

**BLADEN COUNTY, NORTH CAROLINA
FINANCIAL STATEMENTS
June 30, 2014**

BLADEN COUNTY, NORTH CAROLINA
FINANCIAL STATEMENTS
June 30, 2014

COUNTY MANAGER

Greg Martin

BOARD OF COUNTY COMMISSIONERS

James G. Smith - Chairperson

Wayne Edge	Russell Priest
Michael Cogdell	Billy Ray Pait
Daniel R. Dowless	Mark Gillespie
Dr. Delilah Blanks	Charles Ray Peterson

COUNTY OFFICIALS

Lisa Coleman
Finance Officer

Johnson Law Firm
County Attorney

BLADEN COUNTY
TABLE OF CONTENTS
June 30, 2014

Exhibit		Page
FINANCIAL SECTION		
	Independent Auditor’s Report	1-2
	Management’s Discussion and Analysis	3-8
	Basic Financial Statements:	
	Government-wide Financial Statements:	
1	Statement of Net Position	9
2	Statement of Activities	10-11
	Fund Financial Statements:	
3	Balance Sheet – Governmental Funds	12
	Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	13
4	Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	14
4	Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	15
5	Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund	16
6	Statement of Fund Net Position – Proprietary Funds	17-18
7	Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	19
8	Statement of Cash Flows – Proprietary Funds	20-21
9	Statement of Fiduciary Net Position – Fiduciary Funds	22
	Notes to the Financial Statements	23-47
	Required Supplemental Financial Data:	
	Law Enforcement Officers' Special Separation Allowance Schedule of Funding Progress	48
	Law Enforcement Officers' Special Separation Allowance Schedule of Employer Contributions	49
	Law Enforcement Officers' Special Separation Allowance Notes to the Required Schedules	49

Combining and Individual Fund Statements and Schedules:

Schedule of Revenues, Expenditures and Changes in Fund Balances - General Fund - Budget and Actual	50-61
Schedule of Revenues, Expenditures and Changes in Fund Balances - Revaluation Fund - Budget and Actual	62
Combining Balance Sheet – Nonmajor Governmental Funds	63
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	64
Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	
Fire District Funds (All Fire Districts)	65-82
Emergency Telephone System Fund	83
CDBG - Grant Projects	84
Bladen County Hospital Rental Fund	85-86
Solid Waste Fund	87-88
Water Fund	89-90
Water District Fund	91-92
Water District Capital Projects Funds	
Phase IIC	93
Self Insurance Fund	94
Combining Statement of Fiduciary Assets and Liabilities – Agency Funds	95
Other Schedules	
Schedule of Ad Valorem Taxes Receivable	96
Analysis of Current Tax Levy – County-Wide Levy	97
Secondary Market Disclosures	98
Ten Largest Taxpayers	99

COMPLIANCE SECTION

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	100-101
Report On Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; In accordance with OMB Circular A-133; and the State Single Audit Implementation Act	102-103
Report On Compliance For Each Major State Program; Report on Internal Control Over Compliance; In accordance with OMB Circular A-133; and the State Single Audit Implementation Act	104-105
Schedule of Findings and Questioned Costs	106-109
Corrective Action Plan	110
Summary Schedule of Prior Year Audit Findings	111
Schedule of Expenditures of Federal and State Awards	112-116
Notes to the Schedule of Expenditures of Federal and State Awards	117

Bladen County
Page intentionally left blank

Financial Section



Thompson, Price, Scott, Adams & Co., P.A.
Post Office Box 1690
Elizabethtown, North Carolina 28337
Telephone (910) 862-8129
Fax (910) 862-8120

Independent Auditors' Report

To the Board of County Commissioners
Bladen County, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Bladen County, North Carolina, as of and for the year then ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Bladen County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Bladen County, North Carolina as of June 30, 2014, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Law Enforcement Officers' Special Separation Allowance Schedules of Funding Progress and Employer Contributions on pages 48 through 49, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of Bladen County, North Carolina. The introductory information, combining and individual fund statements, budgetary schedules, other schedules, statistical section as well as the accompanying Schedule of Expenditures of Federal and State Awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the *State Single Audit Implementation Act* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2014 on our consideration of Bladen County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Bladen County's internal control over financial reporting and compliance.

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

*Elizabethtown, North Carolina
December 31, 2014*

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, 2014. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

Financial Highlights

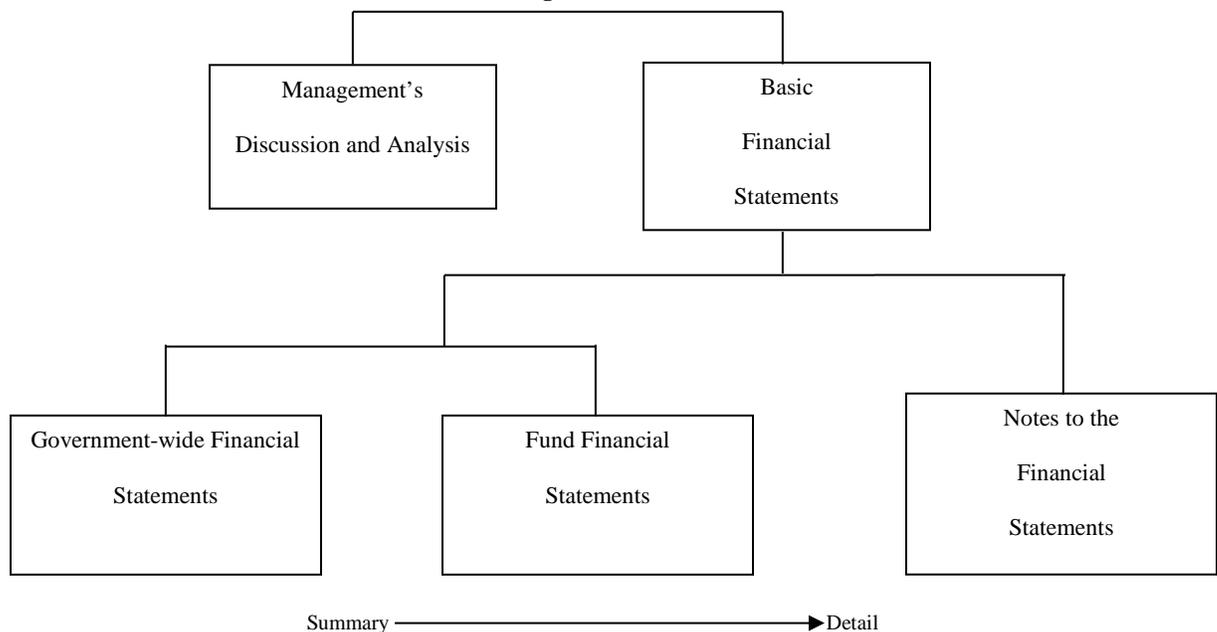
- The assets and deferred outflows of resources of Bladen County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$30,897,499 (*net position*).
- The County's total net position increased by \$2,474,243, primarily due to a donation of real estate and conservative budget practices throughout all activities.
- As of the close of the current fiscal year, Bladen County's general fund reported ending fund balance of \$16,938,206, an increase of \$718,000. Approximately 20 percent of this total amount, or \$3,404,131, is restricted or nonspendable.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$10,769,113, or 27.2 percent of total general fund expenditures for the fiscal year. This amount is higher than the Local Government Commission's minimum of 8%.
- Bladen County's total debt decreased by \$2,508,096 during this fiscal year. During the year the County made all scheduled debt service payments and incurred new installment purchase debt for equipment and vehicles.
- Moody's Investors Service has given Bladen County a "Aa3" bond rating.

Overview of the Financial Statements

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

Required Components of Annual Financial Report

Figure 1



Basic Financial Statements

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

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

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

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

Government-wide Financial Statements

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

The two government-wide statements report the County's net position and how it has changed. Net position is the difference between the County's total assets and deferred outflows of resources and total liabilities and total deferred inflows of resources. Measuring net position is one way to gauge the County's financial condition.

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

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

Fund Financial Statements

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

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

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

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

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

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 23 of this report.

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

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

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as one useful indicator of a government’s financial condition. The assets and deferred outflows of resources of Bladen County exceeded its liabilities and deferred inflows of resources by \$30,897,499 as of June 30, 2014. The County’s net position increased by \$2,474,243 for the fiscal year ended June 30, 2014. One of the largest portions \$14,401,100 (47%) reflects the County’s net investment in capital assets (e.g. land, buildings, machinery and equipment). Bladen County uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Bladen County’s net investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of Bladen County’s net position \$6,673,496 (22%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$9,822,903 (31%) is unrestricted.

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

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Assets						
Current and Other Assets	\$ 27,609,059	\$ 27,271,904	\$ 3,993,126	\$ 4,145,922	\$ 31,602,185	\$ 31,417,826
Capital Assets, Net of Depreciation	11,516,135	11,019,564	27,823,749	29,073,868	39,339,884	40,093,432
Total Assets	<u>\$ 39,125,194</u>	<u>\$ 38,291,468</u>	<u>\$ 31,816,875</u>	<u>\$ 33,219,790</u>	<u>\$ 70,942,069</u>	<u>\$ 71,511,258</u>
Deferred Outflows of Resources	<u>493,504</u>	<u>658,005</u>	<u>160,656</u>	<u>174,240</u>	<u>654,160</u>	<u>832,245</u>
Liabilities						
Long-term Debt Outstanding	\$ 13,637,714	\$ 15,341,801	\$ 19,996,300	\$ 21,003,502	\$ 33,634,014	\$ 36,345,303
Other Liabilities	5,985,549	6,535,029	993,218	879,090	6,978,767	7,414,119
Total liabilities	<u>19,623,263</u>	<u>21,876,830</u>	<u>20,989,518</u>	<u>21,882,592</u>	<u>40,612,781</u>	<u>43,759,422</u>
Deferred Inflows of Resources	<u>85,949</u>	<u>160,825</u>	<u>-</u>	<u>-</u>	<u>85,949</u>	<u>160,825</u>
Net Position						
Net Investment in Capital Assets	7,120,958	6,597,562	7,280,142	7,713,581	14,401,100	14,311,143
Restricted	6,586,559	6,231,281	86,937	46,870	6,673,496	6,278,151
Unrestricted(Deficit)	6,201,969	4,082,975	3,620,934	3,750,987	9,822,903	7,833,962
Total Net Position	<u>\$ 19,909,486</u>	<u>\$ 16,911,818</u>	<u>\$ 10,988,013</u>	<u>\$ 11,511,438</u>	<u>\$ 30,897,499</u>	<u>\$ 28,423,256</u>

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

- Continued diligence in the collection of property taxes by maintaining a collection percentage of 93.44%, and motor vehicles rate of 90.27%, for a combined total of 93.07%.
- Continued low cost of debt due to the County’s high bond rating.

Bladen County's Changes in Net Position
Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues						
Program Revenues						
Charges for Services	\$ 5,682,411	\$ 6,267,874	\$ 4,300,067	\$ 4,301,585	\$ 9,982,478	\$ 10,569,459
Operating Grant & Contributions	8,588,875	8,269,504	5,295	36,126	8,594,170	8,305,630
Capital Grants and Contributions	175,515	-	-	-	175,515	-
General Revenue						
Property Taxes	21,841,667	20,898,679	-	-	21,841,667	20,898,679
Other Taxes	4,722,576	4,477,245	-	-	4,722,576	4,477,245
Investment Earnings	18,200	27,350	713	2,454	18,913	29,804
Other	369,183	136,953	-	-	369,183	136,953
Total Revenues	<u>41,398,427</u>	<u>40,077,605</u>	<u>4,306,075</u>	<u>4,340,165</u>	<u>45,704,502</u>	<u>44,417,770</u>
Expenses						
General Government	5,181,741	4,717,937	-	-	5,181,741	4,717,937
Public Safety	10,744,396	9,566,615	-	-	10,744,396	9,566,615
Economic and Physical Development	1,372,140	1,133,737	-	-	1,372,140	1,133,737
Human Services	12,301,856	12,417,324	-	-	12,301,856	12,417,324
Cultural and Recreational	849,663	788,207	-	-	849,663	788,207
Education	7,392,683	7,264,651	-	-	7,392,683	7,264,651
Interest on Long-Term Debt	558,280	420,955	-	-	558,280	420,955
Hospital	-	-	260,534	262,910	260,534	262,910
Solid Waste	-	-	2,126,356	2,062,297	2,126,356	2,062,297
Water District	-	-	2,442,610	2,141,135	2,442,610	2,141,135
Total Expenses	<u>38,400,759</u>	<u>36,309,426</u>	<u>4,829,500</u>	<u>4,466,342</u>	<u>43,230,259</u>	<u>40,775,768</u>
Increase(decrease) in Net Position Before Transfers	2,997,668	3,768,179	(523,425)	(126,177)	2,474,243	3,642,002
Special Event Items	-	-	-	-	-	-
Transfers	-	1,686,643	-	(1,686,643)	-	-
Increase(Decrease) in Net Position	<u>2,997,668</u>	<u>5,454,822</u>	<u>(523,425)</u>	<u>(1,812,820)</u>	<u>2,474,243</u>	<u>3,642,002</u>
Net Position - Beginning	<u>16,911,818</u>	<u>11,456,996</u>	<u>11,511,438</u>	<u>13,324,258</u>	<u>28,423,256</u>	<u>24,781,254</u>
Net Position - Ending	<u>\$ 19,909,486</u>	<u>\$ 16,911,818</u>	<u>\$ 10,988,013</u>	<u>\$ 11,511,438</u>	<u>\$ 30,897,499</u>	<u>\$ 28,423,256</u>

Governmental activities. Governmental activities increased the County's net position by \$2,997,668, thereby accounting for 100% of the total growth in the net position for the County. Key elements of this increase are as follows:

- The County's continued efforts to reduce cost while still maintaining all services to the community.
- This is the first year of the process in billing and collecting property taxes on motor vehicles and created an increase in collections.

Business-type activities. Business-type activities assets decreased the County's net position by \$523,425. Key elements of this decrease are as follows:

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

Financial Analysis of the County's Funds

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

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

The General Fund is the chief operating fund of Bladen County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$10,769,113, while total fund balance reached \$16,938,206. 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 27.2 percent of total General Fund expenditures, while total fund balance represents 42.3 percent of that same amount.

At June 30, 2014, the governmental funds of Bladen County reported a combined fund balance of \$20,120,634. The primary reason for the fund balance increase in the general fund was the increase in property taxes from the new billing and collection system.

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

Proprietary Fund. Bladen County's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position of Hospital Rental Fund at the end of their fiscal year amounted to \$0, and those of the Landfill Fund at the end of the fiscal year amounted to \$1,930,738 and those for the Water District equaled \$1,690,196. Total net position for the Water Fund at the end of the fiscal year was \$0, as its sole purpose is to report the limited obligation bonds issued to allow the Water District to refund certain debt. Which are reported within both fund reporting statements, but are eliminated in the government wide statements. Other factors concerning the finances of these two funds have already been addressed in the discussion of Bladen County's business-type activities.

Capital Asset and Debt Administration

Capital Assets. Bladen County's capital assets for its governmental and business-type activities as of June 30, 2014, totals \$39,339,884 (net of accumulated depreciation). These assets include buildings, land, machinery and equipment, park facilities, and vehicles.

Major capital asset transactions during the year include:

- Equipment and vehicles purchased in the government activities.

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

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	\$ 363,460	\$ 363,460	\$ 981,481	\$ 981,481	\$ 1,344,941	\$ 1,344,941
Buildings	3,828,977	3,967,142	26,365,018	27,636,862	30,193,995	31,604,004
Improvements	2,965,510	2,860,049	-	-	2,965,510	2,860,049
Equipment	3,389,645	2,864,817	348,778	332,674	3,738,423	3,197,491
Vehicles and Motor Equipment	968,543	964,096	128,472	122,851	1,097,015	1,086,947
Construction in Progress	-	-	-	-	-	-
Total	\$ 11,516,135	\$ 11,019,564	\$ 27,823,749	\$ 29,073,868	\$ 39,339,884	\$ 40,093,432

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, 2014, Bladen County had total bonded debt outstanding of \$30,936,085, all of which is debt backed by the full faith and credit of the County.

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

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
General Obligation Bonds	\$ 11,895,540	\$ 13,707,120	\$ 8,550,000	\$ 8,825,000	\$ 20,445,540	\$ 22,532,120
Revenue Bonds	-	-	10,490,545	10,899,277	10,490,545	10,899,277
Capitalized Leases	-	-	-	-	-	-
Installment Purchases	3,074,637	2,999,882	1,503,062	1,636,010	4,577,699	4,635,892
Total	14,970,177	16,707,002	20,543,607	21,360,287	35,513,784	38,067,289

Bladen County's total debt decreased by \$2,508,096(2 percent) during the past fiscal year, primarily due to the issuance of debt for installment financing arrangements for various asset purchases. All scheduled debt payments were made. However, the decrease above does not reflect the bond premium amortization of \$45,409.

As mentioned in the financial highlights section of this document, Moodys' Investors Service has given Bladen County a "Aa3" bond rating.. This bond rating is a clear indication of the sound financial condition of Bladen County.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Bladen County is \$195,093,777.

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, 2015

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 jail construction and other projects are as follows:

- A feasibility study was conducted for a new jail facility. The Board of County Commissioners elected to move forward with the project at an estimated \$17 million for a 187 bed facility.

Business-type Activities. The water rates in the County will remain at the same base rate as 2014. General operating expenses will remain the same as 2014. Rates for landfill services will increase for MSW-Commercial and Construction & Demolition from \$33.50 and \$5.00, 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
finance@bladenco.org

Basic Financial Statements

Statement of Net Position

June 30, 2014

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash & Cash Equivalents	\$ 18,892,111	\$ 2,276,043	\$ 21,168,154
Restricted Cash and Cash Equivalents	804,708	240,420	1,045,128
Accounts Receivable (Net)	7,741,473	1,476,663	9,218,136
Notes Receivable	170,767	-	170,767
Capital Assets:			
Land, Improvements, and Construction in Progress	363,460	981,481	1,344,941
Other Capital Assets, net of Depreciation	11,152,675	26,842,268	37,994,943
Total Capital Assets	<u>11,516,135</u>	<u>27,823,749</u>	<u>39,339,884</u>
Total Assets	<u>39,125,194</u>	<u>31,816,875</u>	<u>70,942,069</u>
Deferred Outflows of Resources			
Deferred Charge on Bond Refunding	493,504	160,656	654,160
Total Deferred Outflows of Resources	<u>493,504</u>	<u>160,656</u>	<u>654,160</u>
Liabilities			
Accounts Payable and Accrued Liabilities	2,975,887	186,104	3,161,991
Customer Deposits	-	193,550	193,550
Current Portion of Long-term Liabilities	3,009,662	613,564	3,623,226
Long-term Liabilities:			
Due in More Than One Year	13,637,714	19,996,300	33,634,014
Total liabilities	<u>19,623,263</u>	<u>20,989,518</u>	<u>40,612,781</u>
Deferred inflows of resources			
Prepaid taxes	85,949	-	85,949
Total Deferred inflows of resources	<u>85,949</u>	<u>-</u>	<u>85,949</u>
Net Position			
Net Investment in Capital Assets	7,120,958	7,280,142	14,401,100
Restricted for:			
Stabilization by State Statute	3,474,692	-	3,474,692
4-H Programs	125,782	-	125,782
Public Safety	2,986,085	-	2,986,085
Capital Acquisitions	-	54	54
Debt Reserve	-	86,883	86,883
Unrestricted(Deficit)	6,201,969	3,620,934	9,822,903
Total Net Position	<u>\$ 19,909,486</u>	<u>\$ 10,988,013</u>	<u>\$ 30,897,499</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, 2014

Exhibit 2,
continued

Functions/Programs	Program Revenues			
Primary Government: Governmental Activities:	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions
General Government	\$ 5,181,741	\$ 1,304,067	\$ 8,897	\$ -
Public Safety	10,794,396	3,238,514	134,208	175,515
Economic and Physical Development	1,372,140	4,040	315,132	-
Human Services	12,301,856	1,098,836	7,758,990	-
Cultural and Recreational	849,663	86,954	193,700	-
Education	7,392,683	-	177,948	-
Interest on Long-Term Debt	558,280	-	-	-
Total Governmental Activities	38,450,759	5,732,411	8,588,875	175,515
 Business-Type Activities:				
Hospital Rental Fund	260,534	79,636	-	-
Solid Waste	2,126,356	2,182,156	5,295	-
Water Fund	-	-	-	-
Water District	2,442,610	2,038,275	-	-
Total Business-Type Activities	4,829,500	4,300,067	5,295	-
	\$ 43,280,259	\$ 10,032,478	\$ 8,594,170	\$ 175,515
 General Revenues:				
Taxes:				
Property taxes, levied for general purpose				
Local option sales tax				
Interest income, unrestricted				
Miscellaneous, unrestricted				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position - Beginning				
Net position - Ending				

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, 2014

Exhibit 2

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business Type Activities	Total
\$ (3,868,777)	\$ -	\$ (3,868,777)
(7,246,159)	-	(7,246,159)
(1,052,968)	-	(1,052,968)
(3,444,030)	-	(3,444,030)
(569,009)	-	(569,009)
(7,214,735)	-	(7,214,735)
(558,280)	-	(558,280)
(23,953,958)	-	(23,953,958)
-	(180,898)	(180,898)
-	61,095	61,095
-	-	-
-	(404,335)	(404,335)
-	(524,138)	(524,138)
(23,953,958)	(524,138)	(24,478,096)
21,841,667	-	21,841,667
4,722,576	-	4,722,576
18,200	713	18,913
369,183	-	369,183
-	-	-
26,951,626	713	26,952,339
2,997,668	(523,425)	2,474,243
16,911,818	11,511,438	28,423,256
\$ 19,909,486	\$ 10,988,013	\$ 30,897,499

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

Balance Sheet
Governmental Funds
June 30, 2014

	<u>Major</u>	<u>Non-Major</u>	
	General	Other	Total
	Fund	Governmental	Governmental
		Funds	Funds
Assets			
Cash & Investments	\$ 16,099,408	\$ 2,692,871	\$ 18,792,279
Restricted Cash	579,782	224,926	804,708
Due from Other Funds	-	-	-
Taxes Receivables (Net)	3,393,071	241,932	3,635,003
Accounts Receivable (Net)	3,201,305	273,387	3,474,692
Total Assets	<u>\$ 23,273,566</u>	<u>\$ 3,433,116</u>	<u>\$ 26,706,682</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts Payable and Accrued Liabilities	\$ 2,856,340	\$ 8,756	\$ 2,865,096
Due to Other Funds	-	-	-
Total liabilities	<u>2,856,340</u>	<u>8,756</u>	<u>2,865,096</u>
Deferred Inflows of Resources			
Deferred Taxes	3,393,071	241,932	3,635,003
Prepaid Taxes	85,949	-	85,949
Total Deferred Inflows of Resources	<u>3,479,020</u>	<u>241,932</u>	<u>3,720,952</u>
Fund balances:			
Restricted			
Stabilization by State Statute	3,201,305	273,387	3,474,692
Public Safety	77,044	216,599	293,643
4-H	125,782	-	125,782
Fire Protection	-	2,692,442	2,692,442
Committed			
Tax Revaluation	376,892	-	376,892
Assigned			
Board Assigned	708,051	-	708,051
Subsequent Year's Expenditures	1,680,019	-	1,680,019
Unassigned	10,769,113	-	10,769,113
Total Fund Balances	<u>16,938,206</u>	<u>3,182,428</u>	<u>20,120,634</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 23,273,566</u>	<u>\$ 3,433,116</u>	<u>\$ 26,706,682</u>

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

Bladen County, North Carolina
Balance Sheet
Governmental Funds
June 30, 2014

Exhibit 3,
continued

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

Total Fund Balances - Governmental Funds	\$ 20,120,634
Capital Assets used in governmental activities are not financial resources and therefore are not reported in the funds	11,516,135
Other long-term assets are not available to pay for current-period expenditures and therefore are unavailable in the funds.	802,545
Charges related to advance refunding bonds issued.	493,504
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.	99,831
Deferred inflows of resources for taxes receivable.	3,635,003
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(16,758,166)</u>
Net position of governmental activities	\$ <u><u>19,909,486</u></u>

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

Bladen County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2014

Exhibit 4

	General Fund	Total Non-Major Funds	Total Governmental Funds
Revenues:			
Ad Valorem Taxes	\$ 20,731,319	\$ 1,107,993	\$ 21,839,312
Local Option Sales Taxes	4,463,675	258,901	4,722,576
Other Taxes and Licenses	110,036	283,849	393,885
Restricted Intergovernmental Revenues	8,370,561	453,520	8,824,081
Permits and Fees	311,526	-	311,526
Sales and Services	4,967,309	-	4,967,309
Investment Earnings	10,300	476	10,776
Other	408,354	6,980	415,334
Total Revenues	<u>39,373,080</u>	<u>2,111,719</u>	<u>41,484,799</u>
Expenditures:			
Current:			
General Government	5,036,810	-	5,036,810
Public Safety	9,356,015	1,556,610	10,912,625
Economic and Physical Development	1,085,566	278,005	1,363,571
Human Services	12,613,644	-	12,613,644
Cultural and Recreational	977,003	-	977,003
Education	7,445,323	-	7,445,323
Debt Service			
Principal Retirement	2,640,135	-	2,640,135
Interest and Fees	403,894	-	403,894
Total Expenditures	<u>39,558,390</u>	<u>1,834,615</u>	<u>41,393,005</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(185,310)</u>	<u>277,104</u>	<u>91,794</u>
Other Financing Sources (Uses):			
Issuance of Installment Purchases	903,310	-	903,310
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	-	-
Total Other Financing Sources (Uses)	<u>903,310</u>	<u>-</u>	<u>903,310</u>
Net Change in Fund Balance	718,000	277,104	995,104
Fund Balance, Beginning	<u>16,220,206</u>	<u>2,905,324</u>	<u>19,125,530</u>
Fund Balance, Ending	<u>\$ 16,938,206</u>	<u>\$ 3,182,428</u>	<u>\$ 20,120,634</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, 2014

Exhibit 4,
continued

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

Net changes in fund balances - total governmental funds	\$	995,104
<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>		
		496,571
<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>		
		(43,646)
<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 position. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
		1,736,825
<p>Expenses reported on fund statements that capitalized on government-wide statements - deferred charge from bond refunding.</p>		
		(164,501)
<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>		
		(37,543)
<p>Net revenue of internal service funds determined to be governmental-type.</p>		
		<u>14,858</u>
Total changes in net position of governmental activities.	\$	<u><u>2,997,668</u></u>

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

Bladen County
Page intentionally left blank

Bladen County, North Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - General Fund
For the Year Ended June 30, 2014

Exhibit 5

	Original Budget	Final Budget	Actual	Variance With Final Positive/(Negative)
Revenues:				
Ad Valorem Taxes	\$ 18,995,927	\$ 19,593,353	\$ 20,731,319	\$ 1,137,966
Local Option Sales Taxes	3,850,227	3,850,227	4,463,675	613,448
Other Taxes and Licenses	95,023	101,381	110,036	8,655
Restricted Intergovernmental Revenues	7,929,977	8,458,320	8,370,561	(87,759)
Permits and Fees	262,740	265,740	311,526	45,786
Sales and Services	4,755,504	5,316,135	4,967,309	(348,826)
Investment Earnings	15,100	15,100	10,241	(4,859)
Other	59,752	222,286	408,354	186,068
Total Revenues	<u>35,964,250</u>	<u>37,822,542</u>	<u>39,373,021</u>	<u>1,550,479</u>
Expenditures:				
Current:				
General Government	4,768,313	4,929,010	4,682,688	246,322
Public Safety	8,524,936	9,855,461	9,356,015	499,446
Economic and Physical Development	1,087,265	1,117,531	1,085,566	31,965
Human Services	13,051,804	13,464,233	12,613,644	850,589
Cultural and Recreational	783,480	1,264,578	977,003	287,575
Education	7,491,402	7,655,454	7,445,323	210,131
Debt Service	3,020,278	3,091,299	3,044,029	47,270
Total Expenditures	<u>38,727,478</u>	<u>41,377,566</u>	<u>39,204,268</u>	<u>2,173,298</u>
Revenues Over (Under) Expenditures	<u>(2,763,228)</u>	<u>(3,555,024)</u>	<u>168,753</u>	<u>3,723,777</u>
Other Financing Sources (Uses):				
Issuance of Installment Purchases	878,042	1,053,370	903,310	(150,060)
Transfers from Other Funds	-	-	-	-
Transfers to Other Funds	(50,000)	(50,000)	(50,000)	-
Total Other Financing Sources (Uses)	<u>828,042</u>	<u>1,003,370</u>	<u>853,310</u>	<u>(150,060)</u>
Revenues and Other Sources Over (Under) Expenditures and Other Uses	(1,935,186)	(2,551,654)	1,022,063	3,573,717
Fund Balance Appropriated / (Designated)	<u>1,885,186</u>	<u>2,501,654</u>	<u>-</u>	<u>(2,501,654)</u>
Net Change in Fund Balance	<u>\$ (50,000)</u>	<u>\$ (50,000)</u>	<u>1,022,063</u>	<u>\$ 1,072,063</u>
Fund Balance, Beginning			<u>15,539,251</u>	
Fund Balance, Ending			<u>\$ 16,561,314</u>	
A legally budgeted Tax Revaluation Fund is consolidated into the General Fund for reporting purposes:				
Interest Income			59	
Transfer-in from General Fund			50,000	
Expenditures			(354,122)	
Fund Balance, Beginning			<u>680,955</u>	
Fund Balance, Ending (Exhibit 4)			<u>\$ 16,938,206</u>	

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

Bladen County, North Carolina
Statement of Fund Net Position
Proprietary Funds
June 30, 2014

Exhibit 6

	Hospital Rental Fund	Solid Waste Fund	Water Fund	Water District	Total	Internal Service Fund
Assets						
Current Assets:						
Cash and Investments	\$ -	\$ 943,084	\$ -	\$ 1,332,959	\$ 2,276,043	\$ 99,831
Taxes Receivable	-	1,042,162	-	-	1,042,162	-
Accounts Receivable (Net)	-	54,795	-	379,706	434,501	-
Due from Water District	-	-	290,000	-	290,000	-
Total Current Assets	<u>-</u>	<u>2,040,041</u>	<u>290,000</u>	<u>1,712,665</u>	<u>4,042,706</u>	<u>99,831</u>
Noncurrent assets:						
Restricted Assets						
Cash	54	-	-	240,366	240,420	-
Long-term investment	-	-	-	-	-	-
Due from Water District	-	-	8,260,000	-	8,260,000	-
Capital Assets:						
Land, Improvements, and						
Construction in Progress	140,188	386,438	-	454,855	981,481	-
Other Capital Assets, Net of Depreciation	<u>1,114,507</u>	<u>1,340,410</u>	<u>-</u>	<u>24,387,351</u>	<u>26,842,268</u>	<u>-</u>
Total Noncurrent Assets	<u>1,254,749</u>	<u>1,726,848</u>	<u>8,260,000</u>	<u>25,082,572</u>	<u>36,324,169</u>	<u>-</u>
Total Assets	<u>\$ 1,254,749</u>	<u>\$ 3,766,889</u>	<u>\$ 8,550,000</u>	<u>\$ 26,795,237</u>	<u>\$ 40,366,875</u>	<u>\$ 99,831</u>
Deferred Outflows of Resources						
Deferred Charge on Refunding	\$ -	\$ -	\$ -	\$ 160,656	\$ 160,656	\$ -
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>160,656</u>	<u>160,656</u>	<u>-</u>

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

Bladen County, North Carolina
Statement of Fund Net Position
Proprietary Funds
June 30, 2014

Exhibit 6,
continued

	Hospital Rental Fund	Solid Waste Fund	Water Fund	Water District	Total	Internal Service Fund
Liabilities						
Current Liabilities:						
Accounts Payable & Accrued Expenses	\$ -	\$ 78,107	\$ -	\$ 42,281	\$ 120,388	\$ -
Accrued Interest	-	670	-	65,046	65,716	-
Customer Deposits	-	-	-	193,550	193,550	-
Compensated Absences Payable	-	8,710	-	12,310	21,020	-
Due to County	-	-	-	290,000	290,000	-
Bond\Long-term Debt - Current Maturities	65,083	31,427	290,000	206,034	592,544	-
Total Current Liabilities	<u>65,083</u>	<u>118,914</u>	<u>290,000</u>	<u>809,221</u>	<u>1,283,218</u>	<u>-</u>
Noncurrent Liabilities:						
Compensated Absences Payable	-	21,816	-	23,421	45,237	-
Due to County	-	-	-	8,260,000	8,260,000	-
Long-term Debt - Noncurrent	298,301	8,192	8,260,000	11,384,570	19,951,063	-
Total Noncurrent Liabilities	<u>298,301</u>	<u>30,008</u>	<u>8,260,000</u>	<u>19,667,991</u>	<u>28,256,300</u>	<u>-</u>
Total Liabilities	<u>363,384</u>	<u>148,922</u>	<u>8,550,000</u>	<u>20,477,212</u>	<u>29,539,518</u>	<u>-</u>
Net Position:						
Net Investment in Capital Assets	891,311	1,687,229	-	4,701,602	7,280,142	-
Restricted, Expendable for Capital Acquisitions	54	-	-	-	54	-
Debt Reserve	-	-	-	86,883	86,883	-
Unrestricted	-	1,930,738	-	1,690,196	3,620,934	99,831
Total Net Position	<u>\$ 891,365</u>	<u>\$ 3,617,967</u>	<u>\$ -</u>	<u>\$ 6,478,681</u>	<u>\$ 10,988,013</u>	<u>\$ 99,831</u>

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

Bladen County
Page intentionally left blank

Bladen County, North Carolina
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For The Fiscal Year Ended June 30, 2014

Exhibit 7

	Hospital Rental Fund	Solid Waste Fund	Water Fund	Water District	Total	Internal Service Fund
Operating revenues:						
Charges for Services	\$ 79,636	\$ 2,182,156	\$ -	\$ 1,885,672	\$ 4,147,464	\$ -
Water Taps	-	-	-	28,925	28,925	-
Other Operating Revenues	-	-	-	123,678	123,678	14,848
Total Operating Revenues	<u>79,636</u>	<u>2,182,156</u>	<u>-</u>	<u>2,038,275</u>	<u>4,300,067</u>	<u>14,848</u>
Operating expenses:						
Salaries and Employee Benefits	-	396,616	-	412,336	808,952	-
Operating Expenses	-	1,601,281	334,638	481,757	2,417,676	-
Depreciation	245,982	127,180	-	1,000,071	1,373,233	-
Total operating expenses	<u>245,982</u>	<u>2,125,077</u>	<u>334,638</u>	<u>1,894,164</u>	<u>4,599,861</u>	<u>-</u>
Total Operating Income (Loss)	<u>(166,346)</u>	<u>57,079</u>	<u>(334,638)</u>	<u>144,111</u>	<u>(299,794)</u>	<u>14,848</u>
Nonoperating Revenues(Expenses):						
Interest Earned	-	265	334,638	448	335,351	10
Interest Expense	(14,552)	(1,279)	-	(548,446)	(564,277)	-
Total Nonoperating Revenue (Expenses)	<u>(14,552)</u>	<u>(1,014)</u>	<u>334,638</u>	<u>(547,998)</u>	<u>(228,926)</u>	<u>10</u>
Income (Loss) Before Contributions and Transfers	(180,898)	56,065	-	(403,887)	(528,720)	14,858
Capital Contribution	-	5,295	-	-	5,295	-
Change in Net Position	(180,898)	61,360	-	(403,887)	(523,425)	14,858
Net Position, beginning,	<u>1,072,263</u>	<u>3,556,607</u>	<u>-</u>	<u>6,882,568</u>	<u>11,511,438</u>	<u>84,973</u>
Net Position, ending	<u>891,365</u>	<u>\$ 3,617,967</u>	<u>\$ -</u>	<u>\$ 6,478,681</u>	<u>\$ 10,988,013</u>	<u>\$ 99,831</u>

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

Bladen County, North Carolina
Statement of Cash Flows
Proprietary Funds
For The Fiscal Year Ended June 30, 2014

Exhibit 8,
continued

	Hospital Rental Fund	Solid Waste Fund	Water Fund	Water District	Total	Internal Service Fund
Cash Flows From Operating Activities:						
Cash Received from Customers	\$ -	\$ 2,100,594	\$ -	\$ 1,867,038	\$ 3,967,632	\$ -
Cash Paid for Goods and Services	-	(1,611,962)	-	(509,377)	(2,121,339)	-
Cash Paid to Employees for Services	-	(391,228)	-	(409,873)	(801,101)	-
Other Operating Receipts	-	-	-	123,678	123,678	-
Customer Deposits	-	-	-	5,300	5,300	-
Net Cash Provided by (Used for) Operating Activities	<u>-</u>	<u>97,404</u>	<u>-</u>	<u>1,076,766</u>	<u>1,174,170</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities:						
Acquisition and Construction of Capital Assets	-	(28,949)	-	(94,165)	(123,114)	-
Principal Paid on Bond Maturities and Capital Leases	-	(38,961)	-	(667,226)	(706,187)	-
Interest Paid on Bond\Note Maturities and Capital Leases	-	(1,328)	-	(631,466)	(632,794)	-
Capital Grants and Contributions	-	5,295	-	-	5,295	-
Net Cash Provided (Used for) Capital and Related Financing Activities	<u>-</u>	<u>(63,943)</u>	<u>-</u>	<u>(1,392,857)</u>	<u>(1,456,800)</u>	<u>-</u>
Cash Flows from Investing Activities:						
Advances to Joint Venture	-	-	-	-	-	-
Interest on investments	-	265	-	448	713	10
Net Cash Flows from Investing Activities:	<u>-</u>	<u>265</u>	<u>-</u>	<u>448</u>	<u>713</u>	<u>10</u>
Net Increase (Decrease) in Cash and Cash Equivalents	-	33,726	-	(315,643)	(281,917)	10
Cash Balances, Beginning	54	909,358	-	1,888,968	2,798,380	99,821
Cash Balances, Ending	<u>\$ 54</u>	<u>\$ 943,084</u>	<u>\$ -</u>	<u>\$ 1,573,325</u>	<u>\$ 2,516,463</u>	<u>\$ 99,831</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 Water Fund did not have transactions flow through the fund, all transactions related the Limited Obligation Bonds were paid in the Water District.

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

Bladen County, North Carolina
Statement of Cash Flows
Proprietary Funds
For The Fiscal Year Ended June 30, 2014

Exhibit 8

	Hospital Rental Fund	Solid Waste Fund	Water Fund	Water District	Total	Internal Service Fund
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:						
Operating Activities:						
Operating Income (Loss)	\$ (166,346)	\$ 57,079	\$ -	\$ 144,111	\$ 34,844	\$ 14,848
Adjustments to Reconcile Operating Income to Net Cash Provided						
Operating Activities:						
Depreciation	245,982	127,180	-	1,000,071	1,373,233	-
Operating Income Noncash Activity	(79,636)	-	-	-	(79,636)	-
Change in Provision for Doubtful Accounts	-	10,151	-	-	10,151	-
Changes in Assets and Liabilities:						
(Increase) Decrease						
in Accounts Receivable, advances						
Inventories and Prepays	-	(91,713)	-	(47,559)	(139,272)	-
Increase (Decrease)						
in Accounts Payable & Accrued Liabilities	-	(10,681)	-	(27,620)	(38,301)	(14,848)
in Customer Deposits	-	-	-	5,300	5,300	-
in Accrued Vacation Pay	-	5,388	-	2,463	7,851	-
Total Adjustments	<u>166,346</u>	<u>40,325</u>	<u>-</u>	<u>932,655</u>	<u>1,139,326</u>	<u>(14,848)</u>
Net Cash Provided by Operating Activities	<u>\$ -</u>	<u>\$ 97,404</u>	<u>\$ -</u>	<u>\$ 1,076,766</u>	<u>\$ 1,174,170</u>	<u>\$ -</u>

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

Bladen County, North Carolina
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2014

Exhibit 9

Assets	<u>Agency Fund</u>
Cash and Cash Equivalents	\$ <u><u>111,511</u></u>
Liabilities and Net Position	
Liabilities	
Miscellaneous Liabilities	\$ 67,199
Intergovernmental Payable	<u>44,312</u>
Total Liabilities	<u>111,511</u>
Net Position	\$ <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, 2014

NOTE 1: Summary of Significant Accounting Policies

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

A. Reporting Entity

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

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

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

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

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

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

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

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

The County reports the following major governmental fund:

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.

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

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

The County reports the following fund types:

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

Agency Funds - Agency funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for assets the County holds on behalf of others. The County maintains the following Agency Funds: the Social Services Fund, which accounts for moneys deposited with the Department of Social Services for the benefit of certain individuals; the Fines and Forfeitures Fund, which accounts for various legal fines and forfeitures that the County is required to remit to the Bladen County Board of Education; the Municipal Tax Fund, which accounts for funds that are billed and collected by the County for various municipalities and special districts within the County but that are not revenues to the County; the Animal Control Trust, which accounts for funds received for use on the animal shelter; the Concealed Handgun Permit Fund, which accounts for the state portion of the concealed handgun permit fee that is required to be remitted to the state; the Sheriff's Civil Fund, which accounts for bailment and other civil fees collected and remitted accordingly.

Nonmajor Funds. The County maintains three legally budgeted funds. The Emergency Telephone System Fund, the Fire District Funds, which combines each individual fund into one presentation, and the CDBG Grant Scattered Site Fund are reported as nonmajor special revenue funds.

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

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

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

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

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

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

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

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. As of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

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

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

C. Budgetary Data

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

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

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

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

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

D. Assets, Liabilities, Deferred Inflows and Outflows and Fund Equity

Deposits and Investments

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

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

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

Cash and Cash Equivalents

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

Restricted Assets

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

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

<u>Bladen County Restricted Cash</u>	
Government Activities	
General Fund	
Public Safety	\$ 77,044
4-H	125,782
Revaluation	376,956
Emergency Telephone Fund	<u>224,926</u>
Total Governmental Activities	<u>\$ 804,708</u>
Business-Type Activities	
Hospital Rental Fund	
Escrow Funds	\$ 54
Water Districts	
Customer Deposits	193,550
Debt Reserve	<u>46,816</u>
Total Business-Type Activities	<u>\$ 240,420</u>
Total Restricted Cash	<u>\$ 1,045,128</u>

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the County levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2013. As allowed by State law, the County has established a schedule of discounts that apply to taxes, that are paid prior to the due date. In the County's General Fund, ad valorem tax revenues are reported net of such discounts.

Allowance for Doubtful Accounts

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

Inventory and Prepaid Items

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

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

Capital Assets

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

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

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

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The County has one item that meets this criterion - a charge on refunding that is classified as an asset. In addition to liabilities, the statement of financial position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has only one item that meets the criterion for this category - prepaid taxes.

Long-term Obligations

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

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

Compensated Absences

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

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

Net Position/Fund Balances

Net Position

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

Fund Balances

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

The governmental fund types classify fund balances as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

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

E. Reconciliation of Government-wide and Fund Financial Statements

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

The governmental fund balance sheet included a reconciliation between fund balance for total governmental funds and net position for governmental activities as reported in the government-wide statement of net position. The net adjustment of \$(211,148) consists of several elements as follows:

<u>Description</u>	<u>Amount</u>
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds (total capital assets on government-wide statement in governmental activities column)	\$ 25,339,898
Less accumulated depreciation	<u>(13,823,763)</u>
Net capital assets	11,516,135
Deferred charges related to advance refunding bonds issued - included on government-wide statement of net position but are not current financial resources.	493,504
Accrued interest receivable less the amount claimed as unearned in the government-wide statements as these funds are unavailable in the fund statements.	578,593
Notes Receivable to area fire districts reported as public safety expense in the fund financial statements when expended.	170,767
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.	53,185
Liabilities for deferred inflows of resources reported in the fund statements but not the government-wide.	3,635,003

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

Description	Amount
Internal service funds are used by management to charge the costs of certain activities, such as insurance, telecommunications, to individual funds. The position and liabilities of certain internal service funds are included in governmental activities in the statement of net position.	99,831
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	(14,970,177)
Compensated absences	(1,106,556)
Net Pension Obligation	(570,643)
Accrued interest payable	<u>(110,790)</u>
Total adjustment	\$ <u><u>(211,148)</u></u>

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances-total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of \$2,002,564 as follows:

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities.	\$ 1,410,012
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.	(913,441)
Cost of disposed capital assets.	-
New debt issued during the year is recorded as a source of funds on the fund statements; it has no effect on the statement of activities - it affects only the government-wide statement of net position.	(903,310)
Principal payments on debt owed are recorded as a use of funds on the fund statements but again affect only the government-wide statement of net position.	2,640,135
Expenses reported on fund statements that capitalized on government-wide statements - deferred charge from bond refunding.	(164,501)
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.	(38,727)
Current year change in the grant receivable recorded for the reimbursement of interest expense related to the Qualified School Construction loan. This change is equal to the change in interest accrued for this loan only.	(7,274)

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

<u>Description</u>	<u>Amount</u>
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).	17,390
Compensated absences are accrued in the government-wide statements but not in the fund statements because they do not use current resources.	(23,695)
Net pension obligation is accrued in the government-wide statements but not in the fund statements because they do not use current resources.	(31,238)
Net revenue of internal service funds determined to be governmental-type.	14,858
Increase/(Decrease) in deferred inflows of resources - taxes receivable - at end of year.	(42,005)
Increase/(Decrease) in accrued taxes receivable.	<u>44,360</u>
Total adjustment	<u>\$ 2,002,564</u>

NOTE 2: Stewardship, Compliance and Accountability

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

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

B. Deficit Fund Balance or Net Position of Individual Funds

None.

C. Excess of Expenditures over Appropriations

None.

NOTE 3: Detail Notes On All Funds

A. Assets

1. Deposits

All of the County's and the District's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities 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.

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

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, 2014, the County's deposits had a carrying amount of \$695,257 and a bank balance of \$1,370,720. Of the bank balance, \$500,000 was covered by federal depository insurance. The remaining balance was covered by collateral and held under the Pooling Method. \$1,625 consisted of cash on hand.

At June 30, 2014, the escrow account for the Hospital Rental Fund had a balance of \$55 and a bank balance of \$55.

2. Investments

At June 30, 2014 the County of Bladen had \$21,627,856 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, 2014 the District's Investments are included above, since it is a blended component unit.

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

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

Year Levied	Tax	Interest	Total
2011	\$ 1,372,358	\$ 325,935	\$ 1,698,293
2012	1,362,194	200,924	1,563,118
2013	1,362,194	-	1,362,194
	\$ 4,096,746	\$ 526,859	\$ 4,623,605

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

4. Receivables

Receivables at the government-wide level at June 30, 2014, were as follows:

	<u>Accounts</u>	<u>Taxes and Related Accrued Interest</u>	<u>Due From Other Governments</u>	<u>Other</u>	<u>Total</u>
Governmental Activities:					
General	\$ 823,623	\$ 4,772,309	\$ 2,416,393	\$ 14,474	\$ 8,026,799
Other Governmental	20	261,287	273,367	-	534,674
Total Receivables	<u>823,643</u>	<u>5,033,596</u>	<u>2,689,760</u>	<u>14,474</u>	<u>8,561,473</u>
Allowance for Doubtful Accounts	-	(820,000)	-	-	(820,000)
Total Governmental Activities	<u>\$ 823,643</u>	<u>\$ 4,213,596</u>	<u>\$ 2,689,760</u>	<u>\$ 14,474</u>	<u>\$ 7,741,473</u>
Business-type Activities					
Landfill	\$ 45,553	\$ 1,422,162	\$ 21,233	\$ 9	\$ 1,488,957
Water and Sewer District	470,067	-	-	-	470,067
Total Receivables	<u>515,620</u>	<u>1,422,162</u>	<u>21,233</u>	<u>9</u>	<u>1,959,024</u>
Allowance for Doubtful Accounts	(102,361)	(380,000)	-	-	(482,361)
Total Business-type Activities	<u>\$ 413,259</u>	<u>\$ 1,042,162</u>	<u>\$ 21,233</u>	<u>\$ 9</u>	<u>\$ 1,476,663</u>

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

Local Option Sales Tax	\$ 1,228,719
State or Federal Grant	<u>1,461,041</u>
	<u>\$ 2,689,760</u>

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

5. Capital Assets

Capital asset activity for the year ended June 30, 2014, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Primary Government				
Governmental Activities:				
Capital Assets not Being Depreciated:				
Land	\$ 363,460	\$ -	\$ -	\$ 363,460
Total Capital Assets not Being Depreciated:	<u>363,460</u>	<u>-</u>	<u>-</u>	<u>363,460</u>
Capital Assets Being Depreciated:				
Buildings	8,142,459	-	-	8,142,459
Improvements	3,268,118	176,672	-	3,444,790
Equipment	7,580,772	933,744	(9,788)	8,504,728
Vehicles and Motor Equipment	4,606,315	299,596	(21,450)	4,884,461
Total Capital Assets Being Depreciated:	<u>23,597,664</u>	<u>1,410,012</u>	<u>(31,238)</u>	<u>24,976,438</u>
Less Accumulated Depreciation				
Buildings	4,175,317	138,165	-	4,313,482
Improvements	408,069	71,211	-	479,280
Equipment	4,715,955	408,916	(9,788)	5,115,083
Vehicles and Motor Equipment	3,642,219	295,149	(21,450)	3,915,918
Total Accumulated Depreciation	<u>12,941,560</u>	<u>\$ 913,441</u>	<u>\$ (31,238)</u>	<u>13,823,763</u>
Total Capital Assets Being Depreciated, net	<u>10,656,104</u>			<u>11,152,675</u>
Governmental Activity Capital Assets, net	<u>\$ 11,019,564</u>			<u>\$ 11,516,135</u>

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

General Government	\$ 210,091
Public Safety	529,796
Economic and Physical Development	-
Human Services	155,285
Cultural and Recreational	18,269
Total Depreciation Expense	<u>\$ 913,441</u>

	Beginning Balances	Increases	Decreases	Ending Balances
Business-type Activities:				
Solid Waste				
Capital Assets not Being Depreciated:				
Land	\$ 386,438	\$ -	\$ -	\$ 386,438
Total Capital Assets not Being Depreciated:	<u>386,438</u>	<u>-</u>	<u>-</u>	<u>386,438</u>
Capital Assets Being Depreciated:				
Buildings	2,477,022	-	-	2,477,022
Equipment	1,031,814	-	-	1,031,814
Vehicles and Motor Equipment	776,274	28,949	-	805,223
Total Capital Assets Being Depreciated:	<u>4,285,110</u>	<u>28,949</u>	<u>-</u>	<u>4,314,059</u>
Less Accumulated Depreciation				
Buildings	1,368,662	55,883	-	1,424,545
Equipment	778,883	57,772	-	836,655
Vehicles and Motor Equipment	698,924	13,525	-	712,449
Total Accumulated Depreciation	<u>2,846,469</u>	<u>\$ 127,180</u>	<u>\$ -</u>	<u>2,973,649</u>
Total Capital Assets Being Depreciated, net	<u>1,438,641</u>			<u>1,340,410</u>
Solid Waste Capital Assets, Net	<u>\$ 1,825,079</u>			<u>\$ 1,726,848</u>

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

	Beginning Balances	Increases	Decreases	Ending Balances
Water District				
Capital Assets not Being Depreciated:				
Land	\$ 454,855	\$ -	\$ -	\$ 454,855
Construction in Progress	-	-	-	-
Total Capital Assets not Being Depreciated:	454,855	-	-	454,855
Capital Assets Being Depreciated:				
Plant and Distribution Systems	31,925,282	-	-	31,925,282
Equipment	267,778	94,165	-	361,943
Vehicles and Motor Equipment	420,144	-	-	420,144
Total Capital Assets Being Depreciated:	32,613,204	94,165	-	32,707,369
Less Accumulated Depreciation				
Plant and Distribution Systems	6,757,269	969,979	-	7,727,248
Equipment	188,035	20,289	-	208,324
Vehicles and Motor Equipment	374,643	9,803	-	384,446
Total Accumulated Depreciation	7,319,947	\$ 1,000,071	\$ -	8,320,018
Total Capital Assets Being Depreciated, net	25,293,257			24,387,351
Water District Capital Assets, Net	\$ 25,748,112			\$ 24,842,206
Hospital Rental Fund				
Capital Assets not Being Depreciated:				
Land and Land Improvements	\$ 140,188	\$ -	\$ -	\$ 140,188
Capital Assets Being Depreciated:				
Buildings	8,517,122	-	-	8,517,122
Total Capital Assets Being Depreciated:	8,517,122	-	-	8,517,122
Less Accumulated Depreciation	7,156,633	245,982	-	7,402,615
Total Capital Assets Being Depreciated, net	1,360,489	(245,982)	-	1,114,507
Hospital Capital Assets, Net	1,500,677	\$ (245,982)	\$ -	1,254,695
Business-type Activities Capital Assets, Net	\$ 29,073,868			\$ 27,823,749

B. Liabilities

1. Payables

Payables at the government wide level at June 30, 2014 were as follows:

	Vendors	Salaries and Benefits	Accrued Interest	Other	Total
Governmental Activities:					
General	\$ 2,253,395	\$ 501,745	\$ 110,791	\$ 101,200	\$ 2,967,131
Other Governmental	5,406	3,350	-	-	8,756
Total Governmental Activities	\$ 2,258,801	\$ 505,095	\$ 110,791	\$ 101,200	\$ 2,975,887
Business-type Activities					
Landfill	\$ 57,204	\$ 20,903	\$ 670	\$ -	\$ 78,777
Water and Sewer District	22,204	20,077	65,046	-	107,327
Hospital Rental Fund	-	-	-	-	-
Total Business-type Activities	\$ 79,408	\$ 40,980	\$ 65,716	\$ -	\$ 186,104

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 7.07% and 7.55%, 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, 2014, 2013, and 2012 were \$899,891, \$876,893, and \$870,622, respectively. The contributions made by the County equaled the required contributions for the year.

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, 2013, the Separation Allowance's membership consisted of:

Retirees receiving benefits	3
Terminated plan members entitled to but not yet receiving benefits	0
Active plan members	<u>47</u>
Total	<u>50</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, 2014, the County contributed \$33,686, or 2% of annual covered payroll into the plan. 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, 2013 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

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2013 was 18 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	\$	81,901
Interest on net pension obligation		26,970
Adjustment to annual required contribution		(43,947)
Annual pension cost		<u>64,924</u>
Employer benefits paid		<u>33,686</u>
Increase (decrease) in net pension obligation		31,238
Net pension obligation beginning of year		<u>539,405</u>
Net pension obligation end of year	\$	<u><u>570,643</u></u>

3 Year Trend Information:

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage APC Contributed	Net Pension Obligation
6/30/2012	\$ 67,811	67.57%	\$ 506,025
6/30/2013	71,447	53.28%	539,405
6/30/2014	64,924	51.89%	570,643

Funding Status and Funding Progress

As of December 31 2013, the most recent actuarial valuation date, the plan was 0.00 percent funded. The actuarial accrued liability for benefits was \$725,747, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$725,747. The covered payroll (annual payroll of active employees covered by the plan) was \$2,000,397, and the ratio of the UAAL to the covered payroll was 36.28 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, 2014 were \$201,476, which consisted of \$98,216 from the County and \$103,260 from the law enforcement officers and other employees.

4. Register of Deeds' Supplemental Pension Fund

Plan Description - Bladen County also contributes to the 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, 2014, the County's required and actual contributions were \$6,628.

Healthcare Benefits and Other Postemployment Benefits

Healthcare Benefits

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

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

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

Contributions are determined as a percentage of covered monthly payroll. Annually, the monthly contribution rates to the Plan, which are intended to finance benefits and administrative expenses on a pay-as-you-go basis, are determined by the General Assembly in the Appropriations Bill. For the fiscal years ended June 30, 2014 the County paid all annual required contributions to the Plan for postemployment healthcare benefits of \$684,869 respectively. For the County, the current rate for employees not engaged in law enforcement and for law enforcement officers is 5.4% and 5.4%, respectively, of annual covered payroll. The contributions made by the County equaled the required contributions for the current year and preceding two years.

Other Employment Benefits

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

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

For the fiscal year ended June 30, 2014, the County made contributions to the State for death benefits of \$0. The County's required contributions for employees not engaged in law enforcement and for law enforcement officers represented 0.00% and 0.00% of covered payroll, respectively.

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

No. Years Contributing	Years Relief	FY Contributions Resume
less than 10	1	2014
10 - 20	2	2015
20 or more	3	2016

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

Deferred Outflows and Inflows of Resources

The amount of deferred outflows of resources is a charge of refunding of debt of \$493,504.

	Unavailable Revenue	Unearned Revenue
Prepaid taxes not yet earned(General)	\$ -	\$ 85,949
Taxes receivable, net(General)	3,393,071	-
Prepaid taxes not yet earned(Special Revenue)	-	-
Taxes receivable, net(Special Revenue)	241,932	-
Total	<u>\$ 3,635,003</u>	<u>\$ 85,949</u>

Risk Management

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County participates in two self-funded risk-financing pools administered by the North Carolina Association of County Commissioners. Through these pools, the County obtains property coverage equal to replacement cost values of owned property subject to a limit of \$200 million for any one occurrence, general, auto, professional, and employment practices liability coverage of \$2 million per occurrence, auto physical damage coverage for owned autos at actual cash value, crime coverage of \$250,000 per occurrence, and workers' compensation coverage up to the statutory limits. The pools are audited annually by certified public accountants, and the audited financial statements are available to the County upon request. Both of the pools are reinsured through a multi-state public entity captive for single occurrence losses in excess of a \$500,000 retention up to a \$2 million limit for liability coverage, and \$1,750,000 of each loss in excess of a \$250,000 per occurrence retention for property, and auto physical damage. For workers compensation there is a per occurrence retention of \$750,000. The County provides employee health and dental benefits through a private carrier.

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

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

Contingent Liabilities

At June 30, 2014, 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.

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

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, 2014 is \$901,719.

BB&T dated November 28, 2012 in the amount of \$270,000 for installment purchase of three Ford Taurus, five Ford Explorers and a van payable in 3 annual payments of \$91,334 including interest at 1.49%. Final payment due November 2014. Balance at June 30, 2014 is \$89,993.

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, 2014 is \$451,003.

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, 2014 is \$1,034,060.

First Citizens Bank dated May 22, 2014 in the amount of \$383,328 for installment purchase of 10 heart monitors and 2 ambulances. Annual payments begin May 2014 with installments of \$129,544 with interest at 1.39%. Final payment due May 2016. Balance at June 30, 2014 is \$253,784.

BB&T dated January 14, 2014 in the amount of \$351,981 for installment purchase of Northwoods Document Management system. Payments begin January 2014 in 3 annual installments of \$119,066 with interest at 1.49%. Final payment due January 2016. Balance at June 30, 2014 is \$232,914.

BB&T dated October 29, 2013 in the amount of \$168,000 for various Sheriff vehicles. Annual payments begin October 2013 in the amount of \$56,835, with the final payment due October 2015. Balance at June 30, 2014 is \$111,164.

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, 2014 is \$39,619.

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, 2014 is \$533,579.

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, 2014 is \$566,480.

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, 2014 was \$363,384.

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

For Bladen County, the future minimum payments as of June 30, 2014 are as follows:

Year Ending 30-Jun	Governmental Activities		Business Type Activities	
	Principal	Interest	Principal	Interest
2015	\$ 693,928	\$ 106,194	\$ 126,544	\$ 56,827
2016	624,042	88,229	104,490	52,662
2017	339,512	70,901	97,518	48,440
2018	356,842	57,264	98,789	44,794
2019	127,334	42,923	100,109	41,097
2020-2024	724,063	124,254	234,774	170,904
2025-2029	165,933	31,986	238,495	128,759
2030-2034	42,983	2,186	153,412	83,383
2035-2039	-	-	86,704	63,121
2040-2044	-	-	105,488	44,335
2045-2049	-	-	128,343	21,482
2050-2054	-	-	28,396	1,135
Total	\$ <u>3,074,637</u>	\$ <u>523,937</u>	\$ <u>1,503,062</u>	\$ <u>756,939</u>

General Obligation Indebtedness

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

The County's general obligation bonds payable at June 30, 2014 are comprised of the following individual issues:

Serviced by the County's General Fund:

\$1,523,700 September 2011 Qualified School Construction Bonds due in annual installments varying from \$183,402 to \$107,034; interest at 1.53%. \$ 1,320,540

\$10,880,000 October 2012 refunding School Bond due in annual payments varying from \$105,000 to \$1,730,000 with interest at 1.63%. Final payment is due May 2021. Due to the nature of this debt for noncounty owned property, this is not considered capital debt. 10,575,000
\$ 11,895,540

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

\$9,280,000 October 2012 general obligation refunding water bonds due annually in June beginning in 2013. Payments vary from \$105,000 to \$455,000 with interest averaging 3.7%. Final payment is due June 2041. \$ 8,550,000
\$ 8,550,000

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

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

Year Ending 30-Jun	Governmental Activities		Business Type Activities	
	Principal	Interest	Principal	Interest
2015	\$ 1,831,580	\$ 224,480	\$ 290,000	\$ 326,387
2016	1,816,580	205,186	290,000	317,687
2017	1,746,580	182,580	310,000	306,087
2018	1,686,580	157,386	315,000	293,687
2019	1,626,580	128,155	325,000	281,089
2020-2024	2,882,900	238,192	1,730,000	1,204,838
2025-2029	304,740	32,729	1,885,000	843,837
2030-2034	-	-	1,740,000	499,775
2035-2039	-	-	1,240,000	177,075
2040-2044	-	-	425,000	44,800
Total	\$ 11,895,540	\$ 1,168,708	\$ 8,550,000	\$ 4,295,262

Limited Obligation Bonds

On October 24, 2012, 2013, the County Water District issued individual refunding bonds in the amount of \$9,280,000 for each of the USDA Bonds being refinanced. The County then issued Limited Obligation Bonds ("LOBs") to purchase these bonds. When debt service is due, the water district will remit the debt service payments for their respective bond to the County, who will then remit it to the bondholder. If the district does not pay, the County has the bonds (and the District's ad valorem taxing power for the general obligation bonds) as collateral. The Limited Obligation Bonds are appropriation-backed and require the Board and bi-annual interest payments with a 3.7% average interest rate over the life of the term. As of June 30, 2014, the balance of the bonds was \$8,550,000.

The Water District is a blended component unit of the County. On the fund statements, the amounts owed to the County to make the payments for the LOBs are classified as "Due to the County" in the Water District Fund and as "Due from Water District" in the Water Fund. On the government-wide statements, these amounts are eliminated. Therefore, when Exhibit 1 debt totals are compared to the total debt in the notes, the amount will differ by the amount eliminated for this LOB debt. All of the total 2014 LOB balance of \$8,550,000 is recorded as Due from Water District and is eliminated in Exhibit 1.

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

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

Year Ending 30-Jun	Business Type Activities	
	Principal	Interest
2015	\$ 290,000	\$ 326,387
2016	290,000	317,687
2017	310,000	306,087
2018	315,000	293,687
2019	325,000	281,089
2020-2024	1,730,000	1,204,838
2025-2029	1,885,000	843,837
2030-2034	1,740,000	499,775
2035-2039	1,240,000	177,075
2040-2044	425,000	44,800
Total	\$ 8,550,000	\$ 4,295,262

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

Revenue Bonds

5,991,000 January 2013 water revenue bonds due annually in June; interest at 2.5% Payments vary from \$96,000 to \$241,000 with final payment due June 2052. \$ 5,705,677

\$4,496,000 November 2010 water revenue bonds due in interest only payments for years 2011 and 2012 at 2.25%. Then annual payments will be varying each year, but averaging \$177,000 including interest at 2.25%. Final payment is expected June 2050. 4,247,813
\$ 9,953,490

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

Year Ending 30-Jun	Business Type Activities	
	Principal	Interest
2015	\$ 176,000	\$ 247,471
2016	180,000	243,271
2017	184,000	238,973
2018	189,000	234,581
2019	193,000	230,067
2020-2024	1,037,000	1,078,900
2025-2029	1,167,000	949,102
2030-2034	1,313,000	802,855
2035-2039	1,480,000	566,225
2040-2044	1,663,000	475,600
2045-2049	1,874,000	269,992
2050-2054	497,490	62,645
Total	9,953,490	\$ 5,399,682
Unamortized Premiums	537,055	
Net Carrying Value	\$ 10,490,545	

The County is in compliance with the covenants as to rates, fees and charges in Section 5.01 of the Bond Orders, authorizing the issuance of the Water District Revenue Bonds, Series 2010 (\$4,496,000) and 2012 (\$5,991,000). Sections 5.01(a) of the Bond Orders require the debt service coverage ratio to be no less than 110%. The debt service coverage ratio calculation for the year ended June 30, 2014, is as follows:

Operating revenues	\$ 2,038,275
Operating expenses*	894,093
Operating income	1,144,182
Nonoperating revenues(expenses)**	(298,773)
Income available for debt service	845,409
Debt service, principal and interest paid (Revenue bond only)	585,548
Debt service coverage ratio	144%

* Per rate covenants, this does not include the depreciation expense of \$1,000,071.

** Per rate covenants, this does not include revenue bond interest paid of \$249,225.

The County has pledged future water customer revenues, net of specified operating expenses, to repay \$10,487,000 in water system revenue bonds issued in November 2010 (\$4,496,000) and January 2013(\$5,991,000). Proceeds from the bonds provided financing for the expansion of the water system in two different phases. The bonds are payable solely from water customer net revenues and are payable through 2050 and 2052, respectively. Annual principal and interest payments on the bonds are expected to require 50 percent of net revenues. The total principal and interest remaining to be paid on the bonds is \$15,353,172. Principal and interest paid for the current year and total customer net revenues were \$585,548 and \$845,409, respectively.

At June 30, 2014, Bladen County had no bonds authorized and had a legal debt margin of \$205,949,099.

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

Advance Refunding

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

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

Debt Related to Capital Activities

Of the total Governmental Activities debt listed above, \$10,575,000 relates to assets the County does not hold title to.

Long-Term Obligation Activity

The following is a summary of changes in the County's long-term obligations for the fiscal year ended June 30, 2014:

	Balance July 1, 2013	Increases	Decreases	Unamortized Premiums	Balance June 30, 2014	Current Portion
Governmental Activities:						
General Obligation Debt	\$ 13,707,120	\$ -	\$ (1,811,580)	\$ -	\$ 11,895,540	\$ 1,831,580
Capitalized Leases	-	-	-	-	-	-
Installment Purchases	2,999,882	903,310	(828,555)	-	3,074,637	693,928
* Net Pension Obligation	539,405	64,924	(33,686)	-	570,643	-
* Compensated Absences	1,082,861	484,154	(460,459)	-	1,106,556	484,154
Total Governmental Activities	<u>\$ 18,329,268</u>	<u>\$ 1,452,388</u>	<u>\$ (3,134,280)</u>	<u>\$ -</u>	<u>\$ 16,647,376</u>	<u>\$ 3,009,662</u>

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

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

	Balance July 1, 2013	Increases	Decreases	Amortized Bond Premiums	Balance June 30, 2014	Current Portion
Business-Type Activities:						
Solid Waste						
*Compensated Absences	\$ 25,138	\$ 8,710	\$ (3,322)	\$ -	\$ 30,526	\$ 8,710
Installment Purchases	78,580	-	(38,961)	-	39,619	31,427
Total Solid Waste	103,718	8,710	(42,283)	-	70,145	40,137
Water Fund						
Limited Obligation Bonds	8,825,000	-	(275,000)	-	8,550,000	290,000
Total Water Fund	8,825,000	-	(275,000)	-	8,550,000	290,000
Water District						
Refunding GO Debt	8,825,000	-	(275,000)	-	8,550,000	290,000
Revenue Bonds	10,899,277	-	(363,323)	(45,409)	10,490,545	176,000
Installment Purchases	1,128,962	-	(28,903)	-	1,100,059	30,034
*Compensated Absences	33,268	12,310	(9,847)	-	35,731	12,310
Total Water District	20,886,507	12,310	(677,073)	(45,409)	20,176,335	508,344
Hospital Rental Fund						
Installment Purchases	428,468	-	(65,084)	-	363,384	65,083
Total Hospital	428,468	-	(65,084)	-	363,384	65,083
Total Business-Type Activities per Fund Statements	30,243,693	21,020	(1,059,440)	(45,409)	29,159,864	903,564
Eliminated debt in consolidation of component unit in Exhibit 1.	(8,825,000)	-	275,000	-	(8,550,000)	(290,000)
	\$ 21,418,693	\$ 21,020	\$ (784,440)	\$ (45,409)	\$ 20,609,864	\$ 613,564

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

Fund Balance

Total Fund Balance - General Fund	\$16,938,206
Less:	
Stabilization by State Statute	3,201,305
Public Safety	77,044
4-H	125,782
Tax Revaluation	376,892
Board Assigned	708,051
Appropriated Fund Balance in 2014-2015 Budget	1,680,019
Remaining Fund Balance	\$10,769,113

Interfund Activity

Interfund activity between the Water Fund and Water District present an amount of \$8,550,000 due between the funds. This interfund balance is the result as described in the above Long Term Obligations.

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 \$750,803, \$25,000 and \$5,000 to the community college for operating, capital and scholarship purposes, respectively, during the fiscal year ending June 30, 2014. 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, 2014. 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.

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

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 \$15,157 and miscellaneous fees related to the Division of Aging in the amount of \$2,520 to the Council during the fiscal year ended June 30, 2014. The County was the sub recipient of a grant for \$382,226 from the U.S. Department of Health and Human Services and the Division of Aging of the North Carolina Department of Human Resources that was passed through the council. The County paid the COG \$12,000 in fees associated with the Communities Development Block Grants.

NOTE 5: Benefit Payments Issued by the State

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

	<u>Federal</u>	<u>State</u>
Medicaid	\$ 40,470,588	\$ 22,647,634
NC Health Choice	751,470	236,923
TANF and Work First Benefits	473,940	-
WIC	665,240	-
Adoption Assistance	101,453	26,473
IV-E Foster Care	25,184	9,576
CWS Adoption Subsidy	-	37,614
State Foster Home	-	2,344
Adult Special Assistance	-	430,030
	<u>\$ 42,487,875</u>	<u>\$ 23,390,594</u>

NOTE 6: Summary Disclosure of Significant Commitments and Contingencies

Federal and State Assisted Programs

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

NOTE 7: Revenue – Governmental Fund

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

BLADEN COUNTY, NORTH CAROLINA
Notes to the Financial Statements

Year Ending 30-Jun	Principal
2015	\$ 101,580
2016	101,580
2017	101,580
2018	101,580
2019	101,580
2020-2024	507,900
2025-2029	304,740
	<u>\$ 1,320,540</u>

Revenue – Enterprise Fund

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

Year Ending 30-Jun	Principal	Interest	Total Rent
2015	\$ 65,084	\$ 12,175	\$ 77,259
2016	65,084	9,799	74,883
2017	65,084	7,424	72,508
2018	65,084	5,048	70,132
2019	65,084	2,672	67,756
2020-2024	37,964	461	38,425
	<u>\$ 363,384</u>	<u>\$ 37,579</u>	<u>\$ 400,963</u>

NOTE 8: Pending GASB Statements

Statement No. 68 Accounting and Financial Reporting for Pensions-an amendment of GASB Statement No. 27 will be effective in the fiscal year ending June 30, 2015.

Statement No. 69 Government Combinations and Disposals of Government Operations will be effective in the fiscal year ending June 30, 2015.

Statement No. 71 Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68 will be effective in the fiscal year ending June 30, 2015.

Management has not currently determined what, if any, impact implementation of the above statements may have on the future financial statements of the County

NOTE 9: Subsequent Events

Management has evaluated subsequent events through December 31, 2014, the date which the financial statements were available for issue.

Bladen County
Page intentionally left blank

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%
12/31/2011	-	628,244	628,244	0.0%	1,892,314	33.20%
12/31/2012	-	678,359	678,359	0.0%	1,839,185	36.88%
12/31/2013	-	725,747	725,747	0.0%	2,000,397	36.28%

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

Year Ended June 30,	Annual Required Contribution	Percentage Contributed	Net Pension Obligation End of Year
2012	67,811	67.57%	506,025
2013	71,447	53.28%	539,405
2014	64,924	51.89%	570,643

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	12/31/2013
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percent of Pay Closed
Remaining Amortization Period	18 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
Page intentionally left blank

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, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Revenues:			
Ad Valorem Taxes:			
Taxes		\$ 20,205,785	
Penalties and Interest		525,534	
Total	\$ <u>19,593,353</u>	<u>20,731,319</u>	\$ <u>1,137,966</u>
Local Option Sales Taxes:			
Article 39		1,668,438	
Article 40		1,779,641	
Article 42		1,014,514	
Article 44		1,082	
Total	<u>3,850,227</u>	<u>4,463,675</u>	<u>613,448</u>
Other Taxes and Licenses:			
Privilege Licenses		3,269	
Real Estate Transaction Tax		106,767	
Total	<u>101,381</u>	<u>110,036</u>	<u>8,655</u>
Restricted Intergovernmental:			
State and Federal Grants		8,306,323	
ABC Tax		4,547	
Facilities Fees		59,691	
Total	<u>8,458,320</u>	<u>8,370,561</u>	<u>(87,759)</u>
Permits and Fees:			
Building Permits and Inspection Fees		143,748	
Other Permits		40,610	
Register of Deeds		123,087	
Gun Permits		4,081	
Total	<u>265,740</u>	<u>311,526</u>	<u>45,786</u>
Sales and Services:			
Rent and Concessions		494,159	
Jail and Inmate Fees		52,578	
Administrative Fees		200,000	
Fees - Health Department		1,069,675	
Data Processing, Mapping, Tax Notices		40,119	
Recreation Fees		65,021	
Court Costs, Fees & Charges		64,991	
Miscellaneous Fees		58,075	
Library Fines, Fees, Contributions		21,933	
Environmental Health Fees		29,161	
Soil Conservation - Ad Sales		4,040	
Billing for EMS		2,230,567	
Economic Development Reimbursements			
Motor Pool Reimbursements		228,290	

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, 2014

	Budget	Actual	Positive (Negative)
Sheriff Reimbursements		408,700	
Total	5,316,135	4,967,309	(348,826)
Investment Earnings	15,100	10,241	(4,859)
Miscellaneous:			
Sale of Assets/Insurance Claims		359,657	
VIPER Payments		46,151	
Miscellaneous		2,546	
Total	222,286	408,354	186,068
 TOTAL REVENUES	 37,822,542	 39,373,021	 1,550,479
Expenditures:			
General Government:			
Governing Body:			
Salaries		82,402	
Employee Benefits		10,501	
Capital Outlay		-	
Insurance and Bonds		545,573	
Other Operating Expenditures		212,078	
Special Appropriation		58,160	
Total	976,126	908,714	67,412
Administration:			
Salaries		135,116	
Employee Benefits		36,734	
Capital Outlay		-	
Other Operating Expenditures		13,815	
Total	186,492	185,665	827
Personnel & Workplace Safety:			
Salaries		95,375	
Employee Benefits		30,892	
Capital Outlay		-	
Other Operating Expenditures		10,350	
Total	167,025	136,617	30,408
Planning and Community Development:			
Salaries		71,899	
Employee Benefits		22,074	
Capital Outlay		-	
Other Operating Expenditures		5,424	
Total	104,390	99,397	4,993

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, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Elections:			
Salaries		117,696	
Employee Benefits		39,074	
Capital Outlay		-	
Contracted Services		73,682	
Other Operating Expenditures		48,312	
Total	<u>294,549</u>	<u>278,764</u>	<u>15,785</u>
Finance:			
Salaries		196,556	
Employee Benefits		63,126	
Capital Outlay		14,869	
Other Operating Expenditures		63,579	
Total	<u>341,502</u>	<u>338,130</u>	<u>3,372</u>
Taxes:			
Salaries		234,165	
Employee Benefits		78,364	
Capital Outlay		-	
Other Operating Expenditures		123,281	
Contracted Services		53,510	
Total	<u>507,994</u>	<u>489,320</u>	<u>18,674</u>
Data Processing:			
Salaries		50,447	
Employee Benefits		15,769	
Capital Outlay		-	
Other Operating Expenditures		80,182	
Total	<u>158,447</u>	<u>146,398</u>	<u>12,049</u>
Mapping:			
Salaries		12,171	
Employee Benefits		5,288	
Capital Outlay		-	
Other Operating Expenditures		16,596	
Total	<u>45,488</u>	<u>34,055</u>	<u>11,433</u>
Register of Deeds:			
Salaries		134,811	
Employee Benefits		45,776	
Capital Outlay		-	
Other Operating Expenditures		130,928	
Total	<u>318,550</u>	<u>311,515</u>	<u>7,035</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, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Operational Services:			
Central Services and Administration:			
Salaries		169,729	
Employee Benefits		59,099	
Capital Outlay		45,676	
Other Operating Expenditures		390,164	
Contracted Services		38,888	
Total	<u>710,050</u>	<u>703,556</u>	<u>6,494</u>
Court Facilities:			
Capital Outlay		-	
Other Operating Expenditures		5,955	
Total	<u>45,100</u>	<u>5,955</u>	<u>39,145</u>
Central Services - Vehicle Maintenance:			
Salaries		70,805	
Employee Benefits		24,123	
Capital Outlay		-	
Other Operating Expenditures		694,936	
Total	<u>811,977</u>	<u>789,864</u>	<u>22,113</u>
Housekeeping:			
Salaries		154,675	
Employee Benefits		66,972	
Capital Outlay		-	
Other Operating Expenditures		33,091	
Total	<u>261,320</u>	<u>254,738</u>	<u>6,582</u>
Total General Government	<u>4,929,010</u>	<u>4,682,688</u>	<u>246,322</u>
Public Safety:			
Sheriff:			
Salaries		2,058,245	
Employee Benefits		813,918	
Capital Outlay		182,631	
Contracted Services		31,864	
Other Operating Expenditures		173,857	
Total	<u>3,355,413</u>	<u>3,260,515</u>	<u>94,898</u>
Communications:			
Salaries		352,368	
Employee Benefits		127,804	
Capital Outlay		-	
Other Operating Expenditures		6,437	
Total	<u>494,563</u>	<u>486,609</u>	<u>7,954</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, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Jail:			
Salaries		657,937	
Employee Benefits		241,570	
Capital Outlay		18,500	
Contracted Services		1,800	
Other Operating Expenditures		661,153	
Total	<u>1,663,160</u>	<u>1,580,960</u>	<u>82,200</u>
Pre Trial Release			
Salaries		40,359	
Employee Benefits		15,126	
Capital Outlay		-	
Other Operating Expenditures		32,868	
Total	<u>91,440</u>	<u>88,353</u>	<u>3,087</u>
Animal Control:			
Salaries		116,507	
Employee Benefits		44,918	
Capital Outlay		-	
Other Operating Expenditures		66,256	
Total	<u>244,778</u>	<u>227,681</u>	<u>17,097</u>
Emergency Management:			
Salaries		109,663	
Employee Benefits		35,451	
Capital Outlay		66,148	
Other Operating Expenditures		60,958	
Total	<u>283,526</u>	<u>272,220</u>	<u>11,306</u>
Rescue Squads:			
Salaries		1,413,964	
Employee Benefits		400,279	
Capital Outlay		255,323	
Contracted Services		183,458	
Bad Debts		-	
Other Operating Expenditures		865,681	
Total	<u>3,352,382</u>	<u>3,118,705</u>	<u>233,677</u>
Inspection:			
Salaries		120,962	
Employee Benefits		40,752	
Capital Outlay		-	
Other Operating Expenditures		13,066	
Total	<u>178,250</u>	<u>174,780</u>	<u>3,470</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, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Coroner:			
Salaries		5,068	
Employee Benefits		617	
Professional Services		-	
Other Operating Expenditures		18,175	
Total	<u>28,688</u>	<u>23,860</u>	<u>4,828</u>
Special Appropriations:			
Aviation		-	
Forest Services		114,437	
Storm Preparation		2,695	
Beaver Control		5,200	
Total	<u>163,261</u>	<u>122,332</u>	<u>40,929</u>
Total Public Safety	<u>9,855,461</u>	<u>9,356,015</u>	<u>499,446</u>
Economic and Physical Development:			
Economic Development			
Salaries		113,064	
Employee Benefits		33,279	
Other Operating Expenditures		577,850	
Special Appropriations		-	
Capital Outlay		-	
Total	<u>731,698</u>	<u>724,193</u>	<u>7,505</u>
Agricultural Extension:			
Salaries		137,704	
Employee Benefits		44,725	
Capital Outlay		-	
Other Operating Expenditures		22,486	
Total	<u>215,035</u>	<u>204,915</u>	<u>10,120</u>
Soil Conservation:			
Salaries		74,653	
Employee Benefits		26,086	
Capital Outlay		-	
Other Operating Expenditures		15,719	
Total	<u>130,798</u>	<u>116,458</u>	<u>14,340</u>
Special Appropriations:			
Airport Contribution		40,000	
Total	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Total Economic and Physical Dev.	<u>1,117,531</u>	<u>1,085,566</u>	<u>31,965</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, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Human services:			
Health:			
Administration:			
Salaries		356,169	
Employee Benefits		118,968	
Capital Outlay		59,316	
Professional Services		-	
Other Operating Expenditures		114,734	
Total	<u>730,375</u>	<u>649,187</u>	<u>81,188</u>
Environmental Services:			
Salaries		143,626	
Employee Benefits		47,930	
Capital Outlay		-	
Other Operating Expenditures		6,983	
Total	<u>203,616</u>	<u>198,539</u>	<u>5,077</u>
Women, Infants, and Children:			
Salaries		153,542	
Employee Benefits		57,861	
Capital Outlay		-	
Other Operating Expenditures		8,566	
Total	<u>260,929</u>	<u>219,969</u>	<u>40,960</u>
Bio-Terrorism:			
Salaries		24,435	
Employee Benefits		7,693	
Other Operating Expenditures		3,042	
Capital Outlay		-	
Total	<u>35,742</u>	<u>35,170</u>	<u>572</u>
Family Planning:			
Salaries		166,017	
Employee Benefits		56,974	
Capital Outlay		-	
Other Operating Expenditures		72,227	
Total	<u>336,297</u>	<u>295,218</u>	<u>41,079</u>
Maternal:			
Salaries		180,240	
Employee Benefits		64,009	
Capital Outlay		-	
Professional Services		-	
Other Operating Expenditures		26,911	
Total	<u>327,076</u>	<u>271,160</u>	<u>55,916</u>

Bladen County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Tuberculosis:			
Salaries		12,217	
Employee Benefits		3,843	
Capital Outlay		-	
Other Operating Expenditures		8,623	
Total	<u>27,259</u>	<u>24,683</u>	<u>2,576</u>
Child Health			
Salaries		154,621	
Employee Benefits		52,755	
Capital Outlay		-	
Other Operating Expenditures		12,922	
Total	<u>225,760</u>	<u>220,298</u>	<u>5,462</u>
Care Management			
Salaries		97,726	
Employee Benefits		33,820	
Capital Outlay		-	
Other Operating Expenditures		6,453	
Total	<u>165,396</u>	<u>137,999</u>	<u>27,397</u>
Health Check and Promotion:			
Salaries		67,698	
Employee Benefits		23,656	
Capital Outlay		-	
Other Operating Expenditures		10,183	
Total	<u>137,917</u>	<u>101,537</u>	<u>36,380</u>
Home Health:			
Salaries		470,129	
Employee Benefits		158,892	
Contracted Services		9,393	
Professional Services		-	
Capital Outlay		-	
Other Operating Expenditures		285,496	
Total	<u>1,018,108</u>	<u>923,910</u>	<u>94,198</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, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Young Families Connect:			
Salaries		23,429	
Employee Benefits		8,442	
Capital Outlay		-	
Other Operating Expenditures		29,081	
Total	<u>71,000</u>	<u>60,952</u>	<u>10,048</u>
 H-CHAP			
Salaries		25,145	
Employee Benefits		8,768	
Capital Outlay		-	
Other Operating Expenditures		26,056	
Total	<u>94,626</u>	<u>59,969</u>	<u>34,657</u>
 H-CAP			
Salaries		169,441	
Employee Benefits		54,577	
Capital Outlay		-	
Other Operating Expenditures		50,728	
Total	<u>321,930</u>	<u>274,746</u>	<u>47,184</u>
 Mental Health:			
Mental Health Expense		53,272	
Capital Outlay		-	
Total	<u>53,273</u>	<u>53,272</u>	<u>1</u>
 School Health	250,000	250,000	-
H-IAP	27,194	26,505	689
Communicable Diseases	<u>12,200</u>	<u>10,028</u>	<u>2,172</u>
 Extension Services			
Grants:			
Salaries		58,489	
Employee Benefits		22,247	
Capital Outlay		-	
Juvenile Services		13,521	
Other Operating Expenditures		56,203	
Total	<u>154,937</u>	<u>150,460</u>	<u>4,477</u>
 Total Health	<u>4,453,635</u>	<u>3,963,602</u>	<u>490,033</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, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Social services:			
Salaries		3,179,405	
Employee Benefits		1,080,252	
Capital Outlay		357,277	
Professional Services		175,046	
Other Operating Expenditures		1,260,201	
Total	<u>6,294,586</u>	<u>6,052,181</u>	<u>242,405</u>
Public Assistance:	<u>1,738,544</u>	<u>1,673,523</u>	<u>65,021</u>
Total Social Services	<u>8,033,130</u>	<u>7,725,704</u>	<u>307,426</u>
Senior Citizens:			
Salaries		471,858	
Employee Benefits		169,903	
Capital Outlay		47,914	
Other Operating Expenditures		216,874	
Total	<u>956,064</u>	<u>906,549</u>	<u>49,515</u>
Veterans service officer:			
Salaries		14,804	
Employee Benefits		1,192	
Capital Outlay		-	
Other Operating Expenditures		1,793	
Total	<u>21,404</u>	<u>17,789</u>	<u>3,615</u>
Total Human Services	<u>13,464,233</u>	<u>12,613,644</u>	<u>850,589</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, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Cultural and Recreational:			
Recreation:			
Salaries		130,397	
Employee Benefits		40,157	
Capital Outlay		133,577	
Contracted Services		7,994	
Other Operating Expenditures		80,529	
Total	<u>657,986</u>	<u>392,654</u>	<u>265,332</u>
Library:			
Salaries		327,244	
Employee Benefits		119,168	
Capital Outlay		-	
Other Operating Expenditures		104,772	
Total	<u>572,552</u>	<u>551,184</u>	<u>21,368</u>
Special Appropriations:			
Veteran Memorial Project	28,365	28,365	-
Other Charitable Organizations	5,675	4,800	875
Total Cultural and Recreational	<u>1,264,578</u>	<u>977,003</u>	<u>287,575</u>
Education:			
Public Schools:			
Current Expense		6,182,245	
Capital Outlay		52,640	
Special Projects		7,725	
1/2 Cent Paid to Schools		158,546	
Additional 1/2 Cent Paid to Schools		263,364	
Community Colleges:			
Current Expense		750,803	
Capital Outlay		25,000	
Scholarship		5,000	
Total Education	<u>7,655,454</u>	<u>7,445,323</u>	<u>210,131</u>
Debt Service:			
Principal Retirement		2,640,135	
Interest and Fees		403,894	
Total Debt Service	<u>3,091,299</u>	<u>3,044,029</u>	<u>47,270</u>
TOTAL EXPENDITURES	<u>41,377,566</u>	<u>39,204,268</u>	<u>2,173,298</u>
Revenues over(under) Expenditures	<u>(3,555,024)</u>	<u>168,753</u>	<u>3,723,777</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, 2014

	<u>Budget</u>	<u>Actual</u>	Positive (Negative)
Other financing sources (uses):			
Issuance of Installment Purchases	1,053,370	903,310	(150,060)
Fund Balance Appropriated	2,501,654	-	(2,501,654)
Transfers (to)/from Other Funds:			
Re-Assessment Fund	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>3,505,024</u>	<u>853,310</u>	<u>(2,651,714)</u>
Net Change In Fund Balance	\$ <u><u>(50,000)</u></u>	1,022,063	\$ <u><u>1,072,063</u></u>
Fund Balance, Beginning		15,539,251	
Fund Balance, Ending		<u><u>\$ 16,561,314</u></u>	

Bladen County, North Carolina
Re-Valuation Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Investment Earnings	\$ <u> -</u>	\$ <u> 59</u>	\$ <u> 59</u>
Expenditures:			
General Government			
Salaries		-	
Employee Benefits		-	
Operating Supplies		-	
Contracted Services		354,122	
Capital Outlay		-	
Total Expenditures	<u>354,122</u>	<u>354,122</u>	<u> -</u>
Revenues Over (Under) Expenditures	<u>(354,122)</u>	<u>(354,063)</u>	<u> 59</u>
Other Financing Sources (Uses):			
Transfers from General Fund	<u>50,000</u>	<u>50,000</u>	<u> -</u>
Total Other Financing Sources (Uses)	<u>50,000</u>	<u>50,000</u>	<u> -</u>
Revenues and Other Financing Sources Over (Under) Uses	<u>(304,122)</u>	<u>(304,063)</u>	<u> 59</u>
Fund Balance Appropriated	<u>304,122</u>	<u> -</u>	<u>(304,122)</u>
Net Change In Fund Balance	\$ <u> -</u>	(304,063)	\$ <u>(304,063)</u>
Fund Balance, Beginning		<u>680,955</u>	
Fund Balance, Ending		\$ <u><u>376,892</u></u>	

Bladen County, North Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2014

	Fire District Funds(Combined)	Emergency Telephone System Fund	CDBG Grant	Totals June 30, 2014
Assets:				
Cash and Cash Equivalents	\$ 2,692,871	\$ -	\$ -	\$ 2,692,871
Restricted Cash	-	224,926	-	224,926
Accounts Receivable	76,004	197,383	-	273,387
Taxes Receivable (Net)	241,932	-	-	241,932
Total Assets	<u>\$ 3,010,807</u>	<u>\$ 422,309</u>	<u>\$ -</u>	<u>\$ 3,433,116</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable and Accrued Liabilities	\$ 429	\$ 8,327	\$ -	\$ 8,756
Due to Other Funds	-	-	-	-
Total Liabilities	<u>429</u>	<u>8,327</u>	<u>-</u>	<u>8,756</u>
Deferred Inflows				
Deferred Revenues	241,932	-	-	241,932
Total Deferred Inflows of Resources	<u>241,932</u>	<u>-</u>	<u>-</u>	<u>241,932</u>
Fund Balances:				
Restricted				
Stabilization by State Statute	76,004	197,383	-	273,387
Public Safety	-	216,599	-	216,599
Fire Protection	2,692,442	-	-	2,692,442
Committed				
Economic Development	-	-	-	-
Assigned				
Subsequent Year's Expenditures	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>2,768,446</u>	<u>413,982</u>	<u>-</u>	<u>3,182,428</u>
Total Liabilities and Fund Balances	<u>\$ 3,010,807</u>	<u>\$ 422,309</u>	<u>\$ -</u>	<u>\$ 3,433,116</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, 2014

	Fire District Fund(All)	Emergency Telephone System Fund	CDBG NC Tomorrow Grant	Totals June 30, 2014
Revenues:				
Ad Valorem Taxes	\$ 1,107,993	\$ -	\$ -	\$ 1,107,993
Investment Earnings	427	49	-	476
Sales Tax Revenue	258,901	-	-	258,901
Restricted Intergovernmental	-	175,515	278,005	453,520
Other Taxes and Licenses				
Emerg. Telephone System Chgs	-	283,849	-	283,849
Rent	-	-	-	-
Miscellaneous	-	6,980	-	6,980
Total revenues	<u>1,367,321</u>	<u>466,393</u>	<u>278,005</u>	<u>2,111,719</u>
Expenditures:				
Current:				
Public Safety	1,180,516	376,094	-	1,556,610
General Government	-	-	-	-
Cultural and Recreational	-	-	-	-
Education	-	-	-	-
Debt Service	-	-	-	-
Economic and Physical Development	-	-	278,005	278,005
Total Expenditures	<u>1,180,516</u>	<u>376,094</u>	<u>278,005</u>	<u>1,834,615</u>
Revenues Over (Under) Expenditures	<u>186,805</u>	<u>90,299</u>	<u>-</u>	<u>277,104</u>
Other Financing Sources:				
Operating Transfers In	-	-	-	-
Operating Transfers (Out)	-	-	-	-
Proceeds from Installment Loan	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change In Fund Balance	186,805	90,299	-	277,104
Fund Balance, Beginning	<u>2,581,641</u>	<u>323,683</u>	<u>-</u>	<u>2,905,324</u>
Fund Balance, Ending	<u>\$ 2,768,446</u>	<u>\$ 413,982</u>	<u>\$ -</u>	<u>\$ 3,182,428</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, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 1,107,993	
Sales Tax Revenue		258,901	
Investment Earnings		427	
Total Revenues	\$ <u>945,676</u>	<u>1,367,321</u>	\$ <u>421,645</u>
Expenditures:			
Public Safety:			
Operating Expenses		145,100	
Professional Services		-	
Miscellaneous		275,158	
Contracted Services		760,258	
Total Public Safety	<u>1,214,252</u>	<u>1,180,516</u>	<u>33,736</u>
Total Expenditures	1,214,252	1,180,516	33,736
Revenues Over (Under) Expenditures	<u>(268,576)</u>	<u>186,805</u>	<u>455,381</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(268,576)	186,805	455,381
Fund Balance Appropriated	<u>268,576</u>	<u>-</u>	<u>(268,576)</u>
Net Change In Fund Balance	\$ <u><u>-</u></u>	186,805	\$ <u><u>186,805</u></u>
Fund Balance, Beginning		<u>2,581,641</u>	
Fund Balance, Ending		\$ <u><u>2,768,446</u></u>	

Bladen County, North Carolina
Fire District Fund - Tobermory
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 54,404	
Sales Tax Revenue		17,497	
Investment Earnings		22	
Total Revenues	<u>\$ 64,359</u>	<u>71,923</u>	<u>\$ 7,564</u>
Expenditures:			
Public Safety:			
Operating Expenses		32,531	
Professional Services		-	
Miscellaneous		-	
Contracted Services		43,757	
Total Public Safety	<u>76,325</u>	<u>76,288</u>	<u>37</u>
Total Expenditures	76,325	76,288	37
Revenues Over (Under) Expenditures	<u>(11,966)</u>	<u>(4,365)</u>	<u>7,601</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(11,966)	(4,365)	7,601
Fund Balance Appropriated	<u>11,966</u>	<u>-</u>	<u>(11,966)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>(4,365)</u>	<u>\$ (4,365)</u>
Fund Balance, Beginning		<u>130,697</u>	
Fund Balance, Ending		<u>\$ 126,332</u>	

Bladen County, North Carolina
Fire District Funds - Ammon
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 54,131	
Sales Tax Revenue		13,228	
Investment Earnings		33	
Total Revenues	<u>\$ 51,462</u>	<u>67,392</u>	<u>\$ 15,930</u>
Expenditures:			
Public Safety:			
Operating Expenses		107	
Professional Services		-	
Miscellaneous		-	
Contracted Services		53,140	
Total Public Safety	<u>55,000</u>	<u>53,247</u>	<u>1,753</u>
Total Expenditures	55,000	53,247	1,753
Revenues Over (Under) Expenditures	<u>(3,538)</u>	<u>14,145</u>	<u>17,683</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(3,538)	14,145	17,683
Fund Balance Appropriated	<u>3,538</u>	<u>-</u>	<u>(3,538)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>14,145</u>	<u>\$ 14,145</u>
Fund Balance, Beginning		<u>200,066</u>	
Fund Balance, Ending		<u>\$ 214,211</u>	

Bladen County, North Carolina
Fire District Fund - Clarkton
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 65,381	
Sales Tax Revenue		13,898	
Investment Earnings		13	
Total Revenues	<u>\$ 53,331</u>	<u>79,292</u>	<u>\$ 25,961</u>
Expenditures:			
Public Safety:			
Operating Expenses		12,971	
Professional Services		-	
Miscellaneous		-	
Contracted Services		51,302	
Total Public Safety	<u>66,307</u>	<u>64,273</u>	<u>2,034</u>
Total Expenditures	66,307	64,273	2,034
Revenues Over (Under) Expenditures	<u>(12,976)</u>	<u>15,019</u>	<u>27,995</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(12,976)	15,019	27,995
Fund Balance Appropriated	<u>12,976</u>	<u>-</u>	<u>(12,976)</u>
Net Change In Fund Balance	<u>\$ -</u>	15,019	<u>\$ 15,019</u>
Fund Balance, Beginning		<u>58,314</u>	
Fund Balance, Ending		<u>\$ 73,333</u>	

Bladen County, North Carolina
Fire District Fund - East Arcadia
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 31,257	
Sales Tax Revenue		6,027	
Investment Earnings		15	
Total Revenues	<u>\$ 26,158</u>	<u>37,299</u>	<u>\$ 11,141</u>
Expenditures:			
Public Safety:			
Operating Expenses		6,420	
Professional Services		-	
Miscellaneous		-	
Contracted Services		19,787	
Total Public Safety	<u>26,208</u>	<u>26,207</u>	<u>1</u>
Total Expenditures	26,208	26,207	1
Revenues Over (Under) Expenditures	<u>(50)</u>	<u>11,092</u>	<u>11,142</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(50)	11,092	11,142
Fund Balance Appropriated	<u>50</u>	<u>-</u>	<u>(50)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>11,092</u>	<u>\$ 11,092</u>
Fund Balance, Beginning		<u>78,232</u>	
Fund Balance, Ending		<u>\$ 89,324</u>	

Bladen County, North Carolina
Fire District Fund - Hickory Grove
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 46,178	
Sales Tax Revenue		10,252	
Investment Earnings		12	
Total Revenues	<u>\$ 39,667</u>	<u>56,442</u>	<u>\$ 16,775</u>
Expenditures:			
Public Safety:			
Operating Expenses		5,713	
Professional Services		-	
Miscellaneous		-	
Contracted Services		41,545	
Total Public Safety	<u>48,146</u>	<u>47,258</u>	<u>888</u>
Total Expenditures	48,146	47,258	888
Revenues Over (Under) Expenditures	<u>(8,479)</u>	<u>9,184</u>	<u>17,663</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(8,479)	9,184	17,663
Fund Balance Appropriated	<u>8,479</u>	<u>-</u>	<u>(8,479)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>9,184</u>	<u>\$ 9,184</u>
Fund Balance, Beginning		<u>48,500</u>	
Fund Balance, Ending		<u>\$ 57,684</u>	

Bladen County, North Carolina
Fire District Fund - Kelly
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 40,641	
Sales Tax Revenue		10,101	
Investment Earnings		13	
Total Revenues	<u>\$ 38,231</u>	<u>50,755</u>	<u>\$ 12,524</u>
Expenditures:			
Public Safety:			
Operating Expenses		80	
Professional Services		-	
Miscellaneous		25,000	
Contracted Services		39,860	
Total Public Safety	<u>64,940</u>	<u>64,940</u>	<u>-</u>
Total Expenditures	64,940	64,940	-
Revenues Over (Under) Expenditures	<u>(26,709)</u>	<u>(14,185)</u>	<u>12,524</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(26,709)	(14,185)	12,524
Fund Balance Appropriated	<u>26,709</u>	<u>-</u>	<u>(26,709)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>(14,185)</u>	<u>\$ (14,185)</u>
Fund Balance, Beginning		<u>99,015</u>	
Fund Balance, Ending		<u>\$ 84,830</u>	

Bladen County, North Carolina
Fire District Fund - White Lake
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 39,969	
Sales Tax Revenue		9,006	
Investment Earnings		14	
Total Revenues	<u>\$ 34,035</u>	<u>48,989</u>	<u>\$ 14,954</u>
Expenditures:			
Public Safety:			
Operating Expenses		95	
Professional Services		-	
Miscellaneous		-	
Contracted Services		36,623	
Total Public Safety	<u>36,723</u>	<u>36,718</u>	<u>5</u>
Total Expenditures	36,723	36,718	5
Revenues Over (Under) Expenditures	<u>(2,688)</u>	<u>12,271</u>	<u>14,959</u>
Other Financing Sources (Uses):			
Transfer to General Fund		-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(2,688)	12,271	14,959
Fund Balance Appropriated	<u>2,688</u>	<u>-</u>	<u>(2,688)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>12,271</u>	<u>\$ 12,271</u>
Fund Balance, Beginning		<u>65,798</u>	
Fund Balance, Ending		<u>\$ 78,069</u>	

Bladen County, North Carolina
Fire District Fund - White Oak
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 54,541	
Sales Tax Revenue		13,851	
Investment Earnings		21	
Total Revenues	<u>\$ 50,397</u>	<u>68,413</u>	<u>\$ 18,016</u>
Expenditures:			
Public Safety:			
Operating Expenses		140	
Professional Services		-	
Miscellaneous		35,000	
Contracted Services		50,377	
Total Public Safety	<u>85,517</u>	<u>85,517</u>	<u>-</u>
Total Expenditures	85,517	85,517	-
Revenues Over (Under) Expenditures	<u>(35,120)</u>	<u>(17,104)</u>	<u>18,016</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(35,120)	(17,104)	18,016
Fund Balance Appropriated	<u>35,120</u>	<u>-</u>	<u>(35,120)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>(17,104)</u>	<u>\$ (17,104)</u>
Fund Balance, Beginning		<u>251,260</u>	
Fund Balance, Ending		<u>\$ 234,156</u>	

Bladen County, North Carolina
Fire District Fund - Tar Heel
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 138,014	
Sales Tax Revenue		27,589	
Investment Earnings		48	
Total Revenues	<u>\$ 107,915</u>	<u>165,651</u>	<u>\$ 57,736</u>
Expenditures:			
Public Safety:			
Operating Expenses		4,905	
Professional Services		-	
Miscellaneous		-	
Contracted Services		112,900	
Total Public Safety	<u>117,806</u>	<u>117,805</u>	<u>1</u>
Total Expenditures	117,806	117,805	1
Revenues Over (Under) Expenditures	<u>(9,891)</u>	<u>47,846</u>	<u>57,737</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(9,891)	47,846	57,737
Fund Balance Appropriated	<u>9,891</u>	<u>-</u>	<u>(9,891)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>47,846</u>	<u>\$ 47,846</u>
Fund Balance, Beginning		<u>181,308</u>	
Fund Balance, Ending		<u>\$ 229,154</u>	

Bladen County, North Carolina
Fire District Fund - Bladenboro
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 124,771	
Sales Tax Revenue		29,865	
Investment Earnings		71	
Total Revenues	<u>\$ 117,935</u>	<u>154,707</u>	<u>\$ 36,772</u>
Expenditures:			
Public Safety:			
Operating Expenses		26,639	
Professional Services		-	
Miscellaneous		45,000	
Contracted Services		-	
Total Public Safety	<u>118,285</u>	<u>71,639</u>	<u>46,646</u>
Total Expenditures	118,285	71,639	46,646
Revenues Over (Under) Expenditures	<u>(350)</u>	<u>83,068</u>	<u>83,418</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(350)	83,068	83,418
Fund Balance Appropriated	<u>350</u>	<u>-</u>	<u>(350)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>83,068</u>	<u>\$ 83,068</u>
Fund Balance, Beginning		<u>419,129</u>	
Fund Balance, Ending		<u>\$ 502,197</u>	

Bladen County, North Carolina
Fire District Fund - Carvers Creek
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 39,558	
Sales Tax Revenue		10,923	
Investment Earnings		13	
Total Revenues	<u>\$ 38,137</u>	<u>50,494</u>	<u>\$ 12,357</u>
Expenditures:			
Public Safety:			
Operating Expenses		74	
Professional Services		-	
Miscellaneous		50,000	
Contracted Services		38,849	
Total Public Safety	<u>88,949</u>	<u>88,923</u>	<u>26</u>
Total Expenditures	88,949	88,923	26
Revenues Over (Under) Expenditures	<u>(50,812)</u>	<u>(38,429)</u>	<u>12,383</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(50,812)	(38,429)	12,383
Fund Balance Appropriated	<u>50,812</u>	<u>-</u>	<u>(50,812)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>(38,429)</u>	<u>\$ (38,429)</u>
Fund Balance, Beginning		<u>106,703</u>	
Fund Balance, Ending		<u>\$ 68,274</u>	

Bladen County, North Carolina
Fire District Fund - Lisbon
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 79,935	
Sales Tax Revenue		18,791	
Investment Earnings		45	
Total Revenues	<u>\$ 76,021</u>	<u>98,771</u>	<u>\$ 22,750</u>
Expenditures:			
Public Safety:			
Operating Expenses		2,407	
Professional Services		-	
Miscellaneous		-	
Contracted Services		66,021	
Total Public Safety	<u>76,697</u>	<u>68,428</u>	<u>8,269</u>
Total Expenditures	76,697	68,428	8,269
Revenues Over (Under) Expenditures	<u>(676)</u>	<u>30,343</u>	<u>31,019</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(676)	30,343	31,019
Fund Balance Appropriated	<u>676</u>	<u>-</u>	<u>(676)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>30,343</u>	<u>\$ 30,343</u>
Fund Balance, Beginning		<u>136,939</u>	
Fund Balance, Ending		<u>\$ 167,282</u>	

Bladen County, North Carolina
Fire District Fund - Elizabethtown
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 126,542	
Sales Tax Revenue		24,708	
Investment Earnings		25	
Total Revenues	<u>\$ 89,536</u>	<u>151,275</u>	<u>\$ 61,739</u>
Expenditures:			
Public Safety:			
Operating Expenses		250	
Professional Services		-	
Miscellaneous		2,200	
Contracted Services		90,916	
Total Public Safety	<u>93,366</u>	<u>93,366</u>	<u>-</u>
Total Expenditures	93,366	93,366	-
Revenues Over (Under) Expenditures	<u>(3,830)</u>	<u>57,909</u>	<u>61,739</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(3,830)	57,909	61,739
Fund Balance Appropriated	<u>3,830</u>	<u>-</u>	<u>(3,830)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>57,909</u>	<u>\$ 57,909</u>
Fund Balance, Beginning		<u>189,372</u>	
Fund Balance, Ending		<u>\$ 247,281</u>	

Bladen County, North Carolina
Fire District Fund - Dublin
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 114,117	
Sales Tax Revenue		27,745	
Investment Earnings		54	
Total Revenues	<u>\$ 91,745</u>	<u>141,916</u>	<u>\$ 50,171</u>
Expenditures:			
Public Safety:			
Operating Expenses		383	
Professional Services		-	
Miscellaneous		91,335	
Contracted Services		50,274	
Total Public Safety	<u>180,624</u>	<u>141,992</u>	<u>38,632</u>
Total Expenditures	180,624	141,992	38,632
Revenues Over (Under) Expenditures	<u>(88,879)</u>	<u>(76)</u>	<u>88,803</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(88,879)	(76)	88,803
Fund Balance Appropriated	<u>88,879</u>	<u>-</u>	<u>(88,879)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>(76)</u>	<u>\$ (76)</u>
Fund Balance, Beginning		<u>396,341</u>	
Fund Balance, Ending		<u>\$ 396,265</u>	

Bladen County, North Carolina
Fire District Fund - Bay Tree
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 65,674	
Sales Tax Revenue		17,152	
Investment Earnings		11	
Total Revenues	<u>\$ 72,024</u>	<u>82,837</u>	<u>\$ 10,813</u>
Expenditures:			
Public Safety:			
Operating Expenses		2,315	
Professional Services		-	
Miscellaneous		26,623	
Contracted Services		62,992	
Total Public Safety	<u>92,166</u>	<u>91,930</u>	<u>236</u>
Total Expenditures	92,166	91,930	236
Revenues Over (Under) Expenditures	<u>(20,142)</u>	<u>(9,093)</u>	<u>11,049</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(20,142)	(9,093)	11,049
Fund Balance Appropriated	<u>20,142</u>	<u>-</u>	<u>(20,142)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>(9,093)</u>	<u>\$ (9,093)</u>
Fund Balance, Beginning		<u>61,004</u>	
Fund Balance, Ending		<u>\$ 51,911</u>	

Bladen County, North Carolina
Fire District Fund - General County
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 30,940	
Sales Tax Revenue		7,749	
Investment Earnings		17	
Total Revenues	<u>\$ 30,891</u>	<u>38,706</u>	<u>\$ 7,815</u>
Expenditures:			
Public Safety:			
Operating Expenses		50,070	
Professional Services		-	
Miscellaneous		-	
Contracted Services		-	
Total Public Safety	<u>50,070</u>	<u>50,070</u>	<u>-</u>
Total Expenditures	50,070	50,070	-
Revenues Over (Under) Expenditures	<u>(19,179)</u>	<u>(11,364)</u>	<u>7,815</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	(19,179)	(11,364)	7,815
Fund Balance Appropriated	<u>19,179</u>	<u>-</u>	<u>(19,179)</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>(11,364)</u>	<u>\$ (11,364)</u>
Fund Balance, Beginning		<u>157,991</u>	
Fund Balance, Ending		<u>\$ 146,627</u>	

Bladen County, North Carolina
Fire District Fund - Atkinson
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad Valorem taxes:		\$ 1,940	
Sales Tax Revenue		519	
Investment Earnings		-	
Total Revenues	<u>\$ 2,063</u>	<u>2,459</u>	<u>\$ 396</u>
Expenditures:			
Public Safety:			
Operating Expenses		-	
Professional Services		-	
Miscellaneous		-	
Contracted Services		1,915	
Total Public Safety	<u>2,063</u>	<u>1,915</u>	<u>148</u>
Total Expenditures	2,063	1,915	148
Revenues Over (Under) Expenditures	<u>-</u>	<u>544</u>	<u>544</u>
Other Financing Sources (Uses):			
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	-	544	544
Fund Balance Appropriated	<u>-</u>	<u>-</u>	<u>-</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>544</u>	<u>\$ 544</u>
Fund Balance, Beginning		<u>972</u>	
Fund Balance, Ending		<u>\$ 1,516</u>	

Bladen County, North Carolina
Emergency Telephone System Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Other Taxes and Licenses			
Emergency Telephone System Charges		\$ 283,849	
Restricted Intergovernmental			
Grants		175,515	
Miscellaneous		6,980	
Investment Income		49	
Total Revenues	\$ <u>557,555</u>	<u>466,393</u>	\$ <u>(91,162)</u>
Expenditures:			
Public safety:			
Operating Expenses		199,954	
Capital Outlay		176,140	
Total Expenditures	<u>573,425</u>	<u>376,094</u>	<u>197,331</u>
Total Expenditures	<u>573,425</u>	<u>376,094</u>	<u>197,331</u>
Revenues Over (Under) Expenditures	<u>(15,870)</u>	<u>90,299</u>	<u>106,169</u>
Other Financing Sources (Uses):			
Proceeds from Lease Purchase	-	-	-
Transfer to General Fund	-	-	-
Transfer from General Fund	-	-	-
Total Other Financing	<u>-</u>	<u>-</u>	<u>-</u>
Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(15,870)	90,299	106,169
Fund Balance Appropriated	<u>15,870</u>	<u>-</u>	<u>(15,870)</u>
Net Change In Fund Balance	\$ <u>-</u>	90,299	\$ <u>90,299</u>
Fund Balance, Beginning		<u>323,683</u>	
Fund Balance, Ending		<u>\$ 413,982</u>	

Bladen County, North Carolina
Special Revenue Fund - CDBG Project
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and For the Fiscal Year Ended June 30, 2014

	Project Author - ization	Actual		Total to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues:					
Restricted intergovernmental					
Community Development Block Grant					
Scattered Site	\$ 400,000	\$ 4,697	\$ 155,000	\$ 159,697	\$ (240,303)
Small Business Entrep	250,000	4,241	123,005	127,246	(122,754)
Total restricted intergovernmental	650,000	8,938	278,005	286,943	(363,057)
Interest Income					
Total Revenues	650,000	8,938	278,005	286,943	(363,057)
Expenditures:					
Current:					
Economic and physical development:					
Scattered Site					
Rehabilitation	360,000	-	145,000	145,000	215,000
Planning	5,000	4,697	-	4,697	303
Administration	35,000	-	10,000	10,000	25,000
Total Scattered Site	400,000	4,697	155,000	159,697	240,303
Small Business Entrepreneurial					
Development financing	235,000	-	123,005	123,005	111,995
Other	10,000	-	-	-	10,000
Planning	5,000	4,241	-	4,241	759
Total Small Bus Entrepreneurial	250,000	4,241	123,005	127,246	122,754
Total expenditures	650,000	8,938	278,005	286,943	363,057
Revenues over expenditures	-	-	-	-	-
Other Financing Sources (Uses):					
Residual Equity Transfer					
from General Fund	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Revenues, Other Sources Over (Under) Expenditures and Other Uses	\$ -	\$ -	-	\$ -	\$ -
Fund Balance, Beginning			-		
Fund Balance, Ending			\$ -		

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, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Operating revenues:			
Rent		\$ 79,636	
Other Revenue		-	
Total Operating Revenues	\$ 79,636	79,636	\$ -
Nonoperating revenues:			
Interest Income		-	
Total Nonoperating Revenues		-	-
Total Revenues	79,636	79,636	-
Expenditures:			
Other Operating Expense		-	
	-	-	-
Debt Service:			
Principal Retirement		65,084	
Interest		14,552	
Total Debt Service	79,636	79,636	-
Capital Outlay	-	-	-
Total Expenditures	79,636	79,636	-
Revenues Over (Under) Expenditures	-	-	-
Fund Balance Appropriated		-	-
Revenues and Other Financing Sources			
Over (Under) Expenditures and Other Uses	\$ -	\$ -	\$ -

Bladen County, North Carolina
Bladen County Hospital Rental Fund
Schedule of Revenues and Expenditures
Budget and Actual - (Non - GAAP)
 For the Fiscal Year Ended June 30, 2014

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

Bladen County, North Carolina
Solid Waste Fund
Schedule of Revenues and Expenditures
Budget and Actual - (Non - GAAP)
For The Fiscal Year Ended June 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Operating Revenues			
Fees Solid Waste Collection		\$ 704,080	
Fees Solid Waste Disposal		1,047,123	
Fees Solid Waste Tipping		286,180	
Recyclable		49,491	
State Revenues		102,013	
Miscellaneous		3,420	
Total	<u>\$ 2,068,767</u>	<u>2,192,307</u>	<u>\$ 123,540</u>
Nonoperating revenues:			
State Grant		5,295	
Interest Earnings		265	
Total Nonoperating Revenues	<u>3,017</u>	<u>5,560</u>	<u>2,543</u>
Total Revenues	<u>2,071,784</u>	<u>2,197,867</u>	<u>126,083</u>
Expenditures:			
Salaries		293,959	
Employee Benefits		102,657	
Operating Expense		1,601,281	
Budgetary Appropriations			
Capital Outlay		28,949	
Interest Paid		1,279	
Principle Payments Capital Leases & Debt		38,961	
Total Expenditures	<u>2,076,470</u>	<u>2,067,086</u>	<u>9,384</u>
Revenues Over (Under) Expenditures	<u>(4,686)</u>	<u>130,781</u>	<u>135,467</u>
Other Financing Sources and (Uses):			
Debt Issuance	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources			
Over (Under) Expenditures and Other Uses	(4,686)	130,781	135,467
Fund Balance Appropriated	<u>4,686</u>	<u>-</u>	<u>(4,686)</u>
Revenues, Other Sources and Appropriated			
Fund Balance Over (Under)	<u>-</u>	<u>130,781</u>	<u>130,781</u>
Expenditures and Other Uses	<u>\$ -</u>	<u>\$ 130,781</u>	<u>\$ 130,781</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, 2014

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual (modified accrual) to full accrual:			
Revenues and Other Sources Over (Under) Expenditures and Other Uses		\$ <u>130,781</u>	
Reconciling Items:			
Capital outlay		28,949	
Principal Payments on Capital Leases & Debt		38,961	
Debt Issuance		-	
Adjustments:			
Bad Debts		(10,151)	
Depreciation		<u>(127,180)</u>	
Total Reconciling Items and Adjustments		<u>(69,421)</u>	
Change in Net Position		<u>\$ 61,360</u>	

Bladen County, North Carolina
Water Fund
Schedule of Revenues and Expenditures
Budget and Actual - (Non-GAAP)
For The Fiscal Year Ended June 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Operating Revenues			
Miscellaneous		\$ -	
Total Operating Revenues	\$ -	-	\$ -
Nonoperating Revenues			
Interest Income		334,638	
Total Nonoperating Revenues	-	334,638	334,638
Total Revenues	-	334,638	334,638
Expenditures:			
Operating Expenses			
Budgetary Appropriations:			
Interest Paid		334,638	
Debt Principal		275,000	
Total Expenditures	-	609,638	(609,638)
Revenues Over (Under) Expenditures	-	(275,000)	(275,000)
Other Financing Sources and (Uses):			
Debt Issuance		-	
Principle Repayment from Water District		275,000	
Total Other Financing Sources (Uses)	-	275,000	275,000
Revenues and Other Sources Over (Under) Expenses and Other Uses	-	-	-
Appropriated Fund Balance	-	-	-
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ -	\$ -	\$ -

Bladen County, North Carolina
Water Fund
Schedule of Revenues and Expenditures
Budget and Actual - (Non-GAAP)
For The Fiscal Year Ended June 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:			
Revenues, Other Sources and Appropriated			
Fund Balance Over (Under)			
Expenditures and Other Uses		\$ <u> -</u>	
Budgetary Appropriations:			
Principal Payments		275,000	
Adjustments:			
Principle Repayment from Water District		<u> (275,000)</u>	
Total reconciling items		<u> -</u>	
Change in Net Position		\$ <u><u> -</u></u>	

Bladen County, North Carolina
Water District Fund
Schedule of Revenues and Expenditures
Budget and Actual - (Non-GAAP)
For The Fiscal Year Ended June 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Operating Revenues			
Tap on Fees		\$ 28,925	
Water Sales		1,885,672	
Late and Reconnect Fees		115,650	
Miscellaneous		8,028	
Total Operating Revenues	\$ <u>1,992,839</u>	<u>2,038,275</u>	\$ <u>45,436</u>
Nonoperating Revenues			
State Grant		-	
Interest on Investments		362	
Total Nonoperating Revenues	<u>-</u>	<u>362</u>	<u>362</u>
Total Revenues	<u>1,992,839</u>	<u>2,038,637</u>	<u>45,798</u>
Expenditures:			
Salaries		305,402	
Employee Benefits		106,934	
Operating Expenses		481,757	
Budgetary Appropriations:			
Capital Outlay		94,165	
Interest Paid		568,961	
Debt Principal		106,903	
Reduction in Water Fund Due to		275,000	
Total Expenditures	<u>2,327,667</u>	<u>1,939,122</u>	<u>388,545</u>
Revenues Over (Under) Expenditures	<u>(334,828)</u>	<u>99,515</u>	<u>434,343</u>
Other Financing Sources and (Uses):			
Debt Issuance		-	
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenses and Other Uses	<u>(334,828)</u>	<u>99,515</u>	<u>434,343</u>
Appropriated Fund Balance	<u>334,828</u>	<u>-</u>	<u>(334,828)</u>
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ <u><u>-</u></u>	\$ <u><u>99,515</u></u>	\$ <u><u>99,515</u></u>

Bladen County, North Carolina
Water District Fund
Schedule of Revenues and Expenditures
Budget and Actual - (Non-GAAP)
For The Fiscal Year Ended June 30, 2014

	Budget	Actual	Variance Positive (Negative)
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:			
Revenues, Other Sources and Appropriated			
Fund Balance Over (Under)			
Expenditures and Other Uses		\$ 99,515	
 Budgetary Appropriations:			
Capital Outlay		94,165	
Principal Payments		381,903	
Interest Earned on Capital Projects		86	
Interest Expense Paid by Capital Projects		(11,310)	
Adjustments:			
Amortization of Bond Premiums		(13,584)	
Amortization of Deferred Charges		45,409	
Bad Debts		-	
Depreciation		(1,000,071)	
Total reconciling items		(503,402)	
 Change in Net Position		\$ (403,887)	

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, 2014

	Project Authorization	Actual		Total to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Other Revenues:					
Investment Earnings	\$ -	\$ 4,708	\$ 86	\$ 4,794	\$ 4,794
Total Revenues	<u>-</u>	<u>4,708</u>	<u>86</u>	<u>4,794</u>	<u>4,794</u>
Expenditures:					
Phase IIIB					
Construction	6,133,655	5,639,713	-	5,639,713	493,942
Interest	163,710	92,343	11,310	103,653	60,057
Total Expenditures	<u>6,297,365</u>	<u>5,732,056</u>	<u>11,310</u>	<u>5,743,366</u>	<u>553,999</u>
Revenues Over (Under) Expenditures	<u>(6,297,365)</u>	<u>(5,727,348)</u>	<u>(11,224)</u>	<u>(5,738,572)</u>	<u>558,793</u>
Other Financing Sources (Uses):					
Issuance of BANS	4,510,000	4,510,000	-	4,510,000	-
Issuance of USDA Bonds	-	-	-	-	-
Issuance of Bond Refunding	5,991,000	5,991,000	(285,323)	5,705,677	(285,323)
Bond Payment	(4,510,000)	(4,510,000)	-	(4,510,000)	-
Loan Proceeds	220,000	220,000	-	220,000	-
Transfer from General Fund	(35)	-	-	-	35
Transfer from Water District	86,400	164,286	-	164,286	77,886
Total Other Financing Sources (Uses)	<u>6,297,365</u>	<u>6,375,286</u>	<u>(285,323)</u>	<u>6,089,963</u>	<u>(207,402)</u>
Unexpended Revenues and Receipts	<u>\$ -</u>	<u>\$ 647,938</u>	<u>\$ (296,547)</u>	<u>\$ 351,391</u>	<u>\$ 351,391</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, 2014

	<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		10	
Miscellaneous		14,848	
Total Nonoperating Revenues		14,858	14,858
Total Revenues	-	14,858	14,858
Expenditures:			
Claim Refund		-	
Claims		-	
Total Expenditures	8,000	-	8,000
Revenues Over (Under) Expenditures	(8,000)	14,858	22,858
Other Financing Sources and (Uses):			
Transfer to General Fund			-
Appropriated Fund Balance	8,000	-	(8,000)
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ -	\$ 14,858	\$ 14,858

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

Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ 14,858
Reconciling Items	
Capital Outlay	-
Total reconciling items	-
Change in Net Position	\$ 14,858

Bladen County, North Carolina
Agency Funds
Combining Statement of Fiduciary Assets and Liabilities
For the Fiscal Year Ended June 30, 2014

	Balance July 1, 2013	Additions	Deductions	Balance June 30, 2014
<u>Fines and Forfeitures</u>				
Assets:				
Cash and Investments	\$ -	\$ 251,535	\$ 251,535	\$ -
Liabilities:				
Miscellaneous Liabilities	-	251,535	251,535	-
<u>Social Services Fund</u>				
Assets:				
Cash and Investments	38,451	466,845	452,183	53,113
Liabilities:				
Miscellaneous Liabilities	38,451	466,845	452,183	53,113
<u>Municipal Tax Fund</u>				
Assets:				
Cash and Cash Equivalents	24,446	525,469	505,603	44,312
Liabilities:				
Intergovernmental Payable	24,446	525,469	505,603	44,312
<u>Animal Control Trust</u>				
Assets:				
Cash and Investments	-	1,567	-	1,567
Liabilities:				
Miscellaneous Liabilities	-	1,567	-	1,567
<u>Concealed Handgun Permits</u>				
Assets:				
Cash and Investments	20,695	26,185	36,405	10,475
Liabilities:				
Miscellaneous Liabilities	20,695	26,185	36,405	10,475
<u>Sheriff's Civil Account</u>				
Assets:				
Cash and Investments	1,412	44,168	43,536	2,044
Liabilities:				
Miscellaneous Liabilities	1,412	44,168	43,536	2,044
Totals - All Agency Funds				
Assets:				
Cash and cash equivalents	85,004	1,315,769	1,289,262	111,511
Liabilities:				
Miscellaneous liabilities	60,558	790,300	783,659	67,199
Intergovernmental Payable	24,446	525,469	505,603	44,312
Total Liabilities	\$ 85,004	\$ 1,315,769	\$ 1,289,262	\$ 111,511

Other Schedules

Bladen County, North Carolina
General Fund
Schedule of Ad Valorem Taxes Receivable
June 30, 2014

Fiscal Year	Uncollected Balance June 30, 2013	Additions	Collections And Credits	Uncollected Balance June 30, 2014
2013-2014	\$ -	\$ 20,435,033	\$ 19,018,917	\$ 1,416,116
2012-2013	1,515,077	3,306	772,455	745,928
2011-2012	724,513	-	225,970	498,543
2010-2011	535,108	-	120,874	414,234
2009-2010	484,046	-	100,337	383,709
2008-2009	300,134	-	54,692	245,442
2007-2008	234,955	-	35,156	199,799
2006-2007	139,135	-	14,056	125,079
2005-2006	109,246	-	8,354	100,892
2004-2005	89,116	-	5,787	83,329
2003-2004	77,489	-	77,489	-
TOTALS	\$ 4,208,819	\$ 20,438,339	\$ 20,434,087	4,213,071

Less Allowance for Doubtful Accounts (820,000)
\$ 3,393,071

Reconcilement with revenues:

Ad Valorem taxes - General Fund	\$ <u>20,731,319</u>
Reconciling items:	
Penalties and Interest	(525,534)
Release/Refunds	135,871
Discounts	<u>92,431</u>
Total Reconciling Items	<u>(297,232)</u>
 Total Collections and Credits	 \$ <u>20,434,087</u>

Bladen County, North Carolina
Analysis of Current Tax Levy
County - Wide Levy
For the Fiscal Year Ended June 30, 2014

	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	\$ 2,766,592,027	0.74	\$ 20,472,781	\$ 18,083,547	\$ 2,389,234
Total Original Levy	<u>2,766,592,027</u>		<u>20,472,781</u>	<u>18,083,547</u>	<u>2,389,234</u>
Discoveries:					
Current year taxes	5,849,054	0.74	43,283	43,283	-
Total Discoveries	<u>5,849,054</u>		<u>43,283</u>	<u>43,283</u>	<u>-</u>
Abatements					
Current Year Taxes	(10,950,135)	0.74	(81,031)	(101,521)	20,490
Total Abatements	<u>(10,950,135)</u>		<u>(81,031)</u>	<u>(101,521)</u>	<u>20,490</u>
Total for Year	<u>\$ 2,761,490,946</u>		20,435,033	18,025,309	2,409,724
Uncollected taxes at June 30, 2014			<u>1,416,116</u>	<u>1,181,722</u>	<u>234,394</u>
Current year's taxes collected			<u>\$ 19,018,917</u>	<u>\$ 16,843,587</u>	<u>\$ 2,175,330</u>
Current levy collection percentage			<u>93.07%</u>	<u>93.44%</u>	<u>90.27%</u>

Bladen County, North Carolina
Analysis of Current Tax Levy
County - Wide Levy
For the Fiscal Year Ended June 30, 2014

Secondary Market Disclosures:

Assessed Valuation:

Assessment Ratio ¹	100 %
Real Property	\$ 1,939,831,335
Personal Property	687,240,248
Public Service Companies ²	<u>134,419,363</u>
Total Assessed Valuation	<u>2,761,490,946</u>
Tax Rate per \$100	0.0074
Levy (includes discoveries, releases and abatements) ³	<u><u>\$ 20,435,033</u></u>

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

Fire Protection Districts	<u><u>\$ 1,050,327</u></u>
---------------------------	----------------------------

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, 2014

Taxpayer	Type of Business	2013 Assessed Valuation	Percentage of Total Assessed Valuation
E.I. Dupont	Plastic & Resin Products	\$ 144,933,370	5.25 %
Smithfield Packing	Pork Processor	103,963,783	3.76
Murphy Brown Farms	Agricultural Processor	39,944,450	1.45
Browns Realty Partnership	Agricultural Processor	25,933,700	0.94
Carolina Cold Storage	Processed Pork Storage	23,791,234	0.86
Danaher Controls	Electronics	14,460,533	0.52
Prestage Farms	Agricultural Processor	12,576,173	0.46
Marlowe Farms, LLC	Agricultural Processor	10,335,410	0.37
Red Mountain Timber Co., LLC	Timber Harvester	8,936,280	0.32
Sleepy Creek Farms, Inc	Agricultural Processor	8,257,430	0.30
Total		\$ <u>393,132,363</u>	<u>14.24 %</u>

Bladen County
Page intentionally left blank

Compliance Section



Thompson, Price, Scott, Adams & Co., P.A.
Post Office Box 1690
Elizabethtown, North Carolina 28337
Telephone (910) 862-8129
Fax (910) 862-8120

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

Independent Auditors' Report

To the Board of County Commissioners
Bladen County, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Bladen County, North Carolina, as of and for the year ended June 30, 2014, and the related notes to the financial statement, which collectively comprises Bladen County's basic financial statements, and have issued our report thereon dated December 31, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Bladen County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions¹ on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Bladen County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and responses to be material weaknesses, listed as 2014-2.

A significant deficiency is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and responses to be significant deficiencies, listed as 2014-1.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bladen County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items, listed as 2014-2.

Bladen County's Response to Findings

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

Purpose of this Report

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

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

*Elizabethtown, North Carolina
December 31, 2014*



Thompson, Price, Scott, Adams & Co., P.A.
Post Office Box 1690
Elizabethtown, North Carolina 28337
Telephone (910) 862-8129
Fax (910) 862-8120

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

Independent Auditors' Report

To the Board of County Commissioners
Bladen County, North Carolina

Report on Compliance for Each Major Federal Program

We have audited Bladen County, North Carolina, compliance with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of Bladen County's major federal programs for the year ended June 30, 2014. Bladen County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Bladen County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Bladen County's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Bladen County's compliance.

Opinion on Each Major Federal Program

In our opinion, Bladen County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as item 2014-2. Our opinion on each major federal program is not modified with respect to these matters.

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

Report on Internal Control Over Compliance

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

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

Our consideration of 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 significant deficiencies or material weaknesses and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2014-2, that we consider to be a significant deficiency.

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

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

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

*Elizabethtown, North Carolina
December 31, 2014*



Thompson, Price, Scott, Adams & Co., P.A.
Post Office Box 1690
Elizabethtown, North Carolina 28337
Telephone (910) 862-8129
Fax (910) 862-8120

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

Independent Auditors' Report

To the Board of County Commissioners
Bladen County, North Carolina

Report on Compliance for Each Major State Program

We have audited Bladen County, North Carolina, compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of Bladen County's major state programs for the year ended June 30, 2014. Bladen County's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Bladen County's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in and applicable sections of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about Bladen County's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of Bladen County's compliance.

Opinion on Each Major State Program

In our opinion, Bladen County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2014.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with applicable sections of section OMB Circular A-133 as described in the *Audit Manual for Governmental Auditors in North Carolina* and which are described in the accompanying schedule of findings and questioned costs as items 2014-2. Our opinion on each major state program is not modified with respect to these matters.

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

Report on Internal Control Over Compliance

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

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 state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of 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 material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2014-2, that we consider to be significant deficiency.

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

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

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

*Elizabethtown, North Carolina
December 31, 2014*

BLADEN COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2014

Section II – Financial Statement Findings

SIGNIFICANT DEFICIENCY

2014 – 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, 2014

Section III – Federal Award Findings and Questioned Costs

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

Finding: 2014 – 2

MATERIAL WEAKNESS
MATERIAL NONCOMPLIANCE
Eligibility

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

Condition: Five applicants received assistance although a search for real estate owned by the applicants was not conducted.

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

Context: Of the 6,640 case files, we examined 60 and determined that five applicants received assistance for which eligibility was not properly determined.

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

Cause: Human error in completing the application process by the required steps. Also, the department does not have any procedures in place to verify that the correct calculations and thresholds are used in the eligibility determination for this program.

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

Views of responsible officials and planned corrective actions: The county agrees with the finding and will implement adequate checks and balances to ensure that this problem does not recur.

Section IV – State Award Findings and Questioned Costs

Finding 2014 – 2 is related to Medicaid, which has a State match for a federal program. Therefore, this finding relates to a major State program as identified the above federal award findings and questioned cost.

BLADEN COUNTY, NORTH CAROLINA
Corrective Action Plan
For the Year Ended June 30, 2014

Section II – Financial Statement Findings

- Finding 2014 – 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.
- Finding 2014 – 2 Name of contact person: Charles Ray Peterson, Chairperson
- Corrective Action: Medicaid caseworkers will receive additional training to remind each of the policies and procedures to be followed in the application process.
- Proposed Completion Date: Certain controls have been established. Management will continue to monitor the progress of this issue and modify the controls as needed.

BLADEN COUNTY, NORTH CAROLINA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2014

Finding: 2013-2, 2012-1, 2011 -1, 2010-1 & 2009-1
Status: Duties are being separated as much as possible and alternative controls are being implemented to compensate for lack of separation. Other employees from other departments are assisting and the finance department has implemented compensating controls to monitor revenues from those departments.

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

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

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

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

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

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

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

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

Bladen County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2014

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 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		\$ 493,618	\$ -	\$ 493,617
Total Supplemental Nutrition Assistance Program Cluster					
			<u>493,618</u>	<u>-</u>	<u>493,617</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		222,580	-	-
Direct Benefit Payments:					
Special Supplemental Nutrition Program for					
Women, Infants, & Children					
	10.557		665,240	-	-
Passed-through Lumber River Council of Governments:					
NSIP Supplement					
	10.570		20,646	-	-
Total U.S. Dept. of Agriculture					
			<u>1,402,084</u>	<u>-</u>	<u>493,617</u>
U.S. Dept. of Housing and Urban Development					
Passed-through N.C. Department of Commerce:					
CDBG - State - Administered Small Cities Program Cluster					
Community Development Block Grant					
Scattered Site					
	14.228		155,000	-	-
Small Business Entrepreneurial					
	14.228		123,005	-	-
Total CDBG - State - Administered Small Cities Program Cluster					
			<u>278,005</u>	<u>-</u>	<u>-</u>
<u>U.S. Dept. of Justice</u>					
<u>Bureau of Justice Assistance</u>					
Direct Program:					
Federal Drug Forfeiture Assistance					
	16.922		7,698	-	-
JAG Program Cluster					
Drug and Violent Criminal Organization					
	16.804		6,943	-	-
ARRA - Edward Byrne Memorial JAG					
	16.804		8,824	-	-
<u>Office of Community Oriented Policing Services</u>					
COPS Hiring Program					
	16.710		24,868	-	8,289
Total U.S. Dept. of Justice					
			<u>48,333</u>	<u>-</u>	<u>8,289</u>

Bladen County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2014

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
<u>U.S. Dept of Transportation</u>					
Passed-through the N.C. Department of Transportation:					
Formula Grants for Other Than Urbanized Areas	20.509	36233.11.15.1	23,643	1,478	-
Formula Grants for Other Than Urbanized Areas	20.509	36233.11.15.3	37,213	4,651	-
Formula Grants for Other Than Urbanized Areas	20.509	36233.11.16.1	46,877	2,929	-
Total U.S. Department of Transportation			107,733	9,058	-
<u>Institute of Museum & Library Services</u>					
Passed-through the N.C. Cultural Resources:					
LSTA Collaboration & Innovation Grant	45.310		49,912	-	-
<u>U. S. Department of Homeland Security</u>					
Passed-through N.C. Dept. of Public Safety:					
Emergency Service Performance Grant	97.042		67,707	-	204,513
Total U.S. Department of Homeland Security			67,707	-	204,513
<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		79,041	4,649	92,989
In-home Services:					
SSBG	93.667				
Title III-B	93.044		17,409	1,024	2,048
Congregate Nutrition Title III-C	93.045		93,067	5,475	10,949
Total Aging Cluster			189,517	11,148	105,986
<u>Administration for Children and Families:</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Social Services:					
Refugee Assistance	93.566		1	-	-
Family Preservation	93.556		1,375	-	-
Child Support Enforcement	93.563		592,286	-	305,116
Low-Income Home Energy Assistance Block Grant:					
Administration	93.568		191,322	-	-
Energy Assistance	93.568		37,973	-	-
Crisis Intervention	93.568		281,919	-	-
Permanency Planning	93.645		43,157	-	14,386
Social Services Block Grant	93.667		235,415	23,183	62,476
Independent Living Grant	93.674		2,637	659	-
Adoption/Foster Care			21,620	-	46,315

Bladen County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2014

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		375,612	-	556,293
Work First/(TANF)-Direct Benefit Payments	93.558		473,940	-	934
Total TANF Cluster:			849,552	-	557,227
Foster Care and Adoption Cluster:					
Title IV-E Foster Care-Administration	93.658		71,196	43,283	50,656
Foster Care-Direct Benefit Payments	93.658		25,184	9,576	9,576
Title IV-E Adoption	93.659		431	-	493
Adoption Assistance-Direct Payments	93.659		101,453	26,473	26,473
Total Foster Care and Adoption Cluster			198,264	79,332	87,198
Subsidized Child Care (Note 3)					
Child Care Development Cluster:					
Division of Social Services					
Child Care and Development Fund - Administration	93.596		70,728	-	-
Division of Child Development:					
Child Care and Development Fund - Discretionary	93.575		290,057	-	-
Child Care and Development Fund - Mandatory	93.596		111,692	-	-
Child Care and Development Fund - Match	93.596		240,160	98,133	-
Total Child Care Development Fund Cluster			712,637	98,133	-
Temporary Assist. for Needy Families(TANF)	93.558		142,944	-	-
Foster Care Title IV-E	93.658		5,531	2,891	-
Smart Start			-	85	-
State Appropriations			-	23,356	-
TANF - MOE			-	87,717	-
Total Subsidized Child Care Cluster(note 3)			861,112	212,182	-
Centers for Medicare and Medicaid Services					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Medical Assistance:					
Direct Benefit Payments:					
Medical Assistance Program	93.778		40,470,588	22,647,634	-
State Children's Insurance Prg - N.C. Health Choice	93.767		751,470	236,923	-
Division of Social Services:					
Administration:					
Medical Assistance Program	93.778		875,037	21,367	752,394
State Children's Insurance Prg - N.C. Health Choice	93.767		19,997	1,635	4,580

Bladen County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2014

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		35,742	-	-
Immunization Program/Aid to County Funding	93.268		12,334	-	-
Statewide Health Promotion Program	93.991		10,783	-	-
<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		4,980	-	-
<u>Health Resources and Service Administration</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Public Health:					
Maternal and Child Health Services Block Grant	93.994		68,977	52,867	-
<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		19,061	-	-
Young Family Connect	93.500		40,462	-	-
<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		42,089	-	-
Total U.S. Dept. of Health and Human Services			45,857,670	23,287,430	1,935,678
Total Federal Awards			47,811,444	23,296,488	2,642,097
State Awards:					
<u>N.C. Dept. of Cultural Resources</u>					
State Aid to Public Libraries					
			-	92,822	-
Total N.C. Dept. of Cultural Resources			-	92,822	-
<u>N.C. Dept. of Health and Human Services</u>					
Division of Social Services:					
County Programs					
			-	-	602,775
CWS Adoption Assistance					
			-	37,614	10,214
Nonallocating Cost					
			-	-	72,641
Energy Assistance - Private Donations					
			-	7,463	-
State/County Special Assistance for Adults					
			-	430,030	430,030
Work First Nonreimbursable					
			-	-	89,314
Foster Home					
			-	2,344	2,344
SFHF Maximation					
			-	1,748	1,748

Bladen County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2014

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
Division of Public Health:					
Food and Lodging Fees			-	7,557	-
Environmental Health			-	4,000	-
School Nurse Funding			-	250,000	-
General Aid to Counties			-	106,595	-
TB Medical Services			-	1,529	-
General Communicable Disease Control			-	2,147	-
Tuberculosis			-	20,432	-
Maternal Health			-	2,472	-
Public Health Nursing			-	1,200	-
WHSF			-	13,971	-
Risk Reduction/Health Promotion			-	6,285	-
Division of Aging:					
90 % State Funds			-	160,915	17,880
Total N. C. Department of Health and Human Services			-	1,056,302	1,226,946
<u>N.C. Dept. of Public Safety</u>					
Juvenile Crime Prevention Program			-	146,051	4,409
			-	146,051	4,409
<u>N.C. Dept. of Transportation</u>					
Rural Operating Assistance Program (ROAP)					
ROAP Elderly and Disabled Transportation Assistance Program		36235.19.1.2	-	59,780	-
ROAP Rural General Public Program		36228.22.5.1	-	71,639	-
ROAP Workfirst First Transitional - Employment Transportation Assistance Program		36236.11.3.1	-	21,400	-
Total N. C. Dept. Of Transportation			-	152,819	-
<u>N.C. Dept. of Environmental & Natural Resources</u>					
NC Parks and Recreation Trust Fund			-	50,966	50,966
DWH-Electronics Management			-	2,324	-
DWM-Scrap Tire Grant			-	19,375	-
DWM-White goods			-	731	-
N.C. Dept. of Health & Natural Resources			-	73,396	50,966
<u>N.C. Dept of Agriculture</u>					
Animal Welfare & Spay/Neuter Program			-	22,311	-
<u>N.C. Dept of Public Instruction</u>					
Public School Building Capital Fund - Lottery Proceeds			-	560,384	-
<u>N.C. Dept of Veterans Affair</u>					
Veteran Program			-	1,452	16,337
Total State Awards			-	2,105,537	1,298,658
Total Federal and State Awards			\$ 47,811,444	\$ 25,402,025	\$ 3,940,755

Bladen County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2014

<u>Grantor/Pass-through</u> <u>Grantor/Program Title</u>	Federal CFDA Number	State/ Pass-through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
---	---------------------------	---	---	-----------------------	-----------------------

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>	Federal CFDA Number	State/ Pass-through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
NC Education Lottery	NA	-	\$ -	\$ 560,384	\$ -

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.