

**Cleveland County, North Carolina
Annual Financial and Compliance Report
For the Year Ended June 30, 2007
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E. Other Supplementary Information**

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This section contains required schedules that depict information pertaining to cash balances, transfers among accounting entities (known as funds), and ad valorem tax collections in the County.

Cleveland County, North Carolina
1. Schedule of Cash and Investment Balances

For the Year Ended June 30, 2007

	Purchase Value	Fair (Market) Value	Amounts Presented on Statements *
Cash			
In physical possession	\$ 21,338	\$ 21,338	\$ 21,338
In demand deposits	32,921,478	32,921,478	32,921,478
Total cash	32,942,816	32,942,816	32,942,816
Cash equivalents			
NC Capital Management Trust (money market accounts)	10,894,043	10,894,043	10,894,043
U.S. Government Securities	4,489,558	4,463,510	4,521,707
Total cash equivalents	15,383,601	15,357,553	15,415,750
Total cash and cash equivalents	\$ 48,326,417	\$ 48,300,369	\$ 48,358,566
Distribution by Funds			
General Fund		\$ 25,701,306	
Special Revenue Funds:			
Public School Fund	\$ 4,479,445		
Schools Capital Reserve Fund	175,645		
Community College Bond Fund	481,180		
Revaluation Fund	14,975		
Emergency Telephone Fund	1,105,672		
Fire District Fund	1,075,038	7,331,955	
Capital Projects Fund: Capital Reserve Fund		986,399	
Enterprise Fund, unrestricted cash		10,945,590	
Agency Funds		124,103	
Total unrestricted cash and cash equivalents			\$ 45,089,353
Enterprise Fund, restricted cash		3,269,213	
Total restricted cash			3,269,213
Total cash and cash equivalents			\$ 48,358,566

* 'amounts presented on statements' include the amount of accrued interest for federal government securities; however, the amount of accrued interest is not included in the 'purchase value' or the 'fair (market) value'

Cleveland County, North Carolina
 2. Schedule of Interfund Transfers

For the Year Ended June 30, 2007

Operating Transfers to:	Operating Transfers from:			Total
	Special Revenue Funds	Capital Reserve Fund	Enterprise Fund	
General Fund	000	\$ -	\$ 175,347	\$ 1,475,347
Special Revenue Funds	-	-	-	275
Debt Service Fund	95	-	-	3,031,237
Capital Projects Fund	-	914,380	-	1,190,599
Capital Reserve Fund	-	-	-	375,000
Enterprise Fund	-	-	-	-
Total	95	\$ 914,380	\$ 175,347	\$ 6,072,458

Cleveland County, North Carolina
3. Analysis of Current Tax Levy - General Fund

For the Year Ended June 30, 2007

	County-Wide			Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
	Property Valuation	Rare per \$100	Total Levy		
Original Levy:					
Property Taxed at Current Year's Rate	\$ 5,683,297,152	0.58000	\$ 32,963,123	\$ 29,317,312	\$ 3,645,811
Property Taxed at Prior Year's Rate	90,237,412	0.58000	523,377	175,619	347,758
Penalties (late charges)			72,184	72,184	-
Subtotals	5,773,534,564		33,558,684	29,565,115	3,993,569
Discoveries, Late Listings, and Other Supplements (including Public Service Companies):					
Property Taxed at Current Year's Rate	244,001,907	0.58000	1,415,211	1,408,294	6,917
Property Taxed at Prior Year's Rate	26,266,829	0.58000	152,348	151,005	1,343
Subtotals	270,268,736		1,567,559	1,559,299	8,260
Abatements					
Property Taxed at Current Year's Rate	(10,298,016)	0.58000	(59,728)	(7,304)	(52,424)
Property Taxed at Prior Year's Rate	(12,770,503)	0.58000	(74,069)	(69,269)	(4,800)
Subtotals	(23,068,519)		(133,797)	(76,573)	(57,224)
Totals	\$ 6,020,734,781		34,992,445	31,047,840	3,944,605
Net Levy			34,992,445	31,047,840	3,944,605
Less Uncollected Taxes, Current Year, at June 30			(1,616,504)	(978,927)	(637,577)
Current Year's Taxes Collected			\$ 33,375,941	\$ 30,068,913	\$ 3,307,028
Current Levy Collection Percentage (current year's taxes collected / net levy)			95.380%	96.847%	83.837%

Secondary Market Disclosures:

Assessed Valuations:

Assessment Ratio	100%				
Real Property	\$ 4,360,134,267	0.58000	\$ 25,288,779		
Personal Property (current rate)	1,319,911,861	0.58000	7,655,489		
Personal Property (prior rate)	103,733,738	0.58000	601,656		
Public Service Companies	236,954,915	0.58000	1,374,338		
Penalties			72,184		
Totals	\$ 6,020,734,781		\$ 34,992,446		

In addition to the general county-wide levy, the County also levied the following on behalf of the county-wide school district and four separate fire districts:

Cleveland County Schools (county-wide school district)	\$ 9,041,235
County Fire Protection Service District (serves portion of County)	778,464
NCGS Chapter 69 Fire Protection Districts (separate rate for each district)	306,227
Totals	\$ 45,118,372

Cleveland County, North Carolina
4. Schedule of Ad Valorem Taxes Receivable - General Fund (10)

For the Year Ended June 30, 2007

Fiscal Year Ended June 30	Uncollected Balance 2006	Additions		Deductions		Uncollected Balance 2007
		Original Levy	Supplements	Collections	Abatements and Other Credits	
2007	-	33,558,684	\$ 1,567,559	(33,375,941)	\$ (133,797)	\$ 1,616,504
2006	1,596,508		18,508	(1,117,839)	(33,628)	463,549
2005	479,920		6,544	(196,176)	(11,724)	278,564
2004	300,473		2,844	(73,417)	(5,560)	224,340
2003	238,102		2,518	(41,098)	(4,749)	194,773
2002	208,128		1,382	(35,526)	(2,657)	171,327
2001	165,358		130	(16,501)	(1,043)	147,944
2000	101,346		189	(9,977)	(540)	91,018
1999	85,120		183	(6,892)	(478)	77,933
1998	71,350		79	(5,776)	(306)	65,347
1997	62,181			(2,871)	(56,603)	2,707
1996						
	<u>(1,386,903)</u>					<u>(1,378,151)</u>
	\$ 1,921,583		Less allowance for uncollectible ad valorem taxes receivable			\$ 1,955,855
			Ad valorem taxes receivable, net			

Reconciliation with revenues:

Total reported ad valorem tax revenues	\$ 35,217,319
Discounts	102,405
Penalties, Interest, and advertising fees	(437,710)
Taxes collections of taxes (as above)	\$ 34,882,014

Cleveland County, North Carolina
5. Schedule of Ad Valorem Taxes Receivable - Public Schools Fund (20)

For the Year Ended June 30, 2007

Fiscal Year Ended June 30	Uncollected Balance 2006	Additions		Deductions		Uncollected Balance 2007
		Original Levy	Supplements	Collections	Abatements and Other Credits	
2007	-	\$ 8,646,779	\$ 513,047	(8,623,134)	\$ (118,591)	\$ 418,101
2006	412,927		4,787	(289,121)	(8,698)	119,895
2005	124,158		1,692	(50,731)	(3,032)	72,087
2004	77,632		734	(18,946)	(1,435)	57,985
2003	61,435		650	(10,606)	(1,226)	50,253
2002	54,020		357	(9,168)	(686)	44,523
2001	42,063		34	(4,153)	(269)	37,675
2000	23,999		30	(2,211)	(86)	21,732
1999	20,699		29	(1,479)	(76)	19,173
1998	17,164		13	(1,287)	(49)	15,841
1997	14,702			(698)	(13,202)	802
1996						
	848,799	\$ 8,646,779	\$ 521,373	\$ (9,011,534)	\$ (147,350)	858,067
	(351,734)	Less allowance for uncollectible ad valorem taxes receivable				(352,093)
	\$ 497,065	Ad valorem taxes receivable, net				\$ 505,974

Reconciliation with revenues:

- Total reported ad valorem tax revenues
- Discounts
- Penalties, Interest, and advertising fees
- Taxes collections of taxes (as above)**

Cleveland County, North Carolina

6. Schedule of Ad Valorem Taxes Receivable - County Fire Service District Fund (28)

For the Year Ended June 30, 2007

Fiscal Year Ended June 30	Uncollected Balance 2006	Additions		Deductions		Uncollected Balance 2007
		Original Levy	Supplements	Collections	Abatements and Other Credits	
2007	\$ -	\$ 741,990	\$ 46,492	(738,551)	\$ (10,018)	\$ 39,913
2006	39,413		377	(28,010)	(657)	11,123
2005	11,843		152	(5,054)	(256)	6,685
2004	6,721		53	(1,864)	(104)	4,806
2003	4,862		42	(1,154)	(88)	3,662
2002	3,932		5	(1,202)	(24)	2,711
2001	2,691		6	(398)	(24)	2,275
2000	1,475		6	(148)	(8)	1,325
1999	1,251		4	(103)	(6)	1,146
1998	1,021			(74)		947
1997	947			(30)	(888)	29
1996						
	74,156	\$ 741,990	\$ 47,137	\$ (776,588)	\$ (12,073)	74,622
	(27,936)	Less allowance for uncollectible ad valorem taxes receivable				(27,818)
	<u>\$ 46,220</u>	<u>Ad valorem taxes receivable, net</u>				<u>\$ 46,804</u>

Reconciliation with revenues:

Total reported ad valorem tax revenues
Discounts
Penalties, Interest, and advertising fees
Taxes collections of taxes (as above)

Cleveland County, North Carolina

7. Schedule of Ad Valorem Taxes Receivable - Fallston Fire District (74)

For the Year Ended June 30, 2007

Fiscal Year Ended June 30	Uncollected Balance 2006	Additions		Deductions		Uncollected Balance 2007
		Original Levy	Supplements	Collections	Abatements and Other Credits	
2007	-	112,582	\$ 7,093	(111,149)	\$ (1,476)	7,050
2006	6,723		153	(4,678)	(159)	2,039
2005	2,696		8	(1,254)	(39)	1,411
2004	1,500		9	(464)	(27)	1,018
2003	1,108		10	(226)	(61)	831
2002	915		10	(234)	(59)	632
2001	852			(162)	(48)	642
2000	662			(99)	(32)	531
1999	495		8	(121)	(33)	349
1998	367		9	(81)	(34)	261
1997	227			(20)	(207)	
1996					(2,1)	14,764

Cleveland County, North Carolina

8. Schedule of Ad Valorem Taxes Receivable - Lattimore Fire District (75)

For the Year Ended June 30, 2007

Fiscal Year Ended June 30	Uncollected Balance 2006	Additions		Deductions		Uncollected Balance 2007
		Original Levy	Supplements	Collections	Abatements and Other Credits	
2007		71,564	\$ 3,233	(70,652)	\$ (711)	3,434
2006	2,575		75	(1,850)	(105)	695
2005	741		42	(350)	(43)	390
2004	342		3	(118)	(4)	223
2003	296		4	(55)	(4)	241
2002	193		4	(31)	(5)	161
2001	210			(20)	(1)	189
2000	145			(19)		126
1999	93			(6)		87
1998	140			(11)		129
1997	106			(1)	(105)	
1996						
	4,841	\$				

Cleveland County, North Carolina
9. Schedule of Ad Valorem Taxes Receivable - Rippy Fire District (76)

For the Year Ended June 30, 2007

Fiscal Year Ended June 30	Uncollected Balance 2006	Additions		Deductions		Uncollected Balance 2007
		Original Levy	Supplements	Collections	Abatements and Other Credits	
2007	-	110,351	\$ 4,388	(107,077)	\$ (797)	\$ 6,865
2006	6,987		79	(4,877)	(175)	2,014
2005	2,200		26	(1,061)	(81)	1,084
2004	1,217		9	(350)	(40)	836
2003	828		3	(201)	(28)	602
2002	708		2	(110)	(15)	585
2001	571			(104)	(4)	463
2000	421			(56)		365
1999	253			(35)		218
1998	236			(32)		204
1997	208			(22)	(183)	3
1996						
	13,629	\$ 110,351	\$ 4,507	(113,925)	\$ (1,323)	\$ 13,239

Cleveland County, North Carolina
10. Schedule of Ad Valorem Taxes Receivable - County Sanitary District (82)

For the Year Ended June 30, 2007

Fiscal Year Ended June 30	Uncollected Balance 2006	Additions		Deductions		Uncollected Balance 2007
		Original Levy	Supplements	Collections	Abatements and Other Credits	
2007	\$ -	\$ 629,504	\$ 33,599	(620,601)	\$ (7,423)	\$ 35,079
2006	33,750		395	(24,083)	(654)	9,408
2005	10,293		140	(4,520)	(243)	5,670
2004	5,690		31	(1,665)	(86)	3,970
2003	4,136		19	(980)	(77)	3,098
2002	3,267		7	(922)	(35)	2,317
2001	2,402		3	(365)	(24)	2,016
2000	1,825		5	(197)	(16)	1,617
1999	1,501		6	(148)	(15)	1,344
1998	1,340		3	(123)	(10)	1,210
1997	850			(39)	(783)	28
1996						
	\$ 65,054	\$ 629,504	\$ 34,208	(653,643)	\$ (9,366)	\$ 65,757

Cleveland County, North Carolina

11. Schedule of Ad Valorem Taxes Receivable - City of Shelby (77)

For the Year Ended June 30, 2007

Fiscal Year Ended June 30	Uncollected Balance 2006	Additions		Deductions		Uncollected Balance 2007
		Original Levy	Supplements	Collections	Abatements and Other Credits	
2007	-	6,533,241	\$ 738,776	(6,902,861)	\$ (125,465)	243,691
2006	255,713		2,170	(166,179)	(6,403)	85,301
2005	71,884		136	(22,624)	(529)	48,867
2004	52,115			(9,795)	(149)	42,171
2003	47,388			(3,816)	(8)	43,564
2002	41,362			(2,371)		38,991
2001	40,234			(1,291)		38,943
2000	17,532			(1,175)		16,357
1999	19,323			(756)		18,567
1998	14,522			(881)		13,641
1997	10,361			(658)	(8,490)	1,213
1996						
	570,434	\$ 6,533,241	\$ 741,082	(7,112,407)	\$ (141,044)	591,306

Cleveland County, North Carolina

12. Schedule of Ad Valorem Taxes Receivable - Town of Boiling Springs (78)

For the Year Ended June 30, 2007

Fiscal Year Ended June 30	Uncollected Balance 2006	Additions		Deductions		Uncollected Balance 2007
		Original Levy	Supplements	Collections	Abatements and Other Credits	
2007	-	674,780	\$ 23,753	(672,221)	\$ (9,233)	17,079
2006	14,742		569	(10,672)	(736)	3,903
2005	3,947		350	(1,262)	(396)	2,639
2004	2,952		267	(574)	(285)	2,360
2003	2,191			(228)		1,963
2002	1,726			(25)		1,701
2001	1,675			(61)		1,614
2000	1,612			(90)		1,522
1999	668			(27)		641
1998	631			(8)		623
1997	598			(18)	(580)	
1996						

Cleveland County, North Carolina

13. Schedule of Ad Valorem Taxes Receivable - Town of Grover (79)

For the Year Ended June 30, 2007

Fiscal Year Ended June 30	Uncollected Balance 2006	Additions		Deductions		Uncollected Balance 2007
		Original Levy	Supplements	Collections	Abatements and Other Credits	
2007		118,801	\$ 11,391	(119,301)	\$ (3,440)	7,451
2006	6,627		27	(5,760)	(57)	837
2005	1,297			(469)		828
2004	481			(140)		341
2003	316			(85)		231
2002	420			(63)		357
2001	557			(35)		522
2000	371			(92)		279
1999	184			(8)		176
1998	147			(6)		141
1997	300			(4)	(296)	
1996						
						11,163

Cleveland County, North Carolina

14. Schedule of Ad Valorem Taxes Receivable - City of Kings Mountain (80)

For the Year Ended June 30, 2007

Fiscal Year Ended June 30	Uncollected Balance 2006	Additions		Deductions		Uncollected Balance 2007
		Original Levy	Supplements	Collections	Abatements and Other Credits	
2007	-	2,102,264	\$ 41,352	(2,027,507)	\$ (18,533)	97,576
2006	101,040		1,029	(74,157)	(2,422)	25,490
2005	31,156		594	(12,748)	(1,547)	17,455
2004	18,801		507	(2,668)	(833)	15,807
2003	15,002		804	(1,683)	(950)	13,173
2002	19,308		599	(1,010)	(663)	18,234
2001	9,044			(855)		8,189
2000	5,842			(409)		5,433
1999	5,492			(359)		5,133
1998	4,973			(379)		4,594
1997	5,008			(220)	(4,688)	100
1996						
	215,666	\$ 2,102,264	\$ 44,885	(2,121,995)	\$ (29,636)	211,184

Cleveland County, North Carolina

15. Schedule of Ad Valorem Taxes Receivable - Town of Lattimore (81)

For the Year Ended June 30, 2007

Fiscal Year Ended June 30	Uncollected Balance 2006	Additions		Deductions		Uncollected Balance 2007
		Original Levy	Supplements	Collections	Abatements and Other Credits	
2007		25,244	\$ 1,466	(25,301)	\$ (667)	742
2006	1,027			(374)	(62)	591
2005	218			(54)		164
2004	104			(10)		94
2003	91			(9)		82
2002	83					83
2001	112					112
2000	46					46
1999	44					44
1998	53					53
1997	45			(3)	(42)	-
1996						

Cleveland County, North Carolina

16. Schedule of Ad Valorem Taxes Receivable - Town of Kingstown (83)

For the Year Ended June 30, 2007

Fiscal Year Ended June 30	Uncollected Balance 2006	Additions		Deductions		Uncollected Balance 2007
		Original Levy	Supplements	Collections	Abatements and Other Credits	
2007				59	\$ (460)	14,952
2006				66	(262)	3,681
2005				60	(248)	2,145
2004				38	(254)	1,224
2003				72	(254)	613
2002				53		595
2001				61		696
2000				80		462
1999				(7)		232
1998				81		178
1997					(219)	
1996						

Cleveland County, North Carolina

17. Schedule of Ad Valorem Taxes Receivable - Town of Fallston (84)

For the Year Ended June 30, 2007

Fiscal Year Ended June 30	Uncollected Balance 2006	Additions ,		Deductions		Uncollected Balance 2007
		Original Levy	Supplements	Collections	Abatements and Other Credits	
2007		16,893	\$ 842	(16,761)	\$ (222)	\$ 752
2006	656		2	(470)	(3)	185
2005	249			(152)	(18)	79
2004	98			(13)		85
2003	69			(3)		66
2002	111			(6)		105
2001	168			(30)		138
2000	110			(2)		108
1999	22					22
1998	27			(2)		25
1997	22				(22)	
1996						

Cleveland County, North Carolina

18. Schedule of Ad Valorem Taxes Receivable - Town of Earl (85)

For the Year Ended June 30, 2007

Fiscal Year Ended June 30	Uncollected Balance 2006	Deductions		Uncollected Balance 2007
		Collections	Abatements and Other Credits	
2007			(173)	\$ 1,222
2006			(68)	288
2005			(60)	253
2004			(53)	398
2003			(8)	430
2002				206
2001				240
2000				78
1999				13
1998				35
1997			(5)	-
1996				
		15,599	\$ (367)	\$ 3,163

Cleveland County, North Carolina

19. Schedule of Ad Valorem Taxes Receivable - Town of Polkville (86)

For the Year Ended June 30, 2007

Fiscal Year Ended June 30	Uncollected Balance 2006	Additions		Deductions		Uncollected Balance 2007
		Original Levy	Supplements	Collections	Abatements and Other Credits	
2007		12,193	\$ 474	(12,038)	\$ (65)	\$ 564
2006	569		17	(391)	(3)	192
2005	284			(121)		163
2004	179			(68)		111
2003	70			(4)		66
2002	112			(1)		111
2001	25			(1)		24
2000	18			(2)		16
1999	12			(2)		10
1998	12					12
1997	20				(20)	
1996						

Cleveland County, North Carolina

20. Schedule of Ad Valorem Taxes Receivable - Town of Lawndale (87)

For the Year Ended June 30, 2007

Fiscal Year Ended June 30	Uncollected Balance 2006	Additions		Deductions		Uncollected Balance 2007
		Original Levy	Supplements	Collections	Abatements and Other Credits	
2007		48,549	\$ 3,038	(43,391)	\$ (594)	\$ 7,602
2006	4,285		24	(2,991)	(58)	1,260
2005	1,413			(598)	(10)	805
2004	708			(207)	(9)	492
2003	522			(83)	(10)	429
2002	319			(9)	(11)	299
2001	627			(49)		578
2000	232			(25)		207
1999	227			(16)		211
1998	118			(17)		101
1997	110				(110)	-
1996						

Cleveland County, North Carolina

21. Schedule of Ad Valorem Taxes Receivable - Town of Casar (88)

For the Year Ended June 30, 2007

Fiscal Year Ended June 30	Uncollected Balance 2006	Additions		Deductions		Uncollected Balance 2007
		Original Levy	Supplements	Collections	Abatements and Other Credits	
2007	- \$	5,558 \$	174	(5,440) \$	(45) \$	247
2006	255		4	(208)	(10)	41
2005	54			(34)	(4)	16
2004	13			(5)		8
2003	11			(3)		8
2002	8					8
2001	8					8
2000	1					1
1999	11					11
1998	5					5
1997	5				(5)	
1996						
	371 \$					353

Cleveland County, North Carolina

22. Schedule of Ad Valorem Taxes Receivable - Town of Waco (89)

For the Year Ended June 30, 2007

Fiscal Year I J	Uncollected	Additions		Deductions		Uncollected Balance 2007
				Abatements and Other Credits		
2007					30) \$	1,040
2006						507
2005						208
2004						103
2003						53
2002						35
2001						45
2000						6
1999						15
1998						12
1997						
1996						
	\$ 1,484 \$	13,957 \$	943 \$	(14,230) \$	(130) \$	2,024