

# **OFFICE OF STATE AUDITOR**

## **AUDIT REPORT**

**CASS COUNTY GOVERNMENT  
FARGO, NORTH DAKOTA**

**FOR THE YEAR ENDED DECEMBER 31, 2011**



CASS COUNTY GOVERNMENT  
Fargo, North Dakota

Audit Report  
For the Year Ended December 31, 2011

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CASS COUNTY GOVERNMENT  
COUNTY OFFICIALS

Current Officials

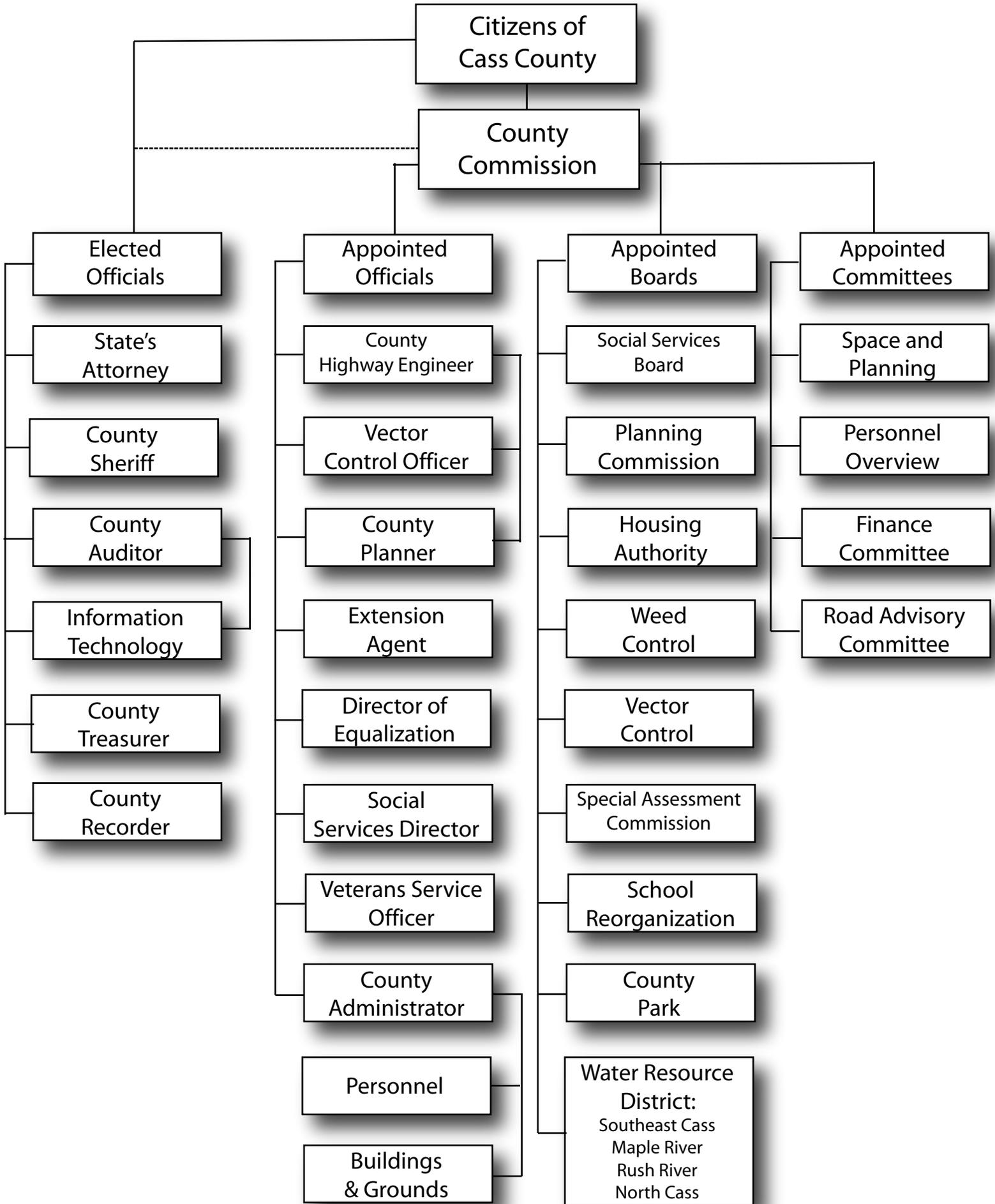
Commissioners:	Scott Wagner, Chairman Darrell Vanyo Kenneth Pawluk Robyn Sorum Vern Bennett
Auditor:	Michael Montplaisir
Treasurer:	Charlotte Sandvik
Sheriff:	Paul Laney
Recorder:	Jewel Spies
States Attorney:	Birch Burdick

2011 Officials

Commissioners:	Darrell Vanyo, Chairman Scott Wagner Kenneth Pawluk Robyn Sorum Vern Bennett
Auditor:	Michael Montplaisir
Treasurer:	Charlotte Sandvik
Sheriff:	Paul Laney
Recorder:	Jewel Spies
States Attorney:	Birch Burdick

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# Cass County Government Organizational Chart



**STATE AUDITOR**

ROBERT R. PETERSON  
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Local Government Division:  
FARGO OFFICE  
MANAGER – DAVID MIX  
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STATE OF NORTH DAKOTA  
**OFFICE OF THE STATE AUDITOR**  
STATE CAPITOL  
600 E. BOULEVARD AVENUE - DEPT. 117  
BISMARCK, NORTH DAKOTA 58505

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INDEPENDENT AUDITOR'S REPORT

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Board of County Commissioners  
Cass County  
Fargo, North Dakota

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Cass County, Fargo, North Dakota, as of and for the year ended December 31, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Cass County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Cass County, Fargo, North Dakota, as of December 31, 2011, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund, the human service fund, the county road and bridge fund, the 2009 flood recovery fund, the 2010 flood recovery fund, the 2011 flood fund, the 2011 flood recovery fund, and the flood mitigation fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2012 on our consideration of Cass County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6 through 14 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## CASS COUNTY

### Independent Auditor's Report - Continued

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Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Cass County's basic financial statements. The combining and individual nonmajor fund financial statements, combining schedules of revenues, expenditures, and changes in fund balance – budget and actual, and schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations (Circular A-133) are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the combining schedules of revenues, expenditures, and changes in fund balance – budget and actual, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the financial statements taken as a whole.



Robert R. Peterson  
State Auditor

June 19, 2012

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CASS COUNTY GOVERNMENT  
Fargo, North Dakota

MANAGEMENT'S DISCUSSION AND ANALYSIS  
December 31, 2011

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The County's management's discussion and analysis offers readers of the County's financial statements a narrative overview and analysis of the County's financial activities for the fiscal year ended December 31, 2011. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, and in the financial statements and notes to the financial statements.

### **FINANCIAL HIGHLIGHTS**

- At December 31, 2011, the net assets of Cass County Government exceeded liabilities by \$148,683,587. Net assets invested in capital assets (net of depreciation and related debt) accounted for 83% of this amount, with a value of \$124,072,749. Of the remaining net assets, \$11,215,260 is restricted for special purposes, and \$13,395,579 is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors, without legal restriction.
- At December 31, 2011, the County's governmental funds reported combined ending fund balances of \$24,520,379, for an increase of \$2,037,265 over the previous year.
- At December 31, 2011, the unassigned fund balance for the General Fund was \$6,102,327 or 27% of total general fund expenditures.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

### **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. They consist of the Statement of Net Assets and the Statement of Activities.

The Statement of Net Assets presents information on all the County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as useful indicators of whether the financial position of the County is improving or deteriorating.

## **CASS COUNTY**

### Management's Discussion and Analysis - Continued

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The Statement of Activities presents information showing how the government's net assets changed during fiscal year 2011. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. Items such as uncollected taxes and earned but unused vacation leave will be included in the Statement of Activities as revenues and expenses, even though the cash associated with these items will not be received or distributed in 2011.

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the County include general government, public safety, highways and streets, conservation and economic development, relief and charities, and culture and recreation.

The government-wide financial statements include not only the County itself (known as the primary government), but also the following legally separate component units: Southeast Cass Water Resource District, Maple River Water Resource District, North Cass Water Resource District, Rush River Water Resource District, Cass County Vector Control District, and Cass County Noxious Weed District. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 16-17 of this report.

## **FUND FINANCIAL STATEMENTS**

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the County can be divided into three categories: Governmental Funds, Proprietary Funds, and Fiduciary Funds.

### **Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide reconciliation to facilitate this comparison between governmental funds and governmental activities.

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## **CASS COUNTY**

### Management's Discussion and Analysis - Continued

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The County maintains thirty-nine individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance for the General, Human Services, County Road and Bridge, 2009 Flood Recovery Fund, 2010 Flood Recovery Fund, 2011 Flood Fund, 2011 Flood Recovery Fund, Flood Mitigation Fund, Future Building, Courthouse West Addition Funds, and Flood Control Sales Tax Fund which are considered to be major funds. Data from the other thirty-one governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in the supplementary information section of this report.

The County adopts an annual appropriated budget for its general, special revenue, and debt service funds. A budgetary comparison statement has been provided for these funds to demonstrate budgetary compliance.

The basic governmental fund financial statements can be found on pages 18-32 of this report. Combining component unit statements can be found on pages 38-40.

#### **Proprietary Funds**

The county maintains one type of proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its health insurance, dental insurance, telephone trust, and motor pool. Because these services benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements in the supplementary information section of this report.

The basic proprietary fund financial statements can be found on pages 34-36 of this report.

#### **Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is similar to proprietary funds.

The basic fiduciary fund financial statements can be found on page 37 of this report.

#### **NOTES TO THE FINANCIAL STATEMENTS**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 42-68 of this report.

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**CASS COUNTY**

Management's Discussion and Analysis - Continued

**OTHER INFORMATION**

The combining statements referred to on page 8 in connection with non-major governmental funds and internal service funds are presented in the supplementary information section of this report. Combining and individual fund schedules can be found on pages 70-109 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS****STATEMENT OF NET ASSETS**

As noted earlier, net assets may serve, over time, as a useful indicator of a government's financial position. At the close of the fiscal year ended December 31, 2011, Cass County's assets exceeded liabilities by \$148,683,587.

**Statement of Net Assets**  
December 31, 2011 and 2010

	Governmental Activities	
	2011	2010
Current and Other Assets	\$ 40,422,836	\$ 36,586,207
Capital Assets	132,548,359	123,018,473
Total Assets	<u>\$172,971,195</u>	<u>\$159,604,680</u>
Long-Term Liabilities	\$ 8,145,295	\$ 9,026,641
Other Liabilities	16,142,313	14,022,772
Total Liabilities	<u>\$ 24,287,608</u>	<u>\$ 23,049,413</u>
Net Assets:		
Invested in Capital Assets Net of Related Debt	\$124,072,749	\$113,476,180
Restricted	11,215,260	17,210,712
Unrestricted	13,395,579	5,868,375
Total Net Assets	<u>\$148,683,588</u>	<u>\$136,555,267</u>

The largest portion of the County's net assets (83%), reflects its investment in capital assets (e.g. land, buildings, and equipment), less any related outstanding debt used to acquire those assets. The County uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net assets (7%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets in the amount of \$13,395,579 may be used to meet the government's ongoing obligations to its citizens and creditors. Total net assets increased by over \$12 million. The main reason for the increase was the result of state and federal grants for flood mitigation and reimbursements of prior year flood recovery expenses. The increase is also due to the county implementing a flood control sales tax to be used for future flood control projects.

**CASS COUNTY**

## Management's Discussion and Analysis - Continued

**STATEMENT OF CHANGES IN NET ASSETS**

Governmental activities increased the County's net assets by \$12,128,325. Key elements in changes in net assets are shown in the following table.

	Governmental Activities	
	2011	2010
<b>Revenues:</b>		
Program Revenues:		
Charges for Services	\$ 5,116,003	\$ 4,751,979
Operating Grants and Contributions	23,866,995	13,592,305
Capital Grants and Contributions	5,028,844	12,021,555
General Revenues:		
Property Taxes	29,258,876	26,926,204
Sales Tax	8,663,697	2,122
State Share Revenues	5,513,777	3,763,944
Other	824,168	1,034,756
<b>Total Revenues</b>	<b>\$ 78,272,360</b>	<b>\$ 62,092,865</b>
<b>Expenses:</b>		
General Government	\$ 10,850,881	\$ 7,374,704
Public Safety	16,210,286	15,413,806
Highways and Streets	22,920,416	14,376,511
Relief and Charities	11,756,349	11,108,274
Conservation Economic Development	3,247,937	2,823,577
Culture and Recreation	806,552	811,297
Interest on Long-Term Debt	351,614	150,079
<b>Total Expenses</b>	<b>\$ 66,144,036</b>	<b>\$ 52,058,248</b>
Increase in Net Assets	\$ 12,128,325	\$ 10,034,619
Net Assets – January 1	\$136,555,267	\$126,520,652
Net Assets – December 31	<b>\$148,683,587</b>	<b>\$136,555,267</b>

Total revenues for 2011 were \$78,272,360 which is an increase of \$16 million over 2010. Property tax revenue accounted for 37% of total revenues; the increase over 2010 was \$2.3 million as a result of increased property valuations and additional mills added for debt service and emergency fund. A new sales tax added in 2011 for flood control projects accounted for 11%, operating grants accounted for 31%, capital grants accounted for 6%, and the remaining 15% came from charges for services, state shared revenues and interest income. Total expense increased by \$14 million over 2010. The highways and streets expense increased by over \$8 million as a result of spring flooding in 2011 and repairing roads from prior year floods of 2010 and 2009. The county also incurred \$4 million in expenses for the planning phase of the F/M Diversion project. The remaining increase was the result of cost of living raises for employees.

**FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS**

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The County has three fund categories: Governmental Funds, Proprietary Funds and Fiduciary Funds.

## **CASS COUNTY**

### Management's Discussion and Analysis - Continued

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#### **GOVERNMENTAL FUNDS**

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, the unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of fiscal year 2011, the County's governmental funds reported combined ending fund balances of \$24,520,379, an increase of \$2,037,265 compared with the previous year. The General, Human Services, County Road and Bridge, 2009 Flood Fund, 2009 Flood Recovery Fund, 2010 Flood Recovery Fund, 2011 Flood Fund, 2011 Flood Recovery Fund, Flood Mitigation Fund, Future Building, Courthouse West Addition Fund, and Flood Control Sales Tax Fund is reported as major funds.

The General Fund is the chief operating fund of the County. At the end of the fiscal year 2011, unassigned fund balance of the General Fund was \$6,102,327, while total fund balance was \$6,494,258. As a measure of the General Fund's liquidity, it may be useful to compare unreserved fund balance to total fund expenditures. Unassigned fund balance represents 27% of total General Fund expenditures.

The County's General Fund balance increased by \$2,039,311 during 2011 as a result of the county's governing board efforts to closely match revenues with expenses each year. The County Commission has a policy of maintaining a cash reserve of approximately 10% of budgeted expenditures. When the reserve is greater than 10%, the County Commission adjusts tax rates to decrease revenue and bring the reserve closer to the 10% goal.

The Human Service Fund balance at December 31, 2011 was \$2,272,111, a decrease of \$43,480 over December 2010.

The fund balance of the County Road and Bridge Fund at December 31, 2011 was \$7,470,177. This was an increase of \$3,750,332 over 2010 and was the result of an increase in state funding and a decrease in construction projects.

The County established two new funds as the result of the 2011 spring flood. The Flood Fund was established to prepare and fight the floods of 2011. The Flood Recovery Fund was established to account for all the necessary repairs to various damaged county roads and bridges. The expenditures for these funds will be submitted to the Federal Emergency Management Agency (FEMA) for reimbursement. If approved by FEMA, the county will receive 75% reimbursement and the State Emergency Management will match 19% of the cost. The Flood Mitigation Fund accounted for grants approved to buyout homes involved in the flood. The federal grant will cover 75% of the costs with the state match at 10%.

The 2010 Flood Recovery Fund had an ending fund balance of \$(883,019). This fund was established to repair the damaged county roads and bridges as a result of the 2010 flood. These road projects are still on-going and are being hampered by the 2011 Spring Flood.

## **CASS COUNTY**

### Management's Discussion and Analysis - Continued

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The 2011 Flood Fund had an ending fund balance of \$(283,754). This fund was used to prepare for and fight the flood of 2011.

The 2011 Flood Recovery Fund had an ending fund balance of \$(2,724,316). This fund was established to repair the damaged county roads and bridges as a result of the 2011 flood. These road projects are still on-going.

The Flood Mitigation Fund had an ending balance of \$(73,487). The County transferred funds from the Future Building Fund to cover the initial expenses incurred to start the program.

The Future Building Fund is funded by estate tax collections and as such, the revenue is extremely unpredictable. The fund is used for building renovations and minor construction projects. The fund balance at December 31, 2011 was \$5,369,076; a decrease of \$939,357 over December 2010. Transfers were made to the Flood Mitigation Fund for the local share of the buyout grants. Transfers were also made to the Courthouse West Addition Fund to cover the cost of construction in excess of the bond issue.

The Courthouse West Addition Fund had an ending fund balance of \$9,318. During the year construction continued on the courthouse addition. The projected cost for the addition is \$13 million and is expected to be completed in 2012. The county issued \$8.9 million in general obligation bonds to fund the project and the remaining will be funded by the Building Fund reserves.

During the year the county established the Flood Control Sales Tax Fund. The ending fund balance was \$4,661,475. This fund is used to account for the one-half cent sales tax approved by the voters of Cass County for flood control projects.

### **General Fund Budgetary Highlights**

Differences between the General Fund's original budget and the final amended budget were \$380,227 in revenues and \$360,810 in expenditures. The budgeted revenues and expenditures increased due to various grants that were awarded after the original budget was approved.

The General Fund's actual revenue was \$3,060,206 over the final budget; the variance is a result of an increase in state aid. The actual expenditures were \$669,918 less than the final budget. The variance is a result of the departments under spending their budgets.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

### **CAPITAL ASSETS**

As of December 31, 2011, the County's investment in capital assets for its governmental activities, net of accumulated depreciation, amounts to \$132,548,359. This investment in capital assets includes, land, construction in progress, buildings, improvement other than buildings, machinery and equipment, and infrastructure. The total increase in the County's investment in capital assets for the current fiscal year was \$9,529,887.

**CASS COUNTY**

## Management's Discussion and Analysis - Continued

Major capital asset events during the current fiscal year included the following:

- Construction of road and bridge infrastructure
- Flood Mitigation buyout properties
- Construction in progress on the courthouse west addition
- Replacement of sheriff vehicles and heavy equipment for the road department

The following is a schedule of capital assets net of accumulated depreciation as of December 31, 2011 and 2010:

	Governmental Activities	
	2011	2010
Land	\$ 28,690,429	\$ 23,873,890
Construction in Progress	9,617,991	2,566,324
Buildings	20,874,944	21,341,241
Improvement Other than Buildings	2,038,187	2,080,817
Machinery and Equipment	3,084,115	3,128,268
Infrastructure	68,242,693	70,027,933
Total	<u>\$132,548,359</u>	<u>\$123,018,473</u>

Additional information on the County's capital assets can be found in Note 7 on page 55-58 of this report.

**LONG-TERM DEBT**

At the end of fiscal year 2011, the County had total debt outstanding of \$10,540,777. Of this amount, \$543,802 is special assessment debt for which the government is liable in the event of default by the property owners subject to the assessment. The county issued \$8.9 million in general obligation bonds for the courthouse addition construction. The remainder of the County's debt consists of special assessments payable, leases payable, and compensated absences.

The following is a schedule of the outstanding long-term debt as of December 31, 2011 and 2010:

	Governmental Activities	
	2011	2010
Special Assessment Bonds	\$ 543,802	\$ 623,084
General Obligation Bonds	8,123,194	8,788,498
Special Assessments Payable	109,033	112,567
Leases Payable	250,610	368,238
Compensated Absences	1,514,137	1,479,144
Total	<u>\$10,540,777</u>	<u>\$11,371,531</u>

Additional information on the County's debt can be found in Note 9 on pages 59-66 of this report.

## **CASS COUNTY**

Management's Discussion and Analysis - Continued

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### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

- The unemployment rate for the County at December 31, 2011 was 3.4%.
- The taxable value of all property located in the county has increased by over 3.5% in each year for the last five years.
- The taxable sales in the county increased by 11% from the prior fiscal year.

### **REQUESTS FOR INFORMATION**

This financial report is designed to present users with a general overview of the County's finances and to demonstrate the County's accountability. If you have questions concerning any of the information provided in this report or need additional financial information, contact the County Auditor's Office, Box 2806, Fargo, ND 58108-2806.

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**CASS COUNTY GOVERNMENT**

Statement of Net Assets

December 31, 2011

	Primary Governmental Activities	Component Units
<b><u>ASSETS:</u></b>		
Cash and cash equivalents	\$ 32,906,940	\$ 7,136,296
Receivables (net of allowance for uncollectibles):		
Accounts	306,255	12,707
Due From Primary Government	-	33,023
Delinquent Tax	521,853	94,082
Due From Other Governments	5,527,887	915,778
Special Assessments	-	17,117
Loans	53,925	-
Inventories	221,425	64,583
Prepays	405,044	14,143
Uncertified Special Assessments Receivable	479,506	5,660,981
Capital Assets Not Being Depreciated:		
Land	28,690,429	13,967,888
Construction in progress	9,617,991	12,034,589
Capital assets (net of accumulated depreciation):		
Buildings	20,874,944	20,527
Improvements other than buildings	2,038,187	-
Machinery and equipment	3,084,115	87,906
Infrastructure	68,242,693	85,817,303
Total Assets	<u>\$ 172,971,195</u>	<u>\$ 125,876,922</u>
<b><u>LIABILITIES:</u></b>		
Accounts Payable	\$ 2,531,372	\$ 3,775,727
Benefits Payable	-	20,157
Retainages Payable	758,202	554,594
Interest Payable	58,939	36,597
Deposits	301,768	-
IBNR Claims	293,025	-
Due to Inmates	857	-
Unearned Revenue	9,802,667	267,891
Noncurrent Liabilities:		
Due within one year	2,395,483	1,467,626
Due in more than one year	8,145,295	8,375,475
Total Liabilities	<u>\$ 24,287,608</u>	<u>\$ 14,498,067</u>
<b><u>NET ASSETS:</u></b>		
Invested in capital assets net of related debt	\$ 124,072,749	\$ 102,118,282
Restricted for:		
General Government	1,412,426	-
Highway and Streets	7,201,490	-
Relief and Charities	1,869,141	-
Culture and Recreation	82,578	-
Conservation of Natural Resources	-	42,484
Debt Service	649,625	7,095,088
Capital Projects	-	30,851
Unrestricted	13,395,579	2,092,155
Total Net Assets	<u>\$ 148,683,587</u>	<u>\$ 111,378,859</u>

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

**CASS COUNTY GOVERNMENT**  
Statement of Activities  
For the Year Ended December 31, 2011

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Component Units
<b>Primary Government:</b>						
<b>Governmental Activities:</b>						
General government	\$ 10,850,881	\$ 2,272,590	\$ 424,064	\$ -	\$ (8,154,226)	\$ -
Public safety	16,210,286	2,438,340	1,081,261	-	(12,690,685)	-
Highways and streets	22,920,416	180,517	18,773,429	-	(3,966,470)	-
Relief and charities	11,756,349	138,666	3,192,735	-	(8,424,949)	-
Conservation & economic development	3,247,937	77,985	85,931	5,028,844	1,944,823	-
Culture and recreation	806,552	7,905	309,576	-	(489,071)	-
Interest on long-term debt	351,614	-	-	-	(351,614)	-
<b>Total Primary Government</b>	<b>\$ 66,144,036</b>	<b>\$ 5,116,003</b>	<b>\$ 23,866,995</b>	<b>\$ 5,028,844</b>	<b>\$ (32,132,194)</b>	<b>\$ -</b>
<b>Component Units:</b>						
Southeast Cass Water Resource District	\$ 5,075,615	\$ 3,049,701	\$ 2,729,956	\$ -	\$ -	\$ 704,042
North Cass Water Resource District	360,085	277,752	-	-	-	(82,333)
Maple River Water Resource District	1,244,173	356,622	433,905	-	-	(453,646)
Rush River Water Resource District	841,616	243,632	21,678	-	-	(576,307)
Noxious weed	435,211	7,718	38,044	-	-	(389,449)
Vector control	894,208	377,207	-	-	-	(517,001)
<b>Total Component Units</b>	<b>\$ 8,850,908</b>	<b>\$ 4,312,632</b>	<b>\$ 3,223,583</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1,314,694)</b>
<b>General Revenues:</b>						
Property Taxes					\$ 29,258,876	\$ 2,650,540
Sales Taxes					8,663,697	-
Unrestricted State Shared Revenues					5,513,777	202,200
Unrestricted Investment Earnings					261,398	48,629
Miscellaneous Revenue					562,770	196,086
<b>Total General Revenues</b>					<b>\$ 44,260,519</b>	<b>\$ 3,097,454</b>
<b>Changes in Net Assets</b>					<b>\$ 12,128,325</b>	<b>\$ 1,782,761</b>
<b>Net Assets - January 1</b>					<b>\$ 136,555,267</b>	<b>\$ 109,596,092</b>
<b>Net Assets - December 31</b>					<b>\$ 148,683,587</b>	<b>\$ 111,378,859</b>

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

**CASS COUNTY GOVERNMENT**

Balance Sheet  
Governmental Funds  
December 31, 2011

	General	Human Services	County Road and Bridge	2009 Flood Recovery	2010 Flood Recovery	2011 Flood Fund
<b><u>ASSETS</u></b>						
Cash and Cash Equivalents	\$ 8,721,651	\$ 4,776,237	\$ 3,859,399	\$ 76,662	\$ -	\$ -
Receivables:						
Taxes	274,387	148,503	71,406	-	-	-
Accounts	184,118	6,097	29,705	-	-	20,000
Loans	53,925	-	-	-	-	-
Due From Other Governments	1,637,438	307,438	811,438	-	-	570,548
Due From Other Funds	932,568	-	4,480,862	-	-	-
Inventory	-	-	151,026	-	-	-
Inventory of supplies, at cost	70,399	-	-	-	-	-
Prepaid Items	315,737	23,502	41,025	-	-	-
Total Assets	<u>\$ 12,190,224</u>	<u>\$ 5,261,778</u>	<u>\$ 9,444,860</u>	<u>\$ 76,662</u>	<u>\$ -</u>	<u>\$ 590,548</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>						
<b><u>Liabilities:</u></b>						
Accounts Payable	\$ 447,678	\$ 171,388	\$ 520,132	\$ 72,790	\$ 55,413	\$ -
Retainages Payable	-	-	80,820	3,871	258	-
Deferred Revenues	5,248,288	2,818,278	1,373,732	-	-	-
Due to Inmates	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	827,349	874,302
Total Liabilities	<u>\$ 5,695,966</u>	<u>\$ 2,989,666</u>	<u>\$ 1,974,683</u>	<u>\$ 76,662</u>	<u>\$ 883,019</u>	<u>\$ 874,302</u>
<b><u>Fund Balances:</u></b>						
Nonspendable	\$ 386,136	\$ 23,502	\$ 192,051	\$ -	\$ -	\$ -
Restricted	-	2,248,610	7,278,126	-	-	-
Committed	-	-	-	-	-	-
Assigned	5,795	-	-	-	-	-
Unassigned	6,102,327	-	-	-	(883,019)	(283,754)
Total Fund Balances	<u>\$ 6,494,258</u>	<u>\$ 2,272,111</u>	<u>\$ 7,470,177</u>	<u>\$ -</u>	<u>\$ (883,019)</u>	<u>\$ (283,754)</u>
Total Liabilities and Fund Balances	<u>\$ 12,190,224</u>	<u>\$ 5,261,778</u>	<u>\$ 9,444,860</u>	<u>\$ 76,662</u>	<u>\$ -</u>	<u>\$ 590,548</u>

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

2011 Flood Recovery	Flood Mitigation	Future Building	Courthouse West Addition	Flood Control Sales Tax	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 5,369,076	\$ 1,530,967	\$ 3,651,714	\$ 3,156,809	\$ 31,142,515
-	-	-	-	-	27,557	521,853
-	-	-	-	-	65,964	305,884
-	-	-	-	-	-	53,925
250,257	901,128	-	-	1,049,639	-	5,527,887
-	-	-	-	-	-	5,413,429
-	-	-	-	-	-	151,026
-	-	-	-	-	-	70,399
-	-	-	-	-	24,780	405,044
<u>\$ 250,257</u>	<u>\$ 901,128</u>	<u>\$ 5,369,076</u>	<u>\$ 1,530,967</u>	<u>\$ 4,701,353</u>	<u>\$ 3,275,112</u>	<u>\$ 43,591,962</u>
\$ 195,362	\$ 69,890	\$ -	\$ 848,396	\$ 39,879	\$ 99,725	\$ 2,520,653
-	-	-	673,253	-	-	758,202
-	-	-	-	-	938,147	10,378,445
-	-	-	-	-	857	857
2,779,211	904,726	-	-	-	27,842	5,413,429
<u>\$ 2,974,573</u>	<u>\$ 974,615</u>	<u>\$ -</u>	<u>\$ 1,521,649</u>	<u>\$ 39,879</u>	<u>\$ 1,066,571</u>	<u>\$ 19,071,586</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,780	\$ 626,469
-	-	-	-	-	1,861,199	11,387,935
-	-	5,369,076	9,318	4,661,475	329,769	10,369,637
-	-	-	-	-	-	5,795
(2,724,316)	(73,487)	-	-	-	(7,208)	2,130,542
<u>\$ (2,724,316)</u>	<u>\$ (73,487)</u>	<u>\$ 5,369,076</u>	<u>\$ 9,318</u>	<u>\$ 4,661,475</u>	<u>\$ 2,208,539</u>	<u>\$ 24,520,379</u>
\$ 250,257	\$ 901,128	\$ 5,369,076	\$ 1,530,967	\$ 4,701,353	\$ 3,275,112	\$ 43,591,962

**CASS COUNTY GOVERNMENT**  
 Reconciliation of Fund Balances on the Balance Sheet  
 for Governmental Funds to Net Assets of  
 Governmental Activities on the Statement of Net Assets  
 December 31, 2011

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Fund Balance - Total Governmental Funds	\$ 24,520,379
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Amounts reported for governmental activities in the statement of net assets are different because:

Add - Capital Assets	\$ 207,347,043	
Deduct - accumulated depreciation	<u>(74,893,112)</u>	
Net Assets		132,453,931

Property taxes and special assessments receivable will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are reported as deferred revenues in the funds.	521,853
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Loans receivable will be collected over the next three years; thus they are not available to pay for the current period's expenditures and therefore, are reported as deferred revenues in the funds.	53,925
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Long-term uncertified special assessments receivable are not reported in the funds because they are unavailable to pay the current period's expenditures.	479,506
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Internal service funds are used by management to charge the costs of certain equipment usage and self-insurance to individual governmental funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.

Add - Net assets of governmental activities accounted for in the internal service funds.	1,253,712
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Certain liabilities, such as bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

Compensated absences payable	\$ (1,514,137)	
Leases payable	(250,611)	
Special assessments payable	(109,033)	
Special assessments bonds payable	(561,152)	
GO bonds payable	(8,225,000)	
Unamortized bond discount	69,237	
Unamortized bond issuance costs	49,919	
Interest payable	<u>(58,939)</u>	
Total Long-Term Liabilities		<u>(10,599,717)</u>

Net Assets of Governmental Activities	<u>\$ 148,683,587</u>
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The notes to the financial statements are an integral part of this statement.

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**CASS COUNTY GOVERNMENT**  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Fiscal Year Ended December 31, 2011

	General Fund	Human Services	County Road and Bridge	2009 Flood Recovery	2010 Flood Recovery
<b><u>REVENUES</u></b>					
Taxes:					
Property	\$ 15,262,136	\$ 8,261,126	\$ 3,983,634	\$ -	\$ -
Sales	1,053	-	-	-	-
Licenses, permits and fees	45,836	14,050	68,140	-	-
Intergovernmental revenues	6,487,707	3,192,735	10,649,138	1,394,058	799,884
Charges for services	2,596,946	124,406	102,453	-	-
Miscellaneous revenues	311,860	29,867	52,696	-	-
<b>Total Revenues</b>	<b>\$ 24,705,538</b>	<b>\$ 11,622,184</b>	<b>\$ 14,856,061</b>	<b>\$ 1,394,058</b>	<b>\$ 799,884</b>
<b><u>EXPENDITURES</u></b>					
Current:					
General government	\$ 5,730,772	\$ -	\$ -	\$ -	\$ -
Public safety	14,923,111	-	-	-	-
Highways and streets	-	-	10,148,495	523,912	285,214
Relief and charities	-	11,665,664	-	-	-
Culture and recreation	-	-	-	-	-
Conservation & economic development	1,902,078	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal retirement	94,102	-	23,526	-	-
Interest	12,638	-	3,159	-	-
Fiscal charges	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 22,662,702</b>	<b>\$ 11,665,664</b>	<b>\$ 10,175,180</b>	<b>\$ 523,912</b>	<b>\$ 285,214</b>
Excess (deficiency) of revenues over (under) expenditures	\$ 2,042,836	\$ (43,480)	\$ 4,680,881	\$ 870,146	\$ 514,670
<b><u>OTHER FINANCING SOURCES (USES)</u></b>					
Transfers in	\$ 18,203	\$ -	\$ -	\$ 961,562	\$ -
Transfers out	(60,000)	-	(961,562)	-	-
Sale of capital assets	38,273	-	31,013	-	-
<b>Total Other Financing Sources and Uses</b>	<b>\$ (3,525)</b>	<b>\$ -</b>	<b>\$ (930,549)</b>	<b>\$ 961,562</b>	<b>\$ -</b>
<b>Net Change in Fund Balances</b>	<b>\$ 2,039,311</b>	<b>\$ (43,480)</b>	<b>\$ 3,750,332</b>	<b>\$ 1,831,708</b>	<b>\$ 514,670</b>
Fund Balances - January 1	\$ 4,454,947	\$ 2,315,591	\$ 3,719,845	\$(1,831,707)	\$(1,397,689)
<b>Fund Balances - December 31</b>	<b>\$ 6,494,258</b>	<b>\$ 2,272,111</b>	<b>\$ 7,470,177</b>	<b>\$ -</b>	<b>\$ (883,019)</b>

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

2011 Flood Fund	2011 Flood Recovery	Flood Mitigation	Future Building	Courthouse West Addition	Flood Control Sales Tax	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,978,744	\$ 29,485,640
-	-	-	-	-	8,662,644	-	8,663,697
-	-	-	-	-	-	-	128,026
2,105,946	478,966	5,028,844	-	300,000	-	702,698	31,139,975
90,606	-	-	-	-	-	1,982,724	4,897,135
11,421	-	289,785	34,504	47,672	6,905	208,093	992,804
<u>\$ 2,207,973</u>	<u>\$ 478,966</u>	<u>\$ 5,318,629</u>	<u>\$ 34,504</u>	<u>\$ 347,672</u>	<u>\$ 8,669,549</u>	<u>\$ 4,872,259</u>	<u>\$ 75,307,277</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 952,702	\$ 6,683,474
-	-	-	-	-	-	941,766	15,864,877
3,054,127	3,203,282	-	-	-	-	12,239	17,227,269
-	-	-	-	-	-	-	11,665,664
-	-	-	-	-	-	800,049	800,049
-	-	6,125,801	-	-	-	33,067	8,060,946
-	-	-	-	7,810,323	4,008,074	23,913	11,842,310
-	-	-	-	-	-	756,141	873,769
-	-	-	-	-	-	301,876	317,673
-	-	-	-	-	-	28,235	28,235
<u>\$ 3,054,127</u>	<u>\$ 3,203,282</u>	<u>\$ 6,125,801</u>	<u>\$ -</u>	<u>\$ 7,810,323</u>	<u>\$ 4,008,074</u>	<u>\$ 3,849,989</u>	<u>\$ 73,364,266</u>
\$ (846,154)	\$ (2,724,316)	\$ (807,172)	\$ 34,504	\$ (7,462,651)	\$ 4,661,475	\$ 1,022,269	\$ 1,943,011
\$ 562,399	\$ -	\$ 361,342	\$ -	\$ 612,520	\$ -	\$ 77,792	\$ 2,593,818
-	-	-	(973,861)	-	-	(598,394)	(2,593,818)
-	-	-	-	-	-	24,968	94,254
<u>\$ 562,399</u>	<u>\$ -</u>	<u>\$ 361,342</u>	<u>\$ (973,861)</u>	<u>\$ 612,520</u>	<u>\$ -</u>	<u>\$ (495,634)</u>	<u>\$ 94,254</u>
<u>\$ (283,754)</u>	<u>\$ (2,724,316)</u>	<u>\$ (445,830)</u>	<u>\$ (939,357)</u>	<u>\$ (6,850,132)</u>	<u>\$ 4,661,475</u>	<u>\$ 526,635</u>	<u>\$ 2,037,265</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 372,344</u>	<u>\$ 6,308,433</u>	<u>\$ 6,859,449</u>	<u>\$ -</u>	<u>\$ 1,681,905</u>	<u>\$ 22,483,114</u>
<u>\$ (283,754)</u>	<u>\$ (2,724,316)</u>	<u>\$ (73,487)</u>	<u>\$ 5,369,076</u>	<u>\$ 9,318</u>	<u>\$ 4,661,475</u>	<u>\$ 2,208,539</u>	<u>\$ 24,520,379</u>

**CASS COUNTY GOVERNMENT**  
 Reconciliation of the Statement of Revenues,  
 Expenditures, and Changes in Fund Balances of Governmental Funds  
 To the Statement of Activities  
 For the Year Ended December 31, 2011

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

Net Change in Fund Balances - Total Governmental Funds \$ 2,037,265

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital Asset Additions	\$ 14,907,364	
Current Year Depreciation Expense	<u>(4,215,598)</u>	10,691,766

In the statement of activities, only the loss on the sale or disposal of capital assets is reported. However, in the governmental funds, the proceeds from the sale increases financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets sold or disposed.

Retired Assets	\$ (1,568,740)	
Accumulated Depreciation on Retired Assets	<u>429,703</u>	(1,139,037)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Decrease in Taxes Receivable	\$ (119,484)	
Decrease in Uncertified Special Assessments	(74,113)	
Decrease in Loans Receivable	<u>(10,842)</u>	(204,439)

Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which proceeds exceeded repayments.

Repayment of Bonds	\$ 756,141	
Repayment of Leases	117,628	
Repayment of Specials	<u>3,534</u>	877,303

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore are not reported as expenditures in the governmental funds.

Net Decrease in Interest Payable	\$ 5,849	
Amortization of Bond Discounts	(6,659)	
Amortization of Bond Issuance Costs	(4,896)	
Net Increase in Compensated Absences	<u>(34,994)</u>	(40,699)

Internal service funds are used by management to charge the costs of the motor pool, employee health insurance and the telephone system to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.

(93,834)

Change in Net Assets of Governmental Activities

\$ 12,128,325

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

**CASS COUNTY GOVERNMENT**  
General Fund  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
For the Fiscal Year Ended December 31, 2011

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$ 15,053,392	\$ 15,053,392	\$ 15,262,136	\$ 208,744
Sales Tax	-	-	1,053	1,053
Licenses, Permits and Fees	38,500	38,500	45,836	7,336
Intergovernmental Revenues	3,815,588	4,195,815	6,487,707	2,291,892
Charges for Services	2,196,025	2,196,025	2,596,946	400,921
Miscellaneous Revenues	161,600	161,600	311,860	150,260
<b>Total Revenues</b>	<b>\$ 21,265,105</b>	<b>\$ 21,645,332</b>	<b>\$ 24,705,538</b>	<b>\$ 3,060,206</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General Government:</b>				
County Commission	\$ 703,591	\$ 703,591	\$ 627,352	\$ 76,239
County Administrator	2,007,236	2,007,236	1,804,798	202,438
Information Technology	1,184,681	1,184,681	1,074,253	110,428
Auditor	937,004	937,004	844,145	92,859
Treasurer	339,240	339,240	322,453	16,787
County Recorder	554,733	554,733	545,446	9,287
Director of Tax Equalization	262,779	262,779	180,938	81,841
Veterans Service	252,634	252,634	253,446	(812)
County Planning	80,924	80,924	77,941	2,983
<b>Total General Government</b>	<b>\$ 6,322,822</b>	<b>\$ 6,322,822</b>	<b>\$ 5,730,772</b>	<b>\$ 592,050</b>
<b>Public Safety:</b>				
Emergency Management	196,387	262,901	253,178	9,723
County Sheriff	12,119,171	12,403,402	12,309,503	93,899
States Attorney	2,417,283	2,417,283	2,351,098	66,185
Cemetery	7,266	9,331	9,332	(1)
<b>Total Public Safety</b>	<b>\$ 14,740,107</b>	<b>\$ 15,092,917</b>	<b>\$ 14,923,111</b>	<b>\$ 169,806</b>
<b>Conservation &amp; Econ. Development:</b>				
County Extension Agent	466,757	474,757	464,927	9,830
Public Service Agencies	1,442,124	1,442,124	1,437,151	4,973
<b>Total Conservation &amp; Econ Dev</b>	<b>\$ 1,908,881</b>	<b>\$ 1,916,881</b>	<b>\$ 1,902,078</b>	<b>\$ 14,803</b>
<b>Debt Service:</b>				
Principal	-	-	94,102	(94,102)
Interest	-	-	12,638	(12,638)
<b>Total Debt Service</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 106,740</b>	<b>\$ (106,740)</b>
<b>Total Expenditures</b>	<b>\$ 22,971,810</b>	<b>\$ 23,332,620</b>	<b>\$ 22,662,702</b>	<b>\$ 669,919</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>\$ (1,706,705)</b>	<b>\$ (1,687,288)</b>	<b>\$ 2,042,836</b>	<b>\$ 3,730,125</b>
<b>Other Financing Sources (Uses):</b>				
Transfers In	\$ 46,100	\$ 46,100	\$ 18,203	\$ (27,897)
Sale of Property	10,000	10,000	38,273	28,273
Operating Transfers Out	(100,000)	(100,000)	(60,000)	40,000
<b>Total Other Financing Sources and Uses</b>	<b>\$ (43,900)</b>	<b>\$ (43,900)</b>	<b>\$ (3,525)</b>	<b>\$ 40,376</b>
<b>Net Change in Fund Balances</b>	<b>\$ (1,750,605)</b>	<b>\$ (1,731,188)</b>	<b>\$ 2,039,311</b>	<b>\$ 3,770,501</b>
<b>Fund Balance - January 1</b>	<b>\$ 4,454,947</b>	<b>\$ 4,454,947</b>	<b>\$ 4,454,947</b>	<b>\$ -</b>
<b>Fund Balance - December 31</b>	<b>\$ 2,704,342</b>	<b>\$ 2,723,759</b>	<b>\$ 6,494,258</b>	<b>\$ 3,770,501</b>

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

**CASS COUNTY GOVERNMENT**  
 Human Service  
 Statement of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 For the Fiscal Year Ended December 31, 2011

	Budget		Actual	Variance With Final Budget
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$ 8,169,219	\$ 8,169,219	\$ 8,261,126	\$ 91,907
Licenses, Permits and Fees	15,000	15,000	14,050	(950)
Intergovernmental Revenues	2,854,167	2,854,167	3,192,735	338,568
Charges for Services	84,575	84,575	124,406	39,831
Miscellaneous Revenues	50,076	50,076	29,867	(20,209)
<b>Total Revenues</b>	<b>\$ 11,173,037</b>	<b>\$ 11,173,037</b>	<b>\$ 11,622,184</b>	<b>\$ 449,147</b>
<u>Expenditures:</u>				
<u>Current:</u>				
Relief and Charities	\$ 12,083,479	\$ 12,083,479	\$ 11,665,664	\$ 417,815
Excess (deficiency) of revenues over (under) expenditures	\$ (910,442)	\$ (910,442)	\$ (43,481)	\$ 866,963
Fund Balance - January 1	\$ 2,315,591	\$ 2,315,591	\$ 2,315,591	\$ -
Fund Balance - December 31	\$ 1,405,149	\$ 1,405,149	\$ 2,272,111	\$ 866,963

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

**CASS COUNTY GOVERNMENT**  
 County Road and Bridge  
 Statement of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 For the Fiscal Year Ended December 31, 2011

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$ 3,936,464	\$ 3,993,777	\$ 3,983,634	\$ (10,143)
Licenses, Permits and Fees	-	58,795	68,140	9,345
Intergovernmental Revenues	6,305,282	10,498,430	10,649,138	150,708
Charges for Services	12,000	12,000	102,453	90,453
Miscellaneous Revenues	26,000	36,414	52,696	16,282
<b>Total Revenues</b>	<b>\$ 10,279,746</b>	<b>\$ 14,599,416</b>	<b>\$ 14,856,061</b>	<b>\$ 256,645</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Highways and Streets	\$ 13,801,922	\$ 11,706,249	\$ 10,148,495	\$ 1,557,754
<b>Debt Service:</b>				
Principal	23,526	23,526	23,526	-
Interest	3,160	3,160	3,159	1
<b>Total Expenditures</b>	<b>\$ 13,828,608</b>	<b>\$ 11,732,935</b>	<b>\$ 10,175,180</b>	<b>\$ 1,557,755</b>
Excess (deficiency) of revenues over (under) expenditures	\$ (3,548,862)	\$ 2,866,481	\$ 4,680,881	\$ 1,814,401
<b>Other Financing Sources (Uses):</b>				
Sale of Property	\$ 20,000	\$ 20,000	\$ 31,013	\$ 11,013
Transfers Out	-	-	(961,562)	(961,562)
<b>Total Other Financing Sources and Uses</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>	<b>\$ (930,549)</b>	<b>\$ (950,549)</b>
<b>Net Change in Fund Balances</b>	<b>\$ (3,528,862)</b>	<b>\$ 2,886,481</b>	<b>\$ 3,750,332</b>	<b>\$ 863,852</b>
Fund Balance - January 1	\$ 3,719,845	\$ 3,719,845	\$ 3,719,845	\$ -
Fund Balance - December 31	<u>\$ 190,983</u>	<u>\$ 6,606,326</u>	<u>\$ 7,470,177</u>	<u>\$ 863,852</u>

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

**CASS COUNTY GOVERNMENT**  
 2009 Flood Recovery  
 Statement of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 For the Fiscal Year Ended December 31, 2011

	Budget		Actual	Variance With Final Budget
	Original	Final		
<u>Revenues:</u>				
Intergovernmental Revenues	\$ -	\$ 1,394,059	\$ 1,394,058	\$ (1)
<u>Expenditures:</u>				
Current:				
Highways and Streets	\$ -	\$ 273,367	\$ 523,912	\$ (250,545)
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ 1,120,692	\$ 870,146	\$ (250,545)
<u>Other Financing Sources (Uses):</u>				
Transfers In	\$ -	\$ 715,140	\$ 961,562	\$ 246,422
Net Change in Fund Balances	\$ -	\$ 1,835,832	\$ 1,831,707	\$ (4,125)
Fund Balance - January 1	\$ -	\$ (1,831,707)	\$ (1,831,707)	\$ -
Fund Balance - December 31	\$ -	\$ 4,125	\$ -	\$ (4,125)

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

**CASS COUNTY GOVERNMENT**  
 2010 Flood Recovery  
 Statement of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 For the Fiscal Year Ended December 31, 2011

	Budget		Actual	Variance With Final Budget
	Original	Final		
<u>Revenues:</u>				
Intergovernmental Revenues	\$ -	\$ 799,885	\$ 799,884	\$ (1)
<u>Expenditures:</u>				
Current:				
Highways and Streets	\$ -	\$ 193,759	\$ 285,214	\$ (91,455)
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ 606,126	\$ 514,670	\$ (91,455)
Fund Balance - January 1	\$ -	\$ (1,397,689)	\$ (1,397,689)	\$ -
Fund Balance - December 31	\$ -	\$ (791,563)	\$ (883,019)	\$ (91,455)

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

**CASS COUNTY GOVERNMENT**  
 2011 Flood Fund  
 Statement of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 For the Fiscal Year Ended December 31, 2011

	Budget		Actual	Variance With Final Budget
	Original	Final		
<u>Revenues:</u>				
Intergovernmental Revenues	\$ -	\$ 1,303,288	\$ 2,105,946	\$ 802,658
Charges for Services	-	90,607	90,606	(1)
Miscellaneous Revenues	-	11,422	11,421	(1)
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ 1,405,317</b>	<b>\$ 2,207,973</b>	<b>\$ 802,656</b>
<u>Expenditures:</u>				
Current:				
Highways and Streets	\$ -	\$ 3,055,000	\$ 3,054,127	\$ 873
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ (1,649,683)	\$ (846,154)	\$ 803,529
<u>Other Financing Sources (Uses):</u>				
Transfers In	\$ -	\$ 562,400	\$ 562,399	\$ (1)
<b>Net Change in Fund Balances</b>	<b>\$ -</b>	<b>\$ (1,087,283)</b>	<b>\$ (283,754)</b>	<b>\$ 803,528</b>
Fund Balance - January 1	\$ -	\$ -	\$ -	\$ -
<b>Fund Balance - December 31</b>	<b>\$ -</b>	<b>\$ (1,087,283)</b>	<b>\$ (283,754)</b>	<b>\$ 803,528</b>

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

**CASS COUNTY GOVERNMENT**  
 2011 Flood Recovery Fund  
 Statement of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 For the Fiscal Year Ended December 31, 2011

	Budget		Actual	Variance With Final Budget
	Original	Final		
<u>Revenues:</u>				
Intergovernmental Revenues	\$ -	\$ 101,818	\$ 478,966	\$ 377,148
<u>Expenditures:</u>				
Current:				
Highways and Streets	\$ -	\$ 2,863,143	\$ 3,203,282	\$ (340,139)
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ (2,761,325)	\$ (2,724,316)	\$ 37,010
Fund Balance - January 1	\$ -	\$ -	\$ -	\$ -
Fund Balance - December 31	\$ -	\$ (2,761,325)	\$ (2,724,316)	\$ 37,010

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

**CASS COUNTY GOVERNMENT**  
 Flood Mitigation  
 Statement of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 For the Fiscal Year Ended December 31, 2011

	Budget		Actual	Variance With Final Budget
	Original	Final		
<u>Revenues:</u>				
Intergovernmental Revenues	\$ -	\$ 4,128,482	\$ 5,028,844	\$ 900,362
Miscellaneous Revenues	-	288,781	289,785	1,004
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ 4,417,263</b>	<b>\$ 5,318,629</b>	<b>\$ 901,366</b>
<u>Expenditures:</u>				
Current:				
Conservation & Economic Development	\$ -	\$ 6,054,753	\$ 6,125,801	\$ (71,048)
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ (1,637,490)	\$ (807,173)	\$ 830,318
<u>Other Financing Sources (Uses):</u>				
Transfers In	\$ -	\$ 361,342	\$ 361,342	\$ -
<b>Net Change in Fund Balances</b>	<b>\$ -</b>	<b>\$ (1,276,148)</b>	<b>\$ (445,831)</b>	<b>\$ 830,318</b>
Fund Balance - January 1	\$ -	\$ 372,344	\$ 372,344	\$ -
<b>Fund Balance - December 31</b>	<b>\$ -</b>	<b>\$ (903,804)</b>	<b>\$ (73,487)</b>	<b>\$ 830,318</b>

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

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**CASS COUNTY GOVERNMENT**  
 Proprietary Funds  
 Statement of Net Assets  
 December 31, 2011

	Governmental Activities
	Internal Service Funds
<b><u>ASSETS</u></b>	
<u>Current Assets:</u>	
Cash and Investments	\$ 1,764,425
Accounts Receivable	371
Total Current Assets	\$ 1,764,796
<u>Noncurrent Assets:</u>	
Capital Assets	\$ 371,850
Less: Accumulated Depreciation	(277,421)
Total Noncurrent Assets	\$ 94,429
Total Assets	\$ 1,859,225
<b><u>LIABILITIES</u></b>	
<u>Current Liabilities:</u>	
Accounts Payable	\$ 10,719
Deposits	301,768
IBNR Claims	293,025
Total Liabilities	\$ 605,512
<u>Net Assets:</u>	
Invested in Capital Assets	\$ 94,429
Unrestricted	1,159,283
Total Net Assets	\$ 1,253,712

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

**CASS COUNTY GOVERNMENT**  
 Statement of Revenues, Expenses and  
 Changes in Net Assets  
 All Proprietary Fund Types  
 For the Year Ended December 31, 2011

	Governmental Activities
	Internal Service Funds
<u>Operating Revenues:</u>	
Premiums	\$ 3,490,486
Charges for Services	215,325
Miscellaneous	14,316
	\$ 3,720,127
<u>Operating Expenses:</u>	
Premiums	\$ 454,115
Medical Services	8,674
Telephone Service	168,827
Administrative Fees	175,885
Collision Repair/Replacement	24,791
Benefit Payments	2,653,642
IBNR Claims	293,025
Depreciation Expense	39,899
	\$ 3,818,858
Total Operating Expenses	\$ 3,818,858
Operating Income	\$ (98,731)
<u>Nonoperating Revenues (Expenses):</u>	
Interest Income	\$ 10,066
Loss on Disposal of Capital Assets	(5,169)
	\$ 4,897
Total Nonoperating Revenues (Expenses)	\$ 4,897
Change in Net Assets	\$ (93,834)
Total Net Assets - January 1	\$ 1,347,546
Total Net Assets - December 31	\$ 1,253,712

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

**CASS COUNTY GOVERNMENT**  
 Statement of Cash Flows  
 All Proprietary Fund Types  
 For the Year Ended December 31, 2011

	Governmental Activities
	Internal Service Funds
<u>Cash Flows From Operating Activities:</u>	
Receipts from customers	\$ 3,712,488
Payments to suppliers	(893,777)
Claims paid	(2,894,616)
Other receipts	14,316
	\$ (61,590)
<u>Cash Flows From Capital and Related Financing Activities:</u>	
Purchase of capital assets	\$ (22,225)
<u>Cash Flows From Investing Activities:</u>	
Interest income	\$ 10,066
Net Increase in Cash and Cash Equivalents	\$ (73,749)
Cash and Cash Equivalents - January 1	\$ 1,838,174
Cash and Cash Equivalents - December 31	\$ 1,764,425
<u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</u>	
Operating income	\$ (98,731)
Adjustments to reconcile operating income to net cash flows from operating activities:	
Depreciation	39,899
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	3,458
(Increase) decrease in prepaid items	3,219
Increase (decrease) in accounts payable	(61,486)
Increase (decrease) in premium deposit funds	13,462
Increase (decrease) in IBNR claims	38,589
Net Cash Provided by Operating Activities	\$ (61,590)

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

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CASS COUNTY GOVERNMENT  
Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds  
December 31, 2011

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	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash and Cash Equivalents	<u>\$ 57,103,079</u>
Total Assets	<u>\$ 57,103,079</u>
<u>LIABILITIES</u>	
Accounts Payable	\$ 213,851
Due to Component Units	33,023
Deposits	<u>56,856,205</u>
Total Liabilities	<u>\$ 57,103,079</u>

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

## CASS COUNTY GOVERNMENT

### Statement of Net Assets

#### Component Units

December 31, 2011

	Southeast Cass WRD	North Cass WRD
<u>Assets:</u>		
Cash and Cash Equivalents	\$ 5,494,403	\$ 452,211
Receivables:		
Accounts Receivable	-	-
Delinquent Tax	69,400	2,330
Due From Other Governments	817,737	1,630
Special Assessments	16,245	16
Due From Primary Government	24,247	1,190
Inventory	-	-
Prepays	-	-
Long-Term Receivables:		
Uncertified Special Assessments Receivable	4,434,759	98,882
Capital Assets Not Being Depreciated:		
Land	9,059,071	1,048,154
Construction in Progress	11,528,907	-
Capital Assets (Net of Accumulated Depreciation):		
Buildings	-	-
Equipment	-	-
Infrastructure	66,617,951	4,094,359
<b>Total Assets</b>	<b>\$ 98,062,720</b>	<b>\$ 5,698,773</b>
<u>Liabilities:</u>		
Accounts Payable	\$ 3,329,051	\$ 107,617
Benefits Payable	10,715	1,918
Retainages Payable	539,594	-
Unearned Revenues	-	-
Interest Payable	25,738	2,200
<u>Noncurrent Liabilities:</u>		
Due within one year	1,082,598	118,396
Due in more than one year	6,872,385	279,651
<b>Total Liabilities</b>	<b>\$ 11,860,080</b>	<b>\$ 509,781</b>
<u>Net Assets:</u>		
Investment in Capital Assets, Net of Related Debt	\$ 79,262,953	\$ 4,746,467
Restricted For:		
Conservation of Natural Resources	-	42,484
Debt Service	5,337,484	280,831
Capital Projects	-	-
Unrestricted	1,602,203	119,209
<b>Total Net Assets</b>	<b>\$ 86,202,640</b>	<b>\$ 5,188,992</b>

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

Maple River WRD	Rush River WRD	Weed Control	Vector Control	Totals
\$ 162,793	\$ 365,777	\$ 452,109	\$ 209,003	\$ 7,136,296
-	-	2,972	9,735	12,707
4,758	2,686	6,244	8,664	94,082
93,828	2,583	-	-	915,778
108	748	-	-	17,117
564	7,022	-	-	33,023
-	-	-	64,583	64,583
-	-	1,169	12,974	14,143
218,288	909,052	-	-	5,660,981
1,868,306	1,992,357	-	-	13,967,888
505,682	-	-	-	12,034,589
-	-	20,527	-	20,527
-	-	16,139	71,767	87,906
10,066,137	5,038,856	-	-	85,817,303
<u>\$ 12,920,462</u>	<u>\$ 8,319,081</u>	<u>\$ 499,160</u>	<u>\$ 376,726</u>	<u>\$ 125,876,922</u>
\$ 140,015	\$ 196,928	\$ 454	\$ 1,662	\$ 3,775,727
3,688	3,836	-	-	20,157
15,000	-	-	-	554,594
-	-	115,328	152,564	267,891
3,949	4,710	-	-	36,597
169,422	84,051	2,358	10,801	1,467,626
436,739	786,700	-	-	8,375,475
<u>\$ 768,814</u>	<u>\$ 1,076,225</u>	<u>\$ 118,140</u>	<u>\$ 165,027</u>	<u>\$ 14,498,067</u>
\$ 11,837,965	\$ 6,162,463	\$ 36,666	\$ 71,767	\$ 102,118,282
-	-	-	-	42,484
282,834	1,193,939	-	-	7,095,088
30,851	-	-	-	30,851
-	(113,544)	344,353	139,932	2,092,155
<u>\$ 12,151,650</u>	<u>\$ 7,242,858</u>	<u>\$ 381,020</u>	<u>\$ 211,699</u>	<u>\$ 111,378,859</u>

CASS COUNTY GOVERNMENT  
Statement of Activities  
Component Units  
For the Year Ended December 31, 2011

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets						Total
	Expenses	Charges for Services	Operating Grants and Contributions	Southeast Cass WRD	North Cass WRD	Maple River WRD	Rush River WRD	Weed Control	Vector Control	
<u>Component Units:</u>										
Southeast Cass Water Resource District	\$ 5,075,615	\$ 3,049,701	\$ 2,729,956	\$ 704,042	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 704,042
Maple River Water Resource District	1,244,173	356,622	433,905	-	-	(453,646)	-	-	-	(453,646)
North Cass Water Resource District	360,085	277,752	-	-	(82,333)	-	-	-	-	(82,333)
Rush River Water Resource District	841,616	243,632	21,678	-	-	-	(576,307)	-	-	(576,307)
Noxious weed	435,211	7,718	38,044	-	-	-	-	(389,449)	-	(389,449)
Vector control	894,208	377,207	-	-	-	-	-	-	(517,001)	(517,001)
<b>Total Component Units</b>	<b>\$ 8,850,908</b>	<b>\$ 4,312,632</b>	<b>\$ 3,223,583</b>	<b>\$ 704,042</b>	<b>\$ (82,333)</b>	<b>\$ (453,646)</b>	<b>\$ (576,307)</b>	<b>\$ (389,449)</b>	<b>\$ (517,001)</b>	<b>\$ (1,314,694)</b>
<u>General Revenues:</u>										
Property Taxes				\$ 1,657,140	\$ 41,761	\$ 128,995	\$ 44,137	\$ 308,696	\$ 469,812	\$ 2,650,540
Unrestricted State Shared Revenue				133,178	6,481	16,837	619	13,115	31,970	202,200
Unrestricted Investment Earnings				35,983	2,435	2,826	2,725	2,986	1,674	48,629
Miscellaneous Revenue				74,098	982	100,034	19,167	853	952	196,086
<b>Total General Revenues</b>				<b>\$ 1,900,399</b>	<b>\$ 51,658</b>	<b>\$ 248,693</b>	<b>\$ 66,649</b>	<b>\$ 325,649</b>	<b>\$ 504,407</b>	<b>\$ 3,097,454</b>
<b>Changes in Net Assets</b>				<b>\$ 2,604,441</b>	<b>\$ (30,675)</b>	<b>\$ (204,953)</b>	<b>\$ (509,659)</b>	<b>\$ (63,799)</b>	<b>\$ (12,594)</b>	<b>\$ 1,782,761</b>
<b>Net Assets - January 1</b>				<b>\$ 83,598,198</b>	<b>\$ 5,219,666</b>	<b>\$ 12,356,604</b>	<b>\$ 7,752,512</b>	<b>\$ 444,819</b>	<b>\$ 224,293</b>	<b>\$ 109,596,092</b>
<b>Net Assets - December 31</b>				<b>\$ 86,202,640</b>	<b>\$ 5,188,992</b>	<b>\$ 12,151,650</b>	<b>\$ 7,242,858</b>	<b>\$ 381,020</b>	<b>\$ 211,699</b>	<b>\$ 111,378,859</b>

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

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CASS COUNTY GOVERNMENT  
Fargo, North Dakota

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2011

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Cass County operates under a Home Rule Charter passed by the voters in 1994. The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

**A. The Financial Reporting Entity**

For financial reporting purposes, Cass County has included all funds and has considered all potential component units for which Cass County is financially accountable, and other organizations for which the nature and significance of their relationship with Cass County are such that exclusion would cause Cass County's financial statements to be misleading or incomplete. The Government Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of Cass County to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on Cass County.

Based on these criteria, Cass County has included six discretely presented component units within Cass County's reporting entity.

**B. Individual Component Unit Disclosures**

**Discretely Presented Component Units.** The component units' column in the combined financial statements include the financial data of the County's other component units. They are reported in a separate column to emphasize that they are legally separate from the County. The county board appoints the governing bodies of all of these component units.

The component units consist of the four Water Resource Districts: Southeast Cass, North Cass, Maple River, and Rush River; the Cass County Vector Control District and the Cass County Noxious Weed District.

The Water Resource Districts have jurisdiction over the management of the water resources within their respective boundaries. The County's governing body has the authority to modify or approve the budgets of these districts.

Complete financial statements of the individual Water Resource Districts can be obtained at Water Resource Districts, 1201 Main Avenue West, West Fargo, North Dakota 58078.

The primary responsibilities of the Cass County Vector Control District and Cass County Noxious Weed District are to provide vector and weed control, respectively, on public land. The County Engineer is responsible for the management of the Vector Control District. Board members are appointed by the County Board of Commissioners for each District. The Cass County Board of Commissioners has the authority to modify or approve the budgets of these districts. Both districts are located at the Cass County Highway Department. Complete financial statements of the Cass County Noxious Weed District and Cass County Vector Control District can be obtained at Cass County Auditor's Office, Box 2806, Fargo, ND 58108-2806.

### C. Joint Ventures

Under authorization of state statutes, the Cass County Water Resource Districts have joined the water resource districts of Richland County, Grand Forks County, Pembina County, Traill County, Steele County, Walsh County, Nelson County, Ransom County, and Sargent County to establish and operate a joint exercise of powers agreement for water management within the Red River Valley. Known as the Red River Valley Joint Water Resource Board, the agreement was established for mutual advantage of the governments. Each government appoints one member to the Board of Directors. The operating and capital expenses are funded by contributions from each government. Each government's share of assets, liabilities, and fund equity cannot be determined due to lack of provision being made for this in the joint venture agreement and the fact that each government's contribution each year depends on where the Red River Joint Water Resource Board projects are being undertaken.

The following is summary financial information on the joint venture as of and for the year ended December 31, 2011, which is the most current audited information available:

Total Assets	\$4,972,670
Total Liabilities	<u>447,210</u>
Total Equity	<u>4,525,460</u>
Revenues	1,440,397
Expenses	<u>897,230</u>
Change in Net Assets	<u>\$ 543,167</u>

Complete financial statements can be obtained from the Treasurer's Office at Red River Joint Water Resource District, 1201 Main Avenue West, West Fargo, ND 58078.

### D. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule include interfund services provided and used between governmental functions. Elimination of these would distort the direct costs and program revenues reported for the various functions concerned. Governmental activities are supported by taxes and intergovernmental revenues.

The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Indirect expenses are charged based upon a county-wide cost allocation plan which allocates costs based upon the number of full time equivalents, number of transactions, and other pertinent information. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

#### E. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

##### **Government-wide Financial Statements**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

##### **Fund Financial Statements**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

Property taxes, franchise fees, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

- The **General Fund** is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- **Human Service Fund** – This fund is used to account for the County Social Service operations; this department is designated by law to provide relief to the poor and related services to the citizens of the County. The majority of the services/programs offered by the County are done in conjunction with state and federal agencies, mainly the North Dakota Department of Human Services.
- **County Road and Bridge Fund** – This fund is used for the normal maintenance of county roads and the operation of the road shops. Most of the revenues for this fund are derived from the highway tax distribution fund.
- **2009 Flood Recovery** – This fund was established to account for the costs of repairing roads damaged by the 2009 spring flood. Some of these costs are reimbursed by the federal and state government.
- **2010 Flood Recovery** – This fund was established to account for the costs of repairing roads damaged by the 2010 spring flood. Some of these costs are reimbursed by the federal and state government.
- **2011 Flood Fund** – This fund was established to account for the costs associated with fighting the spring flood of 2011. Some of these costs are reimbursed by the federal and state government.
- **2011 Flood Recovery** – This fund was established to account for the costs of repairing roads damaged by the 2011 spring flood. Some of these costs are reimbursed by the federal and state government.
- **Flood Mitigation** – This fund was established to account for a federal grant to buy out homes to make way for future flood protection.
- **Future Building Fund** – This fund is used to provide for the future construction of county buildings and major remodeling projects.
- **Courthouse West Addition Fund** – This fund is used to provide for the construction of an addition to the courthouse. Revenues are derived from an \$8.9 million bond issue and county reserves.
- **Flood Control Sales Tax Fund** – This fund is used to provide for the county share of costs incurred by the Flood Diversion Authority as well as any county costs for permanent flood control projects.

Additionally, the County reports the following fund types:

### PROPRIETARY FUNDS

Internal Service Funds - Internal service funds are used to account for services provided to other department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis. The following Internal Service Funds are used by the county:

**Health Insurance Trust** - This fund accounts for a self-funded comprehensive health insurance plan for county employees, administered by an outside firm. Costs are recovered by monthly premiums charged to each department.

**Dental Insurance Trust** - This fund accounts for a self-funded dental insurance plan for county employees, administered by an outside firm. Costs are recovered by monthly premiums charged to each department.

**Telephone Trust** - This fund provides for the operation of the County's telephone system. Monthly user fees are charged to departments.

**Motor Pool** - This fund provides for uses and repairs to county-owned vehicles. Departments are charged a per mile fee for the use of county-owned vehicles.

### FIDUCIARY FUNDS

Agency Funds - Agency funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The following types of agency funds are used by the County:

**County Funds** - These funds provide clearing facilities for items to be apportioned to other county funds.

**Tax Collection Funds** - These funds are used by the County in its role as tax collector to record property tax receipts awaiting apportionment to other governmental units and recipient County funds, and their periodic distribution.

**Funds of Other Governmental Units** - The County Treasurer provides fiscal services for various other governmental entities. These funds represent the assets, primarily cash and investments, of these entities in the Treasurer's custody and the related liability of the county to disburse these monies on demand.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's internal service funds are charges to customers for sales and services. Operating expenses for internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

#### F. Budgets

Budgets are adopted on a basis consistent with accounting principles generally accepted. Annual appropriated budgets are adopted for the general, special revenue and debt service funds. All annual appropriations lapse at year-end.

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting--under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation--is not utilized in the governmental funds.

#### G. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits, money market accounts and highly liquid investments with an original maturity of three months or less.

Investments consist of demand deposits and certificates of deposit with maturities greater than three months. These investments are stated at cost.

#### H. Receivables

Receivables in the County's governmental funds consist primarily of tax revenues. Receivables also include amounts due for services to individuals performed by the County and not received by December 31, 2011.

Due from other governments consist primarily of receivables due from state government for reimbursements from various state departments, the federal government and other local governments for grants and prisoner board fees.

#### I. Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund type inventories are recorded as expenditures when consumed rather than when purchased. The inventory is offset within the nonspendable classification of fund balance in the fund financial statements which indicates that inventory does not constitute "available spending resources" even though it is a component of net current assets.

#### J. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2011, are recorded as prepaid items. Prepaid items are offset within the nonspendable classification of fund balance in the fund financial statements.

#### K. Uncertified Special Assessments

This represents a long-term receivable in the government-wide financial statements showing the amount of uncertified/uncollected debt service fund special assessments over the life of the special assessment bonds.

L. Capital Assets

Capital assets including property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental activities column in the government-wide financial statements. The capitalization threshold is \$5,000. Assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair value on the date received.

In the case of the initial capitalization of general infrastructure assets the county chose to include all such items regardless of their acquisition date.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Depreciation on the capital assets (including infrastructure) of the primary government, as well as the component units, is computed using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	40-50
Improvements Other Than Buildings	50
Vehicles	5
Machinery and Equipment	10
Infrastructure	15-60

M. Accounts Payable

Accounts payable are liability accounts reflecting amounts on open accounts owing to private persons or organizations for goods and services received prior to December 31, 2011.

N. Retainages Payable

Retainages payable consists of amounts owed to contractors on open construction contracts for the courthouse addition project and various road construction projects not yet completed at year-end.

O. Interest Payable

Interest payable represents the amount payable on all special assessment bonds, general obligation bonds, and leases interest at year-end.

P. Compensated Absences

Vested or accumulated vacation leave are payable to employees upon separation from service. All vacation leave pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported. No liability is recorded for accumulated sick leave as this is a non-vesting benefit. The computed liability is in compliance with GASB Statement No. 16, Accounting for Compensated Absences.

Q. Deferred Revenues

Deferred revenues arise when the County receives resources before it has a legal claim to them, as when property tax monies are received before they are due. In subsequent periods, when the County has a legal claim to the resources, the deferred revenue is recognized as revenue.

R. IBNR Claims - Self Insurance

The IBNR (Incurred But Not Reported) claims are an estimate of the health insurance and dental insurance claims, for which the County is liable, incurred prior to December 31, but not processed and paid until the following year.

The County is self-insured for a comprehensive group health insurance plan and dental insurance plan. The County records estimated liabilities for such claims filed or estimated to be filed for incidents that have occurred in the related Internal Service Funds. Premiums are collected from County departments and employees, and claims are paid in the related Internal Service Funds.

## Reconciliation of Claims Liability:

Employee Health	2011	2010
Balance January 1	\$ 243,577	\$ 220,581
Incurred Claims Including IBNR's and Changes in Estimates	2,471,441	2,203,376
Less Claims Payments	2,433,324	2,180,380
Balance December 31	\$ 281,694	\$ 243,577

Employee Dental	2011	2010
Balance January 1	\$ 10,859	\$ 11,538
Incurred Claims Including IBNR's and Changes in Estimates	220,790	204,324
Less Claims Payments	220,318	205,003
Balance December 31	\$ 11,331	\$ 10,859

S. Long-Term Obligations

In the government-wide financial statements, the long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net assets. For new bond issuance after the implementation of GASB Statement No. 34, bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognized bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premium received on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

### T. Fund Balances

In the governmental fund financial statements, governmental funds report fund balances in classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

- Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted – These are amounts that are restricted to specific purposes when the constraints are externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.
- Committed - These amounts can only be used for specific purposes pursuant to constraints imposed by formal action of the County's highest level of decision-making authority.
- Assigned – Amounts that are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed.
- Unassigned – The residual classification for the general fund.

### U. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The County first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

### V. Interfund Transactions

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the fund that is reimbursed. All other transactions, except reimbursements, are reported as transfers.

**NOTE 2: LEGAL COMPLIANCE - BUDGETS**

Chapter 11-23 of the North Dakota Century Code governs county government in North Dakota. The Century Code chapter and the Home Rule Charter passed by the county voters in 1994 are the basis for the legal level of budgetary control in Cass County.

Each department completes its budget and delivers it to the county auditor who then files it with the board of county commissioners. The county auditor prepares a preliminary county budget for the general, special revenue, and debt service funds on the modified accrual basis of accounting. The preliminary budget includes proposed expenditures and the means of financing them. The board of county commissioners holds a public hearing where any taxpayer may testify in favor of or against any proposed expenditure or tax levy. The board of county commissioners may not approve the budget until after the public budget hearing, but must adopt the final budget on or before October 1<sup>st</sup>. For the year ending December 31, 2011, the County complied with the applicable budget laws except as noted below:

Chapter 11-23 of the North Dakota Century Code sets the legal level of budgetary control at the fund level, no expenditure or commitment of funds may exceed the appropriation for the fund as a whole. In addition, it is the policy of Cass County to control budgets at the departmental level. In the General Fund, departments consist of the various county offices. In the Special Revenue and Debt Service Funds, the departments are comprised of the various individual funds.

Management may approve transfers of appropriations within departments without formal approval by the board of county commissioners. The board of county commissioners must approve all appropriation transfers between departments, or any supplemental appropriation. All supplemental appropriations must be approved by the board of county commissioners at the fund level and may only be done within additional revenues or reserves that were not anticipated at the time the original budget was adopted. During the year, several supplementary appropriations were necessary. At year-end, the balance of each appropriation becomes a part of the unappropriated fund balance.

During 2011 expenditures exceed appropriations in the following funds:

Special Revenue Funds:

2009 Flood Recovery	\$250,545
2010 Flood Recovery	91,455
2011 Flood Recovery	340,139
Flood Mitigation	71,048
Sheriff Asset Forfeiture	26,283
Jail Commissary	22,313
911 Service	261
Document Preservation	8,092
24/7 Sobriety Program	630

These excess expenditures over appropriations were the result of unforeseen expenditures at the time the final budget was approved.

**NOTE 3: DEPOSITS AND INVESTMENTS**

In accordance with North Dakota Statutes, the county maintains deposits at the depository banks designated by the governing board. All depositories are members of the Federal Reserve System.

Deposits must be deposited either with the Bank of North Dakota or in other financial institutions situated and doing business within the state. Deposits, other than with the Bank of North Dakota, must be fully insured or secured with pledges of securities equal to 110% of the uninsured balance.

Authorized collateral includes bills, notes, or bonds issued by the United States government, its agencies or instrumentalities, all bonds and notes guaranteed by the United States government, Federal land bank bonds, bonds, notes, warrants, certificates of indebtedness, insured certificates of deposits, shares of investment companies registered under the investment Companies Act of 1940, and all other forms of securities issued by the State of North Dakota, its boards, agencies or instrumentalities or by any county, city, township, school district, park district or other political subdivision of the state of North Dakota. Whether payable from special revenues or supported by the full faith and credit of the issuing body and bonds issued by any other state of the United States or such other securities approved by the banking board.

At December 31, 2011, the County's carrying amount of deposits was \$89,889,985 and the bank balance was \$71,714,918. Of the bank balances, \$4,329,785 was covered by federal depository insurance. Of the remaining bank balances, \$67,359,514 was collateralized with securities held by the pledging financial institution's agent in the government's name. Additionally, bank balances totaling \$25,619 are not collateralized since the funds are held at the Bank of North Dakota, which does not carry FDIC insurance and is not required to provide security pledges.

**Credit Risk:**

The County may invest idle funds as authorized in North Dakota Statutes, as follows:

- (1) Bonds, treasury bills and notes, or other securities that are a direct obligation of, or an obligation insured or guaranteed by, the Treasury of the United States, or its agencies, instrumentalities, or organizations created by an act of Congress.
- (2) Securities sold under agreements to repurchase written by a financial institution in which the underlying securities for the agreement to repurchase are of the type listed above.
- (3) Certificates of deposit fully insured by the federal deposit insurance corporation or by the state.
- (4) Obligation of the state.

As of December 31, 2011, the county held certificates of deposit in the amount of \$2,950,000, which are all considered deposits.

Concentration of Credit Risk:

The county does not have a limit on the amount it may invest in any one issuer.

Component Units:

Deposits: At December 31, 2011, the deposits of the Water Resource Districts were entirely covered by federal depository insurance or by collateral held by the district's custodial bank in the district's name. For the purpose of risk analysis, certificates of deposits are classified as deposits.

Deposits of the Cass County Noxious Weed Control and Cass County Vector Control were pooled with the County's funds and held in the County's custodial bank in the County's name. The Weed and Vector Control deposits were covered by federal depository insurance or by collateral held by the County's agent in the County's name.

**NOTE 4: TAXES AND SPECIAL ASSESSMENTS RECEIVABLE**

The taxes and special assessments receivable represent the past four years of delinquent uncollected tax levies and billings. No allowance has been established for uncollectible taxes and assessments receivable.

Property that is subject to taxation is assessed on February 1 of each year to determine its 'true and full value'. Property that is under construction is assessed on the percentage of completion as of February 1. Property owners have the opportunity to appeal their assessment through a County Board of Equalization in June of each year.

Property tax mill levies must be approved by the County Commission on or before October 1 of each year. Levies are expressed in terms of one thousandth of a dollar or 'mills'. The property tax for each taxed property is computed by the Cass County Auditor and certified for collection to the County Treasurer by December 10. Before computing the tax, the true and full value is reduced by 50 percent to arrive at an 'assessed value'. The assessed value is further reduced to 10 percent of assessed value for commercial and agricultural property and 9 percent of assessed value for residential property. The result is the 'taxable value' and is used when applying the mill levy to the property.

Property taxes attach as an enforceable lien on property on January 1. The tax levy may be paid in two installments: the first installment includes one-half of the real estate taxes and all of the special assessments; the second installment is the balance of the real estate taxes. The first installment is due by March 1 and the second installment is due by October 15. A five percent discount is allowed if all taxes and special assessments are paid by February 15. Penalties of 3 percent on the first installment are assessed on March 2, May 1, July 1, and October 16. Penalties of 6 percent are assessed on the second installment on October 16.

Two years after the property tax has become due, the County will start the process of foreclosing on the tax lien. The property owner has until October 1 of the third year to satisfy the tax lien at which time the County is entitled to a tax deed. The County, upon receiving a tax deed, will set a minimum sales price on the property and offer it for sale at a public auction.

**NOTE 5: DUE TO/ DUE FROM OTHER FUNDS**

The composition of inter-fund balances as of December 31, 2011 is as follows:

Receivable Fund	Payable Fund	Amount
General	911 Service	\$ 27,842
General	Flood Mitigation	904,726
County Road & Bridge	2010 Flood Recovery	827,349
County Road & Bridge	2011 Flood Fund	874,302
County Road & Bridge	2011 Flood Recovery	2,779,211
Total		\$5,413,429

The above amounts represent the amounts the payable funds have borrowed from pooled cash.

**NOTE 6: TRANSFERS**

The following is the transfers in and transfers out as reported in the basic financial statements for the year ended December 31, 2011:

Transfers In	Transfers Out	Amount
General Fund	Sheriff Block Grant	\$ 1,143
General Fund	Jail Commissary	15,746
General Fund	Justice Mental Health	1,313
911 Service	General Fund	60,000
2009 Flood Recovery	County Road & Bridge	961,562
2009 Flood Fund	Emergency	9,345
2011 Flood Fund	2009 Flood Fund	115,199
Flood Mitigation	Future Building Fund	361,342
2011 Flood Fund	2010 Flood Fund	19,201
2011 Flood Fund	Emergency Fund	428,000
Special Asses. Deficiency	Borderud's Subdivision	2,497
Special Asses. Deficiency	Windsor Green Subdivision	1,818
Special Asses. Deficiency	Sleepy Hollow Subdivision	4,132
Courthouse Addition	Future Building	612,520
Total Transfers		\$2,593,818

Transfers are used to move unrestricted general revenue to close out projects as they are completed and to subsidize other programs in accordance with county commission authority.

**NOTE 7: CAPITAL ASSETS**

The following is a summary of changes in the capital assets during the year ended December 31, 2011:

**Primary Government Capital Assets**

	Balance 1-1-11	Increases	Decreases	Balance 12-31-11
Capital Assets, not being depreciated:				
Land	\$ 23,873,890	\$ 4,816,539	\$ -	\$ 28,690,429
Construction in Progress	2,566,324	8,088,482	1,036,815	9,617,991
<b>Total Capital Assets not being depreciated</b>	<b>\$ 26,440,214</b>	<b>\$12,905,021</b>	<b>\$1,036,815</b>	<b>\$ 38,308,420</b>
Capital Assets, being depreciated:				
Buildings	\$ 31,818,960	\$ 111,000	\$ -	\$ 31,929,960
Improvements other than buildings	2,691,971	-	-	2,691,971
Machinery and Equipment	9,258,530	876,753	692,045	9,443,238
Infrastructure	124,308,488	1,036,815	-	125,345,303
<b>Total Capital Assets, being depreciated</b>	<b>\$168,077,949</b>	<b>\$ 2,024,568</b>	<b>\$ 692,045</b>	<b>\$169,410,472</b>
Less accumulated depreciation for:				
Buildings	\$ 10,477,719	\$ 577,297	\$ -	\$ 11,055,016
Improvements other than buildings	611,154	42,630	-	653,783
Machinery and Equipment	6,130,263	813,515	584,655	6,359,123
Infrastructure	54,280,556	2,822,055	-	57,102,611
<b>Total Accumulated Depreciation</b>	<b>\$ 71,499,691</b>	<b>\$ 4,255,497</b>	<b>\$ 584,655</b>	<b>\$ 75,170,533</b>
<b>Net Capital Assets, being Depreciated</b>	<b>\$ 96,578,258</b>	<b>\$ (2,230,929)</b>	<b>\$ 107,391</b>	<b>\$ 94,239,939</b>
<b>Net Governmental Activities Capital Assets</b>	<b>\$123,018,472</b>	<b>\$10,674,092</b>	<b>\$1,144,206</b>	<b>\$132,548,359</b>

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

<b>Governmental Activities:</b>	
General Government	\$ 181,436
Public Safety	762,096
Highways and Streets	3,181,471
Relief and Charities	81,679
Culture and Recreation	6,503
Conservation and Econ. Development	2,413
<b>Total Depreciation Expense - Governmental Activities</b>	<b>\$4,215,598</b>
Depreciation of Internal Service Funds	39,899
<b>Total Depreciation Expense</b>	<b>\$4,255,497</b>

Component Units:

During the year ended December 31, 2011, the following changes occurred in the capital assets of:

<b>Southeast Cass Water Resource District</b>				
	<b>Balance 1-1-11</b>	<b>Increases</b>	<b>Transfer</b>	<b>Balance 12-31-11</b>
<b>Governmental Activities:</b>				
Capital Assets not being depreciated:				
Land	\$ 8,722,171	\$ 336,900	\$ -	\$ 9,059,071
Construction in Progress	3,402,235	9,523,739	(1,397,069)	11,528,905
<b>Total Capital Assets Not Being Depreciated</b>	<b>\$12,124,406</b>	<b>\$ 9,860,639</b>	<b>\$(1,397,069)</b>	<b>\$20,587,976</b>
Facilities	\$70,149,000	\$ -	\$ 757,732	\$70,906,732
Projects	18,637,453	-	639,337	19,276,790
Equipment	40,000	-	-	40,000
<b>Total Capital Assets, Being Depreciated</b>	<b>\$88,826,453</b>	<b>\$ -</b>	<b>\$ 1,397,069</b>	<b>\$90,223,522</b>
Less Accumulated Depreciation for:				
Facilities	\$18,580,780	\$ 1,418,135	\$ -	\$19,998,915
Projects	3,181,121	385,536	-	3,566,657
Equipment	40,000	-	-	40,000
<b>Total Accumulated Depreciation</b>	<b>\$21,801,901</b>	<b>\$ 1,803,671</b>	<b>\$ -</b>	<b>\$23,605,572</b>
<b>Total Capital Assets Being Depreciated, Net</b>	<b>\$67,024,552</b>	<b>\$(1,803,671)</b>	<b>\$ 1,397,069</b>	<b>\$66,617,951</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$79,148,958</b>	<b>\$ 8,056,968</b>	<b>\$ -</b>	<b>\$87,205,927</b>

<b>Maple River Water Resource District</b>				
	<b>Balance 1-1-11</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance 12-31-11</b>
<b>Governmental Activities:</b>				
Capital Assets not being depreciated:				
Land	\$ 1,868,306	\$ -	\$ -	\$ 1,868,306
Construction in Progress	494,103	11,578	-	505,681
<b>Total Capital Assets Not Being Depreciated</b>	<b>\$ 2,362,409</b>	<b>\$ 11,578</b>	<b>\$ -</b>	<b>\$ 2,373,987</b>
Capital Assets Being Depreciated:				
Facilities	\$10,550,637	\$ -	\$ -	\$10,550,637
Projects	6,657,469	-	-	6,657,469
<b>Total Capital Assets, Being Depreciated</b>	<b>\$17,208,106</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$17,208,106</b>
Less Accumulated Depreciation for:				
Facilities	\$ 6,483,425	\$ 199,013	\$ -	\$ 6,682,438
Projects	326,382	133,149	-	459,531
<b>Total Accumulated Depreciation</b>	<b>\$ 6,809,807</b>	<b>\$ 332,162</b>	<b>\$ -</b>	<b>\$ 7,141,969</b>
<b>Total Capital Assets Being Depreciated, Net</b>	<b>\$10,398,299</b>	<b>\$(332,162)</b>	<b>\$ -</b>	<b>\$10,066,137</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$12,760,708</b>	<b>\$(320,584)</b>	<b>\$ -</b>	<b>\$12,440,124</b>

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**North Cass Water Resource District**


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	Balance 1-1-11	Increases	Transfers	Balance 12-31-11
<b>Governmental Activities:</b>				
Capital Assets not being depreciated:				
Land	\$1,048,154	\$ -	\$ -	\$1,048,154
Construction in Progress	262,645	96,326	(358,971)	-
<b>Total Capital Assets Not Being Depreciated</b>	<b>\$1,310,799</b>	<b>\$ 96,326</b>	<b>\$(358,971)</b>	<b>\$1,048,154</b>
Capital Assets Being Depreciated:				
Facilities	\$3,768,900	\$ -	\$ -	\$3,768,900
Projects	2,864,873	-	358,971	3,223,844
<b>Total Capital Assets, Being Depreciated</b>	<b>\$6,633,773</b>	<b>\$ -</b>	<b>\$ 358,971</b>	<b>\$6,992,744</b>
Less Accumulated Depreciation for:				
Facilities	\$2,251,028	\$ 75,378	\$ -	\$2,326,406
Projects	507,502	64,477		571,979
<b>Total Accumulated Depreciation</b>	<b>\$2,758,530</b>	<b>\$ 139,855</b>	<b>\$ -</b>	<b>\$2,898,385</b>
<b>Total Capital Assets Being Depreciated, Net</b>	<b>\$3,875,243</b>	<b>\$(139,855)</b>	<b>\$ 358,971</b>	<b>\$4,094,359</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$5,186,042</b>	<b>\$ (43,529)</b>	<b>\$ -</b>	<b>\$5,142,513</b>

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**Rush River Water Resource District**


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	Balance 1-1-11	Increases	Transfers	Balance 12-31-11
<b>Governmental Activities:</b>				
Capital Assets not being depreciated:				
Land	\$ 1,992,357	\$ -	\$ -	\$ 1,992,357
Construction in Progress	29,443	1,684	(31,127)	-
<b>Total Capital Assets Not Being Depreciated</b>	<b>\$ 2,021,800</b>	<b>\$ 1,684</b>	<b>\$(31,127)</b>	<b>\$ 1,992,357</b>
Capital Assets Being Depreciated:				
Facilities	\$22,267,672	\$ -	\$ -	\$22,267,672
Projects	418,273	-	31,127	449,400
<b>Total Capital Assets, Being Depreciated</b>	<b>\$22,685,945</b>	<b>\$ -</b>	<b>\$ 31,127</b>	<b>\$22,717,072</b>
Less Accumulated Depreciation for:				
Facilities	\$17,330,347	\$ 271,353	\$ -	\$17,601,700
Projects	67,528	8,988		76,516
<b>Total Accumulated Depreciation</b>	<b>\$17,397,875</b>	<b>\$ 280,341</b>	<b>\$ -</b>	<b>\$17,678,216</b>
<b>Total Capital Assets Being Depreciated, Net</b>	<b>\$ 5,288,070</b>	<b>\$(280,341)</b>	<b>\$ 31,127</b>	<b>\$ 5,038,856</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 7,309,870</b>	<b>\$(278,657)</b>	<b>\$ -</b>	<b>\$ 7,031,213</b>

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<b>Noxious Weed Control</b>				
	<b>Balance 1-1-11</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance 12-31-11</b>
Capital Assets, Being Depreciated:				
Buildings	\$ 41,054	\$ -	\$ -	\$ 41,054
Machinery & Equipment	69,350	-	-	69,350
<b>Total Capital Assets, Being Depreciated</b>	<b>\$110,404</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$110,404</b>
Less Accumulated Depreciation:				
Buildings	\$ (19,706)	\$ (821)	\$ -	\$ (20,527)
Machinery & Equipment	(46,376)	(6,835)	-	(53,211)
<b>Total Accumulated Depreciation</b>	<b>\$ (66,082)</b>	<b>\$(7,656)</b>	<b>\$ -</b>	<b>\$ (73,738)</b>
<b>Total Capital Assets Net of Depreciation</b>	<b>\$ 44,322</b>	<b>\$(7,656)</b>	<b>\$ -</b>	<b>\$ 36,666</b>

<b>Vector Control</b>				
	<b>Balance 1-1-11</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance 12-31-11</b>
Capital Assets, Being Depreciated:				
Machinery & Equipment	\$ 330,755	\$ 6,200	\$ -	\$ 336,955
Less Accumulated Depreciation				
Machinery & Equipment	(237,612)	(27,576)	-	(265,188)
<b>Total Capital Assets Net of Depreciation</b>	<b>\$ 93,143</b>	<b>\$(21,376)</b>	<b>\$ -</b>	<b>\$ 71,767</b>

**NOTE 8: LEASES**

**Capital Leases** - The County has entered into a lease agreement as lessee for financing the construction of a building addition to the county highway shop. This lease qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments in the government-wide financial statements.

The assets acquired through the capital leases are as follows:

<b>Asset</b>	<b>Capital Asset</b>
Building	\$ 900,000
Less: Accumulated Depreciation	(126,000)
<b>Total</b>	<b>\$ 774,000</b>

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2011, were as follows:

<b>Year Ending December 31</b>	<b>Long-Term Debt</b>
2012	\$133,425
2013	133,425
<b>Total Minimum Lease Payments</b>	<b>\$266,851</b>
<b>Less: Amount Representing Interest</b>	<b>(16,240)</b>
<b>Present Value of Minimum Lease Payments</b>	<b>\$250,611</b>

**NOTE 9: LONG-TERM DEBT****Special Assessment Bonds**

Cass County issues special assessment bonds for construction in various subdivisions. The original amount of special assessment bonds issued in prior years was \$1,135,000. These bonds will be repaid from the debt service funds by amounts levied against the property owners benefited by this construction. As of December 31, 2011, the County had funds of \$81,423 available for payment on the special assessment bonds. In the event that a deficiency exists because of unpaid or delinquent special assessments at the time a debt service payment is due, the government must provide resources to cover the deficiency until other resources, for example, foreclosure proceeds are received. The County may levy general taxes to make up deficiencies in special assessment funds. Special assessments on property must be paid at the same time property taxes are paid.

Special assessment bonds at December 31, 2011, are comprised of the following individual issues:

**Special Assessment Bonds:**

\$305,000 Refunding Improvement Bonds of 1997 for construction in the Round Hill Subdivision due in annual installments of \$25,000 through 2012 with interest at 5.2%.	\$ 25,000
\$380,000 Refunding Improvement Bonds of 2005 for construction in the Greyhawks Estates Subdivision due in annual installments of \$25,000 through 2020 with interest at 3.75% to 4.40%.	225,000
\$365,000 Refunding Improvement Bonds of 2007 due in annual installments of \$25,000 through 2022 with interest at 3.90% to 4.45%.	275,000
\$85,000 Refunding Improvement Bonds of 2001 for construction in the Holmen's 3 <sup>rd</sup> Subdivision due in annual installments of \$6,478 to \$8,024 through 2016 with interest at 5.42%.	<u>36,152</u>
Total Special Assessment Bonds	<u><u>\$561,152</u></u>

Annual debt service requirements to maturity for special assessment bonds are as follows:

<b>Special Assessment Bonds</b>		
Year Ending December 31	Principal	Interest
2012	\$ 81,478	\$ 22,629
2013	56,834	19,661
2014	57,210	17,273
2015	57,606	14,827
2016	58,024	12,321
2017-2021	225,000	28,144
2022	25,000	556
Total	<u>\$561,152</u>	<u>\$115,411</u>

General Obligation Bonds

During the year ended December 31, 2010 the county issued \$8,900,000 in Recovery Zone Economic Development bonds. These bonds were issued to finance the construction of the west addition to the Cass County Courthouse. The bonds are collateralized by the faith, credit and taxing power of the County.

General Obligation bonds at December 31, 2011, are comprised of the following individual issues:

\$8,900,000 General Obligation Bonds of 2010 due in annual installments of \$685,000 to \$840,000 through 2022 with interest at 1.25% to 4.7%. \$8,225,000

<b>General Obligation Bonds</b>		
Year Ending December 31	Principal	Interest
2012	\$ 685,000	\$ 268,379
2013	690,000	257,715
2014	700,000	243,283
2015	710,000	225,825
2016	725,000	205,361
2017-2021	3,875,000	615,553
2022	840,000	19,740
<b>Total</b>	<b>\$8,225,000</b>	<b>\$1,835,855</b>

Special Assessments Payable:

Special assessments payable consists of specials levied by the City of Fargo against the County for the County's share of the benefit derived from City-funded improvements. Special assessments levied against County owned property are paid through a general tax levy. The amount to be paid each year is certified to the County and included in the General Fund budget. State statute does allow an unlimited levy for the payment of the County's share of special assessments.

Special Assessments payable at December 31, 2011, are comprised of the following individual issues:

Special Assessments:

Special Assessment taxes levied by the City of Fargo, North Dakota against the County for the County's share of the benefit derived from city-funded improvements \$109,033

Annual debt service requirements to maturity for special assessment payable are as follows:

<b>Governmental Activities</b>		
Year Ending December 31	Principal	Interest
2012	\$ 3,748	\$ 6,624
2013	3,976	6,396
2014	4,218	6,154
2015	4,474	5,898
2016	4,746	5,626
2017-2021	28,432	23,429
2022-2026	38,205	13,656
2027-2029	21,234	2,145
<b>Total</b>	<b>\$109,033</b>	<b>\$69,929</b>

During the year ended December 31, 2011, the following changes occurred in liabilities reported in long-term debt.

	<b>Balance 1-1-11</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance 12-31-11</b>	<b>Due Within One Year</b>
Special Assessment Bonds	\$ 642,293	\$ -	\$ (81,141)	\$ 561,152	\$ 81,478
Less Deferred:					
Bond Discount	\$ 7,882	\$ -	\$ (745)	\$ 7,137	\$ 745
Issuance Costs	11,327	-	(1,114)	10,213	1,114
Total Deferred	\$ 19,210	\$ -	\$ (1,859)	\$ 17,350	\$ 1,859
Total Special Assessment Bonds	\$ 623,084	\$ -	\$ (79,282)	\$ 543,802	\$ 79,619
General Obligation Bonds	\$ 8,900,000	\$ -	\$ (675,000)	\$ 8,225,000	\$ 685,000
Less Deferred:					
Bond Discount	68,014	-	(5,914)	62,100	5,914
Issuance Costs	43,488	-	(3,782)	39,706	3,782
Total Deferred	\$ 111,502	\$ -	\$ (9,696)	\$ 101,806	\$ 9,696
Total General Obligation Bonds	\$ 8,788,498	\$ -	\$ (665,304)	\$ 8,123,194	\$ 675,304
Lease Payable	\$ 368,239	\$ -	\$ (117,628)	\$ 250,610	\$ 122,674
Special Assessments	112,567	-	(3,534)	109,033	3,748
Compensated Absences	1,479,144	1,514,137	(1,479,144)	1,514,137	1,514,137
<b>Total</b>	<b>\$11,371,532</b>	<b>\$1,514,137</b>	<b>\$(2,344,892)</b>	<b>\$10,540,777</b>	<b>\$2,395,483</b>

The County is subject to a statutory limitation by the State of North Dakota for indebtedness payable principally from property taxes. At December 31, 2011, the statutory limit for the County was \$251,640,669. The County has general obligation bonds and leases payable that are subject to this limitation. The general obligation bonds and leases payable at December 31, 2011 were \$8,225,000 and \$250,611, respectively. The legal debt margin at December 31, 2011 is \$243,165,058. The compensated absences are generally liquidated as follows: 55% from the General Fund, 35% from Human Service Fund, and 10% from County Road and Bridge Fund.

Component Units

During the year ended December 31, 2011, the following changes occurred in the long-term debt of the Water Resource Districts:

<b>Southeast Cass Water Resource District</b>					
	<b>Balance 1-1-11</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance 12-31-11</b>	<b>Due Within One Year</b>
Bonds Payable	\$5,764,000	\$6,005,000	\$(4,240,000)	\$7,529,000	\$1,055,000
Less Deferred Amounts:					
Bond Discount	51,177	70,363	(24,021)	97,519	16,122
Bond Issuance Costs	37,635	28,675	(14,526)	51,784	8,287
Total Bonds Payable	\$5,675,188	\$5,905,962	\$(4,201,453)	\$7,379,697	\$1,030,591
Loans Payable	598,279	-	(35,000)	563,279	40,000
Compensated Absences	5,992	9,638	(3,623)	12,007	12,007
<b>TOTAL</b>	<b>\$6,279,459</b>	<b>\$5,915,600</b>	<b>\$(4,240,076)</b>	<b>\$7,954,983</b>	<b>\$1,082,598</b>

<b>Maple River Water Resource District</b>					
	<b>Balance 1-1-11</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance 12-31-11</b>	<b>Due Within One Year</b>
Bonds Payable	\$626,667	\$ -	\$(153,333)	\$473,333	\$153,333
Less Deferred Amounts:					
Bond Discount	2,663	-	(940)	1,723	940
Bond Issuance Costs	6,424	-	(1,973)	4,451	1,973
Total Bonds Payable	\$617,580	\$ -	\$(156,246)	\$467,159	\$150,420
Loan Payable	150,000	-	(15,000)	135,000	15,000
Compensated Absences	2,471	2,804	(1,273)	4,002	4,002
<b>TOTAL</b>	<b>\$770,051</b>	<b>\$2,804</b>	<b>\$(172,519)</b>	<b>\$606,161</b>	<b>\$169,422</b>

<b>North Cass Water Resource District</b>					
	<b>Balance 1-1-11</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance 12-31-11</b>	<b>Due Within One Year</b>
Bonds Payable	\$529,750	\$ -	\$(125,500)	\$404,250	\$120,000
Less Deferred Amounts:					
Bond Discount	3,681	-	(1,155)	2,526	1,155
Bond Issuance Costs	8,129	-	(2,450)	5,679	2,450
Total Bonds Payable	\$517,940	\$ -	\$(121,895)	\$396,045	\$116,395
Compensated Absences	826	1,779	(604)	2,001	2,001
<b>TOTAL</b>	<b>\$518,766</b>	<b>\$1,779</b>	<b>\$(122,499)</b>	<b>\$398,046</b>	<b>\$118,396</b>

<b>Rush River Water Resource District</b>					
	<b>Balance 1-1-11</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance 12-31-11</b>	<b>Due Within One Year</b>
Bonds Payable	\$1,105,000	\$ -	\$(210,000)	\$895,000	\$85,000
Less Deferred Amounts:					
Bond Discount	13,944	-	(1,382)	12,562	1,382
Bond Issuance Costs	15,255	-	(1,567)	13,687	1,567
Total Bonds Payable	\$1,075,801	\$ -	\$(207,051)	\$868,751	\$82,051
Compensated Absences	1,033	1,572	(604)	2,001	2,001
<b>TOTAL</b>	<b>\$1,076,834</b>	<b>\$1,572</b>	<b>\$(207,655)</b>	<b>\$870,752</b>	<b>\$84,052</b>

Long-term debt of the Water Resource Districts at December 31, 2011, is comprised of the following special assessment bonds:

**Southeast Cass Water Resource District:**

\$3,345,000 2011 Improvement Bonds, Series B, due in annual installments of \$520,000 to 775,000 through 2017; interest at 0.55% to 1.75%. \$3,345,000

\$780,000 2011 Improvement Bonds, Series A, due in annual installments of \$65,000 to \$145,000 through 2017; interest at 0.55% to 1.75%. 780,000

\$2,320,000 2008 Refunding Improvement Bonds, due in annual installments of \$65,000 to \$280,000 through 2018; with interest at 2.65% to 3.5%. 1,440,000

\$1,880,000 2011 Improvement Bonds due in annual installments of \$180,000 to \$235,000 through 2020; interest at .75% to 2.7%. 1,880,000

\$214,000 1998 State Revolving Loan Fund Municipal Bond Bank, due in annual installments of \$10,000 to \$15,000 through 2018; with interest at 2.50%. 84,000

Total Southeast Cass Special Assessment Bonds and Warrants Payable \$7,529,000

**Loans Payable:**

\$738,279 State Revolving Loan Fund drawdown. Maximum drawdown amount is up to \$850,000. Due in annual installments of \$40,000 to \$55,000 through 2024; with interest at 2.5%. There is no current set payment schedule until all the monies have been drawn. \$ 563,279

Total Southeast Cass Long-term Debt (excluding Compensated Absences) \$8,092,279

**Maple River District Bonds and Warrants Payable:**

\$200,000 Improvement Bonds of 2009, due in annual installments of \$33,333 through 2015; interest at 4.65%.	\$ 133,333
\$375,000 Improvement Bonds of 2009, due in annual installments of \$105,000 to \$110,000 through 2013; interest at 1.25% to 2.25%.	215,000
\$228,000 Improvement Bonds of 2005, due in annual installments of \$15,000 to \$16,000 through 2019; interest at 4.9%.	<u>125,000</u>
Total Maple River Bonds Payable	<u>\$ 473,333</u>

**Loans Payable:**

\$225,000 2005 State Bank & Trust Loan, due in annual installments of \$15,000 through 2020; interest at 5.25%.	<u>\$ 135,000</u>
Total Maple River Long-Term Debt (excluding Compensated Absences)	<u>\$ 608,333</u>

**Rush River District Bonds and Warrants Payable:**

\$800,000 2005 Improvement Bonds, due in annual installments of \$10,000 to \$70,000 through 2019, with interest at 3.7% to 4.35%.	\$ 420,000
\$560,000 2008 Improvement Bonds, due in annual installments of \$35,000 to \$45,000 through 2023, with interest at 3.25% to 4.65%.	<u>475,000</u>
Total Rush River Long-Term Debt (excluding Compensated Absences)	<u>\$ 895,000</u>

**North Cass District Bonds Payable:**

\$215,000 2003 Improvement Bonds, due in annual installments of \$15,000 through 2018, with interest at 4.0% to 5.0%.	\$ 105,000
\$260,000 2008 Improvement Bonds, due in annual installments of \$55,000 to \$60,000 through 2013, with interest at 2.75% to 3.5%.	115,000
\$260,000 2009 Improvement Bonds, due in annual installments of \$50,000 to \$60,000 through 2014; with interest at 2.1%.	165,000
\$85,000 2005 Improvement Bonds, due in one annual installment of \$19,250 in 2013; interest at 4.8%.	<u>19,250</u>
Total North Cass Special Assessment Bonds and Warrants Payable	<u>\$ 404,250</u>

Water Resource Districts' long-term debt service requirements to maturity are as follows:

**Southeast Cass Water Resource Districts Bonds Payable:**

<b>GOVERNMENTAL ACTIVITIES</b>				
<b>Year Ending December 31</b>	<b>SA Bonds Payable</b>		<b>Loan Payable</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2012	\$1,055,000	\$123,446	\$ 40,000	\$ 14,082
2013	1,115,000	115,223	40,000	13,082
2014	1,120,000	99,185	40,000	12,082
2015	1,120,000	80,354	40,000	11,082
2016	1,140,000	58,074	40,000	10,082
2017 - 2021	1,979,000	63,240	220,000	34,660
2022 - 2026	-	-	143,279	6,996
<b>Total</b>	<b>\$7,529,000</b>	<b>\$539,522</b>	<b>\$563,279</b>	<b>\$102,065</b>

**Maple River Water Resource Districts Bonds Payable:**

<b>GOVERNMENTAL ACTIVITIES</b>				
<b>Year Ending December 31</b>	<b>SA Bonds Payable</b>		<b>Loan Payable</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2012	\$153,333	\$14,576	\$ 15,000	\$ 6,695
2013	158,333	10,135	15,000	5,900
2014	48,333	6,613	15,000	5,116
2015	49,333	4,303	15,000	4,328
2016	64,000	6,272	75,000	9,830
<b>Total</b>	<b>\$473,332</b>	<b>\$41,899</b>	<b>\$135,000</b>	<b>\$31,869</b>

**North Cass Water Resource Districts Bonds Payable:**

<b>GOVERNMENTAL ACTIVITIES</b>		
<b>Year Ending December 31</b>	<b>Special Assessment Bonds Payable</b>	
	<b>Principal</b>	<b>Interest</b>
2012	\$120,000	\$12,306
2013	149,250	7,726
2014	75,000	4,005
2015	15,000	2,625
2016	45,000	3,375
<b>Total</b>	<b>\$404,250</b>	<b>\$30,037</b>

**Rush River Water Resource Districts Bonds Payable:**

<b>GOVERNMENTAL ACTIVITIES</b>		
<b>Year Ending</b>	<b>Special Assessment Bonds Payable</b>	
<b>December 31</b>	<b>Principal</b>	<b>Interest</b>
2012	\$ 85,000	\$ 35,159
2013	90,000	32,079
2014	90,000	28,720
2015	90,000	25,175
2016	100,000	21,373
2017 - 2021	350,000	51,689
2022 - 2026	90,000	4,185
Total	\$895,000	\$198,380

The County is secondarily liable for the payment of principal and interest on water resource district bonds. These special assessment bonds are paid from the debt service funds that are funded by annual payments made by property owners directly benefiting from each project. The water resource district may reassess properties in the improvement district or may use general tax levies to cover deficiencies. In the event the water resource district is not able to generate funds to meet principal and interest payments, the County is also obligated to levy general tax levies to fund the deficiencies.

**NOTE 10: CONDUIT DEBT OBLIGATIONS**

From time to time, the County has issued Industrial Revenue Bonds and Community Development Block Grants to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the county, nor state, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2011, there were 36 series of Industrial Revenue Bonds outstanding with an aggregate principal amount payable of \$222,634,734.

**NOTE 11: PENSION PLANS**

The County contributes to the North Dakota Public Employees' Retirement System (NDPERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Dakota. NDPERS provides for retirement disability and survivor benefits to plan members and beneficiaries. Benefit and contribution provisions are administered in accordance with chapter 54-52 of the North Dakota Century Code. NDPERS issues a publicly available financial report that includes financial statements and required supplementary information for NDPERS. That report may be obtained by writing to NDPERS, 400 E Broadway, Suite 505, PO Box 1214, Bismarck, North Dakota, 58502-1214.

Plan members are required to contribute 4% of their annual covered salary. The County is required to contribute 5.26% of the employees' salary, which consists of 4.12% for employee and 1.14% for the retiree health benefits fund. The County has agreed to pay 100% of the member assessments in lieu of a salary increase. The contribution requirements of plan members and the County are established and may be amended by the state legislature. The County's contributions to NDPERS for the years ending December 31, 2011, 2010, and 2009 were \$1,719,412, \$1,642,175, and \$1,532,479, respectively, equal to the required contributions for the year.

**NOTE 12: RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

In 1986 state agencies and political subdivisions of the State of North Dakota joined together to form the North Dakota Insurance Reserve Fund (NDIRF), a public entity risk pool currently operating as a common risk management and insurance program for the state and more than 2,000 political subdivisions. The County pays an annual premium to NDIRF for its general liability, auto, and inland marine insurance coverage. The coverage by NDIRF is limited to losses of two million dollars per occurrence.

The County also participates in the North Dakota Fire and Tornado Fund and the State Bonding Fund. The County pays an annual premium to the Fire and Tornado Fund to cover property damage to building and personal property. Estimating replacement cost in consultation with the Fire and Tornado Fund provides replacement cost coverage.

The Fire and Tornado Fund is reinsured by a third party insurance carrier for losses in excess of one million dollars per occurrence during a 12-month period.

The State Bonding Fund currently provides the County with blanket fidelity bond coverage in the amount of \$2,000,000 for its employees. The State Bonding Fund does not currently charge any premium for this coverage.

The County participates in the North Dakota Worker's Compensation Bureau. The County has retained risk for employee health and accident up to a maximum of \$65,000 per individual and up to 120% of actuarially expected claims. The County has purchased a stop loss policy for amounts in excess of \$65,000 per employee and 120% of actuarially expected claims. The County has sufficient reserves in the self-insurance fund to fund the retained risk. A liability for incurred but not reported claims is included on the balance sheet.

Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

**NOTE 13: CONTINGENT LIABILITIES**

The County is a defendant in various lawsuits incident to its operations. In the opinion of County Counsel and management, such claims against the County not covered by insurance would not materially affect the financial condition of the County.

**NOTE 14: CONSTRUCTION COMMITMENTS**

The County has the following open construction contracts with balances owing at December 31, 2011:

<b>Project</b>	<b>Contract Amount</b>	<b>Total Completed</b>	<b>Retainage</b>	<b>Remaining Balance</b>
County 11 Grading - Mapleton	\$ 693,090	\$ 693,090	\$ 34,655	\$ 34,655
County 16 Bit Overlay	2,235,260	2,219,456	8,465	24,269
Highway 17 Bit Overlay	1,285,999	1,285,999	4,905	4,905
Hill Twp Bridge Replacement	306,050	300,198	600	6,453
Gill Twp Bridge	136,136	135,236	258	1,158
Gill Twp Site 182	193,565	171,115	3,871	26,321
Highway Storage Building	1,183,690	385,320	32,195	830,564
Courthouse West Addition	12,950,436	9,232,671	673,253	4,391,018
<b>Total Construction Commitments</b>	<b>\$18,984,226</b>	<b>\$14,423,085</b>	<b>\$758,202</b>	<b>\$5,319,343</b>

**NOTE 15: SUBSEQUENT EVENTS**

In May 2011 Cass County received a request from the North Dakota Department of Emergency Services to pay back \$433,460 in grant money. The State approved a claim for the 2009 flood and paid the claim to the County. They have subsequently determined that the claim should have been denied. The county has 30 days to repay the funds. The County is looking at appealing the decision.

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**CASS COUNTY GOVERNMENT**  
 Combining Balance Sheet  
 Nonmajor Governmental Funds - Special Revenue Funds  
 December 31, 2011

	<u>Parenting Workshop</u>	<u>Sheriff Asset Forfeiture</u>	<u>JAIBG Fund</u>	<u>Jail Commissary</u>
<b><u>ASSETS</u></b>				
Cash and Cash Equivalents	\$ 19,936	\$ 68,821	\$ 57,675	\$ 153,294
Receivables:				
Taxes	-	-	-	-
Accounts	-	5,778	-	-
Prepaid Items	-	466	-	1,203
Total Assets	<u>\$ 19,936</u>	<u>\$ 75,065</u>	<u>\$ 57,675</u>	<u>\$ 154,497</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
<b><u>Liabilities:</u></b>				
Accounts Payable	\$ 895	\$ 51,889	\$ -	\$ 6,100
Due to Other Funds	-	-	-	-
Due to Inmates	-	-	-	857
Deferred Revenues	-	-	-	-
Total Liabilities	<u>\$ 895</u>	<u>\$ 51,889</u>	<u>\$ -</u>	<u>\$ 6,957</u>
<b><u>Fund Balance:</u></b>				
Nonspendable	\$ -	\$ 466	\$ -	\$ 1,203
Restricted	-	22,710	57,675	-
Committed	19,040	-	-	146,337
Unassigned	-	-	-	-
Total Fund Balances	<u>\$ 19,040</u>	<u>\$ 23,176</u>	<u>\$ 57,675</u>	<u>\$ 147,540</u>
Total Liabilities and Fund Balance	<u>\$ 19,936</u>	<u>\$ 75,065</u>	<u>\$ 57,675</u>	<u>\$ 154,497</u>

<u>Hazardous Plan/ Response</u>	<u>Valley Water Rescue</u>	<u>St. Att'y Asset Forfeiture</u>	<u>Senior Citizens</u>	<u>911 Service</u>	<u>Emergency Fund</u>
\$ 20,955	\$ 7,803	\$ 97,439	\$ 169,576	\$ -	\$ 485,757
-	-	-	8,664	-	6,176
-	-	-	-	27,187	-
-	-	-	-	5,328	-
<u>\$ 20,955</u>	<u>\$ 7,803</u>	<u>\$ 97,439</u>	<u>\$ 178,240</u>	<u>\$ 32,515</u>	<u>\$ 491,933</u>
\$ 910	\$ 376	\$ -	\$ -	\$ 6,554	\$ -
-	-	-	-	27,842	-
-	-	-	-	-	-
-	-	-	161,227	-	463,857
<u>\$ 910</u>	<u>\$ 376</u>	<u>\$ -</u>	<u>\$ 161,227</u>	<u>\$ 34,396</u>	<u>\$ 463,857</u>
\$ -	\$ -	\$ -	\$ -	\$ 5,328	\$ -
20,045	-	97,439	17,012	-	28,077
-	7,427	-	-	-	-
-	-	-	-	(7,208)	-
<u>\$ 20,045</u>	<u>\$ 7,427</u>	<u>\$ 97,439</u>	<u>\$ 17,012</u>	<u>\$ (1,880)</u>	<u>\$ 28,077</u>
<u>\$ 20,955</u>	<u>\$ 7,803</u>	<u>\$ 97,439</u>	<u>\$ 178,240</u>	<u>\$ 32,515</u>	<u>\$ 491,933</u>

Continued on next page

**CASS COUNTY GOVERNMENT**  
 Combining Balance Sheet  
 Nonmajor Governmental Funds - Special Revenue Funds  
 December 31, 2011

	NDRIN County Recorder Project	Document Preservation ROD	County Park
<b><u>ASSETS</u></b>			
Cash and Cash Equivalents	\$ 1,174,255	\$ 204,256	\$ 71,971
Receivables:			
Taxes	-	-	337
Accounts	31,237	423	1,339
Prepaid Items	17,783	-	-
Total Assets	<u>\$ 1,223,275</u>	<u>\$ 204,679</u>	<u>\$ 73,647</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
<b><u>Liabilities:</u></b>			
Accounts Payable	\$ 29,232	\$ 2,767	\$ 87
Due to Other Funds	-	-	-
Due to Inmates	-	-	-
Deferred Revenues	-	-	9,507
Total Liabilities	<u>\$ 29,232</u>	<u>\$ 2,767</u>	<u>\$ 9,594</u>
<b><u>Fund Balances:</u></b>			
Nonspendable	\$ 17,783	\$ -	\$ -
Restricted	1,176,260	201,912	64,053
Committed	-	-	-
Unassigned	-	-	-
Total Fund Balances	<u>\$ 1,194,043</u>	<u>\$ 201,912</u>	<u>\$ 64,053</u>
Total Liabilities and Fund Balance	<u>\$ 1,223,275</u>	<u>\$ 204,679</u>	<u>\$ 73,647</u>

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<u>24/7 Sobriety Program</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 19,193	\$ 2,550,929
-	15,177
-	65,964
-	24,780
<u>\$ 19,193</u>	<u>\$ 2,656,852</u>
\$ 915	\$ 99,725
-	27,842
-	857
-	634,591
<u>\$ 915</u>	<u>\$ 763,016</u>
\$ -	\$ 24,780
18,278	1,703,460
-	172,804
-	(7,208)
<u>\$ 18,278</u>	<u>\$ 1,893,835</u>
<u>\$ 19,193</u>	<u>\$ 2,656,852</u>

**CASS COUNTY GOVERNMENT**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds - All Debt Service Funds**  
**December 31, 2011**

	<u>Round Hill Subdivision</u>	<u>Holmen's Third Subdivision</u>	<u>Greyhawk Estates Subdivision</u>
<b><u>ASSETS</u></b>			
Cash and Investments	\$ 4,032	\$ 9,499	\$ 48,107
Receivables:			
Taxes	<u>-</u>	<u>-</u>	<u>134</u>
Total Assets	<u>\$ 4,032</u>	<u>\$ 9,499</u>	<u>\$ 48,241</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
<b><u>Liabilities:</u></b>			
Deferred Revenues	<u>\$ -</u>	<u>\$ 1,249</u>	<u>\$ 9,340</u>
<b><u>Fund Balances:</u></b>			
Restricted	\$ 4,032	\$ 8,249	\$ 38,901
Committed	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>\$ 4,032</u>	<u>\$ 8,249</u>	<u>\$ 38,901</u>
Total Liabilities and Fund Balances	<u>\$ 4,032</u>	<u>\$ 9,499</u>	<u>\$ 48,241</u>

Granberg Amber Plains	2010 Bond S&I	Special Assessment Deficiency	Total Nonmajor Debt Service Funds
\$ 21,836	\$ 365,442	\$ 22,147	\$ 471,063
-	12,246	-	12,380
<u>\$ 21,836</u>	<u>\$ 377,688</u>	<u>\$ 22,147</u>	<u>\$ 483,442</u>
<u>\$ 13,742</u>	<u>\$ 279,225</u>	<u>\$ -</u>	<u>\$ 303,556</u>
\$ 8,094	\$ 98,463	\$ -	\$ 157,739
-	-	22,147	22,147
<u>\$ 8,094</u>	<u>\$ 98,463</u>	<u>\$ 22,147</u>	<u>\$ 179,886</u>
<u>\$ 21,836</u>	<u>\$ 377,688</u>	<u>\$ 22,147</u>	<u>\$ 483,442</u>

CASS COUNTY GOVERNMENT  
 Combining Balance Sheet  
 Nonmajor Governmental Funds - Capital Projects Funds  
 December 31, 2011

	Forest River Subdivision	Round Hill Subdivision	Greyhawk Estates Subdivision	Granberg Amber Plains	Total Nonmajor Capital Projects Funds
<u>ASSETS</u>					
Cash and Cash Equivalents	\$ 29,261	\$ 38,243	\$ 30,612	\$ 36,703	\$ 134,818
<u>LIABILITIES AND FUND BALANCES</u>					
Total Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Fund Balances:</u>					
Committed	\$ 29,261	\$ 38,243	\$ 30,612	\$ 36,703	\$ 134,818
Total Fund Balances	\$ 29,261	\$ 38,243	\$ 30,612	\$ 36,703	\$ 134,818
Total Liabilities and Fund Balances	\$ 29,261	\$ 38,243	\$ 30,612	\$ 36,703	\$ 134,818

CASS COUNTY GOVERNMENT  
Combining Balance Sheet  
All Nonmajor Governmental Funds  
December 31, 2011

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 2,550,929	\$ 471,063	\$ 134,818	\$ 3,156,809
Receivables:				
Taxes	15,177	12,380	-	27,557
Accounts	65,964	-	-	65,964
Prepaid Items	24,780	-	-	24,780
Total Assets	<u>\$ 2,656,852</u>	<u>\$ 483,442</u>	<u>\$ 134,818</u>	<u>\$ 3,275,112</u>
<u>LIABILITIES AND FUND BALANCES</u>				
<u>Liabilities:</u>				
Accounts Payable	\$ 99,725	\$ -	\$ -	\$ 99,725
Deferred Revenues	634,591	303,556	-	938,147
Due to Other Funds	27,842	-	-	27,842
Due To Inmates	857	-	-	857
Total Liabilities	<u>\$ 763,016</u>	<u>\$ 303,556</u>	<u>\$ -</u>	<u>\$ 1,066,571</u>
<u>Fund Balances:</u>				
Nonspendable	\$ 24,780	\$ -	\$ -	\$ 24,780
Restricted	1,703,460	157,739	-	1,861,199
Committed	172,804	22,147	134,818	329,769
Unassigned	(7,208)	-	-	(7,208)
Total Fund Balances	<u>\$ 1,893,835</u>	<u>\$ 179,886</u>	<u>\$ 134,818</u>	<u>\$ 2,208,539</u>
Total Liabilities and Fund Balances	<u>\$ 2,656,852</u>	<u>\$ 483,442</u>	<u>\$ 134,818</u>	<u>\$ 3,275,112</u>

**CASS COUNTY GOVERNMENT**  
Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances - Nonmajor Governmental Funds - Special Revenue Funds  
For the Fiscal Year Ended December 31, 2011

	Parenting Workshop	Sheriff Asset Forfeiture	JAIBG Fund	Sheriff Block Grant
<u>Revenues:</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Revenues	-	95,995	-	-
Charges for Services	43,053	-	-	-
Miscellaneous Revenues	53	88,782	7,756	4
<b>Total Revenues</b>	<b>\$ 43,105</b>	<b>\$ 184,777</b>	<b>\$ 7,756</b>	<b>\$ 4</b>
<u>Expenditures:</u>				
Current:				
General Government	\$ -	\$ -	\$ -	\$ -
Public Safety	-	211,143	4,844	-
Highway and Streets	-	-	-	-
Culture and Recreation	-	-	-	-
Conservation & Econ. Development	33,067	-	-	-
<b>Total Expenditures</b>	<b>\$ 33,067</b>	<b>\$ 211,143</b>	<b>\$ 4,844</b>	<b>\$ -</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<b>\$ 10,038</b>	<b>\$ (26,366)</b>	<b>\$ 2,913</b>	<b>\$ 4</b>
<u>Other Financing Sources (Uses):</u>				
Transfers In	\$ -	\$ -	\$ -	\$ -
Transfers Out	-	-	-	(1,143)
Sale of Property	-	-	-	-
<b>Total Other Financing Sources and Uses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1,143)</b>
<b>Net Change in Fund Balances</b>	<b>\$ 10,038</b>	<b>\$ (26,366)</b>	<b>\$ 2,913</b>	<b>\$ (1,140)</b>
Fund Balance - January 1	\$ 9,002	\$ 49,542	\$ 54,762	\$ 1,140
Fund Balance - December 31	<u>\$ 19,040</u>	<u>\$ 23,176</u>	<u>\$ 57,675</u>	<u>\$ -</u>

<u>Jail Commissary</u>	<u>Hazardous Plan/ Response</u>	<u>Valley Water Rescue</u>	<u>State's Atty Asset Forfeiture</u>	<u>Senior Citizens</u>	<u>911 Service</u>
\$ -	\$ -	\$ -	\$ -	\$ 471,366	\$ -
-	-	-	-	309,576	-
245,862	-	-	-	-	329,450
905	12,209	33,986	39,913	290	377
<u>\$ 246,767</u>	<u>\$ 12,209</u>	<u>\$ 33,986</u>	<u>\$ 39,913</u>	<u>\$ 781,231</u>	<u>\$ 329,826</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
231,696	14,368	61,593	1,975	-	396,328
-	-	-	-	-	-
-	-	-	-	774,819	-
-	-	-	-	-	-
<u>\$ 231,696</u>	<u>\$ 14,368</u>	<u>\$ 61,593</u>	<u>\$ 1,975</u>	<u>\$ 774,819</u>	<u>\$ 396,328</u>
<u>\$ 15,071</u>	<u>\$ (2,159)</u>	<u>\$ (27,607)</u>	<u>\$ 37,938</u>	<u>\$ 6,412</u>	<u>\$ (66,501)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,000
(15,746)	-	-	-	-	-
-	-	-	-	-	-
<u>\$ (15,746)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,000</u>
<u>\$ (675)</u>	<u>\$ (2,159)</u>	<u>\$ (27,607)</u>	<u>\$ 37,938</u>	<u>\$ 6,412</u>	<u>\$ (6,501)</u>
<u>\$ 148,215</u>	<u>\$ 22,204</u>	<u>\$ 35,033</u>	<u>\$ 59,501</u>	<u>\$ 10,601</u>	<u>\$ 4,621</u>
<u>\$ 147,540</u>	<u>\$ 20,045</u>	<u>\$ 7,427</u>	<u>\$ 97,439</u>	<u>\$ 17,012</u>	<u>\$ (1,880)</u>

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CASS COUNTY GOVERNMENT  
Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances - Nonmajor Governmental Funds - Special Revenue Funds  
For the Fiscal Year Ended December 31, 2011

	Justice Mental Health	Emergency Fund	NDRIN - County Recorders	Document Preservation Fund
<u>Revenues:</u>				
Property Taxes	\$ -	\$ 462,207	\$ -	\$ -
Intergovernmental Revenues	75,285	-	-	-
Charges for Services	-	-	1,199,494	136,219
Miscellaneous Revenues	2	318	5,560	979
<b>Total Revenues</b>	<b>\$ 75,287</b>	<b>\$ 462,525</b>	<b>\$ 1,205,054</b>	<b>\$ 137,198</b>
<u>Expenditures:</u>				
Current:				
General Government	\$ -	\$ -	\$ 878,855	\$ 73,847
Public Safety	18,190	-	-	-
Highway and Streets	-	-	-	-
Culture and Recreation	-	-	-	-
Conservation & Econ. Development	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 18,190</b>	<b>\$ -</b>	<b>\$ 878,855</b>	<b>\$ 73,847</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<b>\$ 57,097</b>	<b>\$ 462,525</b>	<b>\$ 326,199</b>	<b>\$ 63,351</b>
<u>Other Financing Sources (Uses):</u>				
Transfers In	\$ -	\$ -	\$ -	\$ -
Transfers Out	(1,313)	(437,345)	-	-
Sale of Property	-	-	-	-
<b>Total Other Financing Sources and Uses</b>	<b>\$ (1,313)</b>	<b>\$ (437,345)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Change in Fund Balances</b>	<b>\$ 55,784</b>	<b>\$ 25,179</b>	<b>\$ 326,199</b>	<b>\$ 63,351</b>
Fund Balance - January 1	\$ (55,784)	\$ 2,897	\$ 867,844	\$ 138,561
Fund Balance - December 31	<b>\$ -</b>	<b>\$ 28,077</b>	<b>\$ 1,194,043</b>	<b>\$ 201,912</b>

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County Park	24/7 Sobriety Program	2009 Flood Fund	2010 Flood Fund	Total Nonmajor Special Revenue Funds
\$ 20,437	\$ -	\$ -	\$ -	\$ 954,009
4,695	-	81,397	7,438	574,384
7,905	14,343		6,399	1,982,724
382	65	32	27	191,638
<u>\$ 33,418</u>	<u>\$ 14,408</u>	<u>\$ 81,429</u>	<u>\$ 13,863</u>	<u>\$ 3,702,755</u>
\$ -	\$ -	\$ -	\$ -	\$ 952,702
-	1,630	-	-	941,766
-	-	9,660	2,579	12,239
25,230	-	-	-	800,049
-	-	-	-	33,067
<u>\$ 25,230</u>	<u>\$ 1,630</u>	<u>\$ 9,660</u>	<u>\$ 2,579</u>	<u>\$ 2,739,824</u>
<u>\$ 8,188</u>	<u>\$ 12,778</u>	<u>\$ 71,769</u>	<u>\$ 11,284</u>	<u>\$ 962,932</u>
\$ -	\$ -	\$ 9,345	\$ -	\$ 69,345
-	-	(115,199)	(19,201)	(589,947)
-	-	24,968	-	24,968
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (80,886)</u>	<u>\$ (19,201)</u>	<u>\$ (495,635)</u>
<u>\$ 8,188</u>	<u>\$ 12,778</u>	<u>\$ (9,117)</u>	<u>\$ (7,917)</u>	<u>\$ 467,297</u>
<u>\$ 55,864</u>	<u>\$ 5,500</u>	<u>\$ 9,117</u>	<u>\$ 7,917</u>	<u>\$ 1,426,539</u>
<u><u>\$ 64,053</u></u>	<u><u>\$ 18,278</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,893,835</u></u>

**CASS COUNTY GOVERNMENT**  
Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances - Nonmajor Governmental Funds - Debt Service Funds  
For the Fiscal Year Ended December 31, 2011

	<u>Round Hill Subdivision</u>	<u>Holmen's Third Subdivision</u>	<u>Borderud's Subdivision</u>	<u>Windsor Green Subdivision</u>
<u>Revenues:</u>				
Property Taxes	\$ 15,036	\$ 7,291	\$ -	\$ -
Intergovernmental Revenues	-	-	-	-
Miscellaneous Revenues	45	65	26	19
Total Revenues	<u>\$ 15,081</u>	<u>\$ 7,356</u>	<u>\$ 26</u>	<u>\$ 19</u>
<u>Expenditures:</u>				
<u>Debt Service:</u>				
Principal	\$ 25,000	\$ 6,141	\$ -	\$ -
Interest	1,950	2,210	-	-
Fiscal Charges	671	-	7,490	5,453
Total Expenditures	<u>\$ 27,621</u>	<u>\$ 8,351</u>	<u>\$ 7,490</u>	<u>\$ 5,453</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (12,540)</u>	<u>\$ (995)</u>	<u>\$ (7,464)</u>	<u>\$ (5,435)</u>
<u>Other Financing Sources (Uses):</u>				
Transfers In	\$ -	\$ -	\$ -	\$ -
Transfers Out	-	-	(2,497)	(1,818)
Total Other Financing Sources and Uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,497)</u>	<u>\$ (1,818)</u>
Net Change in Fund Balances	<u>\$ (12,540)</u>	<u>\$ (995)</u>	<u>\$ (9,961)</u>	<u>\$ (7,252)</u>
Fund Balance - January 1	<u>\$ 16,571</u>	<u>\$ 9,244</u>	<u>\$ 9,961</u>	<u>\$ 7,252</u>
Fund Balance - December 31	<u><u>\$ 4,032</u></u>	<u><u>\$ 8,249</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

<u>Sleepy Hollow Subdivision</u>	<u>Greyhawk Estates Subdivision</u>	<u>Granberg Amber Plains</u>	<u>Special Assessment Deficiency</u>	<u>2010 Bond S&amp;I</u>	<u>Total Nonmajor Debt Service Funds</u>
\$ -	\$ 45,322	\$ 37,037	\$ -	\$ 920,049	\$ 1,024,736
-	-	-	-	128,314	128,314
<u>42</u>	<u>227</u>	<u>84</u>	<u>13,701</u>	<u>1,409</u>	<u>15,616</u>
<u>\$ 42</u>	<u>\$ 45,549</u>	<u>\$ 37,121</u>	<u>\$ 13,701</u>	<u>\$ 1,049,771</u>	<u>\$ 1,168,665</u>
\$ -	\$ 25,000	\$ 25,000	\$ -	\$ 675,000	\$ 756,141
-	9,956	12,063	-	275,698	301,876
<u>12,397</u>	<u>783</u>	<u>1,041</u>	<u>-</u>	<u>400</u>	<u>28,235</u>
<u>\$ 12,397</u>	<u>\$ 35,739</u>	<u>\$ 38,104</u>	<u>\$ -</u>	<u>\$ 951,098</u>	<u>\$ 1,086,252</u>
<u>\$ (12,354)</u>	<u>\$ 9,809</u>	<u>\$ (983)</u>	<u>\$ 13,701</u>	<u>\$ 98,674</u>	<u>\$ 82,413</u>
\$ -	\$ -	\$ -	\$ 8,447	\$ -	\$ 8,447
<u>(4,132)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,447)</u>
<u>\$ (4,132)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,447</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ (16,487)</u>	<u>\$ 9,809</u>	<u>\$ (983)</u>	<u>\$ 22,147</u>	<u>\$ 98,674</u>	<u>\$ 82,413</u>
<u>\$ 16,487</u>	<u>\$ 29,092</u>	<u>\$ 9,077</u>	<u>\$ -</u>	<u>\$ (211)</u>	<u>\$ 97,473</u>
<u>\$ -</u>	<u>\$ 38,901</u>	<u>\$ 8,094</u>	<u>\$ 22,147</u>	<u>\$ 98,463</u>	<u>\$ 179,886</u>

**CASS COUNTY GOVERNMENT**  
 Combining Statement of Revenues , Expenditures and  
 Changes in Fund Balances  
 Nonmajor Governmental Funds - Capital Projects Funds  
 For the Fiscal Year Ended December 31, 2011

	<u>Forest River Subdivision</u>	<u>Round Hill Subdivision</u>	<u>Greyhawk Estates Subdivision</u>	<u>Granberg Amber Plains</u>	<u>Total Nonmajor Capital Projects Funds</u>
<u>Revenues:</u>					
Miscellaneous Revenues	<u>\$ 163</u>	<u>\$ 213</u>	<u>\$ 171</u>	<u>\$ 291</u>	<u>\$ 839</u>
<u>Expenditures:</u>					
Capital Outlay	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,913</u>	<u>\$ 23,913</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 163</u>	<u>\$ 213</u>	<u>\$ 171</u>	<u>\$ (23,622)</u>	<u>\$ (23,074)</u>
Fund Balance - January 1	<u>\$ 29,097</u>	<u>\$ 38,029</u>	<u>\$ 30,441</u>	<u>\$ 60,325</u>	<u>\$ 157,893</u>
Fund Balance - December 31	<u><u>\$ 29,261</u></u>	<u><u>\$ 38,243</u></u>	<u><u>\$ 30,612</u></u>	<u><u>\$ 36,703</u></u>	<u><u>\$ 134,818</u></u>

**CASS COUNTY GOVERNMENT**  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 All Nonmajor Governmental Funds  
 For the Fiscal Year Ended December 31, 2011

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
<b>REVENUES:</b>				
Taxes:				
Property	\$ 954,009	\$ 1,024,736	\$ -	\$ 1,978,744
Licenses, permits and fees	-	-	-	-
Intergovernmental revenues	574,384	128,314	-	702,698
Charges for services	1,982,724	-	-	1,982,724
Miscellaneous revenues	191,638	15,616	839	208,093
<b>Total Revenues</b>	<b>\$ 3,702,755</b>	<b>\$ 1,168,665</b>	<b>\$ 839</b>	<b>\$ 4,872,259</b>
<b>EXPENDITURES:</b>				
Current:				
General government	\$ 952,702	\$ -	\$ -	\$ 952,702
Public safety	941,766	-	-	941,766
Highways and streets	12,239	-	-	12,239
Culture and recreation	800,049	-	-	800,049
Conservation & economic development	33,067	-	-	33,067
Capital Outlay	-	-	23,913	23,913
Debt Service:				
Principal retirement	-	756,141	-	756,141
Interest	-	301,876	-	301,876
Fiscal charges	-	28,235	-	28,235
<b>Total Expenditures</b>	<b>\$ 2,739,824</b>	<b>\$ 1,086,252</b>	<b>\$ 23,913</b>	<b>\$ 3,849,989</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 962,932	\$ 82,413	\$ (23,074)	\$ 1,022,269
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	\$ 69,345	\$ 8,447	\$ -	\$ 77,792
Transfers out	(589,947)	(8,447)	-	(598,394)
Sale of Property	24,968	-	-	24,968
<b>Total Other Financing Sources and Uses</b>	<b>\$ (495,635)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (495,635)</b>
<b>Net Change in Fund Balances</b>	<b>\$ 467,297</b>	<b>\$ 82,413</b>	<b>\$ (23,074)</b>	<b>\$ 526,636</b>
Fund Balances - January 1	\$ 1,426,539	\$ 97,473	\$ 157,893	\$ 1,681,905
Fund Balances - December 31	<u>\$ 1,893,835</u>	<u>\$ 179,886</u>	<u>\$ 134,818</u>	<u>\$ 2,208,539</u>

CASS COUNTY GOVERNMENT  
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Special Revenue Funds  
For the Fiscal Year Ended December 31, 2011

	Parenting Workshop			
	Budget		Actual	Variance With Final Budget
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Revenues	-	-	-	-
Charges for Services	33,800	33,800	43,053	9,253
Miscellaneous Revenues	-	-	53	53
<b>Total Revenues</b>	<b>\$ 33,800</b>	<b>\$ 33,800</b>	<b>\$ 43,105</b>	<b>\$ 9,306</b>
<u>Expenditures:</u>				
Current:				
General Government	\$ -	\$ -	\$ -	\$ -
Public Safety	-	-	-	-
Highways and Streets	-	-	-	-
Culture and Recreation	-	-	-	-
Conservation & Econ. Development	33,500	33,500	33,067	433
<b>Total Expenditures</b>	<b>\$ 33,500</b>	<b>\$ 33,500</b>	<b>\$ 33,067</b>	<b>\$ 433</b>
Excess (deficiency) of revenues over (under) expenditures	\$ 300	\$ 300	\$ 10,038	\$ 9,738
<u>Other Financing Sources (Uses):</u>				
Transfers In	\$ -	\$ -	\$ -	\$ -
Sale of Property	-	-	-	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources and Uses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Change in Fund Balances</b>	<b>\$ 300</b>	<b>\$ 300</b>	<b>\$ 10,038</b>	<b>\$ 9,738</b>
Fund Balance - January 1	\$ 9,002	\$ 9,002	\$ 9,002	\$ -
<b>Fund Balance - December 31</b>	<b>\$ 9,302</b>	<b>\$ 9,302</b>	<b>\$ 19,040</b>	<b>\$ 9,738</b>

Sheriff Asset Forfeiture				JAIBG Fund			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
140,535	140,535	95,995	(44,541)	-	-	-	-
-	-	-	-	-	-	-	-
45,300	45,300	88,782	43,482	8,600	8,600	7,756	(844)
<u>\$ 185,835</u>	<u>\$ 185,835</u>	<u>\$ 184,777</u>	<u>\$ (1,058)</u>	<u>\$ 8,600</u>	<u>\$ 8,600</u>	<u>\$ 7,756</u>	<u>\$ (844)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
184,860	184,860	211,143	(26,283)	6,000	6,000	4,844	1,156
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 184,860</u>	<u>\$ 184,860</u>	<u>\$ 211,143</u>	<u>\$ (26,283)</u>	<u>\$ 6,000</u>	<u>\$ 6,000</u>	<u>\$ 4,844</u>	<u>\$ 1,156</u>
\$ 975	\$ 975	\$ (26,366)	\$ (27,341)	\$ 2,600	\$ 2,600	\$ 2,912	\$ 312
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 975	\$ 975	\$ (26,366)	\$ (27,341)	\$ 2,600	\$ 2,600	\$ 2,912	\$ 312
\$ 49,542	\$ 49,542	\$ 49,542	\$ -	\$ 54,762	\$ 54,762	\$ 54,762	\$ -
<u>\$ 50,517</u>	<u>\$ 50,517</u>	<u>\$ 23,176</u>	<u>\$ (27,341)</u>	<u>\$ 57,362</u>	<u>\$ 57,362</u>	<u>\$ 57,675</u>	<u>\$ 312</u>

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**CASS COUNTY GOVERNMENT**  
 Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual - Special Revenue Funds  
 For the Fiscal Year Ended December 31, 2011

	Sheriff Block Grants			
	Budget		Actual	Variance With Final Budget
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Revenues	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Revenues	-	-	4	4
	<u>-</u>	<u>-</u>	<u>4</u>	<u>4</u>
Total Revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ 4</u>
<u>Expenditures:</u>				
Current:				
General Government	\$ -	\$ -	\$ -	\$ -
Public Safety	-	-	-	-
Highways and Streets	-	-	-	-
Culture and Recreation	-	-	-	-
Conservation & Econ. Development	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ 4</u>
<u>Other Financing Sources (Uses):</u>				
Transfers In	\$ -	\$ -	\$ -	\$ -
Sale of Property	-	-	-	-
Transfers Out	-	-	(1,143)	(1,143)
	<u>-</u>	<u>-</u>	<u>(1,143)</u>	<u>(1,143)</u>
Total Other Financing Sources and Uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,143)</u>	<u>\$ (1,143)</u>
Net Change in Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,140)</u>	<u>\$ (1,140)</u>
Fund Balance - January 1	<u>\$ 1,140</u>	<u>\$ 1,140</u>	<u>\$ 1,140</u>	<u>\$ -</u>
Fund Balance - December 31	<u>\$ 1,140</u>	<u>\$ 1,140</u>	<u>\$ -</u>	<u>\$ (1,140)</u>

Continued from previous page

Jail Commissary				Hazardous Plan/Response			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
225,000	225,000	245,862	20,862	-	-	-	-
2,000	2,000	905	(1,095)	21,579	21,579	12,209	(9,370)
<u>\$ 227,000</u>	<u>\$ 227,000</u>	<u>\$ 246,767</u>	<u>\$ 19,767</u>	<u>\$ 21,579</u>	<u>\$ 21,579</u>	<u>\$ 12,209</u>	<u>\$ (9,370)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
209,383	209,383	231,696	(22,313)	20,032	20,032	14,368	5,664
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 209,383</u>	<u>\$ 209,383</u>	<u>\$ 231,696</u>	<u>\$ (22,313)</u>	<u>\$ 20,032</u>	<u>\$ 20,032</u>	<u>\$ 14,368</u>	<u>\$ 5,664</u>
<u>\$ 17,617</u>	<u>\$ 17,617</u>	<u>\$ 15,071</u>	<u>\$ (2,546)</u>	<u>\$ 1,547</u>	<u>\$ 1,547</u>	<u>\$ (2,159)</u>	<u>\$ (3,706)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
(46,100)	(46,100)	(15,746)	30,354	-	-	-	-
<u>\$ (46,100)</u>	<u>\$ (46,100)</u>	<u>\$ (15,746)</u>	<u>\$ 30,354</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ (28,483)</u>	<u>\$ (28,483)</u>	<u>\$ (675)</u>	<u>\$ 27,808</u>	<u>\$ 1,547</u>	<u>\$ 1,547</u>	<u>\$ (2,159)</u>	<u>\$ (3,706)</u>
<u>\$ 148,215</u>	<u>\$ 148,215</u>	<u>\$ 148,215</u>	<u>\$ -</u>	<u>\$ 22,204</u>	<u>\$ 22,204</u>	<u>\$ 22,204</u>	<u>\$ -</u>
<u>\$ 119,732</u>	<u>\$ 119,732</u>	<u>\$ 147,540</u>	<u>\$ 27,808</u>	<u>\$ 23,751</u>	<u>\$ 23,751</u>	<u>\$ 20,045</u>	<u>\$ (3,706)</u>

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CASS COUNTY GOVERNMENT  
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Special Revenue Funds  
For the Fiscal Year Ended December 31, 2011

	Valley Water Rescue			
	Budget		Actual	Variance With Final Budget
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Revenues	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Revenues	34,173	34,173	33,986	(187)
<b>Total Revenues</b>	<b>\$ 34,173</b>	<b>\$ 34,173</b>	<b>\$ 33,986</b>	<b>\$ (187)</b>
<u>Expenditures:</u>				
Current:				
General Government	\$ -	\$ -	\$ -	\$ -
Public Safety	34,290	68,290	61,593	6,697
Highways and Streets	-	-	-	-
Culture and Recreation	-	-	-	-
Conservation & Econ. Development	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 34,290</b>	<b>\$ 68,290</b>	<b>\$ 61,593</b>	<b>\$ 6,697</b>
Excess (deficiency) of revenues over (under) expenditures	\$ (117)	\$ (34,117)	\$ (27,607)	\$ 6,510
<u>Other Financing Sources (Uses):</u>				
Transfers In	\$ -	\$ -	\$ -	\$ -
Sale of Property	-	-	-	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources and Uses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Change in Fund Balances</b>	<b>\$ (117)</b>	<b>\$ (34,117)</b>	<b>\$ (27,607)</b>	<b>\$ 6,510</b>
Fund Balance - January 1	\$ 35,033	\$ 35,033	\$ 35,033	\$ -
Fund Balance - December 31	<u>\$ 34,916</u>	<u>\$ 916</u>	<u>\$ 7,427</u>	<u>\$ 6,511</u>

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States Attorney Asset Forfeiture				Senior Citizens			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ 467,079	\$ 467,079	\$ 471,366	\$ 4,287
-	-	-	-	309,577	309,577	309,576	(1)
-	-	-	-	-	-	-	-
15,600	15,600	39,913	24,313	1,358	1,358	290	(1,068)
<u>\$ 15,600</u>	<u>\$ 15,600</u>	<u>\$ 39,913</u>	<u>\$ 24,313</u>	<u>\$ 778,014</u>	<u>\$ 778,014</u>	<u>\$ 781,231</u>	<u>\$ 3,217</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,000	3,000	1,975	1,025	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	774,819	774,819	774,819	-
-	-	-	-	-	-	-	-
<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ 1,975</u>	<u>\$ 1,025</u>	<u>\$ 774,819</u>	<u>\$ 774,819</u>	<u>\$ 774,819</u>	<u>\$ -</u>
\$ 12,600	\$ 12,600	\$ 37,938	\$ 25,338	\$ 3,195	\$ 3,195	\$ 6,412	\$ 3,217
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 12,600</u>	<u>\$ 12,600</u>	<u>\$ 37,938</u>	<u>\$ 25,338</u>	<u>\$ 3,195</u>	<u>\$ 3,195</u>	<u>\$ 6,412</u>	<u>\$ 3,217</u>
\$ 59,501	\$ 59,501	\$ 59,501	\$ -	\$ 10,601	\$ 10,601	\$ 10,601	\$ -
<u>\$ 72,101</u>	<u>\$ 72,101</u>	<u>\$ 97,439</u>	<u>\$ 25,338</u>	<u>\$ 13,796</u>	<u>\$ 13,796</u>	<u>\$ 17,012</u>	<u>\$ 3,216</u>

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**CASS COUNTY GOVERNMENT**  
 Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual - Special Revenue Funds  
 For the Fiscal Year Ended December 31, 2011

	911 Service			
	Budget		Actual	Variance With Final Budget
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Revenues	-	-	-	-
Charges for Services	240,000	323,000	329,450	6,450
Miscellaneous Revenues	-	-	377	377
<b>Total Revenues</b>	<b>\$ 240,000</b>	<b>\$ 323,000</b>	<b>\$ 329,826</b>	<b>\$ 6,826</b>
<u>Expenditures:</u>				
Current:				
General Government	\$ -	\$ -	\$ -	\$ -
Public Safety	330,667	396,067	396,328	(261)
Highways and Streets	-	-	-	-
Culture and Recreation	-	-	-	-
Conservation & Econ. Development	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 330,667</b>	<b>\$ 396,067</b>	<b>\$ 396,328</b>	<b>\$ (261)</b>
Excess (deficiency) of revenues over (under) expenditures	\$ (90,667)	\$ (73,067)	\$ (66,502)	\$ 6,566
<u>Other Financing Sources (Uses):</u>				
Transfers In	\$ 100,000	\$ 100,000	\$ 60,000	\$ (40,000)
Sale of Property	-	-	-	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources and Uses</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$ 60,000</b>	<b>\$ (40,000)</b>
<b>Net Change in Fund Balances</b>	<b>\$ 9,333</b>	<b>\$ 26,933</b>	<b>\$ (6,501)</b>	<b>\$ (33,434)</b>
Fund Balance - January 1	\$ 4,621	\$ 4,621	\$ 4,621	\$ -
Fund Balance - December 31	<u>\$ 13,954</u>	<u>\$ 31,554</u>	<u>\$ (1,880)</u>	<u>\$ (33,434)</u>

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Justice Mental Health				Emergency Fund			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ 461,502	\$ 461,502	\$ 462,207	\$ 705
103,849	103,849	75,285	(28,564)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	2	2	-	-	318	318
<u>\$ 103,849</u>	<u>\$ 103,849</u>	<u>\$ 75,287</u>	<u>\$ (28,562)</u>	<u>\$ 461,502</u>	<u>\$ 461,502</u>	<u>\$ 462,525</u>	<u>\$ 1,023</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
103,849	103,849	18,190	85,659	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 103,849</u>	<u>\$ 103,849</u>	<u>\$ 18,190</u>	<u>\$ 85,659</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ 57,097	\$ 57,097	\$ 461,502	\$ 461,502	\$ 462,525	\$ 1,023
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	(1,313)	(1,313)	-	(437,400)	(437,345)	55
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,313)</u>	<u>\$ (1,313)</u>	<u>\$ -</u>	<u>\$ (437,400)</u>	<u>\$ (437,345)</u>	<u>\$ 55</u>
\$ -	\$ -	\$ 55,784	\$ 55,784	\$ 461,502	\$ 24,102	\$ 25,180	\$ 1,078
<u>\$ (55,784)</u>	<u>\$ (55,784)</u>	<u>\$ (55,784)</u>	<u>\$ -</u>	<u>\$ 2,897</u>	<u>\$ 2,897</u>	<u>\$ 2,897</u>	<u>\$ -</u>
<u>\$ (55,784)</u>	<u>\$ (55,784)</u>	<u>\$ -</u>	<u>\$ 55,784</u>	<u>\$ 464,399</u>	<u>\$ 26,999</u>	<u>\$ 28,077</u>	<u>\$ 1,078</u>

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CASS COUNTY GOVERNMENT  
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Special Revenue Funds  
For the Fiscal Year Ended December 31, 2011

	NDRIN - County Recorder Project			
	Budget		Actual	Variance With Final Budget
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Revenues	-	-	-	-
Charges for Services	675,000	675,000	1,199,494	524,494
Miscellaneous Revenues	6,000	6,000	5,560	(440)
<b>Total Revenues</b>	<b>\$ 681,000</b>	<b>\$ 681,000</b>	<b>\$ 1,205,054</b>	<b>\$ 524,054</b>
<u>Expenditures:</u>				
Current:				
General Government	\$ 660,000	\$ 910,000	\$ 878,855	\$ 31,145
Public Safety	-	-	-	-
Highways and Streets	-	-	-	-
Culture and Recreation	-	-	-	-
Conservation & Econ. Development	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 660,000</b>	<b>\$ 910,000</b>	<b>\$ 878,855</b>	<b>\$ 31,145</b>
Excess (deficiency) of revenues over (under) expenditures	\$ 21,000	\$ (229,000)	\$ 326,199	\$ 555,199
<u>Other Financing Sources (Uses):</u>				
Transfers In	\$ -	\$ -	\$ -	\$ -
Sale of Property	-	-	-	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources and Uses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Change in Fund Balances</b>	<b>\$ 21,000</b>	<b>\$ (229,000)</b>	<b>\$ 326,199</b>	<b>\$ 555,199</b>
Fund Balance - January 1	\$ 867,844	\$ 867,844	\$ 867,844	\$ -
Fund Balance - December 31	<u>\$ 888,844</u>	<u>\$ 638,844</u>	<u>\$ 1,194,043</u>	<u>\$ 555,199</u>

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Document Preservation - ROD				County Park			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ 20,187	\$ 20,187	\$ 20,437	\$ 250
-	-	-	-	2,844	2,844	4,695	1,851
82,100	82,100	136,219	54,119	3,000	3,000	7,905	4,905
1,000	1,000	979	(21)	1,000	1,000	382	(618)
<u>\$ 83,100</u>	<u>\$ 83,100</u>	<u>\$ 137,198</u>	<u>\$ 54,098</u>	<u>\$ 27,031</u>	<u>\$ 27,031</u>	<u>\$ 33,418</u>	<u>\$ 6,388</u>
\$ 65,755	\$ 65,755	\$ 73,847	\$ (8,092)	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	55,650	55,650	25,230	30,420
-	-	-	-	-	-	-	-
<u>\$ 65,755</u>	<u>\$ 65,755</u>	<u>\$ 73,847</u>	<u>\$ (8,092)</u>	<u>\$ 55,650</u>	<u>\$ 55,650</u>	<u>\$ 25,230</u>	<u>\$ 30,420</u>
\$ 17,345	\$ 17,345	\$ 63,351	\$ 46,006	\$ (28,619)	\$ (28,619)	\$ 8,188	\$ 36,808
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 17,345</u>	<u>\$ 17,345</u>	<u>\$ 63,351</u>	<u>\$ 46,006</u>	<u>\$ (28,619)</u>	<u>\$ (28,619)</u>	<u>\$ 8,188</u>	<u>\$ 36,808</u>
<u>\$ 138,561</u>	<u>\$ 138,561</u>	<u>\$ 138,561</u>	<u>\$ -</u>	<u>\$ 55,864</u>	<u>\$ 55,864</u>	<u>\$ 55,864</u>	<u>\$ -</u>
<u>\$ 155,906</u>	<u>\$ 155,906</u>	<u>\$ 201,912</u>	<u>\$ 46,006</u>	<u>\$ 27,245</u>	<u>\$ 27,245</u>	<u>\$ 64,053</u>	<u>\$ 36,808</u>

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**CASS COUNTY GOVERNMENT**  
 Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual - Special Revenue Funds  
 For the Fiscal Year Ended December 31, 2011

	24/7 Sobriety Program			
	Budget		Actual	Variance With Final Budget
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Revenues	-	-	-	-
Charges for Services	-	12,300	14,343	2,043
Miscellaneous Revenues	-	-	65	65
<b>Total Revenues</b>	<b>-</b>	<b>12,300</b>	<b>14,408</b>	<b>2,108</b>
<u>Expenditures:</u>				
Current:				
General Government	-	-	-	-
Public Safety	-	1,000	1,630	(630)
Highways and Streets	-	-	-	-
Culture and Recreation	-	-	-	-
Conservation & Econ. Development	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>1,000</b>	<b>1,630</b>	<b>(630)</b>
Excess (deficiency) of revenues over (under) expenditures	-	11,300	12,778	1,478
<u>Other Financing Sources (Uses):</u>				
Transfers In	-	-	-	-
Sale of Property	-	-	-	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>11,300</b>	<b>12,778</b>	<b>1,478</b>
Fund Balance - January 1	5,500	5,500	5,500	-
Fund Balance - December 31	<u>\$ 5,500</u>	<u>\$ 16,800</u>	<u>\$ 18,278</u>	<u>\$ 1,478</u>

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2009 Flood Fund				2010 Flood Fund			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	81,397	81,397	-	-	7,438	7,438	-
-	-	-	-	-	6,399	6,399	-
-	33	32	(1)	-	-	27	27
-	81,430	81,429	(1)	-	13,837	13,863	27
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	9,661	9,660	1	-	2,580	2,579	1
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	9,661	9,660	1	-	2,580	2,579	1
-	71,769	71,769	-	-	11,257	11,284	28
-	9,346	9,345	(1)	-	-	-	-
-	24,968	24,968	-	-	-	-	-
-	(115,199)	(115,199)	-	-	(19,201)	(19,201)	-
-	(80,885)	(80,886)	(1)	-	(19,201)	(19,201)	-
-	(9,116)	(9,117)	(1)	-	(7,944)	(7,917)	28
9,117	9,117	9,117	-	7,917	7,917	7,917	-
\$ 9,117	\$ 1	\$ -	\$ (1)	\$ 7,917	\$ (28)	\$ -	\$ 28

**CASS COUNTY GOVERNMENT**  
 Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual - Special Revenue Funds  
 For the Fiscal Year Ended December 31, 2011

	Total Nonmajor Budgeted Special Revenue Funds			
	Budget		Actual	Variance With Final Budget
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$ 948,768	\$ 948,768	\$ 954,009	\$ 5,241
Intergovernmental Revenues	556,805	645,640	574,384	(71,256)
Charges for Services	1,258,900	1,360,599	1,982,724	622,125
Miscellaneous Revenues	136,610	136,643	191,638	54,995
<b>Total Revenues</b>	<b>\$ 2,901,083</b>	<b>\$ 3,091,650</b>	<b>\$ 3,702,755</b>	<b>\$ 611,105</b>
<u>Expenditures:</u>				
Current:				
General Government	\$ 725,755	\$ 975,755	\$ 952,702	\$ 23,053
Public Safety	892,081	992,481	941,766	50,715
Highways and Streets	-	12,241	12,239	2
Culture and Recreation	830,469	830,469	800,049	30,420
Conservation & Econ. Development	33,500	33,500	33,067	433
<b>Total Expenditures</b>	<b>\$ 2,481,805</b>	<b>\$ 2,844,446</b>	<b>\$ 2,739,824</b>	<b>\$ 104,623</b>
Excess (deficiency) of revenues over (under) expenditures	\$ 419,278	\$ 247,204	\$ 962,932	\$ 715,728
<u>Other Financing Sources (Uses):</u>				
Transfers In	\$ 100,000	\$ 109,346	\$ 69,345	\$ (40,001)
Sale of Property	-	24,968	24,968	-
Transfers Out	(46,100)	(617,900)	(589,947)	27,953
<b>Total Other Financing Sources and Uses</b>	<b>\$ 53,900</b>	<b>\$ (483,586)</b>	<b>\$ (495,634)</b>	<b>\$ 27,953</b>
<b>Net Change in Fund Balances</b>	<b>\$ 473,178</b>	<b>\$ (236,382)</b>	<b>\$ 467,297</b>	<b>\$ 703,679</b>
Fund Balance - January 1	\$ 1,426,538	\$ 1,426,538	\$ 1,426,539	\$ 1
<b>Fund Balance - December 31</b>	<b>\$ 1,899,716</b>	<b>\$ 1,190,156</b>	<b>\$ 1,893,835</b>	<b>\$ 703,679</b>

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**CASS COUNTY GOVERNMENT**  
 Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual - Debt Service Funds  
 For the Fiscal Year Ended December 31, 2011

	<b>Round Hill Subdivision</b>			
	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$ 14,955	\$ 14,955	\$ 15,036	\$ 81
Intergovernmental Revenues	-	-	-	-
Miscellaneous Revenues	200	200	45	(155)
<b>Total Revenues</b>	<b>\$ 15,155</b>	<b>\$ 15,155</b>	<b>\$ 15,081</b>	<b>\$ (74)</b>
<b>Expenditures:</b>				
<b>Debt Service:</b>				
Principal	\$ 25,000	\$ 25,000	\$ 25,000	\$ -
Interest	1,950	1,950	1,950	-
Fiscal Charges	1,000	1,000	671	329
<b>Total Expenditures</b>	<b>\$ 27,950</b>	<b>\$ 27,950</b>	<b>\$ 27,621</b>	<b>\$ 329</b>
Excess (deficiency) of revenues over (under) expenditures	\$ (12,795)	\$ (12,795)	\$ (12,540)	\$ 256
<b>Other Financing Sources (Uses):</b>				
Transfers In	\$ -	\$ -	\$ -	\$ -
Transfers Out	-	-	-	-
<b>Total Other Financing Sources and Uses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Change in Fund Balances</b>	<b>\$ (12,795)</b>	<b>\$ (12,795)</b>	<b>\$ (12,540)</b>	<b>\$ 256</b>
Fund Balance - January 1	\$ 16,571	\$ 16,571	\$ 16,571	\$ -
<b>Fund Balance - December 31</b>	<b>\$ 3,776</b>	<b>\$ 3,776</b>	<b>\$ 4,032</b>	<b>\$ 256</b>

<b>Holmen's Third Sudvidison</b>				<b>Borderud's Subdivision</b>			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original	Final			Original	Final		
\$ 6,896	\$ 6,896	\$ 7,291	\$ 395	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
100	100	65	(35)	100	100	26	(75)
<u>\$ 6,996</u>	<u>\$ 6,996</u>	<u>\$ 7,356</u>	<u>\$ 360</u>	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 26</u>	<u>\$ (75)</u>
\$ 6,141	\$ 6,141	\$ 6,141	\$ -	\$ -	\$ -	\$ -	\$ -
2,210	2,210	2,210	-	-	-	-	-
-	-	-	-	-	7,490	7,490	-
<u>\$ 8,351</u>	<u>\$ 8,351</u>	<u>\$ 8,351</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,490</u>	<u>\$ 7,490</u>	<u>\$ -</u>
\$ (1,355)	\$ (1,355)	\$ (995)	\$ 360	\$ 100	\$ (7,390)	\$ (7,464)	\$ (75)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	(2,497)	(2,497)	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,497)</u>	<u>\$ (2,497)</u>	<u>\$ -</u>
\$ (1,355)	\$ (1,355)	\$ (995)	\$ 360	\$ 100	\$ (9,887)	\$ (9,961)	\$ (75)
\$ 9,244	\$ 9,244	\$ 9,244	\$ -	\$ 9,961	\$ 9,961	\$ 9,961	\$ -
<u>\$ 7,889</u>	<u>\$ 7,889</u>	<u>\$ 8,249</u>	<u>\$ 360</u>	<u>\$ 10,061</u>	<u>\$ 74</u>	<u>\$ -</u>	<u>\$ (75)</u>

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**CASS COUNTY GOVERNMENT**  
 Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual - Debt Service Funds  
 For the Fiscal Year Ended December 31, 2011

	<b>Windsor Green Subdivision</b>			
	Budget		Actual	Variance With Final Budget
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Revenues	-	-	-	-
Miscellaneous Revenues	-	-	19	19
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 19</b>	<b>\$ 19</b>
<u>Expenditures:</u>				
Debt Service:				
Principal	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-
Fiscal Charges	-	17,851	5,453	12,398
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ 17,851</b>	<b>\$ 5,453</b>	<b>\$ 12,398</b>
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ (17,851)	\$ (5,435)	\$ 12,416
<u>Other Financing Sources (Uses):</u>				
Transfers In	\$ -	\$ -	\$ -	\$ -
Transfers Out	-	(5,951)	(1,818)	4,133
<b>Total Other Financing Sources and Uses</b>	<b>\$ -</b>	<b>\$ (5,951)</b>	<b>\$ (1,818)</b>	<b>\$ 4,133</b>
<b>Net Change in Fund Balances</b>	<b>\$ -</b>	<b>\$ (23,802)</b>	<b>\$ (7,252)</b>	<b>\$ 16,550</b>
Fund Balance - January 1	\$ 7,252	\$ 7,252	\$ 7,252	\$ -
Fund Balance - December 31	<u>\$ 7,252</u>	<u>\$ (16,550)</u>	<u>\$ -</u>	<u>\$ 16,550</u>

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<b>Sleepy Hollow Subdivision</b>				<b>Greyhawk Estates Subdivision</b>			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ 36,933	\$ 36,933	\$ 45,322	\$ 8,389
-	-	-	-	-	-	-	-
-	-	42	42	300	300	227	(73)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42</u>	<u>\$ 42</u>	<u>\$ 37,233</u>	<u>\$ 37,233</u>	<u>\$ 45,549</u>	<u>\$ 8,316</u>
\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ -
-	-	-	-	9,956	9,956	9,956	-
-	-	12,397	(12,397)	1,000	1,000	783	217
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,397</u>	<u>\$ (12,397)</u>	<u>\$ 35,956</u>	<u>\$ 35,956</u>	<u>\$ 35,739</u>	<u>\$ 217</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (12,354)</u>	<u>\$ (12,354)</u>	<u>\$ 1,277</u>	<u>\$ 1,277</u>	<u>\$ 9,809</u>	<u>\$ 8,533</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	(4,132)	(4,132)	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,132)</u>	<u>\$ (4,132)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ (16,487)	\$ (16,487)	\$ 1,277	\$ 1,277	\$ 9,809	\$ 8,533
<u>\$ 16,487</u>	<u>\$ 16,487</u>	<u>\$ 16,487</u>	<u>\$ -</u>	<u>\$ 29,092</u>	<u>\$ 29,092</u>	<u>\$ 29,092</u>	<u>\$ -</u>
<u>\$ 16,487</u>	<u>\$ 16,487</u>	<u>\$ -</u>	<u>\$ (16,487)</u>	<u>\$ 30,369</u>	<u>\$ 30,369</u>	<u>\$ 38,901</u>	<u>\$ 8,533</u>

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CASS COUNTY GOVERNMENT  
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Debt Service Funds  
For the Fiscal Year Ended December 31, 2011

	<b>Granberg Amber Plains</b>			
	Budget		Actual	Variance With Final Budget
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$ 35,538	\$ 35,538	\$ 37,037	\$ 1,499
Intergovernmental Revenues	-	-	-	-
Miscellaneous Revenues	200	200	84	(116)
<b>Total Revenues</b>	<b>\$ 35,738</b>	<b>\$ 35,738</b>	<b>\$ 37,121</b>	<b>\$ 1,383</b>
<u>Expenditures:</u>				
<u>Debt Service:</u>				
Principal	\$ 25,000	\$ 25,000	\$ 25,000	\$ -
Interest	12,063	12,063	12,063	-
Fiscal Charges	1,500	1,500	1,041	459
<b>Total Expenditures</b>	<b>\$ 38,563</b>	<b>\$ 38,563</b>	<b>\$ 38,104</b>	<b>\$ 459</b>
Excess (deficiency) of revenues over (under) expenditures	\$ (2,825)	\$ (2,825)	\$ (983)	\$ 1,842
<u>Other Financing Sources (Uses):</u>				
Transfers In	\$ -	\$ -	\$ -	\$ -
Transfers Out	-	-	-	-
<b>Total Other Financing Sources and Uses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Change in Fund Balances</b>	<b>\$ (2,825)</b>	<b>\$ (2,825)</b>	<b>\$ (983)</b>	<b>\$ 1,842</b>
Fund Balance - January 1	\$ 9,077	\$ 9,077	\$ 9,077	\$ -
Fund Balance - December 31	<u>\$ 6,252</u>	<u>\$ 6,252</u>	<u>\$ 8,094</u>	<u>\$ 1,842</u>

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<b>Special Assessment Deficiency</b>				<b>2010 Bond S&amp;I</b>			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ 923,003	\$ 923,003	\$ 920,049	\$ (2,954)
-	-	-	-	124,064	124,064	128,314	4,250
-	-	13,701	13,701	-	-	1,409	1,409
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,701</u>	<u>\$ 13,701</u>	<u>\$ 1,047,067</u>	<u>\$ 1,047,067</u>	<u>\$ 1,049,771</u>	<u>\$ 2,705</u>
\$ -	\$ -	\$ -	\$ -	\$ 675,000	\$ 675,000	\$ 675,000	\$ -
-	-	-	-	275,698	275,698	275,698	-
-	-	-	-	2,000	2,000	400	1,600
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 952,698</u>	<u>\$ 952,698</u>	<u>\$ 951,098</u>	<u>\$ 1,600</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,701</u>	<u>\$ 13,701</u>	<u>\$ 94,369</u>	<u>\$ 94,369</u>	<u>\$ 98,674</u>	<u>\$ 4,305</u>
\$ -	\$ -	\$ 8,447	\$ 8,447	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,447</u>	<u>\$ 8,447</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,147</u>	<u>\$ 22,147</u>	<u>\$ 94,369</u>	<u>\$ 94,369</u>	<u>\$ 98,674</u>	<u>\$ 4,305</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (211)</u>	<u>\$ (211)</u>	<u>\$ (211)</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,147</u>	<u>\$ 22,147</u>	<u>\$ 94,158</u>	<u>\$ 94,158</u>	<u>\$ 98,463</u>	<u>\$ 4,305</u>

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**CASS COUNTY GOVERNMENT**  
 Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual - Debt Service Funds  
 For the Fiscal Year Ended December 31, 2011

	<b>Total Nonmajor Debt Service Funds</b>			
	Budget		Actual	Variance With Final Budget
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$ 1,017,325	\$ 1,017,325	\$ 1,024,736	\$ 7,411
Intergovernmental Revenues	124,064	124,064	128,314	4,250
Miscellaneous Revenues	900	900	15,616	14,716
<b>Total Revenues</b>	<b>\$ 1,142,289</b>	<b>\$ 1,142,289</b>	<b>\$ 1,168,665</b>	<b>\$ 26,376</b>
<u>Expenditures:</u>				
<u>Debt Service:</u>				
Principal	\$ 756,141	\$ 756,141	\$ 756,141	\$ -
Interest	301,877	301,876	301,876	-
Fiscal Charges	5,500	30,841	28,235	2,606
<b>Total Expenditures</b>	<b>\$ 1,063,518</b>	<b>\$ 1,088,858</b>	<b>\$ 1,086,252</b>	<b>\$ 2,606</b>
Excess (deficiency) of revenues over (under) expenditures	\$ 78,771	\$ 53,431	\$ 82,413	\$ 28,983
<u>Other Financing Sources (Uses):</u>				
Transfers In	\$ -	\$ -	\$ 8,447	\$ 8,447
Transfers Out	-	(8,447)	(8,447)	-
<b>Total Other Financing Sources and Uses</b>	<b>\$ -</b>	<b>\$ (8,447)</b>	<b>\$ -</b>	<b>\$ 8,447</b>
<b>Net Change in Fund Balances</b>	<b>\$ 78,771</b>	<b>\$ 44,984</b>	<b>\$ 82,413</b>	<b>\$ 37,429</b>
Fund Balance - January 1	\$ 68,382	\$ 97,473	\$ 97,473	\$ -
<b>Fund Balance - December 31</b>	<b>\$ 147,153</b>	<b>\$ 142,457</b>	<b>\$ 179,886</b>	<b>\$ 37,429</b>

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CASS COUNTY GOVERNMENT  
Combining Statement of Net Assets  
Internal Service Funds  
December 31, 2011

	Health Insurance Trust	Dental Insurance Trust	Telephone Trust	Motor Pool Operating	Total
<u>ASSETS</u>					
<u>Current Assets:</u>					
Cash and Cash Equivalents	\$ 1,506,461	\$ 205,962	\$ 19,834	\$ 32,168	\$ 1,764,425
Accounts Receivable	-	-	371	-	371
<b>Total Current Assets</b>	<b>\$ 1,506,461</b>	<b>\$ 205,962</b>	<b>\$ 20,204</b>	<b>\$ 32,168</b>	<b>\$ 1,764,796</b>
<u>Noncurrent Assets:</u>					
Capital Assets	\$ -	\$ -	\$ 238,353	\$ 133,497	\$ 371,850
Less: Accumulated Depreciation	-	-	(171,384)	(106,036)	(277,421)
<b>Total Noncurrent Assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 66,969</b>	<b>\$ 27,460</b>	<b>\$ 94,429</b>
<b>Total Assets</b>	<b>\$ 1,506,461</b>	<b>\$ 205,962</b>	<b>\$ 87,173</b>	<b>\$ 59,628</b>	<b>\$ 1,859,225</b>
<u>LIABILITIES</u>					
<u>Current Liabilities:</u>					
Accounts Payable	\$ 28	\$ -	\$ 10,691	\$ -	\$ 10,719
Deposits	277,447	24,321	-	-	301,768
IBNR Claims	281,694	11,331	-	-	293,025
<b>Total Liabilities</b>	<b>\$ 559,169</b>	<b>\$ 35,652</b>	<b>\$ 10,691</b>	<b>\$ -</b>	<b>\$ 605,512</b>
<u>Net Assets:</u>					
Invested in Capital Assets	\$ -	\$ -	\$ 66,969	\$ 27,460	\$ 94,429
Unrestricted	947,292	170,310	9,513	32,168	1,159,283
<b>Total Net Assets</b>	<b>\$ 947,292</b>	<b>\$ 170,310</b>	<b>\$ 76,482</b>	<b>\$ 59,628</b>	<b>\$ 1,253,712</b>

CASS COUNTY GOVERNMENT  
Combining Statement of Revenues, Expenses and Changes in Net Assets  
Internal Service Funds  
For the Year Ended December 31, 2011

	Health Insurance Trust	Dental Insurance Trust	Telephone Trust	Motor Pool	Total
<u>Operating Revenues:</u>					
Premiums	\$ 3,203,415	\$ 287,071	\$ -	\$ -	\$ 3,490,486
Charges for Services	-	-	168,861	46,464	215,325
Miscellaneous	14,316	-	-	-	14,316
<b>Total Operating Revenues</b>	<b>\$ 3,217,731</b>	<b>\$ 287,071</b>	<b>\$ 168,861</b>	<b>\$ 46,464</b>	<b>\$ 3,720,127</b>
<u>Operating Expenses:</u>					
Premiums	\$ 454,115	\$ -	\$ -	\$ -	\$ 454,115
Medical Services	8,674	-	-	-	8,674
Telephone Service	-	-	168,827	-	168,827
Administrative Fees	162,218	13,666	-	-	175,885
Maintenance and Repairs	-	-	-	24,791	24,791
Benefit Payments	2,433,324	220,318	-	-	2,653,642
IBNR Claims	281,694	11,331	-	-	293,025
Depreciation Expense	-	-	26,169	13,730	39,899
<b>Total Operating Expenses</b>	<b>\$ 3,340,025</b>	<b>\$ 245,315</b>	<b>\$ 194,996</b>	<b>\$ 38,521</b>	<b>\$ 3,818,858</b>
<b>Operating Income</b>	<b>\$ (122,294)</b>	<b>\$ 41,756</b>	<b>\$ (26,135)</b>	<b>\$ 7,943</b>	<b>\$ (98,731)</b>
<u>Nonoperating Revenues (Expenses):</u>					
Interest Income	\$ 8,787	\$ 1,037	\$ 136	\$ 106	\$ 10,066
Loss/Gain on Disposal of Capital Assets	-	-	(5,169)	-	(5,169)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ 8,787</b>	<b>\$ 1,037</b>	<b>\$ (5,033)</b>	<b>\$ 106</b>	<b>\$ 4,897</b>
<b>Change in Net Assets</b>	<b>\$ (113,507)</b>	<b>\$ 42,793</b>	<b>\$ (31,168)</b>	<b>\$ 8,049</b>	<b>\$ (93,834)</b>
<b>Total Net Assets - January 1</b>	<b>\$ 1,060,799</b>	<b>\$ 127,518</b>	<b>\$ 107,649</b>	<b>\$ 51,579</b>	<b>\$ 1,347,546</b>
<b>Total Net Assets - December 31</b>	<b>\$ 947,292</b>	<b>\$ 170,311</b>	<b>\$ 76,480</b>	<b>\$ 59,628</b>	<b>\$ 1,253,712</b>

CASS COUNTY GOVERNMENT  
Combining Statement of Cash Flows  
Internal Service Funds  
For the Year Ended December 31, 2011

	Health Insurance Trust	Dental Insurance Trust	Telephone Trust	Motor Pool	Total
<u>Cash Flows From Operating Activities:</u>					
Receipts from Customers	\$ 3,206,859	\$ 287,071	\$ 172,094	\$ 46,464	\$ 3,712,488
Payments to Suppliers	(624,979)	(13,666)	(230,288)	(24,844)	(893,777)
Claims Paid	(2,663,918)	(230,698)	-	-	(2,894,616)
Other Receipts	14,316	-	-	-	14,316
Net Cash Provided by Operating Activities	<u>\$ (67,722)</u>	<u>\$ 42,706</u>	<u>\$ (58,194)</u>	<u>\$ 21,620</u>	<u>\$ (61,590)</u>
<u>Cash Flows From Capital and Related Financing Activities:</u>					
Purchase of Capital Assets	\$ -	\$ -	\$ (22,225)	\$ -	\$ (22,225)
<u>Cash Flows From Investing Activities:</u>					
Interest Income	\$ 8,787	\$ 1,037	\$ 136	\$ 106	\$ 10,066
Net Increase in Cash and cash equivalents	\$ (58,935)	\$ 43,743	\$ (80,283)	\$ 21,726	\$ (73,749)
Balances - January 1	<u>\$ 1,565,396</u>	<u>\$ 162,219</u>	<u>\$ 100,117</u>	<u>\$ 10,442</u>	<u>\$ 1,838,174</u>
Balances - December 31	<u>\$ 1,506,461</u>	<u>\$ 205,962</u>	<u>\$ 19,834</u>	<u>\$ 32,168</u>	<u>\$ 1,764,425</u>
<u>Reconciliation of Operating Income to net cash provided by operating activities:</u>					
Operating Income (Loss)	\$ (122,294)	\$ 41,756	\$ (26,135)	\$ 7,943	\$ (98,731)
<u>Adjustments to Reconcile Operating Income to Net Cash Flows from Operating Activities:</u>					
Depreciation	-	-	26,169	13,730	39,899
Changes in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	3,444	-	14	-	3,458
(Increase)Decrease in Prepaid Items			3,219		3,219
Increase (Decrease) in Accounts Payable	28	-	(61,461)	(53)	(61,486)
Increase (Decrease) in Premium Deposit Funds	12,983	479	-	-	13,462
Increase (Decrease) in IBNR Claims	38,117	472	-	-	38,589
Net Cash Provided by Operating Activities	<u>\$ (67,722)</u>	<u>\$ 42,707</u>	<u>\$ (58,194)</u>	<u>\$ 21,620</u>	<u>\$ (61,590)</u>

CASS COUNTY GOVERNMENT  
Fargo, North Dakota

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended December 31, 2011

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Federal Expenditures
<b><u>U.S. DEPARTMENT OF THE TREASURY:</u></b>		
<u>Direct Assistance:</u>		
Community Development Financial Institutions Program	21.020	\$ 124,064
<b><u>U.S. DEPARTMENT OF JUSTICE:</u></b>		
<u>Direct Assistance:</u>		
Justice & Mental Health Collaboration Grant	16.745	\$ 75,837
Public Safety Partnership and Community Policing Grants	16.710	218,904
State Criminal Alien Assistance Program	16.606	22,592
<u>Passed Through State Penitentiary:</u>		
Crime Victim Assistance	16.575	33,791
<u>Passed Through State's Attorney General:</u>		
Recovery Act - Edward Byrne Memorial Justice Assistance Grant Program	16.803	24,999
Edward Bryne Memorial Justice Assistance Grant Program	16.738	3,573
<u>Passed Through North Dakota Association of Counties:</u>		
Juvenile Justice and Delinquency Prevention_Allocation to the States	16.540	3,255
Crime Victim Assistance	16.575	33,791
<u>Passed Through North Dakota Highway Patrol:</u>		
Enforcing Underage Drinking Laws Program	16.727	651
Total U.S. Department of Justice		\$ 417,393
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:</u></b>		
<u>Passed Through State Department of Human Services:</u>		
Foster Care-Title IV-E	93.658	** \$ 604,345
Special Programs for the Aging-Title III, Part B-Grants for Supportive Services and Senior Centers	93.044	35,725
National Family Caregiver Support, Title III, Part E	93.052	4
Maternal and Child Health Services Block Grant to the States	93.994	12,529
Children's Health Insurance Program	93.767	11,663
Adoption Assistance	93.659	6,489
Promoting Safe and Stable Families	93.556	79,854
Child Care and Development Block Grant	93.575	528
Block Grants for Prevention and Treatment of Substance Abuse	93.959	218
Children's Justice Grants to States	93.643	419
Child Welfare Services-State Grants	93.645	8,482
Social Services Block Grant	93.667	196
Temporary Assistance for Needy Families	93.558	** 928,406
Medical Assistance Program	93.778	152
Low-Income Home Energy Assistance	93.568	93
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	82,582
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	82,222
Child Support Enforcement	93.563	14,306
Total U.S. Department of Health and Human Services		\$ 1,868,213
<b><u>U.S. DEPARTMENT OF AGRICULTURE:</u></b>		
<u>Passed Through State Department of Human Services:</u>		
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (Recovery)	10.561	\$ 558

CASS COUNTY GOVERNMENT  
 Fargo, North Dakota

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the Year Ended December 31, 2011

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Federal Expenditures
<b>CONTINUED....</b>		
<b><u>U.S. DEPARTMENT OF COMMERCE:</u></b>		
<u>Passed Through State Department of Emergency Services:</u>		
Public Safety Interoperable Communications Grant Program	11.555	\$ 1,020
<b><u>U.S. DEPARTMENT OF HOMELAND SECURITY:</u></b>		
<u>Passed Through State Department of Emergency Services:</u>		
State Homeland Security Program (SHSP)	97.001	\$ 18,070
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	** 2,477,024
Flood Mitigation Assistance	97.029	** 504,304
Hazard Mitigation Grant	97.039	** 4,468,275
Emergency Management Performance Grants	97.042	76,730
Homeland Security Grant	97.067	** 342,322
Total U.S. Federal Management Agency		\$ 7,886,725
<b><u>U.S. DEPARTMENT OF EDUCATION:</u></b>		
<u>Passed Through State Department of Human Services:</u>		
State Homeland Security Program (SHSP)	84.126	\$ 3
<b><u>U.S. DEPARTMENT OF TRANSPORTATION:</u></b>		
<u>Passed Through State Highway Department</u>		
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	\$ 7,060
State and Community Highway Safety	20.600	3,160
Highway Planning and Construction	20.205	** 2,275,147
Total U.S. Department of Transportation		\$ 2,285,367
Total Expenditures of Federal Awards		\$ 12,583,343

\*\* - major program

**NOTE 1: BASIS OF PRESENTATION:**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Cass County under programs of the federal government for the year ended December 31, 2011. The information in the schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of Cass County, it is not intended to and does not present the financial position or changes in net assets of Cass County.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribe Governments*, wherein certain types of expenditures are allowable or are limited as to reimbursement.

STATE AUDITOR

ROBERT R. PETERSON  
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FARGO OFFICE  
MANAGER – DAVID MIX  
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STATE OF NORTH DAKOTA  
**OFFICE OF THE STATE AUDITOR**  
STATE CAPITOL  
600 E. BOULEVARD AVENUE - DEPT. 117  
BISMARCK, NORTH DAKOTA 58505

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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Board of County Commissioners  
Cass County  
Fargo, North Dakota

We have audited the financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Cass County as of and for the year ended December 31, 2011, which collectively comprise Cass County's basic financial statements and have issued our report thereon dated June 19, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

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

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

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Cass County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

A handwritten signature in black ink, appearing to read "Bob Peterson". The signature is fluid and cursive, with a large initial "B" and "P".

Robert R. Peterson  
State Auditor

June 19, 2012

**STATE AUDITOR**

ROBERT R. PETERSON  
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Local Government Division:  
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REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

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Independent Auditor's Report

Board of County Commissioners  
Cass County  
Fargo, North Dakota

**Compliance**

We have audited Cass County's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Cass County's major federal programs for the year ended December 31, 2011. Cass County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Cass County's management. Our responsibility is to express an opinion on Cass County's compliance based on our audit.

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

In our opinion, Cass County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011.

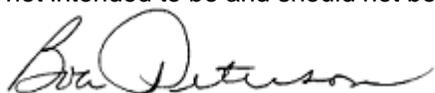
**Internal Control Over Compliance**

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

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

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

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

A handwritten signature in cursive script, appearing to read "Bob Peterson".

Robert R. Peterson  
State Auditor

June 19, 2012

CASS COUNTY  
Fargo, North Dakota

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended December 31, 2011

**Section I - Summary of Auditor's Results**

Financial Statements

Type of Report Issued?	
Governmental Activities	Unqualified
Discretely Presented Component Units	Unqualified
Major Funds	Unqualified
Aggregate Remaining Fund Information	Unqualified

Internal Control over financial reporting:

Material weaknesses identified?	_____ Yes	_____ <u>X</u> No
Significant deficiencies identified not considered to be material weaknesses?	_____ Yes	_____ <u>X</u>
Noncompliance material to financial statements noted?	_____ Yes	_____ <u>X</u> No

Federal Awards

Internal Control over major programs:

Material weaknesses identified?	_____ Yes	_____ <u>X</u> No
Reportable conditions identified not considered to be material weaknesses?	_____ Yes	_____ <u>X</u> None reported
Type of auditor's report issued on compliance for major programs:	Unqualified	
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?	_____ Yes	_____ <u>X</u> No

Identification of major programs:

CFDA Numbers	Name of Federal Program Or Cluster
93.658	Foster Care-Title IV-E (Recovery)
93.558	Temporary Assistance for Needy Families
97.029	Flood Mitigation Assistance
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)
97.039	Hazard Mitigation Grant
97.067	Homeland Security Grant Program
20.205	Highway Planning and Construction

Dollar threshold used to distinguish between Type A and B programs: \$377,500

Auditee qualified as low-risk auditee? X Yes \_\_\_\_\_ No

**Section II - Financial Statement Findings**

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No matters were reported.

**Section III - Federal Award Findings and Questioned Costs**

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No matters were reported.