries		40,196	
Employee Benefits		15,062	
Capital Outlay		-	
Other Operating Expenditures		10,554	
Total	<u>71,654</u>	<u>65,812</u>	<u>5,842</u>
Animal Control:			
Salaries		117,112	
Employee Benefits		42,084	
Capital Outlay		-	
Other Operating Expenditures		37,205	
Total	<u>207,909</u>	<u>196,401</u>	<u>11,508</u>
Emergency Management:			
Salaries		89,098	
Employee Benefits		18,227	
Capital Outlay		38,300	
Other Operating Expenditures		22,253	
Total	<u>174,657</u>	<u>167,878</u>	<u>6,779</u>
Rescue Squads:			
Salaries		1,322,590	
Employee Benefits		375,267	
Capital Outlay		191,592	
Contracted Services		181,898	
Bad Debts		382,130	
Other Operating Expenditures		350,955	
Total	<u>2,891,087</u>	<u>2,804,432</u>	<u>86,655</u>
Inspection:			
Salaries		181,658	
Employee Benefits		56,374	
Capital Outlay		-	
Other Operating Expenditures		9,973	
Total	<u>250,460</u>	<u>248,005</u>	<u>2,455</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, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Coroner:			
Salaries		4,988	
Employee Benefits		614	
Professional Services		13,100	
Other Operating Expenditures		3,462	
Total	<u>28,529</u>	<u>22,164</u>	<u>6,365</u>
Special Appropriations:			
Forest Services	116,964	116,964	
Storm Preparation	19,592	19,592	
Beaver Control	5,200	5,200	
Total	<u>141,756</u>	<u>141,756</u>	<u>-</u>
Total Public Safety	<u>8,739,556</u>	<u>8,633,333</u>	<u>106,223</u>
Economic and Physical Development:			
Economic Development			
Salaries		110,958	
Employee Benefits		31,605	
Other Operating Expenditures		442,829	
Special Appropriations		997,540	
Capital Outlay		-	
Total	<u>1,695,663</u>	<u>1,582,932</u>	<u>112,731</u>
Agricultural Extension:			
Salaries		102,222	
Employee Benefits		30,279	
Capital Outlay		-	
Other Operating Expenditures		22,943	
Total	<u>172,715</u>	<u>155,444</u>	<u>17,271</u>
Soil Conservation:			
Salaries		81,733	
Employee Benefits		26,047	
Capital Outlay		-	
Other Operating Expenditures		22,281	
Total	<u>135,324</u>	<u>130,061</u>	<u>5,263</u>
Special Appropriations:			
Airport Contribution		40,000	
Total	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Total Economic and Physical Dev.	<u>2,043,702</u>	<u>1,908,437</u>	<u>135,265</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, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Human services:			
Health:			
Administration:			
Salaries		376,791	
Employee Benefits		129,932	
Capital Outlay		-	
Professional Services		6,579	
Other Operating Expenditures		62,731	
Total	<u>605,457</u>	<u>576,033</u>	<u>29,424</u>
Environmental Services:			
Salaries		128,888	
Employee Benefits		42,554	
Capital Outlay		-	
Other Operating Expenditures		17,184	
Total	<u>197,754</u>	<u>188,626</u>	<u>9,128</u>
Women, Infants, and Children:			
Salaries		138,861	
Employee Benefits		50,045	
Capital Outlay		-	
Other Operating Expenditures		29,465	
Total	<u>252,500</u>	<u>218,371</u>	<u>34,129</u>
Bio-Terrorism:			
Salaries		18,022	
Employee Benefits		6,150	
Other Operating Expenditures		2,313	
Capital Outlay		-	
Total	<u>42,359</u>	<u>26,485</u>	<u>15,874</u>
Family Planning:			
Salaries		194,671	
Employee Benefits		63,459	
Capital Outlay		-	
Other Operating Expenditures		58,358	
Total	<u>334,418</u>	<u>316,488</u>	<u>17,930</u>
Maternal:			
Salaries		216,736	
Employee Benefits		73,152	
Capital Outlay		-	
Professional Services		16,097	
Other Operating Expenditures		15,519	
Total	<u>340,949</u>	<u>321,504</u>	<u>19,445</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, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Tuberculosis:			
Salaries		11,810	
Employee Benefits		3,620	
Capital Outlay		-	
Other Operating Expenditures		9,483	
Total	<u>30,013</u>	<u>24,913</u>	<u>5,100</u>
Child Health			
Salaries		168,254	
Employee Benefits		49,695	
Capital Outlay		-	
Other Operating Expenditures		40,516	
Total	<u>269,012</u>	<u>258,465</u>	<u>10,547</u>
Care Management			
Salaries		113,982	
Employee Benefits		36,453	
Capital Outlay		-	
Other Operating Expenditures		4,989	
Total	<u>179,131</u>	<u>155,424</u>	<u>23,707</u>
Health Check and Promotion:			
Salaries		156,141	
Employee Benefits		52,325	
Capital Outlay		-	
Other Operating Expenditures		74,263	
Total	<u>321,772</u>	<u>282,729</u>	<u>39,043</u>
Home Health:			
Salaries		448,421	
Employee Benefits		149,259	
Contracted Services		14,708	
Professional Services		142,010	
Capital Outlay		-	
Other Operating Expenditures		131,267	
Total	<u>1,001,083</u>	<u>885,665</u>	<u>115,418</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, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
IAP:			
Salaries		-	
Employee Benefits		-	
Capital Outlay		-	
Other Operating Expenditures		8,063	
Total	<u>15,033</u>	<u>8,063</u>	<u>6,970</u>
H-CAP			
Salaries		188,376	
Employee Benefits		61,164	
Capital Outlay		-	
Other Operating Expenditures		50,477	
Total	<u>322,007</u>	<u>300,017</u>	<u>21,990</u>
Health Watch			
Salaries		-	
Employee Benefits		-	
Capital Outlay		-	
Other Operating Expenditures		-	
Total	<u>267</u>	<u>-</u>	<u>267</u>
Mental Health:			
Mental Health Expense		53,194	
Capital Outlay		-	
Total	<u>53,194</u>	<u>53,194</u>	<u>-</u>
School Health	250,000	233,148	16,852
H-BCCCP	8,040	3,046	4,994
Communicable Diseases	<u>11,900</u>	<u>11,495</u>	<u>405</u>
Extension Services			
Grants:			
Salaries		53,770	
Employee Benefits		20,746	
Capital Outlay		-	
Juvenile Services		69,542	
Other Operating Expenditures			
Total	<u>144,976</u>	<u>144,058</u>	<u>918</u>
Total Health	<u>4,379,865</u>	<u>4,007,724</u>	<u>372,141</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, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Social services:			
Salaries		3,157,034	
Employee Benefits		1,065,149	
Capital Outlay		351,078	
Professional Services		119,531	
Other Operating Expenditures		<u>1,136,805</u>	
Total	<u>6,222,738</u>	<u>5,829,597</u>	<u>393,141</u>
Special Appropriations:			
USDA Commodities		6,176	
Food Stamp Issuance		17,873	
Christmas Fund/Foster Care		3,000	
Emergency Relief Funds		127	
Blind Aid		5,236	
Special Assistance		452,631	
Assistance		2,842	
Medicaid		5,911	
Adoption Assistance		47,194	
Smart Start Vendor		177,131	
Day Care		909,431	
Foster Care		16,151	
Foster Care IV-E		8,088	
Storm Disaster		-	
Special Foster Care		-	
Total	<u>2,232,101</u>	<u>1,651,791</u>	<u>580,310</u>
Total Social Services	<u>8,454,839</u>	<u>7,481,388</u>	<u>973,451</u>
Senior Citizens:			
Salaries		483,986	
Employee Benefits		169,918	
Capital Outlay		-	
Other Operating Expenditures		190,917	
Total	<u>889,616</u>	<u>844,821</u>	<u>44,795</u>
Veterans service officer:			
Salaries		14,201	
Employee Benefits		1,165	
Capital Outlay		-	
Other Operating Expenditures		620	
Total	<u>21,097</u>	<u>15,986</u>	<u>5,111</u>
Total Human Services	<u>13,745,417</u>	<u>12,349,919</u>	<u>1,395,498</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, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Cultural and Recreational:			
Recreation:			
Salaries		108,367	
Employee Benefits		33,221	
Capital Outlay		7,900	
Contracted Services		11,860	
Other Operating Expenditures		63,978	
Total	<u>227,800</u>	<u>225,326</u>	<u>2,474</u>
Library:			
Salaries		321,057	
Employee Benefits		113,457	
Capital Outlay		-	
Other Operating Expenditures		52,284	
Total	<u>496,102</u>	<u>486,798</u>	<u>9,304</u>
Special Appropriations:			
Other Charitable Organizations	5,675	3,600	2,075
Total Cultural and Recreational	<u>729,577</u>	<u>715,724</u>	<u>13,853</u>
Education:			
Public Schools:			
Current Expense		5,782,245	
Capital Outlay		1,468,264	
Special Projects		7,387	
1/2 Cent Paid to Schools		201,599	
Additional 1/2 Cent Paid to Schools		257,489	
Community Colleges:			
Current Expense		696,541	
Capital Outlay		90,000	
Scholarship		5,000	
Total Education	<u>8,554,260</u>	<u>8,508,525</u>	<u>45,735</u>
Debt Service:			
Principal Retirement		2,154,928	
Interest and Fees		714,658	
Total Debt Service	<u>2,869,586</u>	<u>2,869,586</u>	<u>-</u>
TOTAL EXPENDITURES	<u>41,525,237</u>	<u>39,685,535</u>	<u>1,839,702</u>
Revenues over(under) Expenditures	<u>(4,981,093)</u>	<u>(2,148,743)</u>	<u>2,832,350</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, 2012

	<u>Budget</u>	<u>Actual</u>	Positive (Negative)
Other financing sources (uses):			
Proceeds From Installment Purchases	1,956,550	1,948,365	(8,185)
Fund Balance Appropriated	4,515,508	-	(4,515,508)
Transfers (to)/from Other Funds:			
Water Capital Project Fund	(1,480,965)	(1,480,965)	-
Self Insured Fund	-	-	-
Emergency Telephone Fund	-	-	-
Fire District Fund	50,000	50,000	-
Re-Assessment Fund	(60,000)	(60,000)	-
Total Other Financing Sources (Uses)	<u>4,981,093</u>	<u>457,400</u>	<u>(4,523,693)</u>
Net Change In Fund Balance	<u>\$ -</u>	(1,691,343)	<u>\$ (1,691,343)</u>
Fund Balance, Beginning		14,405,085	
Fund Balance, Ending		<u>\$ 12,713,742</u>	

Bladen County
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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, 2012

	2012		Variance Positive (Negative)
	Budget	Actual	
Revenues			
Investment Earnings	\$ -	\$ 375	\$ 375
Expenditures:			
General Government			
Salaries		-	
Employee Benefits		-	
Operating Supplies		-	
Contracted Services		-	
Capital Outlay		-	
Total Expenditures	<u>60,000</u>	<u>-</u>	<u>60,000</u>
Revenues Over (Under) Expenditures	<u>(60,000)</u>	<u>375</u>	<u>60,375</u>
Other Financing Sources (Uses):			
Operating Transfers from General Fund	<u>60,000</u>	<u>60,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>60,000</u>	<u>60,000</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	-	60,375	60,375
Fund Balance Appropriated		<u>-</u>	<u>-</u>
Net Change In Fund Balance	\$ <u>-</u>	60,375	\$ <u>60,375</u>
Fund Balance, Beginning		<u>560,277</u>	
Fund Balance, Ending		<u>\$ 620,652</u>	

Bladen County, North Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2012

	Fire District Fund(All)	Emergency Telephone System Fund	CDBG NC Tomorrow Grant	Totals June 30, 2012
Assets:				
Cash and Cash Equivalents	\$ 2,402,103	\$ 6,062	\$ -	\$ 2,408,165
Restricted Cash	-	285,155	-	285,155
Accounts Receivable	59,560	13	3,592	63,165
Taxes Receivable (Net)	223,588	-	-	223,588
Total Assets	<u>\$ 2,685,251</u>	<u>\$ 291,230</u>	<u>\$ 3,592</u>	<u>\$ 2,980,073</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable and Accrued				
Liabilities	\$ -	\$ 2,889	\$ -	\$ 2,889
Due to Other Funds	-	-	3,592	3,592
Deferred Revenue	223,588	-	-	223,588
Total Liabilities	<u>223,588</u>	<u>2,889</u>	<u>3,592</u>	<u>230,069</u>
Fund Balances:				
Restricted				
Stabilization by State Statute	59,560	13	-	59,573
Public Safety	-	288,328	-	288,328
Fire Protection	2,331,163	-	-	2,331,163
Committed				
Economic Development	-	-	-	-
Assigned				
Subsequent Year's Expenditures	70,940	-	-	70,940
Unassigned	-	-	-	-
Total Fund Balances	<u>2,461,663</u>	<u>288,341</u>	<u>-</u>	<u>2,750,004</u>
Total Liabilities and Fund Balances	<u>\$ 2,685,251</u>	<u>\$ 291,230</u>	<u>\$ 3,592</u>	<u>\$ 2,980,073</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, 2012

	Fire District Fund(All)	Emergency Telephone System Fund	CDBG NC Tomorrow Grant	Totals June 30, 2012
Revenues:				
Ad Valorem Taxes	\$ 972,910	\$ -	\$ -	\$ 972,910
Investment Earnings	1,741	224	-	1,965
Sales Tax Revenue	239,211	-	-	239,211
Restricted Intergovernmental	-	-	3,592	3,592
Other Taxes and Licenses				
Emerg. Telephone System Chgs	-	242,987	-	242,987
Rent	-	-	-	-
Miscellaneous	-	252	-	252
Total revenues	<u>1,213,862</u>	<u>243,463</u>	<u>3,592</u>	<u>1,460,917</u>
Expenditures:				
Current:				
Public Safety	964,743	379,219	-	1,343,962
General Government	-	-	-	-
Cultural and Recreational	-	-	-	-
Education	-	-	-	-
Debt Service	-	-	-	-
Economic and Physical Development	-	-	3,592	3,592
Total Expenditures	<u>964,743</u>	<u>379,219</u>	<u>3,592</u>	<u>1,347,554</u>
Revenues Over (Under) Expenditures	<u>249,119</u>	<u>(135,756)</u>	<u>-</u>	<u>113,363</u>
Other Financing Sources:				
Operating Transfers In	-	-	-	-
Operating Transfers (Out)	(50,000)	-	-	(50,000)
Proceeds from Installment Loan	-	-	-	-
Total Other Financing Sources (Uses)	<u>(50,000)</u>	<u>-</u>	<u>-</u>	<u>(50,000)</u>
Net Change In Fund Balance	199,119	(135,756)	-	63,363
Fund Balance, Beginning	<u>2,262,544</u>	<u>424,097</u>	<u>-</u>	<u>2,686,641</u>
Fund Balance, Ending	<u>\$ 2,461,663</u>	<u>\$ 288,341</u>	<u>\$ -</u>	<u>\$ 2,750,004</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, 2012

	2012		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 972,910	
Investment Earnings		1,741	
Sales Tax Revenue		239,211	
Total Revenues	\$ 942,473	1,213,862	\$ 271,389
Expenditures:			
Public Safety:			
Additional Amount		185,472	
Professional Services		9,750	
Miscellaneous		20,631	
Contracted Services		748,890	
Total Public Safety	1,042,611	964,743	77,868
Total Expenditures	1,042,611	964,743	77,868
Revenues Over (Under) Expenditures	(100,138)	249,119	349,257
Other Financing Sources (Uses):			
Transfer to General Fund	(50,000)	(50,000)	-
Total Other Financing Sources (Uses)	(50,000)	(50,000)	-
Revenues and Other Financing Sources Over (Under) Uses	(150,138)	199,119	349,257
Fund Balance Appropriated	150,138	-	(150,138)
Net Change In Fund Balance	\$ -	199,119	\$ 199,119
Fund Balance, Beginning		2,262,544	
Fund Balance, Ending		\$ 2,461,663	

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, 2012

	2012		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 62,121	
Investment Earnings		111	
Sales Tax Revenue		16,173	
Total Revenues	\$ 64,459	78,405	\$ 13,946
Expenditures:			
Public Safety:			
Additional Amount		35,225	
Professional Services		-	
Miscellaneous		-	
Contracted Services		41,000	
Total Public Safety	76,225	76,225	-
Total Expenditures	76,225	76,225	-
Revenues Over (Under) Expenditures	(11,766)	2,180	13,946
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	(11,766)	2,180	13,946
Fund Balance Appropriated	11,766	-	(11,766)
Net Change In Fund Balance	\$ -	2,180	\$ 2,180
Fund Balance, Beginning		132,440	
Fund Balance, Ending		\$ 134,620	

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, 2012

	2012		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 50,632	
Investment Earnings		130	
Sales Tax Revenue		12,214	
Total Revenues	\$ 51,462	62,976	\$ 11,514
Expenditures:			
Public Safety:			
Additional Amount		748	
Professional Services		-	
Miscellaneous		-	
Contracted Services		51,642	
Total Public Safety	56,462	52,390	4,072
Total Expenditures	56,462	52,390	4,072
Revenues Over (Under) Expenditures	(5,000)	10,586	15,586
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	(5,000)	10,586	15,586
Fund Balance Appropriated	5,000	-	(5,000)
Net Change In Fund Balance	\$ -	10,586	\$ 10,586
Fund Balance, Beginning		178,052	
Fund Balance, Ending		\$ 188,638	

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, 2012

	2012		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 57,086	
Investment Earnings		40	
Sales Tax Revenue		12,847	
Total Revenues	\$ 53,331	69,973	\$ 16,642
Expenditures:			
Public Safety:			
Additional Amount		39,803	
Professional Services		-	
Miscellaneous		-	
Contracted Services		44,572	
Total Public Safety	84,375	84,375	-
Total Expenditures	84,375	84,375	-
Revenues Over (Under) Expenditures	(31,044)	(14,402)	16,642
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	(31,044)	(14,402)	16,642
Fund Balance Appropriated	31,044	-	(31,044)
Net Change In Fund Balance	\$ -	(14,402)	\$ (14,402)
Fund Balance, Beginning		58,303	
Fund Balance, Ending		\$ 43,901	

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, 2012

	2012		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 27,292	
Investment Earnings		45	
Sales Tax Revenue		5,535	
Total Revenues	\$ 22,965	32,872	\$ 9,907
Expenditures:			
Public Safety:			
Additional Amount		985	
Professional Services		2,500	
Miscellaneous		-	
Contracted Services		18,980	
Total Public Safety	22,965	22,465	500
Total Expenditures	22,965	22,465	500
Revenues Over (Under) Expenditures	-	10,407	10,407
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	-	10,407	10,407
Fund Balance Appropriated		-	-
Net Change In Fund Balance	\$ -	10,407	\$ 10,407
Fund Balance, Beginning		53,933	
Fund Balance, Ending		\$ 64,340	

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, 2012

	2012		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 42,346	
Investment Earnings		57	
Sales Tax Revenue		9,477	
Total Revenues	\$ 39,667	51,880	\$ 12,213
Expenditures:			
Public Safety:			
Additional Amount		6,270	
Professional Services		1,250	
Miscellaneous		8,500	
Contracted Services		40,200	
Total Public Safety	57,471	56,220	1,251
Total Expenditures	57,471	56,220	1,251
Revenues Over (Under) Expenditures	(17,804)	(4,340)	13,464
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	(17,804)	(4,340)	13,464
Fund Balance Appropriated	17,804	-	(17,804)
Net Change In Fund Balance	\$ -	(4,340)	\$ (4,340)
Fund Balance, Beginning		91,786	
Fund Balance, Ending		\$ 87,446	

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, 2012

	2012		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 38,236	
Investment Earnings		66	
Sales Tax Revenue		9,337	
Total Revenues	\$ 37,201	47,639	\$ 10,438
Expenditures:			
Public Safety:			
Additional Amount		3,949	
Professional Services		-	
Miscellaneous		-	
Contracted Services		34,202	
Total Public Safety	40,201	38,151	2,050
Total Expenditures	40,201	38,151	2,050
Revenues Over (Under) Expenditures	(3,000)	9,488	12,488
Other Financing Sources (Uses):			
Transfer to General Fund	-		-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	(3,000)	9,488	12,488
Fund Balance Appropriated	3,000	-	(3,000)
Net Change In Fund Balance	\$ -	9,488	\$ 9,488
Fund Balance, Beginning		82,416	
Fund Balance, Ending		\$ 91,904	

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, 2012

	2012		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 34,884	
Investment Earnings		40	
Sales Tax Revenue		8,325	
Total Revenues	\$ 34,035	43,249	\$ 9,214
Expenditures:			
Public Safety:			
Additional Amount		8,631	
Professional Services		-	
Miscellaneous		-	
Contracted Services		32,170	
Total Public Safety	40,801	40,801	-
Total Expenditures	40,801	40,801	-
Revenues Over (Under) Expenditures	(6,766)	2,448	9,214
Other Financing Sources (Uses):			
Transfer to General Fund		-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	(6,766)	2,448	9,214
Fund Balance Appropriated	6,766	-	(6,766)
Net Change In Fund Balance	\$ -	2,448	\$ 2,448
Fund Balance, Beginning		54,339	
Fund Balance, Ending		\$ 56,787	

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, 2012

	2012		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 50,582	
Investment Earnings		147	
Sales Tax Revenue		12,803	
Total Revenues	\$ 50,377	63,532	\$ 13,155
Expenditures:			
Public Safety:			
Additional Amount		-	
Professional Services		-	
Miscellaneous		-	
Contracted Services		41,300	
Total Public Safety	50,377	41,300	9,077
Total Expenditures	50,377	41,300	9,077
Revenues Over (Under) Expenditures	-	22,232	22,232
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	-	22,232	22,232
Fund Balance Appropriated	-	-	-
Net Change In Fund Balance	\$ -	22,232	\$ 22,232
Fund Balance, Beginning		201,943	
Fund Balance, Ending		\$ 224,175	

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, 2012

	2012		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 97,301	
Investment Earnings		120	
Sales Tax Revenue		25,501	
Total Revenues	\$ 107,895	122,922	\$ 15,027
Expenditures:			
Public Safety:			
Additional Amount		2,900	
Professional Services		2,500	
Miscellaneous		5,600	
Contracted Services		107,895	
Total Public Safety	128,495	118,895	9,600
Total Expenditures	128,495	118,895	9,600
Revenues Over (Under) Expenditures	(20,600)	4,027	24,627
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	(20,600)	4,027	24,627
Fund Balance Appropriated	20,600	-	(20,600)
Net Change In Fund Balance	\$ -	4,027	\$ 4,027
Fund Balance, Beginning		130,645	
Fund Balance, Ending		\$ 134,672	

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, 2012

	2012		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 115,284	
Investment Earnings		228	
Sales Tax Revenue		27,605	
Total Revenues	\$ 117,935	143,117	\$ 25,182
Expenditures:			
Public Safety:			
Additional Amount		34,389	
Professional Services		-	
Miscellaneous		-	
Contracted Services		40,000	
Total Public Safety	125,935	74,389	51,546
Total Expenditures	125,935	74,389	51,546
Revenues Over (Under) Expenditures	(8,000)	68,728	76,728
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	(8,000)	68,728	76,728
Fund Balance Appropriated	8,000	-	(8,000)
Net Change In Fund Balance	\$ -	68,728	\$ 68,728
Fund Balance, Beginning		288,335	
Fund Balance, Ending		\$ 357,063	

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, 2012

	2012		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 35,686	
Investment Earnings		65	
Sales Tax Revenue		10,096	
Total Revenues	\$ 38,137	45,847	\$ 7,710
Expenditures:			
Public Safety:			
Additional Amount		712	
Professional Services		-	
Miscellaneous		-	
Contracted Services		37,425	
Total Public Safety	38,137	38,137	-
Total Expenditures	38,137	38,137	-
Revenues Over (Under) Expenditures	-	7,710	7,710
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	-	7,710	7,710
Fund Balance Appropriated	-	-	-
Net Change In Fund Balance	\$ -	7,710	\$ 7,710
Fund Balance, Beginning		92,245	
Fund Balance, Ending		\$ 99,955	

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, 2012

	2012		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 72,003	
Investment Earnings		143	
Sales Tax Revenue		17,369	
Total Revenues	\$ 76,021	89,515	\$ 13,494
Expenditures:			
Public Safety:			
Additional Amount		3,066	
Professional Services		1,000	
Miscellaneous		-	
Contracted Services		64,521	
Total Public Safety	76,021	68,587	7,434
Total Expenditures	76,021	68,587	7,434
Revenues Over (Under) Expenditures	-	20,928	20,928
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	-	20,928	20,928
Fund Balance Appropriated	-	-	-
Net Change In Fund Balance	\$ -	20,928	\$ 20,928
Fund Balance, Beginning		193,865	
Fund Balance, Ending		\$ 214,793	

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, 2012

	2012		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 92,337	
Investment Earnings		149	
Sales Tax Revenue		22,838	
Total Revenues	\$ 89,486	115,324	\$ 25,838
Expenditures:			
Public Safety:			
Additional Amount		16,246	
Professional Services		-	
Miscellaneous		-	
Contracted Services		84,740	
Total Public Safety	100,986	100,986	-
Total Expenditures	100,986	100,986	-
Revenues Over (Under) Expenditures	(11,500)	14,338	25,838
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	(11,500)	14,338	25,838
Fund Balance Appropriated	11,500	-	(11,500)
Net Change In Fund Balance	\$ -	14,338	\$ 14,338
Fund Balance, Beginning		204,411	
Fund Balance, Ending		\$ 218,749	

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, 2012

	2012		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 103,975	
Investment Earnings		232	
Sales Tax Revenue		25,645	
Total Revenues	\$ 91,745	129,852	\$ 38,107
Expenditures:			
Public Safety:			
Additional Amount		29,555	
Professional Services		-	
Miscellaneous		-	
Contracted Services		48,230	
Total Public Safety	110,274	77,785	32,489
Total Expenditures	110,274	77,785	32,489
Revenues Over (Under) Expenditures	(18,529)	52,067	70,596
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	(18,529)	52,067	70,596
Fund Balance Appropriated	18,529	-	(18,529)
Net Change In Fund Balance	\$ -	52,067	\$ 52,067
Fund Balance, Beginning		277,729	
Fund Balance, Ending		\$ 329,796	

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, 2012

	2012		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 61,326	
Investment Earnings		46	
Sales Tax Revenue		15,854	
Total Revenues	\$ 72,024	77,226	\$ 5,202
Expenditures:			
Public Safety:			
Additional Amount		2,993	
Professional Services		2,500	
Miscellaneous		6,531	
Contracted Services		60,000	
Total Public Safety	72,024	72,024	-
Total Expenditures	72,024	72,024	-
Revenues Over (Under) Expenditures	-	5,202	5,202
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	-	5,202	5,202
Fund Balance Appropriated	-	-	-
Net Change In Fund Balance	\$ -	5,202	\$ 5,202
Fund Balance, Beginning		38,887	
Fund Balance, Ending		\$ 44,089	

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, 2012

	2012		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 29,806	
Investment Earnings		122	
Sales Tax Revenue		7,112	
Total Revenues	\$ 30,871	37,040	\$ 6,169
Expenditures:			
Public Safety:			
Additional Amount		-	
Professional Services		-	
Miscellaneous		-	
Contracted Services		-	
Total Public Safety	-	-	-
Total Expenditures	-	-	-
Revenues Over (Under) Expenditures	30,871	37,040	6,169
Other Financing Sources (Uses):			
Transfer to General Fund	(50,000)	(50,000)	-
Total Other Financing Sources (Uses)	(50,000)	(50,000)	-
Revenues and Other Financing Sources Over (Under) Uses	(19,129)	(12,960)	6,169
Fund Balance Appropriated	19,129	-	(19,129)
Net Change In Fund Balance	\$ -	(12,960)	\$ (12,960)
Fund Balance, Beginning		183,215	
Fund Balance, Ending		\$ 170,255	

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, 2012

	2012		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad Valorem taxes:		\$ 2,013	
Investment Earnings		-	
Sales Tax Revenue		480	
Total Revenues	\$ 2,063	2,493	\$ 430
Expenditures:			
Public Safety:			
Additional Amount		-	
Professional Services		-	
Miscellaneous		-	
Contracted Services		2,013	
Total Public Safety	2,063	2,013	50
Total Expenditures	2,063	2,013	50
Revenues Over (Under) Expenditures	-	480	480
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	-	480	480
Fund Balance Appropriated	-	-	-
Net Change In Fund Balance	\$ -	480	\$ 480
Fund Balance, Beginning		-	
Fund Balance, Ending		\$ 480	

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, 2012

	2012		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Other Taxes and Licenses			
Emergency Telephone System Charges		\$ 242,987	
Restricted Intergovernmental			
Grants		-	
Miscellaneous		252	
Investment Income		224	
Total Revenues	\$ 237,555	243,463	\$ 5,908
Expenditures:			
Public safety:			
Contracted Services		82,674	
Operating Expenses		166,561	
Capital Outlay		129,984	
Total Expenditures	477,814	379,219	98,595
Debt Services:			
Principal Retirement		-	
Interest		-	
Total Debt Service	-	-	-
Total Expenditures	477,814	379,219	98,595
Revenues Over (Under) Expenditures	(240,259)	(135,756)	104,503
Other Financing Sources (Uses):			
Proceeds from Lease Purchase	-	-	-
Transfer to General Fund	-	-	-
Transfer from General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(240,259)	(135,756)	104,503
Fund Balance Appropriated	240,259	-	(240,259)
Net Change In Fund Balance	\$ -	(135,756)	\$ (135,756)
Fund Balance, Beginning		424,097	
Fund Balance, Ending		\$ 288,341	

Bladen County, North Carolina
Special Revenue Fund - CDBG - NC Tomorrow
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and For the Fiscal Year Ended June 30, 2012

	Project Author - ization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Restricted intergovernmental Community Development					
Block Grant - NC Tomorrow	\$ 50,000	\$ -	\$ 3,592	\$ 3,592	\$ (46,408)
Interest Income	-	-	-	-	-
Total Revenues	<u>50,000</u>	<u>-</u>	<u>3,592</u>	<u>3,592</u>	<u>(46,408)</u>
Expenditures:					
Current:					
Economic and physical development:					
Administration	45,000	-	92	92	44,908
Planning	<u>5,000</u>	<u>-</u>	<u>3,500</u>	<u>3,500</u>	<u>1,500</u>
Total expenditures	<u>50,000</u>	<u>-</u>	<u>3,592</u>	<u>3,592</u>	<u>46,408</u>
Revenues over expenditures	-	-	-	-	-
Other Financing Sources (Uses):					
Residual Equity Transfer from General Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues, Other Sources Over (Under) Expenditures and Other Uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance, Beginning			<u>-</u>		
Fund Balance, Ending			<u>\$ -</u>		

Bladen County, North Carolina
Bladen County Hospital Rental Fund
Schedule of Revenues and Expenditures
Budget and Actual - (Non - GAAP)
For the Fiscal Year Ended June 30, 2012

	2012		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Operating revenues:			
Rent	\$	\$ 950,254	\$
Other Revenue		-	
Total Operating Revenues	<u>809,829</u>	<u>950,254</u>	<u>140,425</u>
Nonoperating revenues:			
Interest Income		163	
Total Nonoperating Revenues	<u>163</u>	<u>163</u>	<u>-</u>
Total Revenues	809,992	950,417	140,425
Expenditures:			
Other Operating Expense		626,791	
	<u>691,149</u>	<u>626,791</u>	<u>64,358</u>
Debt Service:			
Principal Retirement		120,396	
Interest		20,030	
Total Debt Service	<u>140,426</u>	<u>140,426</u>	<u>-</u>
Capital Outlay	-	-	-
Total Expenditures	<u>831,575</u>	<u>767,217</u>	<u>64,358</u>
Revenues Over (Under) Expenditures	(21,583)	183,200	204,783
Other Financing Sources (Uses):			
Proceeds from Long-term Debt	-	-	-
Transfer	-	-	-
Sale of Assets	-	-	-
Fund Balance Appropriated	21,583	-	(21,583)
Total Other Financing Sources(Uses)	<u>21,583</u>	<u>-</u>	<u>(21,583)</u>
Revenues and Other Financing Sources			
Over (Under) Expenditures and Other Uses	\$ <u>-</u>	\$ <u>183,200</u>	\$ <u>183,200</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, 2012

	2012		
	Budget	Actual	Variance Positive (Negative)
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:			
Revenues Over (Under) Expenditures		\$ <u>183,200</u>	
Reconciling Items:			
Capital Outlay		-	
Proceeds for Long-term Debt		-	
Principal Payments on Capital Leases and Debt		120,396	
Amortized Gain on Sale of Operations		578,832	
Cost of Disposed Asset		(1,746,659)	
Depreciation		(407,250)	
Total Reconciling Items		<u>(1,454,681)</u>	
Change in Net Assets		\$ <u><u>(1,271,481)</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, 2012

	2012		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Operating Revenues			
Fees Solid Waste Collection	\$	\$ 663,167	\$
Fees Solid Waste Disposal		1,011,062	
Fees Solid Waste Tipping		277,111	
Recyclable		52,592	
State Revenues		86,715	
Miscellaneous		2,807	
Total	<u>2,034,000</u>	<u>2,093,454</u>	<u>59,454</u>
Nonoperating revenues:			
State Grant		12,200	
Interest Earnings		1,122	
Total Nonoperating Revenues	<u>12,200</u>	<u>13,322</u>	<u>1,122</u>
Total Revenues	<u>2,046,200</u>	<u>2,106,776</u>	<u>60,576</u>
Expenditures:			
Salaries		282,006	
Employee Benefits		98,371	
Operating Expense		1,640,131	
Budgetary Appropriations			
Capital Outlay		169,618	
Interest Paid		-	
Principle Payments Capital Leases & Debt		40,288	
Total Expenditures	<u>2,231,983</u>	<u>2,230,414</u>	<u>1,569</u>
Revenues Over (Under) Expenditures	<u>(185,783)</u>	<u>(123,638)</u>	<u>62,145</u>
Other Financing Sources:			
Fund Balance Appropriated	2,386	-	
Loan Proceeds	<u>183,397</u>	<u>157,181</u>	
Total Other Financing Sources and (Uses)	<u>185,783</u>	<u>157,181</u>	<u>(28,602)</u>
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	<u>\$ -</u>	<u>\$ 33,543</u>	<u>\$ 33,543</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, 2012

	2012		Variance Positive (Negative)
	<u>Budget</u>	<u>Actual</u>	
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual (modified accrual) to full accrual:			
Revenues and Other Sources Over (Under) Expenditures and Other Uses		\$ 33,543	
Reconciling Items:			
Capital outlay		169,618	
Principal Payments on Capital Leases & Debt		40,288	
Loan Proceeds		(157,181)	
Adjustments:			
Bad Debts		-	
Depreciation		(92,032)	
Total Reconciling Items and Adjustments		<u>(39,307)</u>	
Change in Net Assets		<u>\$ (5,764)</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, 2012

	2012		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Operating Revenues			
Tap on Fees		\$ 61,850	
Water Sales		1,744,906	
Late and Reconnect Fees		74,310	
Miscellaneous		3,064	
Total Operating Revenues	\$ 1,759,848	1,884,130	\$ 124,282
Nonoperating Revenues			
State Grant		-	
Interest on Investments		1,236	
Total Nonoperating Revenues	800	1,236	436
Total Revenues	1,760,648	1,885,366	124,718
Expenditures:			
Salaries		293,802	
Employee Benefits		101,982	
Operating Expenses		585,737	
Budgetary Appropriations:			
Capital Outlay		418,880	
Interest Paid		626,347	
Debt Principal		381,886	
Total Expenditures	2,327,781	2,408,634	(80,853)
Revenues Over (Under) Expenditures	(567,133)	(523,268)	43,865
Other Financing Sources and (Uses):			
Loan Proceeds		400,000	
Transfer from Capital Project		101,907	
Total Other Financing Sources (Uses)	400,000	501,907	101,907
Revenues and Other Sources Over (Under) Expenses and Other Uses	(167,133)	(21,361)	145,772
Appropriated Fund Balance	167,133	-	(167,133)
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ -	\$ (21,361)	\$ (21,361)

Bladen County, North Carolina
Water District Fund
Schedule of Revenues and Expenditures
Budget and Actual - (Non-GAAP)
For The Fiscal Year Ended June 30, 2012

	2012		Variance Positive (Negative)
	<u>Budget</u>	<u>Actual</u>	
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:			
Revenues, Other Sources and Appropriated			
Fund Balance Over (Under)			
Expenditures and Other Uses		\$ (21,361)	
Budgetary Appropriations:			
Capital Outlay		418,880	
Principal Payments		381,886	
Interest Earned on Capital Projects		3,882	
Transfer to Capital Projects		(101,907)	
Transfer from General Fund		1,480,965	
Loan Proceeds		(400,000)	
Adjustments:			
Depreciation		(452,872)	
Total reconciling items		<u>1,330,834</u>	
Change in Net Assets		<u>\$ 1,309,473</u>	

Bladen County, North Carolina
Water District Capital Project Fund - Phase IIC
Schedule of Revenues and Expenditures - Budget and Actual - (Non - GAAP)
From Inception and for the Fiscal Year Ended June 30, 2012

	Project Authorization	Actual		Total to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Restricted Intergovernmental Revenues:					
Investment Earnings	\$ -	\$ -	\$ 3,882	\$ 3,882	\$ 3,882
Total Revenues	<u>-</u>	<u>-</u>	<u>3,882</u>	<u>3,882</u>	<u>3,882</u>
Expenditures:					
Phase IIIB					
Construction	6,133,655	266,193	4,302,523	4,568,716	1,564,939
Interest	163,710	-	54,165	54,165	109,545
Total Expenditures	<u>6,297,365</u>	<u>266,193</u>	<u>4,356,688</u>	<u>4,622,881</u>	<u>1,674,484</u>
Revenues Over (Under) Expenditures	<u>(6,297,365)</u>	<u>(266,193)</u>	<u>(4,352,806)</u>	<u>(4,618,999)</u>	<u>1,678,366</u>
Other Financing Sources (Uses):					
Proceeds from BANS	4,510,000	-	4,510,000	4,510,000	-
Proceeds from USDA Bonds	-	-	-	-	-
Loan Proceeds	220,000	-	220,000	220,000	-
Transfer from General Fund	1,480,965	-	1,480,965	1,480,965	-
Transfer from Water District	86,400	266,193	(101,907)	164,286	77,886
Total Other Financing Sources (Uses)	<u>6,297,365</u>	<u>266,193</u>	<u>6,109,058</u>	<u>6,375,251</u>	<u>77,886</u>
Unexpended Revenues and Receipts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,756,252</u>	<u>\$ 1,756,252</u>	<u>\$ 1,756,252</u>

Bladen County, North Carolina
Self Insured Internal Service Fund
Schedule of Revenues and Expenditures
Financial Plan and Actual - (Non-GAAP)
For The Fiscal Year Ended June 30, 2012

	<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		53	
Miscellaneous		10,576	
Total Nonoperating Revenues	10,629	10,629	-
Total Revenues	10,629	10,629	-
Expenditures:			
Claim Refund			
Claims			
Total Expenditures	-	-	-
Revenues Over (Under) Expenditures	10,629	10,629	-
Other Financing Sources and (Uses):			
Transfer to General Fund			-
Appropriated Fund Balance	10,629	-	(10,629)
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ 21,258	\$ 10,629	\$ (10,629)

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

Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses		\$ 10,629	
Reconciling Items			
Capital Outlay		-	
Total reconciling items		-	
Net Income		\$ 10,629	

Bladen County, North Carolina
Agency Funds
Combining Statement of Fiduciary Assets and Liabilities
For the Fiscal Year Ended June 30, 2012

	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
<u>Fines and Forfeitures</u>				
Assets:				
Cash and Investments	\$ -	\$ 262,006	\$ 262,006	\$ -
Liabilities:				
Miscellaneous Liabilities	-	262,006	262,006	-
<u>Social Services Fund</u>				
Assets:				
Cash and Investments	43,014	504,839	478,369	69,484
Liabilities:				
Miscellaneous Liabilities	43,014	504,839	478,369	69,484
<u>Motor Vehicle Tax</u>				
Assets:				
Cash and Cash Equivalents	22,753	339,944	332,543	30,154
Liabilities:				
Intergovernmental Payable	22,753	339,944	332,543	30,154
<u>Cafeteria Benefits</u>				
Assets:				
Cash and Investments	11,316	29,729	32,368	8,677
Liabilities:				
Miscellaneous Liabilities	11,316	29,729	32,368	8,677
<u>Concealed Handgun Permits</u>				
Assets:				
Cash and Investments	3,595	12,625	6,635	9,585
Liabilities:				
Miscellaneous Liabilities	3,595	12,625	6,635	9,585
<u>Sheriff's Civil Account</u>				
Assets:				
Cash and Investments	1,214	1,657	1,508	1,363
Liabilities:				
Miscellaneous Liabilities	1,214	1,657	1,508	1,363
Totals - All Agency Funds				
Assets:				
Cash and cash equivalents	81,892	1,150,800	1,113,429	119,263
Liabilities:				
Miscellaneous liabilities	59,139	810,856	780,886	89,109
Intergovernmental Payable	22,753	339,944	332,543	30,154
Total Liabilities	\$ 81,892	\$ 1,150,800	\$ 1,113,429	\$ 119,263

Other Schedules

Bladen County, North Carolina
General Fund
Schedule of Ad Valorem Taxes Receivable
June 30, 2012

Fiscal Year	Uncollected Balance June 30, 2011	Additions	Collections And Credits	Uncollected Balance June 30, 2012
2011-2012	\$ -	\$ 19,199,121	\$ 17,745,930	\$ 1,453,191
2010-2011	1,450,433	2,137	734,776	717,794
2009-2010	777,920	211	182,767	595,364
2008-2009	460,383	42	87,575	372,850
2007-2008	321,954	-	41,706	280,248
2006-2007	174,377	-	15,837	158,540
2005-2006	127,987	-	8,277	119,710
2004-2005	100,280	-	4,866	95,414
2003-2004	89,267	-	3,657	85,610
2002-2003	85,573	-	2,796	82,777
2001-2002	79,361	-	79,361	-
TOTALS	\$ 3,667,535	\$ 19,201,511	\$ 18,907,548	3,961,498

Less Allowance for Doubtful Accounts (770,000)
\$ 3,191,498

Reconcilement with revenues:

Ad Valorem taxes - General Fund	\$ <u>19,063,005</u>
Reconciling items:	
Penalties and Interest	(339,395)
Release/Refunds	115,435
Discounts	<u>68,503</u>
Total Reconciling Items	<u>(155,457)</u>
 Total Collections and Credits	 \$ <u>18,907,548</u>

Bladen County, North Carolina
Analysis of Current Tax Levy
County - Wide Levy
For the Fiscal Year Ended June 30, 2012

	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	\$ 2,603,155,541	0.74	\$ 19,263,351	\$ 17,574,777	\$ 1,688,574
Total Original Levy	<u>2,603,155,541</u>		<u>19,263,351</u>	<u>17,574,777</u>	<u>1,688,574</u>
Discoveries:					
Current year taxes	10,875,000	0.74	80,475	80,475	-
Total Discoveries	<u>10,875,000</u>		<u>80,475</u>	<u>80,475</u>	<u>-</u>
Abatements					
Current Year Taxes	(19,554,730)	0.74	(144,705)	(126,123)	(18,582)
Total Abatements	<u>(19,554,730)</u>		<u>(144,705)</u>	<u>(126,123)</u>	<u>(18,582)</u>
Total for Year	<u>\$ 2,594,475,811</u>		19,199,121	17,529,129	1,669,992
Uncollected taxes at June 30, 2012			<u>1,453,191</u>	<u>1,018,553</u>	<u>434,638</u>
Current year's taxes collected			<u>\$ 17,745,930</u>	<u>\$ 16,510,576</u>	<u>\$ 1,235,354</u>
Current levy collection percentage			<u>92.43%</u>	<u>94.19%</u>	<u>73.97%</u>

Bladen County, North Carolina
Analysis of Current Tax Levy
County - Wide Levy
For the Fiscal Year Ended June 30, 2012

Secondary Market Disclosures:

Assessed Valuation:

Assessment Ratio ¹		100 %
Real Property	1,908,667,082	\$ 1,905,668,218
Personal Property	608,302,366	590,757,001
Public Service Companies ²	86,616,228	98,050,592
Total Assessed Valuation		2,594,475,811
Tax Rate per \$100		0.0074
Levy (includes discoveries, releases and abatements) ³		\$ 19,199,121

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	\$ 980,182
---------------------------	------------

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, 2012

Taxpayer	Type of Business	2011 Assessed Valuation	Percentage of Total Assessed Valuation
E.I. Dupont	Plastic & Resin Products	\$ 149,342,220	5.76 %
Smithfield Packing	Pork Processor	116,929,889	4.51
Murphy Brown Farms	Agricultural Processor	40,129,802	1.55
Browns Realty Partnership	Agricultural Processor	25,933,700	1.00
Carolina Cold Storage	Processed Pork Storage	24,163,297	0.93
Prestage Farms	Agricultural Processor	12,622,388	0.49
Danaher Controls	Electronics	12,460,830	0.48
Marlowe Farms, LLC	Agricultural Processor	10,540,600	0.41
Sleepy Creek Farms, Inc	Agricultural Processor	9,270,537	0.36
Red Mountain Timber Co., LLC	Timber Harvester	8,936,280	0.34
Total		\$ <u>410,329,543</u>	<u>15.82</u> %

Bladen County
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Compliance Section



CERTIFIED PUBLIC ACCOUNTANTS

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

Offices:
Elizabethtown, NC
Wilmington, NC
Whiteville, NC

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

Independent Auditors' Report

To the Board of County Commissioners
Bladen County, North Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregated remaining fund information of the Bladen County, North Carolina, as of and for the year ended June 30, 2012, which collectively comprises the Bladen County's basic financial statements, and have issued our report thereon dated November 29, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. However, we did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above. However, we identified certain deficiencies in internal control financial reporting described in the accompanying schedule of findings and question costs that we consider to be significant deficiencies in internal control over financial reporting, 2012-1. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bladen County'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 which that required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and question cost as items 2012-2.

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

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

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

Thompson, Price, Scott, Adams & Co., PA
November 29, 2012



CERTIFIED PUBLIC ACCOUNTANTS

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

Offices:
Elizabethtown, NC
Wilmington, NC
Whiteville, NC

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

Independent Auditors' Report

To the Board of County Commissioners
Bladen County, North Carolina

Compliance

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 the Bladen County's major federal programs for the year ended June 30, 2012. Bladen County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Bladen County's management. Our responsibility is to express an opinion on Bladen County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have 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. Our audit does not provide a legal determination on the Bladen County's compliance with those requirements.

In our opinion, Bladen County complied, in all material respects, with the compliance requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2012. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and the State Single Audit Implementation Act, and which are described in the accompanying schedule of findings and questioned costs as item 2012-2.

Internal Control Over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control 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 combination of deficiencies, in internal over compliance, 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.

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Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as item 2012-2. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged in governance.

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

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

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

Thompson, Price, Scott, Adams & Co., PA
November 29, 2012



CERTIFIED PUBLIC ACCOUNTANTS

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

Offices:
Elizabethtown, NC
Wilmington, NC
Whiteville, NC

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

Independent Auditors' Report

To the Board of County Commissioners
Bladen County, North Carolina

Compliance

We have audited the compliance of Bladen County, North Carolina, with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that are applicable to each of its major State programs for the year ended June 30, 2012. Bladen County's major State programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major State programs is the responsibility of Bladen County's management. Our responsibility is to express an opinion on Bladen County's compliance based on our audit.

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

In our opinion, Bladen County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major State programs for the year ended June 30, 2012.

Internal Control Over Compliance

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

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

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

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

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

Thompson, Price, Scott, Adams & Co., PA
November 29, 2012

BLADEN COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

Section I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material Weakness(es) identified? _____yes X no
- Significant deficiency(s) identified that are not considered to be material weaknesses X yes _____none reported
- Noncompliance material to financial statements noted _____yes X no

Federal Awards

Internal control over major federal programs:

- Material Weakness(es) identified? _____yes X no
- Significant deficiency(s) identified that are not considered to be a material weakness. X yes _____none reported

Type of auditor's report issued on compliance for major federal programs: Unqualified.

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133 X yes _____no

Identification of major federal programs:

CFDA # Program Name

93.778	Title XIX Medicaid
* 10.557	Woman, Infants and Children
* 93.767	Children's Health Insurance Program

Dollar threshold used to distinguish between Type A and Type B Programs \$1,351,873

Auditee qualified as low-risk auditee? _____yes X no

*Federal programs that did not meet the criteria for a major program using the criteria discussed in OMB Circular No. A-133 Section .520 but were tested as a major program because the State of North Carolina mandated the program be tested as a major Federal program are included in the list of major federal programs.

BLADEN COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

State Awards

Internal control over major State programs:

- Material Weakness(es) identified? _____yes X no
- Significant deficiency(s) identified that are not considered to be a material weakness. _____yes X none reported

Type of auditor's report issued on compliance for major State programs: Unqualified.

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act _____yes X no

Identification of major State programs:

Program Name

Medicaid(Named as a Federal Major Program)

Section II – Financial Statement Findings

SIGNIFICANT DEFICIENCY

2012 – 1 Segregation of Duties

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

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

Effect: Transactions could be mishandled.

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

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

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

BLADEN COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

Section III – Federal Award Findings and Questioned Costs

U.S. Department of Agriculture
Passed Through the N.C. Department of Health and Human Services
Program Name: Woman, Infants and Children
CFDA# 10.557

Finding 2012 – 2

Significant Deficiency
Special Test and Provisions

Criteria: The Local Agency must account for the disposition of all food instruments and cash value-vouchers as either issued or voided, and as either redeemed or unredeemed. Redeemed food instruments and cash-value- vouchers must be identified as validly issued, lost, stolen, expired, duplicate, or not matching valid enrollment and issuance records

Condition: Preprinted food instruments/cash-value vouchers were found to have been issued but not documented in the ADP system as issued. In addition, inventory of preprinted food instruments/cash-value vouchers were not being reconciled in a timely manner.

Effect: Food instruments and cash value-vouchers could be distributed improperly causing over issuance cost to be charged back to the County.

Cause: Inadequate training in this area of the program.

Recommendation: Create procedures to ensure timely reconciliations are being completed and provide training to all those involved with this process.

Views of responsible officials and planned corrective actions: The County agrees with this finding and has worked with the Regional Nutrition WIC Program Consultant during their monitoring visit that discovered this deficiency and has created a corrective action plan. This plan has been put in place and has been accepted by the Regional Nutrition WIC Program Consultant.

Section IV – State Award Findings and Questioned Costs

None reported.

BLADEN COUNTY, NORTH CAROLINA
Corrective Action Plan
For the Year Ended June 30, 2012

Section II – Financial Statement Findings

Finding 2012 - 1

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.

Section III – Federal Award Findings and Questioned Costs

Finding 2012 - 1

Name of contact person: Charles Ray Peterson, Chairperson

Corrective Action: The correction action plan was written in detail by the WIC department and submitted to the Regional Nutrition WIC Program Consultant, which has accepted the plan and monitored its implementation.

Proposed Completion Date: Has been completed.

BLADEN COUNTY, NORTH CAROLINA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2012

Finding: 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: 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, 2012

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
Federal Awards:					
<u>U.S. Dept. of Agriculture</u>					
<u>Food and Consumer Service</u>					
Passed-through N.C. Dept. of Agriculture:					
Emergency Food Assistance Cluster:					
USDA - Donated Food - Noncash	10.569		\$ 37,176	\$ -	\$ -
USDA - Donated Food - Administrative	10.568		17,333	-	-
Total USDA Food and Consumer Service			<u>54,509</u>	<u>-</u>	<u>-</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		474,268	-	474,268
Total Supplemental Nutrition Assistance Program Cluster			<u>474,268</u>	<u>-</u>	<u>474,268</u>
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		663,763	-	-
Direct Benefit Payments:					
Special Supplemental Nutrition Program for Women, Infants, & Children	10.557		223,321	-	-
Passed-through Lumber River Council of Governments:					
NSIP Supplement	10.570		18,952	-	-
Passed-through N.C. Department of Commerce:					
Community Investment and Assistance					
N.C. Tomorrow	14.228		3,592	-	-
Total U.S. Dept. of Agriculture			<u>1,438,405</u>	<u>-</u>	<u>474,268</u>
<u>U.S. Dept. of Energy</u>					
Passed-through N.C. Department of Commerce:					
ARRA Energy Efficiency & Conservation Block Grant	81.128		1,113	-	-
Total U.S. Dept. of Energy			<u>1,113</u>	<u>-</u>	<u>-</u>
<u>U.S. Dept. of Justice</u>					
<u>Bureau of Justice Assistance</u>					
Direct Program:					
Forfeiture Funds	16.000		8,332	-	-
Bulletproof Vest Partnership	16.607		6,297	-	9,453
Recovery Act Edward Byrne Memorial JAG	16.738		8,405	-	2,800
Drug and Violent Criminal Organization	16.804		24,374	-	-
State Criminal Alien Assistance - SCAAP	16.572		8,346	-	-
Byrne Formula Grant Program - JAG	16.738		12,780	-	-
Total U.S. Dept. of Justice			<u>68,534</u>	<u>-</u>	<u>12,253</u>

Bladen County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2012

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>Federal Transit Administration</u>					
Passed-through the N.C. Department of Transportation:					
Nonurbanized Area Formula Program	20.509	36233.11.13.1	20,708	1,294	-
Nonurbanized Area Formula Program	20.509	36233.11.14.1	61,165	3,823	-
Total Federal Transit Cluster			81,873	5,117	-
<u>U. S. Election Assistance Commission</u>					
Passed-through the N.C. State Board of Elections:					
State Board of Election Grant	90.401		5,410	-	-
<u>U. S. Department of Homeland Security</u>					
Passed-through N.C. Dept. of Public Safety:					
Emergency Service Performance Grant	97.042		30,381	-	30,383
FEMA - Public Assistance Grant	97.036		44,080	14,693	-
Urban Search & Rescue	97.025		38,300	-	-
Total U.S. Department of Homeland Security			112,761	14,693	30,383
<u>U.S. Dept. of Health & Human Services</u>					
<u>Administration on Aging:</u>					
Division of Aging and Adult Services					
Passed-through Lumber River Council of Governments:					
Home & Community Care Block Grant:					
Access - Title III-B	93.044		35,652	2,097	4,194
In-home Services:					
SSBG	93.667		28,620	818	3,271
Title III-B	93.044		34,712	2,042	4,084
Congregate Nutrition Title III-C	93.045		74,080	12,479	9,618
Home - Delivered Nutrition - Title III-C	93.045		16,859	992	1,983
Total Aging Cluster			189,923	18,428	23,150
<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		1,418	-	-
AFDC Penalties and Payments	93.560		(585)	(160)	(160)
Child Support Enforcement	93.563		539,722	-	278,038
Low-Income Home Energy Assistance Block Grant:					
Administration	93.568		43,930	-	-
Energy Assistance	93.568		112,301	-	-
Crisis Intervention	93.568		395,852	-	-
Direct Benefit Payments	93.568		(49)	-	-
Child Welfare Services-State Grants	93.645		4,585	-	1,528
Social Services Block Grant	93.667		276,438	24,007	85,104
Independent Living Grant	93.674		1,464	366	-
Adoption/Foster Care			46,581	-	23,750

Bladen County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2012

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		468,658	4,572	574,893
Work First/(TANF)-Direct Benefit Payments	93.558		578,248	-	1,447
Total TANF Cluster:			1,046,906	4,572	576,340
Foster Care and Adoption Cluster:					
Title IV-E Foster Care-Administration	93.658		102,465	16,317	86,148
Foster Care-Direct Benefit Payments	93.658		7,033	1,880	1,880
Adoption Assistance-Direct Payments	93.659		113,838	30,409	30,409
Total Foster Care and Adoption Cluster			223,336	48,606	118,437
Subsidized Child Care (Note 3)					
Child Care Development Cluster:					
Division of Social Services					
Child Care and Development Fund - Administration	93.596		80,000	-	-
Division of Child Development:					
Child Care and Development Fund - Discretionary	93.575		315,297	-	-
Child Care and Development Fund - Mandatory	93.596		110,422	-	-
Child Care and Development Fund - Match	93.596		315,895	152,330	-
Total Child Care Fund Cluster			821,614	152,330	-
Temporary Assist. for Needy Families(TANF)	93.558		139,974	-	-
ARRA Emergency Contingency Fund for TANF Emergency Contingency	93.714		9,990	-	-
Foster Care Title IV-E	93.658		4,872	-	-
Smart Start			-	739	-
State Appropriations			-	68,634	-
TANF - MOE			-	68,548	-
Total Subsidized Child Care Cluster			976,450	290,251	-
<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		38,233,253	22,382,527	6,297
Division of Social Services:					
Medical Assistance Program	93.778		764,097	57,529	664,972
Administration:					
Health Choice	93.767		49,773	1,528	14,376
<u>U.S. Department of Health & Human Services</u>					
<u>Centers for Medicare and Medicaid Services</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Medical Assistance:					
Medical Assistance Program	93.778		77,810	30,020	-

Bladen County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2012

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:					
Public Health Emergency Preparedness	93.069		35,859	-	-
Immunization Program/Aid to County Funding	93.268		15,033	-	-
Prevention Investigations and Technical Assist.	93.283		3,886	-	-
ARRA Preventing Healthcare-Associated Infections	93.717		2,330	-	-
<u>Administration for Children and Families:</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Social Services:					
Social Services Block Grant	93.667		-	500	-
Temporary Assistance for Needy Families	93.558		6,050	-	-
<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		75,732	263,835	-
<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		177,193	-	-
<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		55,039	-	-
Total U.S. Dept. of Health and Human Services			<u>43,354,327</u>	<u>23,122,009</u>	<u>1,791,832</u>
Total Federal Awards			<u>45,062,423</u>	<u>23,141,819</u>	<u>2,308,736</u>
State Awards:					
<u>N.C. Dept. of Cultural Resources</u>					
State Aid to Public Libraries					
			-	96,059	-
Total N.C. Dept. of Cultural Resources			<u>-</u>	<u>96,059</u>	<u>-</u>
<u>N.C. Dept. of Health and Human Services</u>					
Division of Social Services:					
AFDC Incentive			-	67	-
County Programs			-	-	332,775
CWS Adoption Assistance			-	39,454	10,826
Nonallocating Cost			-	-	87,935
Energy Assistance - Private Donations			-	3,520	-
State/County Special Assistance for Adults			-	491,280	491,280
State/County Special Assistance - Admin			-	-	30,863
Work First Nonreimbursable			-	-	127,026
State Foster Home			-	804	804

Bladen County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2012

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			-	4,535	-
Environmental Health			-	4,000	-
Mosquito-Public Health Pesticide			-	9,358	-
General Aid to Counties			-	106,595	-
TB Medical Services			-	1,529	-
General Communicable Disease Control			-	2,147	-
Tuberculosis			-	20,432	-
General Aid to County			-	2,209	-
WHSF			-	13,271	-
Risk Reduction/Health Promotion			-	8,797	-
<u>Division of Aging:</u>					
Senior Center			-	6,145	-
90 % State Funds			-	170,947	18,995
Total N. C. Department of Health and Human Services			-	885,090	1,100,504
<u>N.C. Dept. of Public Safety</u>					
Juvenile Crime Prevention Program			-	144,916	-
			-	144,916	-
<u>N.C. Dept. of Transportation</u>					
Rural Operating Assistance Program (ROAP)					
ROAP Elderly and Disabled Transportation Assistance Program		36220.10.4.1	-	59,678	-
ROAP Rural General Public Program		36236.11.3.3	-	27,390	-
ROAP Workfirst First Transitional - Employment Transportation Assistance Program		36228.22.4.1	-	52,824	-
Total N. C. Dept. Of Transportation			-	139,892	-
<u>N.C. Dept. of Environmental & Natural Resources</u>					
State Pesticide Grant			-	12,200	-
DWH-Electronics Management			-	2,731	-
DWM-Scrap Tire Grant			-	12,465	-
DWM-White goods			-	4,615	-
DEH Food/Lodging Fee			-	750	-
N.C. Dept. of Health & Natural Resources			-	32,761	-
<u>N.C. Dept of Agriculture</u>					
Animal Welfare & Spay/Neuter Program			-	5,357	-
<u>N.C. Dept of Public Instruction</u>					
Public School Building Capital Fund - Lottery Proceeds			-	107,000	-
<u>N.C. Dept of Insurance</u>					
SHIIP Program			-	3,947	-
<u>N.C. Dept of Veterans Affair</u>					
Veteran Program			-	1,452	14,534
Total State Awards			-	1,416,474	1,115,038
Total Federal and State Awards			\$ 45,062,423	\$ 24,558,293	\$ 3,423,774

Bladen County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2012

<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>
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Notes to the Schedule of Expenditures of Federal and State Financial Awards:

1. Basis of Presentation

The accompanying schedule of expenditures of federal and State awards includes the federal and State grant activity of Bladen County and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and the State Single Audit Implementation Act. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements. Benefit payments are paid directly to recipients and are not included in the county's basis financial statements. However, due to the county's involvement in determining eligibility, they are considered federal awards to the county and are included on this schedule.

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>	<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>
NC Education Lottery	NA	-	\$ -	\$ 107,000	\$ -

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.

4. Loans Outstanding

Bladen County had the following loan balances outstanding at June 30, 2012. These loan balances are not included in the federal expenditures presented in the schedule.

<u>Community Facilities Loans and Grants</u>	<u>Federal CFDA Number</u>	<u>Amount Outstanding</u>
ARRA Direct Loan	10.780	\$ 510,416