



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



Return of Private Foundation or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation

2010

Department of the Treasury
Internal Revenue Service

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year 2010, or tax year beginning **APR 1, 2010**, and ending **MAR 31, 2011**

G Check all that apply: Initial return Initial return of a former public charity Final return
 Amended return Address change Name change

Name of foundation J. E. AND MILDRED WAGGONER FAMILY FOUNDATION, INC.		A Employer identification number 56-1847923
Number and street (or P O box number if mail is not delivered to street address) 2341 ROBINWOOD ROAD	Room/suite	B Telephone number 704-864-7633
City or town, state, and ZIP code GASTONIA, NC 28054		C If exemption application is pending, check here <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		D 1 Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 1,222,723.	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))</small>	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received			N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	31,556.	31,556.		STATEMENT 1
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	24,127.			
b Gross sales price for all assets on line 6a 315,433.				
7 Capital gain net income (from Part IV, line 2)		24,127.		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss)				
11 Other income				
12 Total Add lines 1 through 11	55,683.	55,683.		
13 Compensation of officers, directors, trustees, etc	0.	0.		0.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees				
b Accounting fees	1,295.	1,295.		0.
c Other professional fees	8,927.	8,927.		0.
d Interest				
e Taxes	124.	124.		0.
f Depreciation and depletion				
20 Occasional				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses				
24 Total operating and administrative expenses Add lines 13 through 23	10,346.	10,346.		0.
25 Contributions, gifts, grants paid	56,000.			56,000.
26 Total expenses and disbursements. Add lines 24 and 25	66,346.	10,346.		56,000.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	<10,663.>			
b Net investment income (if negative, enter -0-)		45,337.		
c Adjusted net income (if negative, enter -0-)			N/A	

48

**J.E. AND MILDRED WAGGONER
FAMILY FOUNDATION, INC.**

Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only

	Beginning of year		End of year	
	(a) Book Value	(b) Book Value	(c) Fair Market Value	
Assets				
1 Cash - non-interest-bearing				
2 Savings and temporary cash investments	57,460.	79,298.	79,298.	
3 Accounts receivable ▶				
Less: allowance for doubtful accounts ▶				
4 Pledges receivable ▶				
Less: allowance for doubtful accounts ▶				
5 Grants receivable				
6 Receivables due from officers, directors, trustees, and other disqualified persons				
7 Other notes and loans receivable ▶				
Less: allowance for doubtful accounts ▶				
8 Inventories for sale or use				
9 Prepaid expenses and deferred charges				
10a Investments - U.S. and state government obligations STMT 5	152,018.	101,772.	107,925.	
b Investments - corporate stock STMT 6	383,111.	404,574.	464,482.	
c Investments - corporate bonds STMT 7	104,152.	104,152.	109,403.	
11 Investments - land, buildings, and equipment basis ▶				
Less: accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other STMT 8	409,939.	406,221.	461,615.	
14 Land, buildings, and equipment: basis ▶				
Less: accumulated depreciation ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers)	1,106,680.	1,096,017.	1,222,723.	
Liabilities				
17 Accounts payable and accrued expenses				
18 Grants payable				
19 Deferred revenue				
20 Loans from officers, directors, trustees, and other disqualified persons				
21 Mortgages and other notes payable				
22 Other liabilities (describe ▶)				
23 Total liabilities (add lines 17 through 22)	0.	0.		
Net Assets or Fund Balances				
Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31 ▶ <input checked="" type="checkbox"/>				
24 Unrestricted	1,106,680.	1,096,017.		
25 Temporarily restricted				
26 Permanently restricted				
Foundations that do not follow SFAS 117, check here and complete lines 27 through 31 ▶ <input type="checkbox"/>				
27 Capital stock, trust principal, or current funds				
28 Paid-in or capital surplus, or land, bldg, and equipment fund				
29 Retained earnings, accumulated income, endowment, or other funds				
30 Total net assets or fund balances	1,106,680.	1,096,017.		
31 Total liabilities and net assets/fund balances	1,106,680.	1,096,017.		

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,106,680.
2 Enter amount from Part I, line 27a	2	<10,663.>
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	1,096,017.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,096,017.

J.E. AND MILDRED WAGGONER

Form 990-PF (2010)

FAMILY FOUNDATION, INC.

56-1847923

Page 3

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo, day, yr.)	(d) Date sold (mo., day, yr.)
1a SEE ATTACHED SCHEDULE	P		
b			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 315,433.		291,306.	24,127.
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a			24,127.
b			
c			
d			
e			

2 Capital gain net income or (net capital loss) } If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	24,127.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8 }	3	N/A

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
 If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2009	55,000.	1,104,901.	.049778
2008	64,675.	1,162,806.	.055620
2007	70,105.	1,377,977.	.050875
2006	67,560.	1,342,969.	.050306
2005	133,829.	1,323,497.	.101118

2 Total of line 1, column (d)	2	.307697
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	.061539
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	1,168,289.
5 Multiply line 4 by line 3	5	71,895.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	453.
7 Add lines 5 and 6	7	72,348.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.	8	56,000.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1	907.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0.
3	Add lines 1 and 2	3	907.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0.
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	907.
6	Credits/Payments		
a	2010 estimated tax payments and 2009 overpayment credited to 2010	6a	600.
b	Exempt foreign organizations - tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	600.
8	Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed SEE STATEMENT 9	9	307.
10	Overpayment If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11	Enter the amount of line 10 to be: Credited to 2011 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a		X
1b		X
1c		X
2		X
3		X
4a		X
4b		
5		X
6	X	
7	X	
8a		
8b	X	
9		X
10		X

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ <u>N/A</u>	13	X	
14	The books are in care of ▶ <u>RUTH WAGGONER</u> Telephone no. ▶ <u>704-864-7633</u> Located at ▶ <u>2341 ROBINWOOD ROAD, GASTONIA, NC</u> ZIP+4 ▶ <u>28054</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year ▶ <u>15</u> N/A			
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ▶	16	Yes	No
				X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ <u>N/A</u>	1b	
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ _____, _____, _____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) N/A	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ▶ _____, _____, _____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2010 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010) N/A	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010?	4b	X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to:

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? Yes No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? Yes No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? Yes No
Organizations relying on a current notice regarding disaster assistance check here N/A

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? Yes No
If "Yes," attach the statement required by Regulations section 53.4945-5(d) N/A

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No
If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? Yes No N/A

5b		
6b		X
7b		

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 12		0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000 0

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services		0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

	Amount
1 NONE	0.
2	
3 All other program-related investments. See instructions.	
Total. Add lines 1 through 3	

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	1,186,080.
b	Average of monthly cash balances	1b	
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	1,186,080.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	1,186,080.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	17,791.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,168,289.
6	Minimum investment return. Enter 5% of line 5	6	58,414.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	58,414.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	907.
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	907.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	57,507.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	57,507.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	57,507.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	56,000.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	56,000.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions Subtract line 5 from line 4	6	56,000.

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				57,507.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2010:				
a From 2005	24,687.			
b From 2006	1,928.			
c From 2007	2,620.			
d From 2008	7,185.			
e From 2009	329.			
f Total of lines 3a through e	36,749.			
4 Qualifying distributions for 2010 from Part XII, line 4: ▶ \$	56,000.			
a Applied to 2009, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2010 distributable amount				56,000.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2010 (if an amount appears in column (d), the same amount must be shown in column (a))	1,507.			1,507.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	35,242.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7	23,180.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	12,062.			
10 Analysis of line 9:				
a Excess from 2006	1,928.			
b Excess from 2007	2,620.			
c Excess from 2008	7,185.			
d Excess from 2009	329.			
e Excess from 2010				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) **N/A**

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, enter the date of the ruling ▶

b Check box to indicate whether the foundation is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test - enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year-see the instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

- a** The name, address, and telephone number of the person to whom applications should be addressed:
-
- b** The form in which applications should be submitted and information and materials they should include:
-
- c** Any submission deadlines:
-
- d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:
-

THE J E & MILDRED WAGGONER
FAMILY FOUNDATION, INC.
SCHEDULE OF CAPITAL GAINS
4/1/10 - 3/31/11

NAME	DATE SOLD	SALES PRICE	COST	GAIN (LOSS)
ABB LTD SPONS ADR	9/27/10	104.69	76.90	27.79
ABB LTD SPONS ADR	3/16/11	3,407.96	2,661.19	746.77
AT&T	5/14/10	127.34	189.35	(62.01)
AT&T	8/27/10	1,882.94	2,650.89	(767.95)
AT&T	3/16/11	137.20	189.35	(52.15)
ABBOTT LABORATORIES	8/27/10	248.54	281.55	(33.01)
ALCOA	3/1/11	81.90	85.98	(4.08)
ALCOA	3/16/11	78.39	73.70	4.69
ANADARKO PETE CORP.	5/14/10	3,439.39	1,820.00	1,619.39
AON CORP	3/1/11	1,301.56	1,159.31	142.25
APACHE CORP.	12/1/10	5,001.34	4,304.25	697.09
APPLIED MATERIALS	4/19/10	70.29	63.30	6.99
APPLIED MATERIALS	7/1/10	5,225.78	4,889.87	335.91
AVERY DENNISON CORP.	8/13/10	4,102.80	4,537.19	(434.39)
AVERY DENNISON CORP.	8/27/10	164.06	189.05	(24.99)
AVERY DENNISON CORP.	11/5/10	4,920.67	3,839.11	1,081.56
BANK OF AMERICA	11/1/10	1,884.29	2,575.65	(691.36)
BANK OF AMERICA	3/1/11	70.40	78.05	(7.65)
BARRICK GOLD CORP	7/1/10	4,777.17	3,959.56	817.61
BAXTER INTERNATIONAL	9/27/10	2,149.67	2,597.47	(447.80)
BAXTER INTERNATIONAL	11/5/10	6,407.39	7,017.09	(609.70)
BERKSHIRE HATHAWAY	9/27/10	2,069.21	1,863.75	205.46
CVS CAREMARK	4/19/10	183.79	152.10	31.69
CVS CAREMARK	12/20/10	4,124.85	3,011.62	1,113.23
CVS CAREMARK	3/1/11	4,328.92	3,646.48	682.44
CAMPBELL SOUP CO.	5/14/10	8,504.97	7,841.98	662.99
CHEVRON	9/27/10	2,401.77	2,873.10	(471.33)
CHEVRON	3/1/11	1,549.02	1,436.55	112.47
CISCO SYSTEMS	5/14/10	124.69	130.15	(5.46)
COCA COLA COMPANY	11/5/10	1,246.98	1,038.78	208.20
COCA COLA COMPANY	12/1/10	969.74	779.08	190.66
COCA COLA COMPANY	1/5/11	4,128.08	3,376.03	752.05
COMCAST	7/1/10	3,768.76	3,446.45	322.31
COMCAST	9/27/10	91.20	92.33	(1.13)
CONOCO PHILLIPS	4/19/10	279.29	389.70	(110.41)
CONOCO PHILLIPS	8/27/10	2,409.97	3,165.00	(755.03)
CONOCO PHILLIPS	11/1/10	2,349.17	2,130.20	218.97
CONOCO PHILLIPS	12/20/10	2,311.24	1,056.85	1,254.39
CORNING	4/19/10	98.79	60.10	38.69
WALT DISNEY CO.	11/5/10	185.10	173.70	11.40
WALT DISNEY CO.	12/20/10	186.29	173.70	12.59
WALT DISNEY CO.	3/16/11	1,427.02	1,215.90	211.12
EBAY	4/19/10	5,833.22	5,332.48	500.74
EXXON MOBIL	4/19/10	339.39	342.45	(3.06)
EXXON MOBIL	5/24/10	3,938.93	4,451.85	(512.92)
EXXON MOBIL	3/1/11	425.14	342.45	82.69

THE J E & MILDRED WAGGONER
FAMILY FOUNDATION, INC.
SCHEDULE OF CAPITAL GAINS
4/1/10 - 3/31/11

NAME	DATE SOLD	SALES PRICE	COST	GAIN (LOSS)
FEDERAL HOME LOAN BANK	12/8/10	50,000.00	50,245.50	(245.50)
FRONTIER COMMUNICATIONS	7/23/10	5.81	5.76	0.05
FRONTIER COMMUNICATIONS	7/26/10	208.69	200.51	8.18
GENERAL ELECTRIC	8/13/10	76.89	280.50	(203.61)
GENERAL ELECTRIC	11/5/10	83.46	280.50	(197.04)
GENERAL ELECTRIC	3/16/11	95.19	280.50	(185.31)
GENUINE PARTS CO.	4/19/10	4,447.70	3,902.85	544.85
INTEL	5/14/10	108.70	102.10	6.60
INTEL	11/1/10	204.89	204.20	0.69
INTEL	1/14/11	1,475.57	1,429.40	46.17
IBM	7/26/10	3,195.71	3,216.60	(20.89)
INTERNATIONAL PAPER	3/1/11	135.09	126.30	8.79
J P MORGAN CHASE & CO.	5/14/10	196.69	244.60	(47.91)
KRAFT FOODS	4/19/10	152.19	171.60	(19.41)
KRAFT FOODS	5/24/10	2,033.46	2,102.15	(68.69)
KRAFT FOODS	11/1/10	158.79	171.60	(12.81)
KROGER COMPANY	5/14/10	111.90	107.80	4.10
KROGER COMPANY	9/2/10	8,245.66	8,731.68	(486.02)
LOCKHEED MARTIN	2/10/11	2,459.12	2,269.50	189.62
LOWE'S COMPANIES	5/14/10	4,813.15	4,054.96	758.19
LOWE'S COMPANIES	3/1/11	128.84	118.45	10.39
LOWE'S COMPANIES	3/16/11	1,587.23	1,421.39	165.84
MEDTRONIC	12/20/10	188.39	243.95	(55.56)
MERCK & CO	3/16/11	156.49	156.90	(0.41)
METLIFE	4/19/10	227.44	174.92	52.52
METLIFE	1/14/11	3,711.13	2,727.00	984.13
MICROSOFT	4/19/10	154.39	114.84	39.55
MICROSOFT	8/27/10	118.34	144.35	(26.01)
MICROSOFT	1/5/11	558.99	499.80	59.19
MICROSOFT	3/16/11	124.34	124.95	(0.61)
MONSANTO	6/1/10	4,956.49	8,961.39	(4,004.90)
MORGAN STANLEY	3/16/11	135.14	138.50	(3.36)
NOKIA CORP.	4/19/10	74.74	66.90	7.84
NOKIA CORP.	5/14/10	3,008.69	3,905.80	(897.11)
NUCOR CORP.	5/24/10	4,045.72	4,002.14	43.58
ORACLE SYS CORP.	9/2/10	3,362.96	3,154.30	208.66
ORACLE SYS CORP.	11/1/10	1,162.38	688.80	473.58
PALL CORP.	9/27/10	1,865.11	1,164.47	700.64
PALL CORP.	12/1/10	8,072.96	4,528.50	3,544.46
PEPSICO	11/5/10	324.09	347.20	(23.11)
PFIZER	5/14/10	80.99	93.07	(12.08)
PFIZER	7/26/10	1,921.37	2,419.69	(498.32)
PFIZER	3/16/11	96.79	93.07	3.72
QUALCOMM	8/13/10	2,462.80	2,783.80	(321.00)
QUALCOMM	9/27/10	2,895.06	2,471.55	423.51
SPDR GOLD TRUST	11/1/10	5,278.71	3,571.60	1,707.11

THE J E & MILDRED WAGGONER
FAMILY FOUNDATION, INC.
SCHEDULE OF CAPITAL GAINS
4/1/10 - 3/31/11

NAME	DATE SOLD	SALES PRICE	COST	GAIN (LOSS)
SCHLUMBERGER LTD	3/16/11	414.44	343.00	71.44
UTILITIES SELECT SECTOR SPDR FUND	9/27/10	157.49	146.30	11.19
SOUTHWEST AIRLINES	3/16/11	60.30	69.20	(8.90)
STAPLES	3/1/11	105.54	109.73	(4.19)
STATE STREET CORP.	12/20/10	4,359.05	3,984.42	374.63
STATE STREET CORP.	1/14/11	4,731.13	4,185.72	545.41
STRYKER CORP.	3/16/11	4,241.50	3,242.40	999.10
SUNCOR ENERGY	7/1/10	1,746.35	2,080.36	(334.01)
SUNCOR ENERGY	8/27/10	2,321.92	2,533.89	(211.97)
SUNCOR ENERGY	9/2/10	2,242.06	2,240.55	1.51
TARGET	11/1/10	265.84	264.75	1.09
TARGET	3/21/11	253.44	275.25	(21.81)
TEVA PHARMACEUTICAL	8/27/10	3,774.18	4,225.50	(451.32)
TRAVELERS COMPANIES	8/27/10	1,976.28	1,294.00	682.28
UNILEVER PLC-SPONSORED ADR	8/27/10	134.14	142.77	(8.63)
UNILEVER PLC-SPONSORED ADR	2/10/11	7,166.19	6,995.48	170.71
VERIZON COMMUNICATIONS	1/14/11	4,245.15	3,120.07	1,125.08
VODAFONE GROUP PLC	8/13/10	5,037.82	4,786.70	251.12
VODAFONE GROUP PLC	8/27/10	2,275.68	2,139.91	135.77
VODAFONE GROUP PLC	11/1/10	5,627.15	4,590.16	1,036.99
WELLPOINT	4/19/10	3,323.03	1,962.95	1,360.08
WELLPOINT	5/24/10	3,079.06	2,200.95	878.11
WELLS FARGO	2/10/11	164.05	137.25	26.80
COVIDIEN PLC	1/14/11	2,609.16	2,086.11	523.05
COVIDIEN PLC	3/16/11	5,543.88	4,172.21	1,371.67
WEATHERFORD INTL LTD	7/26/10	10,486.82	9,955.26	531.56
TRANSOCEAN LTD	5/14/10	4,894.13	6,295.90	(1,401.77)
TYCO INTL LTD	8/13/10	182.74	198.57	(15.83)
TYCO INTL LTD	1/14/11	1,809.17	1,541.46	267.71
TYCO ELECTRONICS LTD	5/14/10	145.94	141.29	4.65
TYCO ELECTRONICS LTD	1/14/11	2,191.44	1,695.50	495.94
TYCO ELECTRONICS LTD	3/1/11	178.84	141.29	37.55
				-
TOTAL		309,511.45	291,306.43	18,205.02
		(A)	Cost (PF-3)	
STCG DIVIDENDS			(A)	4,046.16
LTCG DIVIDENDS			(A)	1,875.68
TOTAL GAIN PER ANNUAL STATEMENT				24,126.86
(A) Gross Sales Price (Input Screen PF-3)		315,433.29		



BRANCH BANKING AND TRUST CO
 PO BOX 2887
 WILSON, NC 27894-2887

ACCOUNT STATEMENT

APRIL 01, 2010 TO MARCH 31, 2011

ACCOUNT NAME: WAGGONER
 ACCOUNT NUMBER: 1150000654



0000000046



SCOTT HAYNES, CPA MOOSE, MARTIN,
 HAYNES AND LUNDY, PA
 PO BOX 1308
 STATESVILLE, NC 28687

ACCOUNT NAME	BRANCH BANKING AND TRUST COMPANY MANAGING AGENT FOR: J.E. & MILDRED WAGGONER FAMILY FDN
RELATIONSHIP MANAGER	SANDRA D THOMAS 704-954-1069 sdthomas@BBandT.com
INVESTMENT OFFICER	NEIL CHAPMAN 704-954-1357 NCHAPMAN@STERLING-CAPITAL.COM

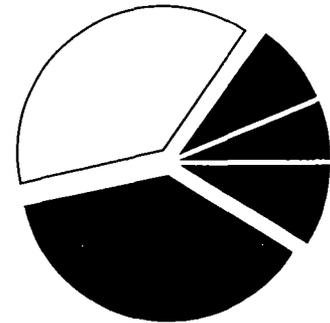
FOR YOUR INFORMATION

THIS IS YOUR REPORT OF INVESTMENTS AND TRANSACTIONS FOR THE PERIOD THE FOLLOWING ARE INCLUDED IN THE REPORT ACCOUNT SUMMARY, ACTIVITY SUMMARY, AND ACCOUNT ACTIVITY PLEASE CALL YOUR ADMINISTRATOR WITH QUESTIONS

INVESTMENT PORTFOLIO SUMMARY

MARKET VALUE AS OF	04/01/2010	03/31/2011	% OF ACCOUNT
ALTERNATIVE INVESTMENTS	4,358 00	0 00	0 0%
CASH AND CASH EQUIVALENTS	57,459 65	79,297 73	6 5%
CORPORATE BONDS	107,033 50	109,402 50	8 9%
EQUITIES	421,306 19	464,481 89	38 0%
MUTUAL FUNDS	421,922 77	461,614 65	37 8%
US TREASURY OBLIGATIONS	161,110 00	107,925 50	8 8%
Total	1,173,190 11	1,222,722 27	100 0%

ATB



ACCOUNT ACTIVITY SUMMARY

	THIS PERIOD	YEAR TO DATE	REALIZED CAPITAL GAINS / LOSSES	
			THIS PERIOD	YEAR TO DATE
BEGINNING MARKET VALUE	1,173,190.11	1,173,190.11		
INCOME	37,419.18	37,419.18		
DISBURSEMENTS	57,424.18	57,424.18	LONG TERM	12,295.36
CASH RECEIPTS	63.50	63.50	SHORT TERM	11,831.50
FEEs	8,926.49	8,926.49	TOTAL GAINS / LOSSES	24,126.86
CHANGE IN MARKET VALUE	78,400.15	78,400.15		
ENDING MARKET VALUE	1,222,722.27	1,222,722.27		

ATB

ACCOUNT STATEMENT

APRIL 01, 2010 TO MARCH 31, 2011

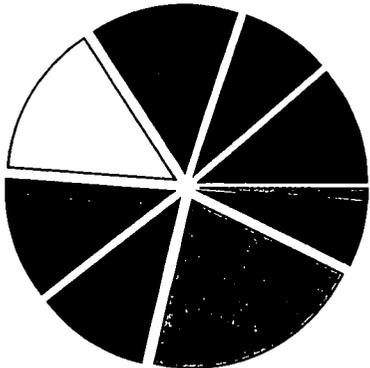
ACCOUNT NAME: WAGGONER
ACCOUNT NUMBER: 1150000654

PRINCIPAL PORTFOLIO STATEMENT

DESCRIPTION	TOTAL MARKET/ TOTAL COST	MARKET PRICE/ COST PRICE	ESTIMATED ANNUAL INCOME	CURRENT YIELD
CASH AND CASH EQUIVALENTS				
IDP000030 INSURED DEPOSIT PROGRAM MGDI	47,474.60			
	47,474.60	1.00		
PRINCIPAL CASH	0.00			
* TOTAL CASH AND CASH EQUIVALENTS	47,474.60		0.00	0.00
	47,474.60			

EQUITY DIVERSIFICATION SUMMARY

INDUSTRY SECTOR	MARKET VALUE	PERCENT
CONSUMER DISCRETIONARY	52,394.80	11.3%
CONSUMER STAPLES	40,232.00	8.7%
ENERGY	65,499.10	14.1%
FINANCIALS	68,325.70	14.7%
HEALTH CARE	54,638.35	11.8%
INDUSTRIALS	50,460.75	10.8%
INFORMATION TECHNOLOGY	98,900.19	21.3%
MATERIALS	28,215.10	6.1%
TELECOMMUNICATIONS SERVICES	5,815.90	1.2%
Total	464,481.89	100.0%



DESCRIPTION	TICKER	SHARES	TOTAL MARKET/ TOTAL COST	MARKET PRICE/ COST PRICE	ESTIMATED ANNUAL INCOME	CURRENT YIELD
EQUITIES						
CONSUMER DISCRETIONARY						
20030N101 COMCAST CORP CLASS A	CMCSA	380.000	9,393.60 5,956.76	24.72 15.68	171.00	1.82
254687106 THE WALT DISNEY COMPANY COMMON	DIS	240.000	10,341.60 6,586.50	43.09 27.44	96.00	0.93
548661107 LOWE'S COMPANIES INC COMMON	LOW	360.000	9,514.80 7,868.39	26.43 21.86	158.40	1.66
855030102 STAPLES INC COMMON	SPLS	445.000	8,641.90 8,678.62	19.42 19.50	178.00	2.06

ACCOUNT STATEMENT

PAGE 3

APRIL 01, 2010 TO MARCH 31, 2011

ACCOUNT NAME: WAGGONER
ACCOUNT NUMBER: 1150000654



PRINCIPAL PORTFOLIO STATEMENT (CONTINUED)

DESCRIPTION	TICKER	SHARES	TOTAL MARKET/ TOTAL COST	MARKET PRICE/ COST PRICE	ESTIMATED ANNUAL INCOME	CURRENT YIELD
CONSUMER DISCRETIONARY						
87612E106 TARGET CORP COM COMMON	TGT	290 000	14,502 90 15,233 49	50 01 52 53	290 00	2 00
** TOTAL CONSUMER DISCRETIONARY		SUB-TOTAL	52,394.80 44,323.76		893.40	1.71
CONSUMER STAPLES						
50075N104 KRAFT FOODS INC-A COMMON	KFT	285 000	8,937 60 9,118 99	31 36 32 00	330 60	3 70
713448108 PEPSICO INC COMMON	PEP	215 000	13,848 15 12,308 90	64 41 57 25	412 80	2 98
742718109 PROCTER AND GAMBLE COMMON	PG	110 000	6,776 00 6,806 96	61 60 61 88	211 97	3 13
931142103 WAL - MART STORES COMMON	WMT	205 000	10,670 25 10,816 05	52 05 52 76	299 30	2 80
** TOTAL CONSUMER STAPLES		SUB-TOTAL	40,232.00 39,050.90		1,254.67	3.12
ENERGY						
15135U109 CENOVUS ENERGY INC	CVE	380 000	14,964 40 10,934 61	39 38 28 78	308 56	2 06
166764100 CHEVRON CORP COMMON	CVX	60 000	6,449 40 4,437 70	107 49 73 96	172 80	2 68
20825C104 CONOCOPHILLIPS	COP	70 000	5,590 20 1,937 60	79 86 27 68	184 80	3 31
30231G102 EXXON MOBIL CORPORATION COMMON	XOM	180 000	15,143 40 11,401 81	84 13 63 34	316 80	2 09
806857108 SCHLUMBERGER LTD COMMON	SLB	135 000	12,590 10 7,951 10	93 26 58 90	135 00	1 07
867224107 SUNCOR ENERGY, INC	SU	240 000	10,761 60 7,815 36	44 84 32 56	97 92	0 91
** TOTAL ENERGY		SUB-TOTAL	65,499.10 44,478.18		1,215.88	1.86

ACCOUNT STATEMENT

APRIL 01, 2010 TO MARCH 31, 2011

ACCOUNT NAME: WAGGONER
ACCOUNT NUMBER: 1150000654

PRINCIPAL PORTFOLIO STATEMENT (CONTINUED)

DESCRIPTION	TICKER	SHARES	TOTAL MARKET/ TOTAL COST	MARKET PRICE/ COST PRICE	ESTIMATED ANNUAL INCOME	CURRENT YIELD
FINANCIALS						
025816109 AMERICAN EXPRESS COMPANY COMMON	AXP	115 000	5,198 00 4,794 21	45 20 41 69	82 80	1 59
037389103 AON CORPORATION COMMON	AON	190 000	10,062 40 8,567 16	52 96 45 09	114 00	1 13
060505104 BANK OF AMERICA CORP COMMON	BAC	360 000	4,798 80 5,285 70	13 33 14 68	14 40	0 30
084670702 BERKSHIRE HATHAWAY INC DEL CL B COMMON	BRK B	50 000	4,181 50 3,727 49	83 63 74 55		
46625H100 J P MORGAN CHASE & CO COMMON	JPM	285 000	13,138 50 12,388 90	46 10 43 47	285 00	2 17
59156R108 METLIFE INC COMMON	MET	320 000	14,313 60 11,725 72	44 73 36 64	236 80	1 65
617446448 MORGAN STANLEY COMMON	MS	225 000	6,147 00 6,197 15	27 32 27 54	45 00	0 73
89417E109 THE TRAVELERS COMPANIES INC COMMON	TRV	75 000	4,461 00 2,426 25	59 48 32 35	108 00	2 42
949746101 WELLS FARGO & CO COMMON	WFC	190 000	6,024 90 4,108 51	31 71 21 62	38 00	0 63
** TOTAL FINANCIALS			SUB-TOTAL 68,325.70 59,221.09		924.00	1 35
HEALTH CARE						
002824100 ABBOTT LABORATORIES COMMON	ABT	165 000	8,093 25 8,748 89	49 05 53 02	316 80	3 91
478160104 JOHNSON & JOHNSON COMMON	JNJ	110 000	6,517 50 4,441 93	59 25 40 38	237 60	3 65
585055106 MEDTRONIC INC COMMON	MDT	320 000	12,592 00 13,665 97	39 35 42 71	288 00	2 29
58933Y105 MERCK & CO INC COMMON	MRK	215 000	7,097 15 6,590 70	33 01 30 65	326 80	4 60
66987V109 NOVARTIS A G ADR	NVS	80 000	4,348 00 4,247 97	54 35 53 10	159 68	3 67

ACCOUNT STATEMENT

APRIL 01, 2010 TO MARCH 31, 2011

ACCOUNT NAME: WAGGONER
ACCOUNT NUMBER: 1150000654



PRINCIPAL PORTFOLIO STATEMENT (CONTINUED)

DESCRIPTION	TICKER	SHARES	TOTAL MARKET/ TOTAL COST	MARKET PRICE/ COST PRICE	ESTIMATED ANNUAL INCOME	CURRENT YIELD
HEALTH CARE						
717081103 PFIZER INC COMMON	PFE	295 000	5,991 45 5,302 14	20 31 17 97	236 00	3 94
883556102 THERMO FISHER SCIENTIFIC INC COMMON	TMO	180 000	9,999 00 10,179 70	55 55 56 55		
** TOTAL HEALTH CARE		SUB-TOTAL	54,638.35 53,177.30		1,564.88	2.86
INDUSTRIALS						
000375204 ABB LTD SPONS ADR	ABB	225 000	5,442 75 3,200 80	24 19 14 23	248 40	4 56
31428X106 FEDEX CORPORATION COMMON	FDX	40 000	3,742 00 3,268 80	93 55 81 72	19 20	0 51
369604103 GENERAL ELECTRIC COMPANY COMMON	GE	690 000	13,834 50 21,284 05	20 05 30 85	386 40	2 79
539830109 LOCKHEED MARTIN CORP COMMON	LMT	70 000	5,628 00 5,452 70	80 40 77 90	210 00	3 73
844741108 SOUTHWEST AIRLINES COMMON	LUV	965 000	12,187 95 12,224 88	12 63 12 67	17 37	0 14
H89128104 TYCO INTERNATIONAL LTD	TYC	215 000	9,625 55 8,094 32	44 77 37 65	215 00	2 23
** TOTAL INDUSTRIALS		SUB-TOTAL	50,460.75 53,525.55		1,096 37	2.17
INFORMATION TECHNOLOGY						
037833100 APPLE COMPUTER CORPORATION COMMON	AAPL	40 000	13,940 30 10,416 91	348 51 260 42		
17275R102 CISCO SYSTEMS COMMON	CSCO	780 000	13,377 00 14,852 18	17 15 19 04	187 20	1 40
219350105 CORNING INC COMMON	GLW	210 000	4,332 30 1,951 39	20 63 9 29	42 00	0 97
38259P508 GOOGLE INC COMMON	GOOG	10 000	5,867 60 2,782 60	586 76 278 26		

ACCOUNT STATEMENT

APRIL 01, 2010 TO MARCH 31, 2011

ACCOUNT NAME: WAGGONER
ACCOUNT NUMBER: 1150000654

PRINCIPAL PORTFOLIO STATEMENT (CONTINUED)

DESCRIPTION	TICKER	SHARES	TOTAL MARKET/ TOTAL COST	MARKET PRICE/ COST PRICE	ESTIMATED ANNUAL INCOME	CURRENT YIELD
INFORMATION TECHNOLOGY						
428236103 HEWLETT PACKARD COMPANY COMMON	HPQ	210 000	8,603 70 8,786 49	40 97 41 84	67 20	0 78
458140100 INTEL COMMON	INTC	325 000	6,558 50 6,400 29	20 18 19 69	235 63	3 59
459200101 INTERNATIONAL BUSINESS MACHINES COMMON	IBM	45 000	7,338 15 5,342 40	163 07 118 72	117 00	1 59
594918104 MICROSOFT CORP COMMON	MSFT	630 000	15,995 70 14,765 52	25 39 23 44	403 20	2 52
68389X105 ORACLE SYS CORP COMMON	ORCL	155 000	5,182 04 2,871 96	33 43 18 53	37 20	0 72
882508104 TEXAS INSTRUMENTS COMMON	TXN	205 000	7,084 80 5,639 44	34 56 27 51	106 60	1 50
H84989104 TE CONNECTIVITY LTD	TEL	305 000	10,620 10 8,184 71	34 82 26 84	195 20	1 84
** TOTAL INFORMATION TECHNOLOGY			SUB-TOTAL 98,900.19 81,993.89		1,391.23	1.41
MATERIALS						
013817101 ALCOA INC COMMON	AA	1,085 000	19,161 10 15,175 40	17 66 13 99	130 20	0.68
460146103 INTERNATIONAL PAPER COMPANY COMMON	IP	300 000	9,054 00 6,694 31	30 18 22 31	315 00	3 48
** TOTAL MATERIALS			SUB-TOTAL 28,215.10 21,869.71		445.20	1.58
TELECOMMUNICATIONS SERVICES						
00206R102 AT&T INC COMMON	T	190 000	5,815 90 6,933 29	30 61 36 49	326 80	5 62
** TOTAL TELECOMMUNICATIONS SERVICES			SUB-TOTAL 5,815.90 6,933.29		326.80	5.62
* TOTAL EQUITIES			464,481.89 404,573 67	<i>ATB</i> <i>ATB</i>	9,112 43	1.96

ACCOUNT STATEMENT

APRIL 01, 2010 TO MARCH 31, 2011

ACCOUNT NAME: WAGGONER
ACCOUNT NUMBER: 1150000654



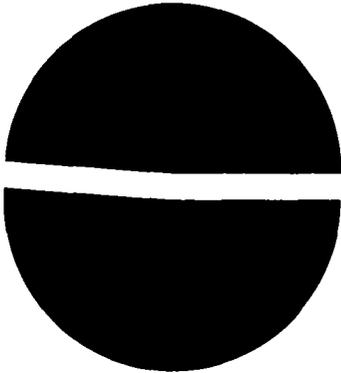
PRINCIPAL PORTFOLIO STATEMENT (CONTINUED)

BOND QUALITY SUMMARY

S & P QUALITY RATING	MARKET VALUE PERCENT	
	MARKET VALUE	PERCENT
AAA	107,925 50	100 0%
Total	107,925 50	100 0%

DESCRIPTION	RATING	PAR VALUE	TOTAL MARKET/ COST	MARKET PRICE/ COST PRICE	ESTIMATED ANNUAL INCOME	YIELD CURRENT/ MATURITY
US TREASURY OBLIGATIONS						
3133X7FK5 FED HOME LOAN BANK DTD 5/27/04 5 25% 06/18/2014	AAA	50,000 000	55,768 00 50,363 75	111 54 100 73	2,625 00	4 71 1 56
3134A4JT2 FED HOME LOAN MTG CORP DTD 1/14/02 5 75% 01/15/2012	AAA	50,000 000	52,157 50 51,408 30	104 32 102 82	2,875 00	5 51 0 27
* TOTAL US TREASURY OBLIGATIONS			107,925.50 101,772.05	<i>ATB</i> <i>ATB</i>	5,500.00	5.10

BOND QUALITY SUMMARY



S & P QUALITY RATING	MARKET VALUE	PERCENT
AA	53,469 50	48 9%
A-	55,933 00	51 1%
Total	109,402 50	100 0%

DESCRIPTION	RATING	PAR VALUE	TOTAL MARKET/ COST	MARKET PRICE/ COST PRICE	ESTIMATED ANNUAL INCOME	YIELD CURRENT/ MATURITY
CORPORATE BONDS						
166751AH0 CHEVRON CORP DTD 03/03/09 3 95% 03/03/2014	AA	50,000 000	53,469 50 52,660 50	106 94 105 32	1,975 00	3 69 1 51

ACCOUNT STATEMENT

APRIL 01, 2010 TO MARCH 31, 2011

ACCOUNT NAME: WAGGONER
ACCOUNT NUMBER: 1150000654

PRINCIPAL PORTFOLIO STATEMENT (CONTINUED)

DESCRIPTION	RATING	PAR VALUE	TOTAL MARKET/ TOTAL COST	MARKET PRICE/ COST PRICE	ESTIMATED ANNUAL INCOME	YIELD CURRENT/ MATURITY
CORPORATE BONDS						
78387GAL7 SBC COMMUNICATIONS DTD 08/18/04 5 625% 06/15/2016	A-	50,000 000	55,933 00	111 87	2,812 50	5 03
			51,491 50	102 98		3 14
* TOTAL CORPORATE BONDS			109,402.50	<i>ATB</i> 104,152.00	4,787.50	4.38

BOND QUALITY SUMMARY

S & P QUALITY RATING	MARKET VALUE PERCENT	
NOT RATED	461,614 65	100 0%
Total	461,614 65	100 0%

DESCRIPTION	RATING	PAR VALUE	TOTAL MARKET/ TOTAL COST	MARKET PRICE/ COST PRICE	ESTIMATED ANNUAL INCOME	YIELD CURRENT/ MATURITY
MUTUAL FUNDS						
018918573 ALLIANZ AGIC OPPORTUNITY FD FUND # 4624		726 343	18,964 82	26 11		
			14,200 00	19 55		
411511306 HARBOR INTERNATIONAL FUND INST CLASS #11		511 735	32,254 66	63 03	446 23	1 38
			36,850 03	72 01		
464287465 ISHARES MSCI EAFE INDEX FUND		541 000	32,503 28	60 08	755 78	2 33
			22,790 52	42 13		
464287606 ISHARES S&P MIDCAP 400/GROWTH COMMON		579 000	63,892 65	110 35	349 72	0 55
			45,763 05	79 04		
464287705 ISHARES S&P MIDCAP 400/BARRA VAL		843 000	72,666 60	86 20	1,060 49	1 46
			63,802 11	75 68		
665162400 NORTHERN SMALL CAP VALUE FUND # 603		1,455 604	23,580 78	16 20	152 84	0 65
			20,000 00	13 74		
693390700 PIMCO TOTAL RETURN FUND CLASS I #35		9,138 100	99,422 53	10 88	3,280 58	3 30
			93,300 00	10 21		
693390882 PIMCO FOREIGN BOND (US DOLLAR HEDGED) FUND CLASS I #103		4,739 084	49,191 69	10 38	1,279 55	2 60
			44,500 00	9 39		

ACCOUNT STATEMENT

APRIL 01, 2010 TO MARCH 31, 2011

ACCOUNT NAME: WAGGONER
ACCOUNT NUMBER: 1150000654



PRINCIPAL PORTFOLIO STATEMENT (CONTINUED)

DESCRIPTION	RATING	PAR VALUE	TOTAL MARKET/ TOTAL COST	MARKET PRICE/ COST PRICE	ESTIMATED ANNUAL INCOME	YIELD CURRENT/ MATURITY
MUTUAL FUNDS						
81369Y886 UTILITIES SELECT SECTOR SPDR FUND		120 000	3,824 40 3,511 20	31 87 29 26	156 84	4 10
85917L619 STERLING CAPITAL INTERMEDIATE U S GOVERNMENT FUND INST CL FUND # 341		6,244 096	65,313 24 61,504 34	10 46 9 85	2,216 65	3 39
* TOTAL MUTUAL FUNDS			461,614.65 406,221.25	<i>ATB</i> <i>ATB</i>	9,698.68	2.10
TOTAL PRINCIPAL ASSETS			1,190,899.14 1,064,193.57		29,098.61	2.44

INCOME PORTFOLIO STATEMENT

DESCRIPTION	TOTAL MARKET/ TOTAL COST	MARKET PRICE/ COST PRICE	ESTIMATED ANNUAL INCOME	CURRENT YIELD
CASH AND CASH EQUIVALENTS				
IDP000030 INSURED DEPOSIT PROGRAM MGDI	31,454 33 31,454 33	1 00		
INCOME CASH	368 80 368 80			
* TOTAL CASH AND CASH EQUIVALENTS	31,823.13 31,823.13		0.00	0.00
TOTAL INCOME ASSETS	31,823.13 31,823.13		0.00	0.00

ACCOUNT STATEMENT

APRIL 01, 2010 TO MARCH 31, 2011

ACCOUNT NAME: WAGGONER
ACCOUNT NUMBER: 1150000654

TRANSACTION SUMMARY

	CURRENT PERIOD			YEAR TO DATE		
	PRINCIPAL CASH	INCOME CASH	COST	PRINCIPAL CASH	INCOME CASH	COST
BEGINNING BALANCE	0.00	337.24	1,106,342.43	0.00	337.24	1,106,342.43
INCOME						
INTEREST		12,707.24			12,707.24	
DIVIDENDS	5,921.84	18,790.10		5,921.84	18,790.10	
TOTAL INCOME	5,921.84	31,497.34	0.00	5,921.84	31,497.34	0.00
SALES/MATURITIES						
SALES	259,511.45		241,060.93-	259,511.45		241,060.93-
MATURITIES	50,000.00		50,245.50-	50,000.00		50,245.50-
TOTAL SALES/MATURITIES	309,511.45	0.00	291,306.43-	309,511.45	0.00	291,306.43-
PURCHASES						
PURCHASES	258,805.38-		258,805.38	258,805.38-		258,805.38
NET CASH MGT PURCH	8,294.08	30,100.60-	21,806.52	8,294.08	30,100.60-	21,806.52
TOTAL PURCHASES	250,511.30-	30,100.60-	280,611.90	250,511.30-	30,100.60-	280,611.90
DISBURSEMENTS						
DISBURSEMENTS	56,059.00-	1,365.18-		56,059.00-	1,365.18-	
TOTAL DISBURSEMENTS	56,059.00-	1,365.18-	0.00	56,059.00-	1,365.18-	0.00
CASH RECEIPTS						
CASH RECEIVED	63.50			63.50		
TOTAL CASH RECEIPTS	63.50	0.00	0.00	63.50	0.00	0.00
FEEES						
FEEES	8,926.49-			8,926.49-		
TOTAL FEEES	8,926.49-	0.00	0.00	8,926.49-	0.00	0.00
ENDING BALANCE	0.00	368.80	1,095,647.90	0.00	368.80	1,095,647.90

ATB
ATB
MISC
ATB
V
1,096,016.70
ATB

TRANSACTION STATEMENT

DATE	DESCRIPTION	PRINCIPAL CASH	INCOME CASH	COST	GAIN / LOSS
04/01/10	BEGINNING BALANCE	0.00	337.24	1,106,342.43	
	NET FOR ALL CASH MANAGEMENT FUNDS	8,294.08	30,100.60-	21,806.52	
05/19/10	000375204 ABB LTD SPONS ADR PURCHASED 85 SHS ABB LTD SPONS ADR ON 05/14/2010 AT 18 01 THRU BAYPOINT TRADING LLC COMMISSIONS PAID 2 55	1,533.40-		1,533.40	
07/22/10	DIVIDEND ON 385 SHS ABB LTD SPONS ADR AT 4839166 PER SHARE PAYABLE 07/22/2010 EX DATE 07/12/2010		186.31		

FORM 990-PF		DIVIDENDS AND INTEREST FROM SECURITIES		STATEMENT	1
SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT		
BB&T TRUST DIVISION	31,556.	0.	31,556.		
TOTAL TO FM 990-PF, PART I, LN 4	31,556.	0.	31,556.		

FORM 990-PF		ACCOUNTING FEES		STATEMENT	2
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
ACCOUNTING FEES	1,295.	1,295.		0.	
TO FORM 990-PF, PG 1, LN 16B	1,295.	1,295.		0.	

FORM 990-PF		OTHER PROFESSIONAL FEES		STATEMENT	3
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
BROKERAGE FEES	8,927.	8,927.		0.	
TO FORM 990-PF, PG 1, LN 16C	8,927.	8,927.		0.	

FORM 990-PF		TAXES		STATEMENT	4
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
FOREIGN TAXES WITHHELD	65.	65.		0.	
ESTIMATED TAXES FORM 990-PF	59.	59.		0.	
TO FORM 990-PF, PG 1, LN 18	124.	124.		0.	

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 5

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
US GOVT OBLIGATIONS SEE SCHEDULE	X		101,772.	107,925.
TOTAL U.S. GOVERNMENT OBLIGATIONS			101,772.	107,925.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			101,772.	107,925.

FORM 990-PF CORPORATE STOCK STATEMENT 6

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
COMMON STOCK SEE SCHEDULE	404,574.	464,482.
TOTAL TO FORM 990-PF, PART II, LINE 10B	404,574.	464,482.

FORM 990-PF CORPORATE BONDS STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
BONDS SEE SCHEDULE	104,152.	109,403.
TOTAL TO FORM 990-PF, PART II, LINE 10C	104,152.	109,403.

FORM 990-PF OTHER INVESTMENTS STATEMENT 8

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
MUTUAL FUNDS SEE SCHEDULE	COST	406,221.	461,615.
ALTERNATIVE INVESTMENTS	COST	0.	0.
TOTAL TO FORM 990-PF, PART II, LINE 13		406,221.	461,615.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 12

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
MILDRED W. WAGGONER 209 BROOKWOOD DRIVE STATESVILLE, NC 28677	PRESIDENT & DIRECTOR 1.00	0.	0.	0.
JOYCE W FORMAN 205 DUNLAP LOOP STATESVILLE, NC 28625	VICE-PRESIDENT 1.00	0.	0.	0.
DOROTHY W. HAGER 1713 CLUBVIEW CIRCLE GASTONIA, NC 28056	SECRETARY 1.00	0.	0.	0.
RUTH W. WAGGONER 536 TORRENCE DRIVE GASTONIA, NC 28054	TREASURER 1.00	0.	0.	0.
JACQUELINE W. DARKEN 14 TIMBERLYNE ROAD CHAPEL HILL, NC 27514	VICE-PRESIDENT 1.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

FORM 990-PF

GRANTS AND CONTRIBUTIONS
PAID DURING THE YEAR

STATEMENT 13

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
MITCHELL COMMUNITY COLLEGE STATESVILLE, NC	NONE RECIPIENT'S GENERAL USE	NONE	1,000.
COSTNER ELEMENTARY SCHOOL GASTONIA, NC	NONE RECIPIENT'S GENERAL USE	NONE	5,000.
SOUTH IREDELL HIGH SCHOOL STATESVILLE, NC	NONE RECIPIENT'S GENERAL USE	NONE	2,000.
NORTHVIEW SCHOOL STATESVILLE, NC	NONE RECIPIENT'S GENERAL USE	NONE	10,000.
GASTON CHRISTIAN SCHOOL GASTONIA, NC	NONE RECIPIENT'S GENERAL USE	NONE	4,000.
JUVENILE DIABETES FOUNDATION	NONE RECIPIENT'S GENERAL USE	NONE	14,000.
MYERS MEMORIAL METHODIST CHURCH GASTONIA, NC	NONE RECIPIENT'S GENERAL USE	NONE	10,000.
RHYNE ELEMENTARY SCHOOL GASTONIA, NC	NONE RECIPIENT'S GENERAL USE	NONE	10,000.
TOTAL TO FORM 990-PF, PART XV, LINE 3A			56,000.