

**Cleveland County, North Carolina
Annual Financial and Compliance Report
For the Year Ended June 30, 2010
II: FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
D. Required Supplementary Information:**

	<u>Identifier</u>	<u>Page No.</u>
1. Law Enforcement Officers' Special Separation Allowance Financial Schedules	Part II.D.1	85
2. Retirees Healthcare Coverage Financial Schedules	Part II.D.2	90
3. Major Governmental Funds Financial Statements	Part II.D.3	95
4. Non-major Governmental Funds Financial Statements	Part II.D.4	107
5. Major Enterprise Fund Financial Schedule	Part II.D.5	120
6. Fiduciary Funds Financial Statement	Part II.D.6	123

The Required Supplementary Information concerns, first, the County's obligation to provide pension benefits to its law enforcement officers through the Law Enforcement Officers' Special Separation Allowance (LEOSSA) and, second, more detailed results for each individual fund, both major and non-major funds, by comparing actual results with the budgetary estimates and limitations.

**Cleveland County, North Carolina
Annual Financial and Compliance Report
For the Year Ended June 30, 2010**

**II: FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
D. Required Supplementary Information:
1. Law Enforcement Officers' Special Separation Allowance Financial Schedules**

	<u>Identifier</u>	<u>Page No.</u>
a. LEOSSA Schedule of Funding Progress	Exhibit II.D.1.a	86
b. LEOSSA Schedule of Employer Contributions	Exhibit II.D.1.b	86
c. Notes to LEOSSA Financial Schedules	Exhibit II.D.1.c	87

Article 12D of Chapter 143 from the North Carolina General Statutes authorizes the Law Enforcement Officers' Special Separation Allowance (LEOSSA). The LEOSSA is administered under the North Carolina Local Governmental Employees' Retirement System (NC-LGERS). The displays here comply with the applicable provision of accounting requirements under Governmental Accounting Standards Board Statements Number 25 and 27.

Cleveland County, North Carolina
a. LEOSSA Schedule of Funding Progress

For the Year Ended June 30, 2010

Year Ended December 31	Actuarial Value of Assets	AAL* - Projected Unit Credit	Unfunded AAL*	Funded Ratio	Covered Payroll	Ratio of Unfunded AAL to Covered Payroll
--- County cannot report certain information prior to first actuarial study completed for the period ended December 31, 2005						
2009	\$ -	\$ 1,353,424	\$ 1,353,424	0.000%	\$ 3,417,424	39.604%
2008	-	1,058,407	1,058,407	0.000%	3,296,447	32.108%
2007	-	981,492	981,492	0.000%	3,126,082	31.397%
2006	-	921,555	921,555	0.000%	2,937,458	31.373%
2005	-	923,552	923,552	0.000%	2,905,604	31.785%
2004	-	-	-	0.000%	2,797,454	-
2003	-	-	-	0.000%	2,645,847	-
2002	-	-	-	0.000%	2,580,566	-
2001	-	-	-	0.000%	2,729,960	-
2000	-	-	-	0.000%	2,390,723	-
1999	-	-	-	0.000%	2,067,519	-
1998	-	-	-	0.000%	2,163,522	-

* AAL = Actuarial Accrued Liability (see Valuation Balance Sheet on next page)

Cleveland County, North Carolina
b. LEOSSA Schedule of Employer Contributions

For the Year Ended June 30, 2010

Fiscal Year Ended June 30	Actual Contributions	Annual Required Contributions	Percentage Contributed	Annual Pension Cost	Percentage Contributed	Net Pension Obligation
--- County cannot report certain information prior to first actuarial study completed for the period ended December 31, 2005						
2010	\$ 60,798	\$ 122,596	49.592%	\$ 125,616	48.400%	\$ 382,590
2009	90,237	109,801	82.182%	112,549	80.176%	317,772
2008	96,599	104,088	92.805%	107,236	90.081%	295,460
2007	105,507	100,013	105.493%	103,641	101.800%	284,823
2006	114,758	-	-	104,487	109.830%	286,689
2005	117,577	-	-	105,089	111.883%	296,960
2004	97,473	-	-	105,537	92.359%	309,448
2003	100,384	-	-	-	-	-
2002	67,976	-	-	-	-	-
2001	59,529	-	-	-	-	-
2000	54,169	-	-	-	-	-
1999	49,761	-	-	-	-	-

Cleveland County, North Carolina
Annual Financial and Compliance Report
For the Year Ended June 30, 2010

II: FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
D. Required Supplementary Information:
1. Law Enforcement Officers' Special Separation Allowance Financial Schedules
c. Notes to LEOSSA Financial Schedules

INFORMATION PERTAINING TO THE FISCAL YEAR ENDED JUNE 30, 2010

The actuarial valuation for the fiscal year ended June 30, 2010 is based on the annual payroll for law enforcement officers in the calendar year ended December 31, 2008. The actuary's corresponding calculations are shown below.

ANNUAL PAYROLL FOR THE PERIOD ENDED DECEMBER 31, 2008

	Number	Amount
1) Active members - current annual compensation	87	\$ 3,296,447
2) Retired members - current annual benefits	6	66,692
Total annual payroll		<u>\$ 3,363,139</u>

VALUATION BALANCE SHEET FOR THE PERIOD ENDED DECEMBER 31, 2008

Present and Prospective Assets		
Present assets		\$ -
Present value of future (unfunded) accrued liability contributions		1,058,407
Total assets, as of December 31, 2008		<u>\$ 1,058,407</u>

Accrued Actuarial Liabilities = present value of benefits payable in respect of:

Present retired members and beneficiaries	\$ 203,769
Present active members	854,638
Total liabilities, as of December 31, 2008	<u>\$ 1,058,407</u>

ANNUAL REQUIRED CONTRIBUTION FOR THE YEAR ENDED JUNE 30, 2010

The annual required contribution for the year ended June 30, 2010 is calculated as of December 31, 2008. The annual required contribution is comprised of 1) the value of benefits expected to be earned during the fiscal year by active employees and 2) a portion of the value of benefits earned during previous fiscal years by employees that were active in previous years. Below, both values are expressed as a percentage of the total annual payroll as calculated in the section above.

	Rate *	Amount
1) Value of benefits earned during the current year	1.6965%	\$ 55,923
2) Portion of value earned and not contributed in previous years	2.0226%	66,673
Total annual required contribution	3.7190%	<u>\$ 122,596</u>

NET PENSION OBLIGATION (AND ANNUAL PENSION COST) FOR THE YEAR ENDED JUNE 30, 2010

Net Pension Obligation, as of June 30, 2009		\$ 317,772
Annual required contribution	\$ 122,596	
Adjustment to annual required contribution	(20,018)	
Interest on net pension obligation	23,038	
Annual pension cost	<u>\$ 125,616</u>	
Contributions	(60,798)	
Change in net pension obligation		<u>64,818</u>
Net Pension Obligation, as of June 30, 2010		<u>\$ 382,590</u>

**Cleveland County, North Carolina
Annual Financial and Compliance Report
For the Year Ended June 30, 2010**

II: FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

D. Required Supplementary Information:

1. Law Enforcement Officers' Special Separation Allowance Financial Schedules

c. Notes to LEOSSA Financial Schedules

INFORMATION PERTAINING TO THE FISCAL YEAR ENDING JUNE 30, 2011

The actuarial valuation for the fiscal year ending June 30, 2011 is based on the annual payroll for law enforcement officers in the calendar year ended December 31, 2009. The actuary's corresponding calculations are shown next, except that the calculation for the Net Pension Obligation (NPO) is based on other information not yet available. Therefore, NPO will be shown with the County's subsequent annual financial and compliance report.

ANNUAL PAYROLL FOR THE PERIOD ENDED DECEMBER 31, 2009

	Number	Amount
1) Active members - current annual compensation	87	\$ 3,417,424
2) Retired members - current annual benefits	4	41,374
Total annual payroll		\$ 3,458,798

VALUATION BALANCE SHEET FOR THE PERIOD ENDED DECEMBER 31, 2009

Present and Prospective Assets	
Present assets	\$ -
Present value of future (unfunded) accrued liability contributions	1,353,424
Total assets, as of December 31, 2009	\$ 1,353,424
Accrued Actuarial Liabilities = present value of benefits payable in respect of:	
Present retired members and beneficiaries	\$ 157,023
Present active members	1,196,401
Total liabilities, as of December 31, 2009	\$ 1,353,424

ANNUAL REQUIRED CONTRIBUTION FOR THE YEAR ENDING JUNE 30, 2011

The annual required contribution for the year ending June 30, 2011 is calculated as of December 31, 2009. The annual required contribution is comprised of 1) the value of benefits expected to be earned during the fiscal year by active employees and 2) a portion of the value of benefits earned during previous fiscal years by employees that were active in previous years. Below, both values are expressed as a percentage of the annual payroll as calculated in the section above.

	Rate *	Amount
1) Value of benefits earned during the current year	2.3986%	\$ 81,971
2) Portion of value earned and not contributed in previous years	2.1203%	72,458
Total annual required contribution	4.5189%	\$ 154,429

**Cleveland County, North Carolina
Annual Financial and Compliance Report
For the Year Ended June 30, 2010**

II: FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

D. Required Supplementary Information:

1. Law Enforcement Officers' Special Separation Allowance Financial Schedules

c. Notes to LEOSSA Financial Schedules

ADDITIONAL INFORMATION USED BY THE ACTUARY

The primary purpose of the actuarial valuation is to determine the annual required contribution for each fiscal year. In preparing the valuation, the actuary relied on data provided by Cleveland County and the NC-LGERS. To verify the data, the actuary performed tests for reasonableness and consistency. The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information used to actuarially determine the annual required contribution for the reported fiscal year and the subsequent fiscal year follows:

Amortization Method of Unfunded Liability (for both years shown)		Level percent of pay, closed basis
Actuarial Cost Method (for both years shown) **		Projected unit credit **
Asset Valuation Method (for both years shown)		Market value
For the Year Ended	June 30, 2010	June 30, 2011
Valuation Date	Dec 31, 2008	Dec 31, 2009
Remaining Amortization Period	22 years	21 years
Actuarial Assumptions (projected rates):		
Projected Rate of Adjustments for Cost-of-Living	0.00%	0.00%
Projected Rate of Return on Investments *	7.25%	5.00%
Projected Rate of Salary Increases *	4.5 to 12.3%	4.5 to 12.3%
* Includes Projected Rate of Inflation	3.75%	3.75%

** Under the projected unit credit method of valuing the actuarial cost, the projected benefits of each individual included in the actuarial valuation are allocated to valuation years based on service. The actuarial present value of benefits allocated to the current year is called the normal cost. The actuarial present value of benefits allocated to all periods prior to the valuation year is called the actuarial accrued liability. The excess of the actuarial accrued liability over current assets is the unfunded actuarial accrued liability. The actuarially determined contribution requirements consist of the normal cost and amortization of the unfunded actuarial accrued liability within a 25-year period, assuming inflation will grow at 3.75% annually.

The following table displays the number of plan members participating in this pension plan at June 30 of each of the last twelve fiscal years.

Fiscal Year Ended June 30	Retirees Receiving Benefits	Other * Plan Members	Vested Plan Members	Non-Vested Plan Members	Total Plan Members
2010	4	-	55	30	89
2009	6	-	57	27	90
2008	9	-	55	29	93
2007	9	-	48	35	92
2006	12	-	46	34	92
2005	12	-	39	42	93
2004	10	-	43	39	92
2003	9	-	41	37	87
2002	10	-	43	36	89
2001	8	-	44	33	85
2000	7	-	40	33	80
1999	5	-	39	35	79

* Other plan members includes only terminated plan members entitled to, but not yet receiving, benefits

Cleveland County, North Carolina
Annual Financial and Compliance Report
For the Year Ended June 30, 2010
II: FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
D. Required Supplementary Information:
2. Retirees Healthcare Coverage Financial Schedules

	<u>Identifier</u>	<u>Page No.</u>
a. RHC Schedule of Funding Progress	Exhibit II.D.2.a	91
b. RHC Schedule of Employer Contributions	Exhibit II.D.2.b	91
c. Notes to RHC Financial Schedules	Exhibit II.D.2.c	92

The displays here comply with the applicable provision of accounting requirements under Governmental Accounting Standards Board Statements Number 43 and 45.

Cleveland County, North Carolina
a. RHC Schedule of Funding Progress

For the Year Ended June 30, 2010

Year Ended December 31	Actuarial Value of Assets	AAL* - Projected Unit Credit	Unfunded AAL*	Funded Ratio	Covered Payroll	Ratio of Unfunded AAL to Covered Payroll
--- County cannot report certain information prior to first actuarial study completed for the period ended December 31, 2008						
2009	\$ -	\$ 13,359,447	\$ 13,359,447	0.000%	\$ 28,517,138	46.847%
2008	-	15,565,951	15,565,951	0.000%	27,113,877	57.410%

* AAL = Actuarial Accrued Liability (see Valuation Balance Sheet on next page)

Cleveland County, North Carolina
b. LEOSA Schedule of Employer Contributions

For the Year Ended June 30, 2010

Fiscal Year Ended June 30	Actual Contributions	Annual Required Contributions	Percentage Contributed	Annual OPEB Cost	Percentage Contributed	Net OPEB Obligation
--- County cannot report certain information prior to first actuarial study completed for the period ended December 31, 2008						
2010	\$ 121,916	\$ 1,377,628	8.850%	\$ 1,383,964	8.809%	\$ 2,415,969
2009	223,707	1,377,628	16.239%	1,377,628	16.239%	1,153,921

**Cleveland County, North Carolina
Annual Financial and Compliance Report
For the Year Ended June 30, 2010
II: FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
D. Required Supplementary Information:
2. Retirees Healthcare Coverage Financial Schedules
c. Notes to RHC Financial Schedules**

INFORMATION PERTAINING TO THE FISCAL YEAR ENDED JUNE 30, 2010

The actuarial valuation for the fiscal year ended June 30, 2010 is based on the annual payroll for all employees in the calendar year ended December 31, 2008. The actuary's corresponding calculations are shown below.

ANNUAL PAYROLL FOR THE PERIOD ENDED DECEMBER 31, 2008

	Number	Amount
1) Active members - current annual compensation	692	\$ 27,113,877
2) Retired members - current annual benefits	55	-
Total annual payroll		<u>\$ 27,113,877</u>

VALUATION BALANCE SHEET FOR THE PERIOD ENDED DECEMBER 31, 2008

Present and Prospective Assets	
Present assets	\$ -
Present value of future (unfunded) accrued liability contributions	15,565,951
Total assets, as of December 31, 2008	<u>\$ 15,565,951</u>

Accrued Actuarial Liabilities = present value of benefits payable in respect of:	
Present retired members and beneficiaries	\$ 3,636,923
Present active members	11,929,028
Total liabilities, as of December 31, 2008	<u>\$ 15,565,951</u>

ANNUAL REQUIRED CONTRIBUTION FOR THE YEAR ENDING JUNE 30, 2010

The annual required contribution for the year ended June 30, 2010 is calculated as of December 31, 2008. The annual required contribution is comprised of 1) the value of benefits expected to be earned during the fiscal year by active employees and 2) a portion of the value of benefits earned during previous fiscal years by employees that were active in previous years. Below, both values are expressed as a percentage of the total annual payroll as calculated in the section above.

	Rate *	Amount
1) Value of benefits earned during the current year	3.0997%	\$ 840,453
2) Portion of value earned and not contributed in previous years	1.9812%	537,175
Total annual required contribution	5.0809%	<u>\$ 1,377,628</u>

NET OPEB OBLIGATION (& ANNUAL OPEB COST) FOR THE YEAR ENDED JUNE 30, 2010

Net OPEB Obligation, as of June 30, 2009		\$ 1,153,921
Annual required contribution	\$ 1,377,628	
Adjustment to annual required contribution	(39,821)	
Interest on net OPEB obligation	46,157	
Annual OPEB cost	<u>\$ 1,383,964</u>	
Contributions	(121,916)	
Change in net OPEB obligation		1,262,048
Net OPEB Obligation, as of June 30, 2010		<u>\$ 2,415,969</u>

Cleveland County, North Carolina
Annual Financial and Compliance Report
For the Year Ended June 30, 2010
II: FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
D. Required Supplementary Information:
2. Retirees Healthcare Coverage Financial Schedules
c. Notes to RHC Financial Schedules

INFORMATION PERTAINING TO THE FISCAL YEAR ENDING JUNE 30, 2011

The actuarial valuation for the fiscal year ending June 30, 2011 is based on the annual payroll for all employees in the calendar year ended December 31, 2009. The actuary's corresponding calculations are shown next, except that the calculation for the Net OPEB Obligation (NOO) is based on other information not yet available. Therefore, NOO will be shown with the County's subsequent annual financial and compliance report.

ANNUAL PAYROLL FOR THE PERIOD ENDED DECEMBER 31, 2009

	Number	Amount
1) Active members - current annual compensation	703	\$ 28,517,138
2) Retired members - current annual benefits	59	-
Total annual payroll		\$ 28,517,138

VALUATION BALANCE SHEET FOR THE PERIOD ENDED DECEMBER 31, 2009

Present and Prospective Assets		
Present assets		\$ -
Present value of future (unfunded) accrued liability contributions		13,359,447
Total assets, as of December 31, 2009		\$ 13,359,447
Accrued Actuarial Liabilities = present value of benefits payable in respect of:		
Present retired members and beneficiaries		\$ 3,533,894
Present active members		9,825,553
Total liabilities, as of December 31, 2009		\$ 13,359,447

ANNUAL REQUIRED CONTRIBUTION FOR THE YEAR ENDING JUNE 30, 2011

The annual required contribution for the year ending June 30, 2011 is calculated as of December 31, 2009. The annual required contribution is comprised of 1) the value of benefits expected to be earned during the fiscal year by active employees and 2) a portion of the value of benefits earned during previous fiscal years by employees that were active in previous years. Below, both values are expressed as a percentage of the annual payroll as calculated in the section above.

	Rate *	Amount
1) Value of benefits earned during the current year	2.5033%	\$ 713,861
2) Portion of value earned and not contributed in previous years	1.6167%	461,030
Total annual required contribution	4.1199%	\$ 1,174,891

**Cleveland County, North Carolina
Annual Financial and Compliance Report
For the Year Ended June 30, 2010
II: FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
D. Required Supplementary Information:
2. Retirees Healthcare Coverage Financial Schedules
c. Notes to RHC Financial Schedules**

ADDITIONAL INFORMATION USED BY THE ACTUARY

The primary purpose of the actuarial valuation is to determine the annual required contribution for each fiscal year. In preparing the valuation, the actuary relied on data provided by Cleveland County and the NC-LGERS. To verify the data, the actuary performed tests for reasonableness and consistency. The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information used to actuarially determine the annual required contribution for the reported fiscal year and the subsequent fiscal year follows:

Amortization Method of Unfunded Liability (for both years shown)		Level percent of pay, open basis
Actuarial Cost Method (for both years shown) **		Projected unit credit **
Asset Valuation Method (for both years shown)		Market value
For the Year Ended	June 30, 2010	June 30, 2011
Valuation Date	Dec 31, 2008	Dec 31, 2009
Remaining Amortization Period	30 years	30 years
Actuarial Assumptions (projected rates):		
Projected Rate of Increases to Medical Costs	10.5% to 5.0%	10.5% to 5.0%
* Year of Ultimate Trend Rate	2016	2017
Projected Rate of Return on Investments *	4.00%	4.00%
* Includes Projected Rate of Inflation	3.75%	3.75%

** Under the projected unit credit method of valuing the actuarial cost, the projected benefits of each individual included in the actuarial valuation are allocated to valuation years based on service. The actuarial present value of benefits allocated to the current year is called the normal cost. The actuarial present value of benefits allocated to all periods prior to the valuation year is called the actuarial accrued liability. The excess of the actuarial accrued liability over current assets is the unfunded actuarial accrued liability. The actuarially determined contribution requirements consist of the normal cost and amortization of the unfunded actuarial accrued liability within a 30-year period, assuming inflation will grow at 3.75% annually.

The following table displays the number of plan members participating in this benefit plan at June 30 of each of the last twelve fiscal years.

Fiscal Year Ended June 30	Retirees Receiving Benefits	Other * Plan Members	Vested Plan Members	Non-Vested Plan Members	Total Plan Members
2010	59	-	91	612	762
2009	55	-	114	578	747

* Other plan members includes only terminated plan members entitled to, but not yet receiving, benefits.

Cleveland County, North Carolina
Annual Financial and Compliance Report
For the Year Ended June 30, 2010
II: FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
D. Required Supplementary Information:
3. Major Governmental Funds Financial Statements

	<u>Identifier</u>	<u>Page No.</u>
a. General Fund: Statements of Revenues, Expenditures, and Changes in Fund Balances -- Budget to Actual (added details)	Exhibit II.D.3.a	96
b. Schools Capital Reserve Fund: Statements of Revenues, Expenditures, and Changes in Fund Balances -- Budget to Actual (added details)	Exhibit II.D.3.b	105
c. County Capital Reserve Fund: Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (added details)	Exhibit II.D.3.c	106

The Major Governmental Funds Financial Statements reflect the detail level of presentation behind the individual fund columns in the Basic Financial Statements.

Cleveland County, North Carolina

a. General Fund: Statements of Revenues, Expenditures, and Changes in Fund Balances -- Budget to Actual (added details)

For the Year Ended June 30, 2010

With Comparative Totals For the Year Ended June 30, 2009

	2010		Variance - Over (Under)	2009
	Budget	Actual		Actual
REVENUES				
Ad Valorem Taxes				
Current year	\$ 35,579,115	\$ 36,325,175	\$ 746,060	\$ 36,089,386
Prior years	1,083,285	1,897,221	813,936	1,845,778
Penalties, interest, and advertising, net	241,074	567,895	326,821	603,022
Subtotal Ad Valorem Taxes	<u>36,903,474</u>	<u>38,790,291</u>	<u>1,886,817</u>	<u>38,538,186</u>
Other Taxes				
Local option sales tax	8,325,000	7,429,274	(895,726)	9,694,631
Occupancy tax	196,000	174,322	(21,678)	173,819
Heavy equipment tax	-	20,349	20,349	11,847
Rental tax	23,000	25,160	2,160	23,803
Privilege license	-	4,450	4,450	3,555
Register of Deeds excise stamp	250,000	154,626	(95,374)	144,905
Subtotal Other Taxes	<u>8,794,000</u>	<u>7,808,181</u>	<u>(985,819)</u>	<u>10,052,560</u>
Intergovernmental Revenues, unrestricted				
Video programming services	350,000	353,206	3,206	405,285
Payments in lieu of taxes	12,000	12,535	535	10,635
Sheriff court fees	50,000	43,088	(6,912)	44,798
Jail fees	35,000	56,743	21,743	44,349
Safe road taxes	10,000	9,748	(252)	10,204
Subtotal Intergovernmental Revenues, unrestricted	<u>457,000</u>	<u>475,320</u>	<u>18,320</u>	<u>515,271</u>
Intergovernmental Revenues, restricted				
County program grants	2,894,003	1,485,239	(1,408,764)	2,188,395
Social services program grants	17,646,985	15,419,278	(2,227,707)	14,485,735
Health program grants	3,153,479	2,904,376	(249,103)	3,378,518
Court facilities fees	201,732	190,573	(11,159)	211,208
Other grants	200,000	6,745	(193,255)	40,000
Subtotal Intergovernmental Revenues, restricted	<u>24,096,199</u>	<u>20,006,211</u>	<u>(4,089,988)</u>	<u>20,303,856</u>
Subtotal Intergovernmental Revenues	<u>24,553,199</u>	<u>20,481,531</u>	<u>(4,071,668)</u>	<u>20,819,127</u>
Licenses, Fees, and Permits				
Board of election fees	-	7,411	7,411	254
Register of Deeds' fees and permits	425,000	374,198	(50,802)	400,084
Marriage licenses	-	14,575	14,575	16,250
Street sign fees	-	500	500	625
Civil, pistol, and concealed weapons permits	140,000	158,252	18,252	180,370
Inmate fees	-	6,062	6,062	4,220
Emergency management fees	-	480	480	1,199
Building permit and inspection fees	200,000	190,738	(9,262)	187,767
Hazardous material licenses	-	-	-	246
Zoning permits and fees	29,000	28,868	(132)	19,165
Soil conservation signs	-	11	11	22
Environmental health permits	123,400	102,690	(20,710)	95,895
Subtotal Licenses, Fees, and Permits	<u>917,400</u>	<u>883,785</u>	<u>(33,615)</u>	<u>906,097</u>

(continued on next page)

Cleveland County, North Carolina

a. General Fund: Statements of Revenues, Expenditures, and Changes in Fund Balances -- Budget to Actual (added details)

For the Year Ended June 30, 2010

With Comparative Totals For the Year Ended June 30, 2009

	2010		Variance - Over (Under)	2009
	Budget	Actual		Actual
REVENUES (continued from previous page)				
Sales and Services				
Rents, concessions, and parking	\$ 1,474,000	\$ 1,489,059	\$ 15,059	\$ 1,486,071
Contracted revenues	1,087,073	1,017,277	(69,796)	905,986
County program fees	1,057,138	1,448,136	390,998	1,344,827
Social Services Department fees	34,685	23,045	(11,640)	22,847
Health Department fees	421,587	518,939	97,352	462,130
Medicaid / Medicare service fees	4,224,200	5,212,781	988,581	5,308,010
Subtotal Sales and Services	8,298,683	9,709,237	1,410,554	9,529,871
Investment Earnings	780,000	546,868	(233,132)	1,104,096
Miscellaneous				
Contributions / donations	224,503	206,652	(17,851)	1,493,891
ABC net revenues	85,000	66,572	(18,428)	97,527
Vending and phone commissions	61,500	65,863	4,363	69,056
Sale of used surplus equipment and vehicles	25,000	49,454	24,454	81,567
Insurance proceeds	50,000	35,673	(14,327)	33,276
Miscellaneous State refunds to County	-	22,669	22,669	47,854
Paving assessments	-	3,447	3,447	13,125
Miscellaneous others	30,000	4,078	(25,922)	41,219
Subtotal Miscellaneous	476,003	454,408	(21,595)	1,877,515
Total Revenues	80,722,759	78,674,301	(2,048,458)	82,827,452
EXPENDITURES				
General Government				
Commissioners (including grants received and awarded)				
Salaries / benefits	372,042	367,801	(4,241)	359,317
Other expenses	2,612,585	1,836,046	(776,539)	2,048,575
Capital outlay	-	-	-	39,724
Subtotal Commissioners	2,984,627	2,203,847	(780,780)	2,447,616
County Manager / Administration				
Salaries / benefits	507,186	505,077	(2,109)	466,320
Other expenses	29,980	26,752	(3,228)	27,642
Subtotal County Manager / Administration	537,166	531,829	(5,337)	493,962
Finance and Purchasing				
Salaries / benefits	525,993	520,766	(5,227)	528,405
Other expenses	77,225	68,663	(8,562)	65,705
Subtotal Finance and Purchasing	603,218	589,429	(13,789)	594,110
Tax Administration (assessing, listing, and collection)				
Salaries / benefits	1,111,315	1,098,798	(12,517)	1,094,926
Other expenses	267,716	245,136	(22,580)	248,739
Subtotal Tax Administration	1,379,031	1,343,934	(35,097)	1,343,665

(continued on next page)

Cleveland County, North Carolina

a. General Fund: Statements of Revenues, Expenditures, and Changes in Fund Balances -- Budget to Actual (added details)

For the Year Ended June 30, 2010

With Comparative Totals For the Year Ended June 30, 2009

	2010		Variance - Over (Under)	2009
	Budget	Actual		Actual
EXPENDITURES (continued from previous page)				
Legal / County attorney				
Other expenses	\$ 97,237	\$ 101,506	\$ 4,269	\$ 69,066
Capital outlay	95,672	91,207	(4,465)	595,422
Subtotal Legal / County Attorney	192,909	192,713	(196)	664,488
Elections				
Salaries / benefits	365,629	313,104	(52,525)	312,688
Other expenses	230,119	197,595	(32,524)	174,908
Subtotal Elections	595,748	510,699	(85,049)	487,596
Register of Deeds (including Automation)				
Salaries / benefits	324,058	320,864	(3,194)	329,258
Other expenses	63,870	49,545	(14,325)	53,496
Subtotal Register of Deeds	387,928	370,409	(17,519)	382,754
Information Technology				
Salaries / benefits	394,000	391,369	(2,631)	386,327
Other expenses	92,985	84,115	(8,870)	89,655
Capital outlay	81,095	81,095	-	50
Subtotal Information Technology	568,080	556,579	(11,501)	476,032
Human Resources				
Salaries / benefits	358,785	356,077	(2,708)	345,495
Other expenses	22,103	20,908	(1,195)	19,069
Capital outlay	25,000	24,000	(1,000)	-
Subtotal Human Resources	405,888	400,985	(4,903)	364,564
Facilities Maintenance				
Salaries / benefits	456,316	451,573	(4,743)	442,737
Other expenses	953,603	954,679	1,076	980,687
Capital outlay	28,011	28,010	(1)	10,205
Subtotal Facilities Maintenance	1,437,930	1,434,262	(3,668)	1,433,629
Juvenile Crime Prevention Council Admin., Other expenses	4,383	4,088	(295)	1,411
Subtotal JCPC Administration	4,383	4,088	(295)	1,411
Communities in Schools, other expenses	58,500	58,500	-	58,500
Emergency and Contingency, other expenses	50,001	31,001	(19,000)	17,060
Court Facilities				
Salaries / benefits	95,832	93,564	(2,268)	130,492
Other expenses	228,400	188,464	(39,936)	215,249
Subtotal Court Facilities	324,232	282,028	(42,204)	345,741
Total General Government	9,529,641	8,510,303	(1,019,338)	9,111,128
Transportation				
TACC, other expenses	39,464	39,464	-	39,464
Total Transportation	39,464	39,464	-	39,464

(continued on next page)

Cleveland County, North Carolina

a. General Fund: Statements of Revenues, Expenditures, and Changes in Fund Balances -- Budget to Actual (added details)

For the Year Ended June 30, 2010

With Comparative Totals For the Year Ended June 30, 2009

	2010		Variance - Over (Under)	2009
	Budget	Actual		Actual
EXPENDITURES (continued from previous page)				
Public Safety				
Sheriff (including Schools Resource Officers)				
Salaries / benefits	\$ 5,095,533	\$ 5,049,000	\$ (46,533)	\$ 5,022,899
Other expenses	774,170	718,839	(55,331)	702,671
Capital outlay	254,353	254,352	(1)	288,007
Subtotal Sheriff	<u>6,124,056</u>	<u>6,022,191</u>	<u>(101,865)</u>	<u>6,013,577</u>
Law Enforcement and Other Public Safety Grants				
Other expenses	78,082	65,248	(12,834)	34,893
Capital outlay	42,391	41,142	(1,249)	7,558
Subtotal Public Safety Grants	<u>120,473</u>	<u>106,390</u>	<u>(14,083)</u>	<u>42,451</u>
Criminal Justice Partnership (Day Reporting Center)				
Salaries / benefits	46,857	45,896	(961)	57,305
Other expenses	59,339	51,366	(7,973)	48,368
Subtotal Criminal Justice Partnership	<u>106,196</u>	<u>97,262</u>	<u>(8,934)</u>	<u>105,673</u>
Federal and State Forfeited Property				
Other expenses	99,536	73,597	(25,939)	120,382
Capital outlay	183,178	183,049	(129)	164,520
Subtotal Federal and State Forfeited Property	<u>282,714</u>	<u>256,646</u>	<u>(26,068)</u>	<u>284,902</u>
Detention Centers				
Salaries / benefits	1,527,804	1,509,710	(18,094)	1,509,503
Other expenses	974,430	982,478	8,048	1,112,960
Capital outlay	31,256	30,452	(804)	4,719
Subtotal Detention Centers	<u>2,533,490</u>	<u>2,522,640</u>	<u>(10,850)</u>	<u>2,627,182</u>
Emergency Management				
Salaries / benefits	211,973	209,864	(2,109)	210,122
Other expenses	184,346	174,641	(9,705)	76,928
Capital outlay	-	-	-	32,102
Subtotal Emergency Management	<u>396,319</u>	<u>384,505</u>	<u>(11,814)</u>	<u>319,152</u>
Emergency Medical Services				
Salaries / benefits	4,263,271	4,229,052	(34,219)	4,311,606
Other expenses	901,911	839,762	(62,149)	843,767
Capital outlay	487,658	486,665	(993)	191,172
Subtotal Emergency Medical Services	<u>5,652,840</u>	<u>5,555,479</u>	<u>(97,361)</u>	<u>5,346,545</u>
Rescue Squads, other expenses	151,530	94,814	(56,716)	88,136
E911 Communications				
Salaries / benefits	905,400	895,326	(10,074)	896,420
Other expenses	55,089	28,849	(26,240)	38,922
Subtotal E911 Communications	<u>960,489</u>	<u>924,175</u>	<u>(36,314)</u>	<u>935,342</u>
Electronic Maintenance				
Salaries / benefits	224,901	223,319	(1,582)	225,220
Other expenses	163,950	129,471	(34,479)	135,956
Subtotal Electronic Maintenance	<u>388,851</u>	<u>352,790</u>	<u>(36,061)</u>	<u>361,176</u>
Inspections				
Salaries / benefits	353,722	350,128	(3,594)	347,076
Other expenses	36,198	28,016	(8,182)	30,986
Capital outlay	14,713	14,713	-	-
Subtotal Inspections	<u>404,633</u>	<u>392,857</u>	<u>(11,776)</u>	<u>378,062</u>

(continued on next page)

Cleveland County, North Carolina

a. General Fund: Statements of Revenues, Expenditures, and Changes in Fund Balances -- Budget to Actual (added details)

For the Year Ended June 30, 2010

With Comparative Totals For the Year Ended June 30, 2009

	2010		Variance - Over (Under)	2009
	Budget	Actual		Actual
EXPENDITURES (continued from previous page)				
Coroner				
Salaries / benefits	\$ 31,606	\$ 31,051	\$ (555)	\$ 31,374
Other expenses	66,882	65,943	(939)	75,646
Subtotal Coroner	<u>98,488</u>	<u>96,994</u>	<u>(1,494)</u>	<u>107,020</u>
Hazardous Materials, other expenses	20,855	20,460	(395)	20,361
Animal/Rabies Control				
Salaries / benefits	435,309	429,671	(5,638)	386,427
Other expenses	156,691	148,295	(8,396)	128,757
Capital outlay	-	-	-	25,790
Subtotal Animal/Rabies Control	<u>592,000</u>	<u>577,966</u>	<u>(14,034)</u>	<u>540,974</u>
Total Public Safety	<u>17,832,934</u>	<u>17,405,169</u>	<u>(427,765)</u>	<u>17,170,553</u>
Human Services				
Miscellaneous				
Pathways, other expenses	891,758	891,738	(20)	891,738
Veteran Services				
Salaries / benefits	66,910	66,382	(528)	65,067
Other expenses	6,454	5,350	(1,104)	5,934
Subtotal Veteran Services	<u>73,364</u>	<u>71,732</u>	<u>(1,632)</u>	<u>71,001</u>
Council on Aging, other expenses	140,035	140,035	-	140,035
Social Services:				
Administration				
Salaries / benefits	975,452	963,214	(12,238)	909,190
Other expenses	821,401	669,016	(152,385)	738,120
Capital outlay	90,000	89,010	(990)	19,007
Subtotal Administration	<u>1,886,853</u>	<u>1,721,240</u>	<u>(165,613)</u>	<u>1,666,317</u>
Title XX				
Salaries / benefits	4,197,204	3,955,833	(241,371)	3,955,061
Other expenses	527,495	464,005	(63,490)	458,401
Subtotal Title XX	<u>4,724,699</u>	<u>4,419,838</u>	<u>(304,861)</u>	<u>4,413,462</u>
Outside Poor, other expenses	7,658,895	6,138,681	(1,520,214)	5,508,781
Income Maintenance				
Salaries / benefits	4,141,160	3,891,598	(249,562)	3,878,157
Other expenses	860,243	363,474	(496,769)	355,656
Capital outlay	-	-	-	2,528
Subtotal Income Maintenance	<u>5,001,403</u>	<u>4,255,072</u>	<u>(746,331)</u>	<u>4,236,341</u>
Special Assistance, Salaries / benefits	42,321	41,697	(624)	40,902
Aid to Blind, other expenses	12,496	12,384	(112)	7,087
IVD Child Support				
Salaries / benefits	1,179,807	1,106,491	(73,316)	1,136,482
Other expenses	11,833	8,464	(3,369)	36,468
Capital outlay	-	-	-	996
Subtotal IVD Child Support	<u>1,191,640</u>	<u>1,114,955</u>	<u>(76,685)</u>	<u>1,173,946</u>
Smart Start, Salaries / benefits	83,234	81,956	(1,278)	75,644
Public Assistance, other expenses	3,785,890	3,499,006	(286,884)	6,816,607
Total Social Services	<u>24,387,431</u>	<u>21,284,829</u>	<u>(3,102,602)</u>	<u>23,939,087</u>

(continued on next page)

Cleveland County, North Carolina

a. General Fund: Statements of Revenues, Expenditures, and Changes in Fund Balances -- Budget to Actual (added details)

For the Year Ended June 30, 2010

With Comparative Totals For the Year Ended June 30, 2009

	2010		Variance - Over (Under)	2009
	Budget	Actual		Actual
EXPENDITURES (continued from previous page)				
Health services				
Administration				
Salaries / benefits	\$ 955,381	\$ 912,828	\$ (42,553)	\$ 903,494
Other expenses	705,666	598,095	(107,571)	677,834
Capital outlay	-	-	-	359,800
Subtotal Administration	<u>1,661,047</u>	<u>1,510,923</u>	<u>(150,124)</u>	<u>1,941,128</u>
Smart Start				
Salaries / benefits	70,935	68,438	(2,497)	123,864
Other expenses	46,169	36,374	(9,795)	32,310
Subtotal Smart Start	<u>117,104</u>	<u>104,812</u>	<u>(12,292)</u>	<u>156,174</u>
AIDS				
Salaries / benefits	148,991	113,459	(35,532)	167,455
Other expenses	95,159	57,776	(37,383)	82,999
Subtotal AIDS	<u>244,150</u>	<u>171,235</u>	<u>(72,915)</u>	<u>250,454</u>
Tuberculosis/Communicable Diseases				
Salaries / benefits	140,518	139,461	(1,057)	94,747
Other expenses	20,046	22,699	2,653	18,477
Subtotal Tuberculosis/Communicable Diseases	<u>160,564</u>	<u>162,160</u>	<u>1,596</u>	<u>113,224</u>
Adult Health				
Salaries / benefits	545,356	539,525	(5,831)	532,013
Other expenses	341,974	323,113	(18,861)	260,729
Capital outlay	23,006	3,100	(19,906)	-
Subtotal Adult Health	<u>910,336</u>	<u>865,738</u>	<u>(44,598)</u>	<u>792,742</u>
School Health				
Salaries / benefits	1,042,046	993,094	(48,952)	998,272
Other expenses	133,212	114,212	(19,000)	96,885
Capital outlay	9,910	9,910	-	-
Subtotal School Health	<u>1,185,168</u>	<u>1,117,216</u>	<u>(67,952)</u>	<u>1,095,157</u>
Health Promotions				
Salaries / benefits	99,739	98,677	(1,062)	98,284
Other expenses	83,392	73,469	(9,923)	75,617
Subtotal Health Promotions	<u>183,131</u>	<u>172,146</u>	<u>(10,985)</u>	<u>173,901</u>
Nutrition Grant				
Salaries / benefits	-	-	-	137,043
Other expenses	-	-	-	60,009
Subtotal Nutrition Grant	<u>-</u>	<u>-</u>	<u>-</u>	<u>197,052</u>
Child Health				
Salaries / benefits	474,719	469,713	(5,006)	453,102
Other expenses	68,242	57,092	(11,150)	69,197
Subtotal Child Health	<u>542,961</u>	<u>526,805</u>	<u>(16,156)</u>	<u>522,299</u>
Maternal Health				
Salaries / benefits	1,826,088	1,743,281	(82,807)	1,790,826
Other expenses	124,750	112,813	(11,937)	111,557
Subtotal Maternal Health	<u>1,950,838</u>	<u>1,856,094</u>	<u>(94,744)</u>	<u>1,902,383</u>

(continued on next page)

Cleveland County, North Carolina

a. General Fund: Statements of Revenues, Expenditures, and Changes in Fund Balances -- Budget to Actual (added details)

For the Year Ended June 30, 2010

With Comparative Totals For the Year Ended June 30, 2009

	2010		Variance - Over (Under)	2009
	Budget	Actual		Actual
EXPENDITURES (continued from previous page)				
Family Planning				
Salaries / benefits	\$ 624,775	\$ 519,202	\$ (105,573)	\$ 748,946
Other expenses	260,795	244,944	(15,851)	238,066
Capital outlay	11,550	11,550	-	-
Subtotal Family Planning	<u>897,120</u>	<u>775,696</u>	<u>(121,424)</u>	<u>987,012</u>
Women - Infants - Children				
Salaries / benefits	440,650	406,743	(33,907)	356,900
Other expenses	89,982	62,611	(27,371)	52,157
Subtotal Women - Infants - Children	<u>530,632</u>	<u>469,354</u>	<u>(61,278)</u>	<u>409,057</u>
Environmental Health				
Salaries / benefits	728,563	722,252	(6,311)	810,085
Other expenses	66,175	45,521	(20,654)	53,106
Subtotal Environmental Health	<u>794,738</u>	<u>767,773</u>	<u>(26,965)</u>	<u>863,191</u>
Other Public Health Grants				
Salaries / benefits	193,789	184,853	(8,936)	195,420
Other expenses	216,419	180,498	(35,921)	95,385
Capital outlay	199,889	154,735	(45,154)	-
Subtotal Other Public Health Grants	<u>610,097</u>	<u>520,086</u>	<u>(90,011)</u>	<u>290,805</u>
Dental Clinic				
Salaries / benefits	310,435	295,776	(14,659)	242,246
Other expenses	105,293	61,154	(44,139)	107,877
Capital outlay	-	-	-	35,934
Subtotal Dental Clinic	<u>415,728</u>	<u>356,930</u>	<u>(58,798)</u>	<u>386,057</u>
Nurse Family Partnership				
Salaries / benefits	356,152	324,954	(31,198)	121,360
Other expenses	265,055	74,698	(190,357)	79,254
Subtotal Nurse Family Partnership	<u>621,207</u>	<u>399,652</u>	<u>(221,555)</u>	<u>200,614</u>
Carolina Access				
Salaries / benefits	734,631	713,455	(21,176)	606,797
Other expenses	471,943	405,711	(66,232)	397,692
Capital outlay	-	-	-	15,249
Subtotal Carolina Access	<u>1,206,574</u>	<u>1,119,166</u>	<u>(87,408)</u>	<u>1,019,738</u>
CODAP				
Salaries / benefits	185,250	165,783	(19,467)	227,641
Other expenses	44,836	11,111	(33,725)	28,050
Subtotal CODAP	<u>230,086</u>	<u>176,894</u>	<u>(53,192)</u>	<u>255,691</u>
Total Health Services	<u>12,261,481</u>	<u>11,072,680</u>	<u>(1,188,801)</u>	<u>11,556,679</u>
Total Human Services	<u>37,754,069</u>	<u>33,461,014</u>	<u>(4,293,055)</u>	<u>36,598,540</u>
Debt Service				
Principal reduction	59,272	59,229	(43)	46,115
Interest and fees	13,097	9,135	(3,962)	8,602
Total Debt Service	<u>72,369</u>	<u>68,364</u>	<u>(4,005)</u>	<u>54,717</u>

(continued on next page)

Cleveland County, North Carolina

a. General Fund: Statements of Revenues, Expenditures, and Changes in Fund Balances -- Budget to Actual (added details)

For the Year Ended June 30, 2010

With Comparative Totals For the Year Ended June 30, 2009

	2010		Variance - Over (Under)	2009
	Budget	Actual		Actual
EXPENDITURES (continued from previous page)				
Education				
Public Schools				
Current expenses	\$ 10,408,213	\$ 10,408,213	\$ -	\$ 10,408,213
Schools capital outlay	4,015,000	3,400,000	(615,000)	4,760,683
Subtotal Public Schools	14,423,213	13,808,213	(615,000)	15,168,896
Community College				
Other expenses	1,340,129	1,340,129	-	1,342,692
Capital outlay	-	-	-	31,624
Subtotal Community College	1,340,129	1,340,129	-	1,374,316
Total Education	15,763,342	15,148,342	(615,000)	16,543,212
Economic and Physical Development				
Planning and Zoning				
Salaries / benefits	276,267	274,158	(2,109)	272,342
Other expenses	80,206	76,721	(3,485)	74,268
Capital outlay	-	-	-	1,760
Subtotal Planning and Zoning	356,473	350,879	(5,594)	348,370
Economic Development, other expenses	1,243,882	612,810	(631,072)	1,059,195
Cooperative Extension				
Salaries / benefits	223,964	223,733	(231)	245,091
Other expenses	74,674	50,621	(24,053)	50,332
Capital outlay	-	-	-	21,014
Subtotal Cooperative Extension	298,638	274,354	(24,284)	316,437
Forestry, other expenses	66,932	65,396	(1,536)	47,586
Soil conservation				
Salaries / benefits	75,717	74,663	(1,054)	66,357
Other expenses	12,909	9,463	(3,446)	7,910
Subtotal Soil Conservation	88,626	84,126	(4,500)	74,267
Waterline and sewer maintenance				
Other expenses	220,000	(40,939)	(260,939)	246,325
Capital outlay	280,264	263,426	(16,838)	58,575
Subtotal Waterline and Sewer Maintenance	500,264	222,487	(277,777)	304,900
Total Economic and Physical Development	2,554,815	1,610,052	(944,763)	2,150,755
Cultural				
Library System				
Salaries / benefits	696,004	687,724	(8,280)	682,049
Other expenses	402,639	351,310	(51,329)	327,903
Capital outlay	-	-	-	5,360
Subtotal Library System	1,098,643	1,039,034	(59,609)	1,015,312
Broad River Greenway				
Other expenses	64,356	60,950	(3,406)	75,514
Capital outlay	-	-	-	1,055,617
Subtotal Broad River Greenway	64,356	60,950	(3,406)	1,131,131
Historic Courthouse, other expenses	30,000	21,998	(8,002)	12,304
Total Cultural	1,192,999	1,121,982	(71,017)	2,158,747

(continued on next page)

Cleveland County, North Carolina

a. General Fund: Statements of Revenues, Expenditures, and Changes in Fund Balances -- Budget to Actual (added details)

For the Year Ended June 30, 2010

With Comparative Totals For the Year Ended June 30, 2009

	2010		Variance - Over (Under)	2009
	Budget	Actual		Actual
EXPENDITURES (continued from previous page)				
Total Expenditures	\$ 84,739,633	\$ 77,364,690	\$ (7,374,943)	\$ 83,827,116
Excess of Revenues Over (Under) Expenditures	(4,016,874)	1,309,611	5,326,485	(999,664)
OTHER FINANCING SOURCES (USES)				
Transfers In				
from Special Revenue fund - Schools Capital Reserve	2,015,000	1,400,000	(615,000)	2,760,683
from Special Revenue fund - Revaluation	15,414	15,412	(2)	-
from Special Revenue fund - Emergency Telephone	69,318	68,316	(1,002)	66,144
from Enterprise fund	404,193	335,999	(68,194)	235,059
Transfers Out				
to Special Revenue fund - Revaluation	(11,000)	-	11,000	(11,000)
to Special Revenue fund - Emergency Telephone	-	-	-	(45,790)
to Debt Service Fund	(2,390,012)	(2,389,982)	30	(1,786,044)
to Capital Projects fund - Capital Projects	(1,957,888)	(1,291,157)	666,731	(1,636,282)
to Capital Projects fund - Capital Reserve	(1,667,924)	(667,924)	1,000,000	(2,394,000)
to Enterprise Fund	-	(940)	(940)	(6,123)
Installment Financing Issued	81,095	81,095	-	-
Fund Balance Appropriated	7,458,678	-	(7,458,678)	-
Total Other Financing Sources (Uses)	4,016,874	(2,449,181)	(6,466,055)	(2,817,353)
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	(1,139,570)	\$ (1,139,570)	(3,817,017)
FUND BALANCES				
Beginning Fund Balances		24,721,648		28,538,665
Ending Fund Balances		<u>\$ 23,582,078</u>		<u>\$ 24,721,648</u>

(continued from previous page)

Cleveland County, North Carolina

b. Schools Capital Reserve Fund: Statements of Revenues, Expenditures, and Changes in Fund Balances -- Budget to Actual (added details)

For the Year Ended June 30, 2010

With Comparative Totals For the Year Ended June 30, 2009

	2010		Variance - Over (Under)	2009
	Budget	Actual		Actual
REVENUES				
Local Option Sales Taxes, restricted portions of Articles 40 and 42				
Other taxes	\$ 2,236,514	\$ 2,458,010	\$ 221,496	\$ 3,142,521
Investment earnings	-	118,135	118,135	158,084
Subtotal	<u>2,236,514</u>	<u>2,576,145</u>	<u>339,631</u>	<u>3,300,605</u>
State Corporate Income Taxes				
Intergovernmental revenues	-	-	-	565,542
Investment earnings	-	9	9	9,099
Subtotal	<u>-</u>	<u>9</u>	<u>9</u>	<u>574,641</u>
State Education Lottery Proceeds				
Intergovernmental revenues	615,000	8,432	(606,568)	1,238,534
Investment earnings	-	116,679	116,679	122,149
Subtotal	<u>615,000</u>	<u>125,111</u>	<u>(489,889)</u>	<u>1,360,683</u>
Total revenues	<u>2,851,514</u>	<u>2,701,265</u>	<u>(150,249)</u>	<u>5,235,929</u>
OTHER FINANCING SOURCES (USES)				
Local Option Sales Taxes, restricted portions of Articles 40 and 42				
Transfers out				
To General Fund	(1,400,000)	(1,400,000)	-	(1,400,000)
To County Capital Reserve Fund	(4,694,512)	-	4,694,512	(1,000,000)
To Debt Service Fund	(1,436,514)	(1,436,514)	-	(971,833)
Subtotal	<u>(7,531,026)</u>	<u>(2,836,514)</u>	<u>4,694,512</u>	<u>(3,371,833)</u>
State Corporate Income Taxes				
Transfers out				
To Debt Service Fund	-	-	-	(575,751)
State Education Lottery Proceeds				
Transfers out				
To General Fund	(615,000)	-	615,000	(1,360,683)
Fund balance appropriated, local option sales taxes	5,294,512	-	(5,294,512)	-
Total other financing sources (uses)	<u>(2,851,514)</u>	<u>(2,836,514)</u>	<u>15,000</u>	<u>(5,308,267)</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>(135,249)</u>	<u>\$ (135,249)</u>	<u>(72,338)</u>
FUND BALANCES				
Local Option Sales Taxes, restricted portions of Articles 40 and 42				
Beginning fund balances		<u>6,785,344</u>		<u>6,856,572</u>
Ending fund balances		<u>6,524,975</u>		<u>6,785,344</u>
State Corporate Income Taxes				
Beginning fund balances		<u>367</u>		<u>1,477</u>
Ending fund balances		<u>376</u>		<u>367</u>
State Education Lottery Proceeds				
Beginning fund balances		<u>-</u>		<u>-</u>
Ending fund balances		<u>125,111</u>		<u>-</u>
Total Combined				
Beginning fund balances		<u>6,785,711</u>		<u>6,858,049</u>
Ending fund balances		<u>\$ 6,650,462</u>		<u>\$ 6,785,711</u>

Cleveland County, North Carolina

c. County Capital Reserve Fund: Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (added details)

For the Year Ended June 30, 2010

With Comparative Totals For the Year Ended June 30, 2009

	2010		Variance - Over (Under)	2009
	Budget	Actual		Actual
REVENUES				
Investment earnings	\$ -	\$ 54,924	\$ 54,924	\$ 136,641
Miscellaneous	-	14,000	14,000	14,000
Total revenues	-	68,924	68,924	150,641
OTHER FINANCING SOURCES (USES)				
Transfers in				
From General Fund	1,667,924	667,924	(1,000,000)	2,394,000
From Schools Capital Reserve Fund	4,694,512	-	(4,694,512)	1,000,000
Transfers out				
To Capital Projects Fund	(39,316,965)	(7,478,773)	31,838,192	(6,330,809)
Installment financing issued				
For Shelby Middle School Project	22,000,000	22,000,000	-	6,720,000
Fund balance appropriated	10,954,529	-	(10,954,529)	-
Total other financing sources (uses)	-	15,189,151	15,189,151	3,783,191
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ -	15,258,075	\$ 15,258,075	3,933,832
FUND BALANCES				
Beginning fund balances		11,082,944		7,149,112
Ending fund balances		\$ 26,341,019		\$ 11,082,944

**Cleveland County, North Carolina
Annual Financial and Compliance Report
For the Year Ended June 30, 2010
II: FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
D. Required Supplementary Information:
4. Non-major Governmental Funds Financial Statements**

	<u>Identifier</u>	<u>Page No.</u>
a. Non-major Governmental Funds: Combining Balance Sheet	Exhibit II.D.4.a	108
b. Non-major Governmental Funds: Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	Exhibit II.D.4.b	110
c. Public Schools Fund: Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	Exhibit II.D.4.c	112
d. Community College Bond Fund: Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	Exhibit II.D.3.d	113
d. Revaluation Fund: Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	Exhibit II.D.4.d	113
e. Emergency Telephone Fund: Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	Exhibit II.D.4.e	114
f. County Fire Service District Fund: Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	Exhibit II.D.4.f	115
g. Community Development Fund: Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (since project inception)	Exhibit II.D.4.g	116
h. Debt Service Fund: Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	Exhibit II.D.4.h	117
i. Capital Projects Fund: Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (since project inception)	Exhibit II.D.4.i	118

The Non-major Governmental Funds Financial Statements include the combining balance sheet and combining statement of revenues, expenditures, and changes in fund balance for non-major special revenue funds, debt service fund, and capital projects funds that comprise the other governmental, non-major funds column in the Basic Financial Statements. The individual fund financial statements follow the combining statements.

The primary purpose of Special Revenue Funds is to account for the proceeds of designated revenue sources that are restricted by law or administrative action for specific purposes. Items c through h from the list above represent different Special Revenue Funds.

The purpose of the Capital Projects and Capital Reserve Funds is to account for the financial resources segregated for the acquisition or construction of major general capital assets and facilities. The budgets within these funds are adopted for the life of the project. Under the project accounting concept, project expenditures and revenues are accumulated until the year in which the project is completed.

Cleveland County, North Carolina
a. Non-major Governmental Funds: Combining Balance Sheet

June 30, 2010
With Comparative Totals as of June 30, 2009

Non-Major Governmental Fund:					
	Public Schools	Revaluation	Emergency Telephone	Fire District	
ASSETS					
Cash and cash equivalents	\$ 193,945	\$ 15,412	\$ 1,723,447	\$ 826,998	
Taxes receivable, net	468,820	-	-	44,494	
Accounts receivable, net	-	-	51,082	53,811	
Due from other funds	-	-	-	7,047	
Prepaid items	-	-	4,016	-	
Total assets	\$ 662,765	\$ 15,412	\$ 1,778,545	\$ 932,350	
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued expenses	\$ 135,387	\$ -	\$ 73	\$ -	
Contract retainage	-	-	-	-	
Unearned revenues	58,508	-	-	6,409	
Deferred revenues	468,820	-	-	44,494	
Due to other funds	-	15,412	14	-	
Total liabilities	662,715	15,412	87	50,903	
Fund balances:					
Reserved fund balance					
Encumbrances	-	-	-	-	
Prepaid items	-	-	4,016	-	
State Statute	-	-	51,082	60,858	
Unreserved designated fund balance for subsequent year's expenditures	-	-	-	309,966	
Unreserved undesignated fund balance					
Special revenue funds	50	-	1,723,360	510,623	
Capital projects funds	-	-	-	-	
Total fund balances	50	-	1,778,458	881,447	
Total liabilities and fund balances	\$ 662,765	\$ 15,412	\$ 1,778,545	\$ 932,350	

(continued on next page)

Non-Major Governmental Funds						
CDBG Housing Rehab	Debt Service	Capital Projects	Totals			
			2010	2009		
\$ -	\$ -	\$ -	\$ 2,759,802	\$ 2,679,671		
-	-	-	513,314	614,525		
-	-	613,601	718,494	428,398		
-	-	-	7,047	19,835		
-	5,000	-	9,016	-		
\$ -	\$ 5,000	\$ 613,601	\$ 4,007,673	\$ 3,742,429		
\$ -	\$ -	\$ 12,117	\$ 147,577	\$ 428,017		
-	-	-	-	8,029		
-	-	-	64,917	55,235		
-	-	133,601	646,915	969,331		
-	5,000	601,484	621,910	10,991		
-	5,000	747,202	1,481,319	1,471,603		
-	-	-	-	77,824		
-	-	-	4,016	-		
-	-	-	111,940	89,305		
-	-	-	309,966	250,730		
-	-	-	2,234,033	1,967,706		
-	-	(133,601)	(133,601)	(114,739)		
-	-	(133,601)	2,526,354	2,270,826		
\$ -	\$ 5,000	\$ 613,601	\$ 4,007,673	\$ 3,742,429		

(continued from previous page)

Cleveland County, North Carolina

b. Non-major Governmental Funds: Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances

For the Year Ended June 30, 2010

With Comparative Totals For the Year Ended June 30, 2009

	Non-Major Governmental Fund:			
	Public Schools	Revaluation	Emergency Telephone	Fire District
REVENUES				
Ad valorem taxes	\$ 10,170,228	\$ -	\$ -	\$ 873,074
Other taxes	-	-	637,280	224,511
Intergovernmental revenues, restricted	-	-	26,950	1,815
Investment earnings	-	29	26,462	12,820
Miscellaneous	-	-	-	-
Total revenues	10,170,228	29	690,692	1,112,220
EXPENDITURES				
General government	-	-	-	-
Public safety	-	-	275,977	1,355,096
Human services	-	-	-	-
Education	10,170,229	-	-	-
Economic and physical development	-	-	-	-
Cultural	-	-	-	-
Schools capital outlay	-	-	-	-
Debt service, principal reduction	-	-	-	-
Debt service, interest and fees	-	-	-	-
Total expenditures	10,170,229	-	275,977	1,355,096
Excess of revenues over (under) expenditures	(1)	29	414,715	(242,876)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	(15,412)	(68,316)	-
Total other financing sources (uses)	-	(15,412)	(68,316)	-
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(1)	(15,383)	346,399	(242,876)
FUND BALANCES				
Beginning fund balances	51	15,383	1,432,059	1,124,323
Ending fund balances	\$ 50	\$ -	\$ 1,778,458	\$ 881,447

(continued on next page)

Non-Major Governmental Funds					
CDBG Housing Rehab	Debt Service	Capital Projects	Totals		
			2010	2009	
\$ -	\$ -	\$ -	\$ 11,043,302	\$	10,967,595
-	-	-	861,791		900,272
293,837	-	540,000	862,602		243,987
-	-	-	39,311		65,705
-	-	281,877	281,877		7,007
293,837	-	821,877	13,088,883		12,184,566
-	-	232,160	232,160		131,334
-	-	4,319,335	5,950,408		7,800,078
-	-	421,857	421,857		108,912
-	-	-	10,170,229		10,099,060
107,586	-	1,387,962	1,495,548		1,665,163
-	-	523,935	523,935		260,000
-	-	2,725,420	2,725,420		122,439
-	3,191,642	-	3,191,642		2,842,866
-	634,854	-	634,854		490,762
107,586	3,826,496	9,610,669	25,346,053		23,520,614
186,251	(3,826,496)	(8,788,792)	(12,257,170)		(11,336,048)
-	3,826,496	8,769,930	12,596,426		11,357,509
-	-	-	(83,728)		(66,144)
-	3,826,496	8,769,930	12,512,698		11,291,365
186,251	-	(18,862)	255,528		(44,683)
(186,251)	-	(114,739)	2,270,826		2,315,509
\$ -	\$ -	\$ (133,601)	\$ 2,526,354	\$	2,270,826

(continued from previous page)

Cleveland County, North Carolina

c. Public Schools Fund: Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2010

With Comparative Totals For the Year Ended June 30, 2009

	2010		Variance - Over (Under)	2009
	Budget	Actual		Actual
REVENUES				
Ad valorem taxes				
Current year	\$ 9,362,925	\$ 9,559,002	\$ 196,077	\$ 9,490,115
Prior years	863,229	496,899	(366,330)	477,048
Penalties and interest	-	114,327	114,327	131,898
Total revenues	10,226,154	10,170,228	(55,926)	10,099,061
EXPENDITURES				
Education				
Consolidated school system	10,226,154	10,170,229	(55,925)	10,099,060
Total expenditures	10,226,154	10,170,229	(55,925)	10,099,060
Net change in fund balance	\$ -	(1)	\$ (1)	1
FUND BALANCES				
Beginning fund balances		51		50
Ending fund balances		<u>\$ 50</u>		<u>\$ 51</u>

Cleveland County, North Carolina

d. Revaluation Fund: Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2010

With Comparative Totals For the Year Ended June 30, 2009

	2010		Variance - Over (Under)	2009
	Budget	Actual		Actual
REVENUES				
Investment earnings	\$ -	\$ 29	\$ 29	\$ 75
Total revenues	-	29	29	75
EXPENDITURES				
General government:				
Postage	4,793	-	(4,793)	-
Advertising	1,800	-	(1,800)	-
Contracted services	3,793	-	(3,793)	-
Total expenditures	10,386	-	(10,386)	-
Excess of revenues over (under) expenditures	(10,386)	29	10,415	75
OTHER FINANCING SOURCES (USES)				
Transfers in:				
From General Fund	11,000	-	(11,000)	11,000
Transfers out:				
To General Fund	(15,414)	(15,412)	2	-
Fund balance appropriated	14,800	-	(14,800)	-
Total other financing sources (uses)	10,386	(15,412)	(25,798)	11,000
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ -	(15,383)	\$ (15,383)	11,075
FUND BALANCES				
Beginning fund balances		15,383		4,308
Ending fund balances		\$ -		\$ 15,383

Cleveland County, North Carolina
e. Emergency Telephone Fund: Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2010

With Comparative Totals For the Year Ended June 30, 2009

	2010		Variance - Over (Under)	2009
	Budget	Actual		Actual
REVENUES				
System subscriber/surcharge fees	\$ 330,901	\$ 637,280	\$ 306,379	\$ 612,647
Other intergovernmental revenues	-	26,950	26,950	26,762
Investment earnings	-	26,462	26,462	35,028
Miscellaneous	-	-	-	56
Total revenues	330,901	690,692	359,791	674,493
EXPENDITURES				
Public safety:				
Telecommunications	158,010	115,344	(42,666)	117,044
Professional services	78,424	78,211	(213)	50,618
Grants	49,001	49,001	-	48,659
Other	53,972	33,421	(20,551)	25,379
Capital outlay, equipment	-	-	-	98,628
Total public safety expenditures	339,407	275,977	(63,430)	340,328
Excess of revenues over (under) expenditures	(8,506)	414,715	423,221	334,165
OTHER FINANCING SOURCES (USES)				
Transfers in				
From General Fund	-	-	-	45,790
Transfers out				
To General Fund	(69,318)	(68,316)	1,002	(66,144)
Fund balance appropriated	77,824	-	(77,824)	-
Total other financing sources (uses)	8,506	(68,316)	(76,822)	(20,354)
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ -	346,399	\$ 346,399	313,811
FUND BALANCES				
Beginning fund balances		1,432,059		1,118,248
Ending fund balances		<u>\$ 1,778,458</u>		<u>\$ 1,432,059</u>

Cleveland County, North Carolina
**f. County Fire Service District Fund: Statement of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual**

For the Year Ended June 30, 2010

With Comparative Totals For the Year Ended June 30, 2009

	2010		Variance - Over (Under)	2009
	Budget	Actual		Actual
REVENUES				
Ad valorem taxes				
Current year	\$ 820,800	\$ 818,191	\$ (2,609)	\$ 818,405
Prior years	26,730	44,624	17,894	39,921
Penalties and interest	10,000	10,259	259	10,208
Total ad valorem taxes	<u>857,530</u>	<u>873,074</u>	<u>15,544</u>	<u>868,534</u>
Other taxes, local option sales taxes	260,000	224,511	(35,489)	287,625
Intergovernmental revenues, restricted grants	-	1,815	1,815	8,445
Investment earnings	20,000	12,820	(7,180)	30,602
Total revenues	<u>1,137,530</u>	<u>1,112,220</u>	<u>(25,310)</u>	<u>1,195,206</u>
EXPENDITURES				
Public safety				
Supplies	4,015	788	(3,227)	715
Repairs on equipment	1,750	-	(1,750)	-
Contracted and professional services	7,200	1,190	(6,010)	1,261
Insurance	69,913	52,119	(17,794)	55,810
Awards to volunteer fire departments	1,300,999	1,300,999	-	1,206,000
Total expenditures	<u>1,383,877</u>	<u>1,355,096</u>	<u>(28,781)</u>	<u>1,263,786</u>
Excess of revenues over (under) expenditures	<u>(246,347)</u>	<u>(242,876)</u>	<u>3,471</u>	<u>(68,580)</u>
OTHER FINANCING SOURCES (USES)				
Fund balance appropriated	246,347	-	(246,347)	-
Total other financing sources (uses)	<u>246,347</u>	<u>-</u>	<u>(246,347)</u>	<u>-</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>(242,876)</u>	<u>\$ (242,876)</u>	<u>(68,580)</u>
FUND BALANCES				
Beginning fund balances		1,124,323		1,192,903
Ending fund balances		<u>\$ 881,447</u>		<u>\$ 1,124,323</u>

Cleveland County, North Carolina

g. Community Development Fund: Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (since project inception)

For the Year Ended June 30, 2010

With Comparative Totals For the Year Ended June 30, 2009

	Project Authorization	Prior Years	Current Year	Total to Date
REVENUES				
Intergovernmental revenues, federal CDBG-HR Grant	\$ 400,000	\$ 305,837	\$ 93,837	\$ 399,674
Intergovernmental revenues, federal CDBG-SI Grant	200,000	-	200,000	200,000
Total revenues	600,000	305,837	293,837	599,674
EXPENDITURES				
Economic and physical development				
Community Development Block Grant - Housing Rehab (CDBG-HR)				
Administration	43,500	35,727	5,050	40,777
Housing rehabilitation	356,500	263,455	95,442	358,897
Community Development Block Grant - Sewer Improvements (CDBG-SI)				
Public facilities and improvement - sewer	200,000	192,906	7,094	200,000
Total expenditures	600,000	492,088	107,586	599,674
Excess of revenues over (under) expenditures	\$ -	\$ (186,251)	186,251	\$ -
FUND BALANCES				
Beginning fund balances			(186,251)	
Ending fund balances			\$ -	

Cleveland County, North Carolina
h. Debt Service Fund: Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual

For the Year Ended June 30, 2010

With Comparative Totals For the Year Ended June 30, 2009

	2010		Variance - Over (Under)	2009
	Budget	Actual		Actual
EXPENDITURES				
Debt service				
Principal retirement	\$ 3,191,642	\$ 3,191,642	\$ -	\$ 2,842,866
Interest	629,884	629,854	(30)	487,310
Fees	5,000	5,000	-	3,452
Total expenditures	3,826,526	3,826,496	(30)	3,333,628
OTHER FINANCING SOURCES (USES)				
Transfers in				
From General Fund	2,390,012	2,389,982	(30)	1,786,044
From Schools Capital Reserve Fund	1,436,514	1,436,514	-	1,547,584
Total other financing sources (uses)	3,826,526	3,826,496	(30)	3,333,628
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ -	-	\$ -	-
FUND BALANCES				
Beginning fund balances		-		-
Ending fund balances		\$ -		\$ -

Cleveland County, North Carolina

i. Capital Projects Fund: Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (since project inception)

For the Year Ended June 30, 2010

With Comparative Totals For the Year Ended June 30, 2009

	Project Authorization	Prior Years	Current Year	Total to Date
REVENUES				
Intergovernmental revenues, restricted	\$ 2,659,920	\$ 1,084,920	\$ 540,000	\$ 1,624,920
Miscellaneous	-	6,951	281,877	288,828
Total revenues	2,659,920	1,091,871	821,877	1,913,748
EXPENDITURES				
General government:				
Computer replacement program	272,252	156,649	31,235	187,884
Vehicle fueling station	200,000	-	200,000	200,000
Various other projects	925	-	925	925
Subtotal	473,177	156,649	232,160	388,809
Public safety				
Communications Equipment Project	8,487,443	7,784,817	308,093	8,092,910
Jail Annex Expansion	7,720,675	885,218	3,742,486	4,627,704
E911 Dispatch Equipment	312,700	3,485	-	3,485
EMS Base Station - Location TBD	16,729	-	-	-
Animal Shelter Building Renovations	350,276	100,275	177,063	277,338
Courtroom Improvements	74,940	-	68,750	68,750
Courthouse Annex	38,914	-	22,943	22,943
Subtotal	17,001,677	8,773,795	4,319,335	13,093,130
Human services				
Health Complex Building/Parking Renovations	1,574,237	1,333,403	238,455	1,571,858
County Office Building Renovations	239,723	34,346	183,402	217,748
Subtotal	1,813,960	1,367,749	421,857	1,789,606
Education				
Early College High School (5-Year Diploma/Degree)	3,675,983	120,796	524,378	645,174
Shelby Middle School	26,694,512	-	2,141,042	2,141,042
Community College Grant	60,000	-	60,000	60,000
Subtotal	30,430,495	120,796	2,725,420	2,846,216
Economic and physical development				
Foothills Commerce Center - West Shelby	1,353,000	-	696,085	696,085
Industrial Park - Washburn Switch Road	1,186,794	1,102,151	84,641	1,186,792
Industrial Park - US Highway 74 Business	838,563	729,654	28,936	758,590
Kings Mountain Gateway Trails	695,000	174,738	468,862	643,600
Industrial Park - US Highway 29	631,884	614,943	21,903	636,846
American Legion World Series	87,535	-	87,535	87,535
Subtotal	4,792,776	2,621,486	1,387,962	4,009,448
Cultural and recreational				
Historic Courthouse Renovation	1,250,000	500,000	250,000	750,000
Upper Cleveland Sports Facility	512,842	10,000	273,935	283,935
Subtotal	1,762,842	510,000	523,935	1,033,935
Total expenditures	56,274,927	13,550,475	9,610,669	23,161,144
Excess of revenues over (under) expenditures	(53,615,007)	(12,458,604)	(8,788,792)	(21,247,396)

(continued on next page)

Cleveland County, North Carolina

i. Capital Projects Fund: Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (since project inception)

For the Year Ended June 30, 2010

With Comparative Totals For the Year Ended June 30, 2009

	Project Authorization	Prior Years	Current Year	Total to Date
(continued from previous page)				
Excess of revenues over (under) expenditures (repeated from prior page)	(53,615,007)	(12,458,604)	(8,788,792)	(21,247,396)
OTHER FINANCING SOURCES (USES)				
Transfers in				
From General Fund	6,058,047	4,088,001	1,291,157	5,379,158
From Capital Reserve Fund	47,556,960	8,255,864	7,478,773	15,734,637
Total other financing sources (uses)	53,615,007	12,343,865	8,769,930	21,113,795
 Excess of revenues and other financing sources over (under) expenditures and other financing uses	 \$ -	 \$ (114,739)	 (18,862)	 \$ (133,601)
FUND BALANCES				
Beginning fund balances			(114,739)	
Ending fund balances			<u>\$ (133,601)</u>	

(continued from previous page)

Cleveland County, North Carolina
Annual Financial and Compliance Report
For the Year Ended June 30, 2010
II: FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
D. Required Supplementary Information:
5. Major Enterprise Fund Financial Schedule

	<u>Identifier</u>	<u>Page No.</u>
a. Solid Waste Disposal and Collection Fund: Schedule of Revenues and Expenditures -- Budget to Actual; non-GAAP modified accrual basis	Exhibit II.D.5.a	121

The County's sole Enterprise Fund is the Solid Waste Disposal and Collection Fund. This Fund is used to account for the operations in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods and services to the general public be recovered through user charges.

The following schedule presents the results of operations for the Enterprise Fund on the modified accrual basis for comparison to the legally adopted budget. In accordance with generally accepted accounting principles, the end of the schedule includes a reconciliation of the modified accrual basis to the full accrual basis.

Cleveland County, North Carolina

a. Solid Waste Disposal and Collection Fund: Schedule of Revenues and Expenditures -- Budget to Actual; non-GAAP modified accrual basis

For the Year Ended June 30, 2010

With Comparative Totals For the Year Ended June 30, 2009

	2010		Variance - Over (Under)	2009
	Budget	Actual		Actual
REVENUES				
Operating revenues				
Household user fees	\$ 1,415,713	\$ 1,446,245	\$ 30,532	\$ 1,418,467
Departmental fees	3,150,000	2,945,095	(204,905)	3,261,848
Miscellaneous	131,287	316,481	185,194	239,908
Total operating revenues	<u>4,697,000</u>	<u>4,707,821</u>	<u>10,821</u>	<u>4,920,223</u>
Non-operating revenues				
Other taxes	155,000	423,888	268,888	188,407
Intergovernmental revenues	65,000	48,945	(16,055)	(35,581)
Interest earned	100,000	14,553	(85,447)	160,189
Total non-operating revenues	<u>320,000</u>	<u>487,386</u>	<u>167,386</u>	<u>313,015</u>
Total revenues	<u>5,017,000</u>	<u>5,195,207</u>	<u>178,207</u>	<u>5,233,238</u>
EXPENDITURES				
Administration and operating expenditures				
Salaries and benefits	1,832,822	1,775,616	(57,206)	1,755,697
Supplies and materials	59,415	51,889	(7,526)	45,671
Uniforms	8,280	8,083	(197)	7,984
Travel and training	11,350	9,827	(1,523)	9,364
Utilities, telecommunications, and postage	104,913	82,184	(22,729)	86,468
Repairs and maintenance	245,516	236,671	(8,845)	237,202
Advertising	4,500	3,376	(1,124)	4,086
Laundry and dry cleaning	19,312	12,582	(6,730)	19,690
Rent	23,640	20,367	(3,273)	9,111
Contracted services	365,181	300,205	(64,976)	346,647
Insurance	80,400	80,400	-	80,300
Garbage	995,608	900,917	(94,691)	958,794
Professional and legal services	231,662	192,950	(38,712)	172,576
Solid waste disposal tax to State	268,100	248,497	(19,603)	246,255
Automotive fuels and supplies	447,150	426,973	(20,177)	370,298
Miscellaneous	18,862	11,104	(7,758)	10,802
Total administration and operating expenditures	<u>4,716,711</u>	<u>4,361,641</u>	<u>(355,070)</u>	<u>4,360,945</u>
Capital outlay	1,337,874	874,601	(463,273)	2,962,957
Total expenditures	<u>6,054,585</u>	<u>5,236,242</u>	<u>(818,343)</u>	<u>7,323,902</u>
Excess of revenues over (under) expenditures	<u>(1,037,585)</u>	<u>(41,035)</u>	<u>996,550</u>	<u>(2,090,664)</u>

(continued on next page)

Cleveland County, North Carolina

a. Solid Waste Disposal and Collection Fund: Schedule of Revenues and Expenditures -- Budget to Actual; non-GAAP modified accrual basis

For the Year Ended June 30, 2010

With Comparative Totals For the Year Ended June 30, 2009

	2010		Variance - Over (Under)	2009
	Budget	Actual		Actual
(continued from previous page)				
Excess of revenues over (under) expenditures (repeated from prior page)	(1,037,585)	(41,035)	996,550	(2,090,664)
OTHER FINANCING SOURCES (USES)				
Transfer to General Fund	(404,193)	(335,999)	68,194	(235,059)
Transfer from General Fund	-	940	940	6,123
Fund balance appropriated	1,541,778	-	(1,541,778)	-
Total other financing sources (uses)	1,137,585	(335,059)	(1,472,644)	(228,936)
Excess of operating revenues and other financing sources over (under) operating expenditures and other financing uses	\$ 100,000	\$ (376,094)	\$ (476,094)	\$ (2,319,600)
Reconciliation of Modified Accrual Basis with Full Accrual Basis				
Excess of operating revenues and other financing sources over (under) operating expenditures and other financing uses (modified accrual basis)		\$ (376,094)		\$ (2,319,600)
Capital outlay expenditures		883,101		2,962,957
Depreciation expense		(664,964)		(649,260)
Non-cash gain (loss) on disposals of capital assets		(501,195)		(32,610)
Change in accrued retirement benefits		(68,968)		(93,582)
Change in accrued leave earned expense		(21,274)		(11,184)
Landfill closure and post-closure care expense		1,503,808		(3,150,208)
Change in net assets (full accrual basis)		\$ 754,414		\$ (3,293,487)
Another Difference in Reporting under Modified Accrual (MA) Basis versus Full Accrual (FA) Basis				
Departmental fees (modified accrual basis)		\$ 2,945,095		\$ 3,261,848
Bad debt expense (reduces departmental fees revenue under MA basis)		881		2,404
Departmental fees (full accrual basis)		\$ 2,945,976		\$ 3,264,252

(continued from previous page)

Cleveland County, North Carolina
Annual Financial and Compliance Report
For the Year Ended June 30, 2010
II: FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
D. Required Supplementary Information:
6. Fiduciary Funds Financial Statement

	<u>Identifier</u>	<u>Page No.</u>
a. Combining Statement of Changes in Assets and Liabilities -- Fiduciary Funds	Exhibit II.D.6.a	124

The County's fiduciary funds are used to account for resources received and held by the County as the trustee or for which the County acts as agent. The fiduciary funds are:

Fines and Forfeitures Agency Fund

Inmate Agency Fund

Property Tax Agency Fund

Rescue Squad Agency Fund

Social Services Agency Fund

The County also has granted retired employees access to certain post employment benefits, such as pension payments and health care, for a limited time. The County has decided not to advance any funds toward these future expenditures, instead electing to pay the expenditures as they become due. Related activities include the following:

Law Enforcement Officers Special Separation Allowance

Cleveland County, North Carolina
a. Combining Statement of Changes in Assets and Liabilities -- Fiduciary Funds

For the Year Ended June 30, 2010

	Beginning Balance 2009	Additions	Deductions	Ending Balance 2010
Fines and Forfeitures Agency Fund				
Assets				
Intergovernmental receivable *	\$ 8,763	\$ 594,414	\$ (598,402)	\$ 4,775
Liabilities				
Due to other taxing units - State of North Carolina *	\$ 8,763	\$ 44,628	\$ (48,616)	\$ 4,775
Due to other taxing units - Cleveland County Board of Education	-	589,642	(589,642)	-
Total liabilities	\$ 8,763	\$ 634,270	\$ (638,258)	\$ 4,775
Inmate Agency Fund				
Assets				
Cash and cash equivalents	\$ 10,232	\$ 179,209	\$ (186,176)	\$ 3,265
Intergovernmental receivable	1,511	255,654	(255,370)	1,795
Total assets	\$ 11,743	\$ 434,863	\$ (441,546)	\$ 5,060
Liabilities				
Accounts payable	\$ 11,743	\$ 277,425	\$ (284,108)	\$ 5,060
Property Tax Agency Fund				
Assets				
Taxes receivable	\$ 41,795	\$ 424,588	\$ (428,794)	\$ 37,589
Accounts receivable	1,018,237	12,359,920	(12,527,080)	851,077
Intergovernmental receivable	208,956	13,067,986	(13,053,136)	223,806
Total assets	\$ 1,268,988	\$ 25,852,494	\$ (26,009,010)	\$ 1,112,472
Liabilities				
Accounts payable	\$ 165,385	\$ 15,332,800	\$ (15,326,132)	\$ 172,053
Due to other taxing units	1,103,603	13,091,340	(13,254,524)	940,419
Total liabilities	\$ 1,268,988	\$ 28,424,140	\$ (28,580,656)	\$ 1,112,472
Rescue Squad Agency Fund				
Assets				
Cash and cash equivalents	\$ 102,510	\$ 118,739	\$ (211,736)	\$ 9,513
Accounts receivable	942,508	-	-	942,508
Total assets	\$ 1,045,018	\$ 118,739	\$ (211,736)	\$ 952,021
Liabilities				
Accounts payable	\$ 102,510	\$ 9,436	\$ (102,433)	\$ 9,513
Due to other taxing units	942,508	-	-	942,508
Total liabilities	\$ 1,045,018	\$ 9,436	\$ (102,433)	\$ 952,021

(continued on next page)

Cleveland County, North Carolina

a. Combining Statement of Changes in Assets and Liabilities -- Fiduciary Funds

For the Year Ended June 30, 2010

	Beginning Balance 2009	Additions	Deductions	Ending Balance 2010
(continued from previous page)				
Social Services Agency Fund				
Assets				
Cash and cash equivalents	\$ 40,725	\$ 391,033	\$ (374,881)	\$ 56,877
Liabilities				
Accounts payable	\$ 40,725	\$ 391,033	\$ (374,881)	\$ 56,877
TOTALS, All Agency Funds				
Assets				
Cash and investments	\$ 153,467	\$ 688,981	\$ (772,793)	\$ 69,655
Taxes receivable	41,795	424,588	(428,794)	37,589
Accounts receivable	1,960,745	12,359,920	(12,527,080)	1,793,585
Intergovernmental receivable	219,230	13,918,054	(13,906,908)	230,376
Total assets	\$ 2,375,237	\$ 27,391,543	\$ (27,635,575)	\$ 2,131,205
Liabilities				
Accounts payable	\$ 320,363	\$ 16,010,694	\$ (16,087,554)	\$ 243,503
Due to other taxing units	2,054,874	13,725,610	(13,892,782)	1,887,702
Total liabilities	\$ 2,375,237	\$ 29,736,304	\$ (29,980,336)	\$ 2,131,205

Note:

* These amounts in the Fines and Forfeitures Agency Fund concern the 3% late penalty on delinquent property taxes on motor vehicle

(continued from previous page)