

CASS COUNTY GOVERNMENT



ANNUAL COMPREHENSIVE
FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2021
FARGO, NORTH DAKOTA
PREPARED BY THE CASS COUNTY FINANCE OFFICE

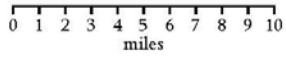
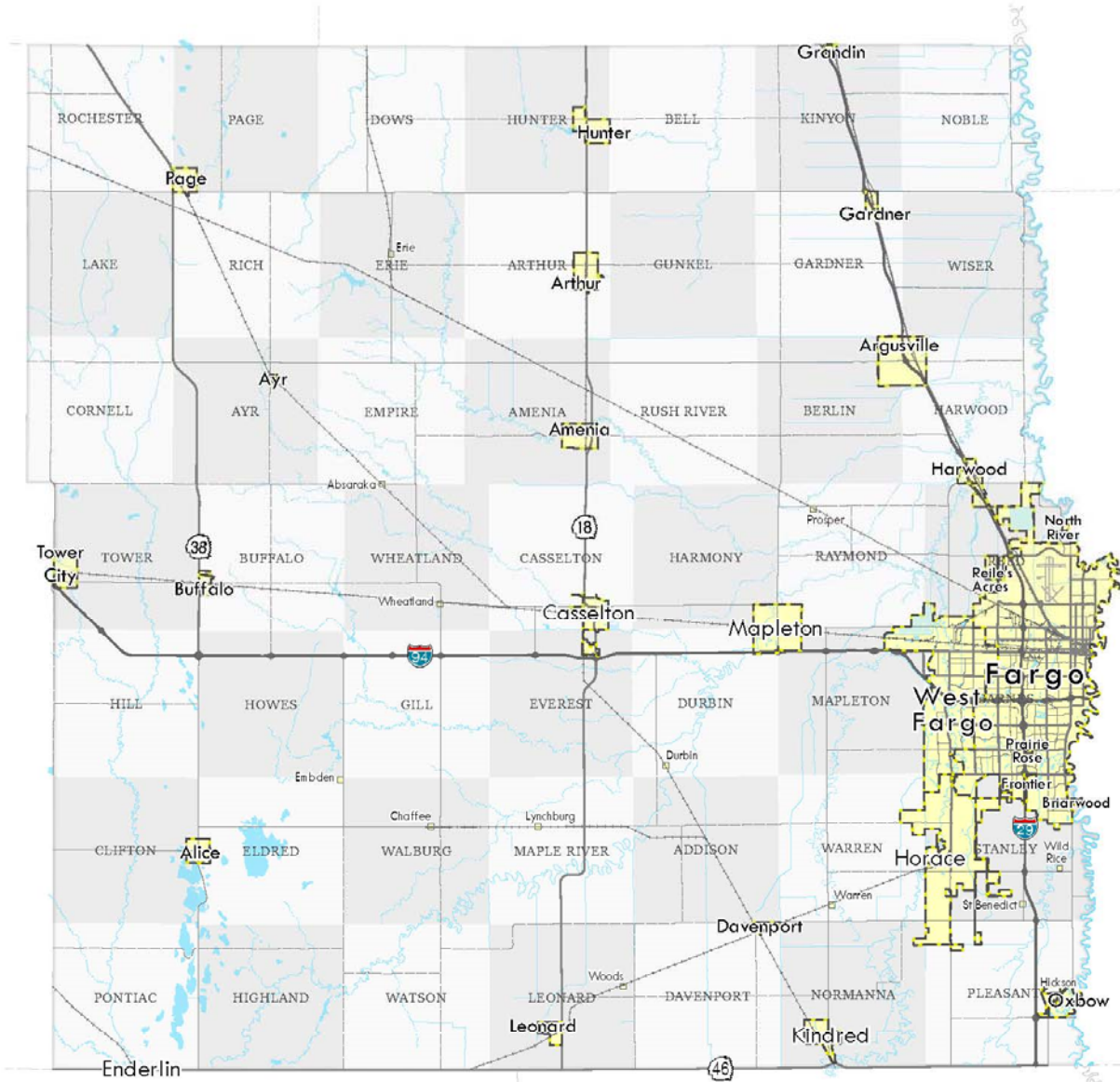
CASS COUNTY, NORTH DAKOTA

**ANNUAL
COMPREHENSIVE
FINANCIAL
REPORT**

For the Year Ended December 31,
2021

CASS COUNTY

NORTH DAKOTA



**CASS COUNTY GOVERNMENT
Comprehensive Annual Financial Report
For the Year Ended December 31, 2021**

TABLE OF CONTENTS

INTRODUCTORY SECTION

| | Page |
|--|------|
| Letter of Transmittal | 1 |
| Certificate of Achievement for Excellence in Financial Reporting | 5 |
| Organizational Chart | 6 |
| County Officials | 7 |

FINANCIAL SECTION

| | |
|--------------------------------------|----|
| Independent Auditor's Report | 9 |
| Management's Discussion and Analysis | 12 |

BASIC FINANCIAL STATEMENTS

| | |
|---|----|
| Government-Wide Statement of Net Position | 21 |
| Government-Wide Statement of Activities | 22 |

FUND FINANCIAL STATEMENTS

| | |
|--|----|
| Balance Sheet – Governmental Funds | 24 |
| Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position | 27 |
| Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds | 28 |
| Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities | 30 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund | 31 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Human Service Fund | 32 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – County Road and Bridge Fund | 33 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – ARPA Fund | 34 |
| Statement of Net Position – Proprietary Funds | 35 |
| Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds | 36 |

| | |
|--|------------|
| Statement of Cash Flows – Proprietary Funds | Page 37 |
| Statement of Net Position – Fiduciary Funds | 38 |
| Statement of Changes in Net Position – Fiduciary Funds | 39 |
| Statement of Net Position – Component Units | 40 |
| Statement of Activities – Component Units | 42 |
| Notes to the Financial Statements | 44 |

REQUIRED SUPPLEMENTARY INFORMATION

| | |
|---|----|
| Schedule of the Proportionate Share of the Net Pension & OPEB Liability | 89 |
| Schedule of Employer Pension & OPEB Contributions | 91 |
| Notes to the Required Supplementary Information | 93 |

OTHER SUPPLEMENTARY INFORMATION

| | |
|--|-----|
| Description of Nonmajor Governmental Funds | 95 |
| Combining Balance Sheet – Nonmajor Governmental Funds | |
| Special Revenue Funds | 100 |
| Debt Service Funds | 104 |
| Capital Projects Funds | 105 |
| Combining Balance Sheet – All Nonmajor Governmental Funds | 106 |
| Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds | |
| Special Revenue Funds | 108 |
| Debt Service Funds | 112 |
| Capital Projects Funds | 113 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances – All Nonmajor Governmental Funds | 114 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Nonmajor Governmental Funds | |
| Special Revenue Funds | 116 |
| Debt Service Funds | 132 |
| Description of Internal Service Funds | 136 |
| Combining Statement of Net Position – Internal Service Fund | 137 |
| Combining Statement of Revenues, Expenses and Changes in Fund Net Position – Internal Service Funds | 138 |

| | |
|--|-------------|
| Combining Statement of Cash Flows – Internal Service Funds | Page 139 |
| Description of Fiduciary Funds | 140 |
| Combining Statement of Net Position – Fiduciary Funds | 141 |
| Combining Statement of Changes in Net Position – Fiduciary Funds | 142 |
| STATISTICAL SECTION | |
| Financial Trends: | |
| Net Position by Component | 144 |
| Changes in Net Position | 146 |
| Fund Balances of Governmental Funds | 148 |
| Changes in Fund Balances of Governmental Funds | 150 |
| Revenue Capacity: | |
| Assessed Value and Actual Value of Taxable Property | 152 |
| Principal Property Taxpayers | 153 |
| Property Tax Rates- Direct and Overlapping Governments | 154 |
| Property Tax Levies and Collections | 156 |
| Sales Tax Revenue | 158 |
| Debt Capacity: | |
| Ratio of Outstanding Debt by Type | 159 |
| Ratio of General Bonded Debt Outstanding | 160 |
| Ratio of Net Bonded Debt | 161 |
| Legal Debt Margin Information | 162 |
| Sales Tax Note Payable – Direct Bank Loan | 164 |
| Demographic and Economic Information: | |
| Demographic and Economic Statistics | 165 |
| Principal Employers | 166 |
| Operating Information: | |
| Full-time Equivalent County Government Employees by Function | 167 |
| Operating Indicators by Function | 168 |
| Capital Asset Statistics by Function | 170 |

INTRODUCTORY SECTION



Finance Office

Telephone: 701-241-5600
Fax: 701-241-5728
SMB-FIN@casscountynynd.gov

July 19, 2022

Honorable Chairman, Commissioners, and Citizens of Cass County Government:

The Comprehensive Annual Financial Report of Cass County is hereby submitted for the fiscal year ended December 31, 2021.

This report was prepared by the County Finance Office. The responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

The County's management is responsible for establishing and maintaining an internal control structure designed to ensure that assets are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute assurance that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the County is responsible for ensuring that an adequate internal control structure is in place to comply with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

The Office of the State Auditor has audited the County's financial statements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the year ended December 31, 2021, are fairly presented in conformity with GAAP. The auditor's report is included in the Financial Section of this report.

The Management's Discussion and Analysis (MD&A) is a narrative introduction, overview, and analysis of the County. The MD&A can be found immediately following the independent auditors' report (page 11). This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it.

The Notes to the Financial Statements are considered an integral and essential part of adequate disclosure and fair presentation of the basic financial statements. The notes include the summary of significant accounting policies applied to the matters relating to the financial position and results of operations of the County. The notes provide significant insight and are necessary to understand the financial statements.

Profile of the Government

Cass County is located on the eastern edge of North Dakota, bordering along the Red River, the boundary between North Dakota and Minnesota. The Red River Valley is one of the most fertile agricultural areas in the world. The economic condition and outlook of the County have remained strong; the County population grew by 23% from 2010 to 2020, according to the latest estimated population provided by Bureau of Economic Analysis, U.S. Department of Commerce. The overall increase in statewide population was 15.8% according to figures released by the U.S. Census Bureau for the 2020 census. Several of the fastest growing cities in North Dakota are located in Cass County, including the City of Fargo, City of West Fargo, and City of Horace. The City of Fargo is the home of the County Courthouse and administrative offices.

A board of five members elected for four-year terms governs the County. Each commissioner represents a population district of the County. Commissioners are limited to three consecutive four-year terms. The commissioners make policies regulating the functions of the many departments and see that these are carried out. Responsibilities of the board are levy taxes, appropriate funds, authorize bonds, set salaries, approve bills, accept bids, and approve the annual County budget, just to mention a few.

On January 1, 2020, the Cass County Social Service Office transitioned to a "Zone" office. The State of North Dakota established nineteen Human Service Zones with multiple counties in each Zone except for the four largest counties. The four largest counties, including Cass County, are single county Zones. This consolidation is designed to provide more consistent services to residents of North Dakota regardless of where they live. The County will show the Cass County Human Service Zone Fund as a special revenue fund of the County. Revenues for the Zone Fund are derived from the State of North Dakota.

The County provides a full range of services. These services include tax assessment and collection; law enforcement and jail services; social services and public health services; the construction and maintenance of highways; and general administrative services.

The County is accountable to the citizens of the County for the decisions and financial obligations of boards that are appointed by the governing body of the County. The County Commission appoints board members for Vector, Noxious Weed, and the four water resource districts located in the County. In addition to appointing the governing boards of these districts, the County is responsible for approving their budgets and tax levies. The activities of Vector, Noxious Weed, and the four water resource districts are combined and shown in the component unit column of the financial statements.

The County, by way of grants, provides support to various senior citizen boards, ambulance and rescue squad boards, the fair board, and the historical society board. The County is not responsible for the activities of these boards and accordingly their financial information has not been included in this report. Note 1 of the Notes to the Financial Statements defines the reporting entity.

Readers of this report are reminded that certain assets reported in custodial funds are held in the name of the County and represent funds held for others in a fiduciary capacity and are not available for the general use of the County.

Local Economy

Cass County is home to the state's second largest university, North Dakota State University, with a student body of over 12,000 with 10,000 of them full time. Also serving the region are another state university and a private college, located across the river in Moorhead, Minnesota.

The area is well known for quality health care services; Essentia Health System, Sanford Health System, and the Fargo Veteran's Hospital all provide patient clinics and hospital services. These facilities serve a large area in North Dakota and Minnesota.

The State of North Dakota's saw annual taxable sales and purchases increase 9.2% to \$20.3 billion in 2021 from \$18.6 billion in 2020. This increase for 2021 demonstrates a continued economic recovery and a gradual return to pre-pandemic levels. The taxable sales and purchases for Cass County increased by 20.5% from \$2.8 billion in 2020 to \$3.4 billion in 2021 (North Dakota Office of State Tax Commissioner). Cass County is a regional trade center that draws from eastern North Dakota, western Minnesota, and central Canada. The unemployment rate for Cass County continues to be low at 2.0% for 2020.

COVID-19 Recovery

Cass County, along with the rest of the nation, was initially affected by the COVID-19 virus in 2020. Throughout 2021, the County slowly recovered by gradually reducing restrictions and resuming normal activity levels. The County continued to offer remote meetings and accommodated work from home opportunities as needed.

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program, a part of the American Rescue Plan Act, was enacted to support local response to and recovery from the COVID-19 public health emergency. The County was allocated \$35.3 million in funding and received the first payment totaling \$17.7 million in 2021. The second payment is scheduled for mid-year 2022.

Long-Term Financial Planning

Over the past ten years, the taxable valuation of the County has been growing at an average rate of over 7.6%, and the population has been growing at an average rate of 2.2%. Taxable valuation growth has occurred in the service industry, warehouse, manufacturing, and in new home and apartment construction. These growth trends are expected to continue. The County continues to manage resources through budgeting policies.

The County Commission is required to adopt an annual budget on or before October 1 of each year. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the County Commission and to give County departments definite guidelines for operations. The County is legally required to maintain budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) at the fund level. The County's budgetary policy includes provisions for maintaining reserves at an adequate level (17% to 25% of budgeted expenditures) for the General Fund and 7% to 10% for each special revenue fund with the exception of the Emergency and Flood Mitigation Fund. This fund is used to accumulate resources to fund minor emergencies and to finance the County share of major emergencies and to bridge the gap until state and federal emergency funds are received. The reserve level is reviewed by the County Commission annually for adequacy. The County requires officials to maintain budgetary control at the department level.

Major Initiatives

Metro Flood Diversion Authority Project

After years of study and planning by the Army Corps of Engineers (USAE) and the Metro Flood Diversion Authority board construction is ongoing on several aspects of the Metro Flood Diversion Authority Project. The recommended project consists of a large flood diversion channel (to the west of the cities of Fargo and West Fargo) combined with a southern embankment, temporary water storage area and water control structures to limit the flow of water through Fargo Moorhead that will redirect and lower record river flood levels significantly.

The project received a record of decision by the Chief of the Army Corps of Engineers in 2012, was included in the 2013 Water Resourced Development Act Bill and has been approved by the U.S. Senate and the House of Representatives. In February of 2015, the Army Corps of Engineers named this project as a Federal Public Private Partnership (P3) demonstration project.

The Army Corps of Engineers (USACE) is responsible for the inlet, Red River and Wild Rice control structures, and the Southern Embankment. The Diversion Authority, through a Public Private Partnership (PPP) is responsible for the building the thirty-mile diversion channel.

The estimated current project cost is anticipated to exceed \$2.75 billion in 2018 dollars. Funding for the project is a combination of federal, state, and local funding sources. Local sources include sales taxes levied by the City of Fargo and Cass County through the year 2084. The State of North Dakota has appropriated a total of \$850 million for the project and the Federal Government has committed to \$750 million.

The success in moving this project along is a result of strong partnerships with the Metro Flood Diversion Authority, the Army Corps of Engineers and Jacobs Engineering. Funding partners include the State of North Dakota, State of Minnesota, Army Corps of Engineers, City of Fargo, and Cass County. Governmental leaders from the federal, state, and local levels have expended significant efforts in a collaborative manner to continue to advance this project.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Cass County for its annual comprehensive financial report for the fiscal year ended December 31, 2020. This was the 24th consecutive year that the government has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report could not have been completed if it had not been for the commitment of the County Commission in improving the accounting, budgeting, and financial operation of the County. The Commission has provided the support and fiscal resources necessary to make this report possible. I would also like to acknowledge the professional expertise of Sarah Heinle, CPFO, Accounting Manager, who assisted in the preparation of this report.

Respectfully submitted,



Brandy Madrigga
County Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Cass County Government
North Dakota**

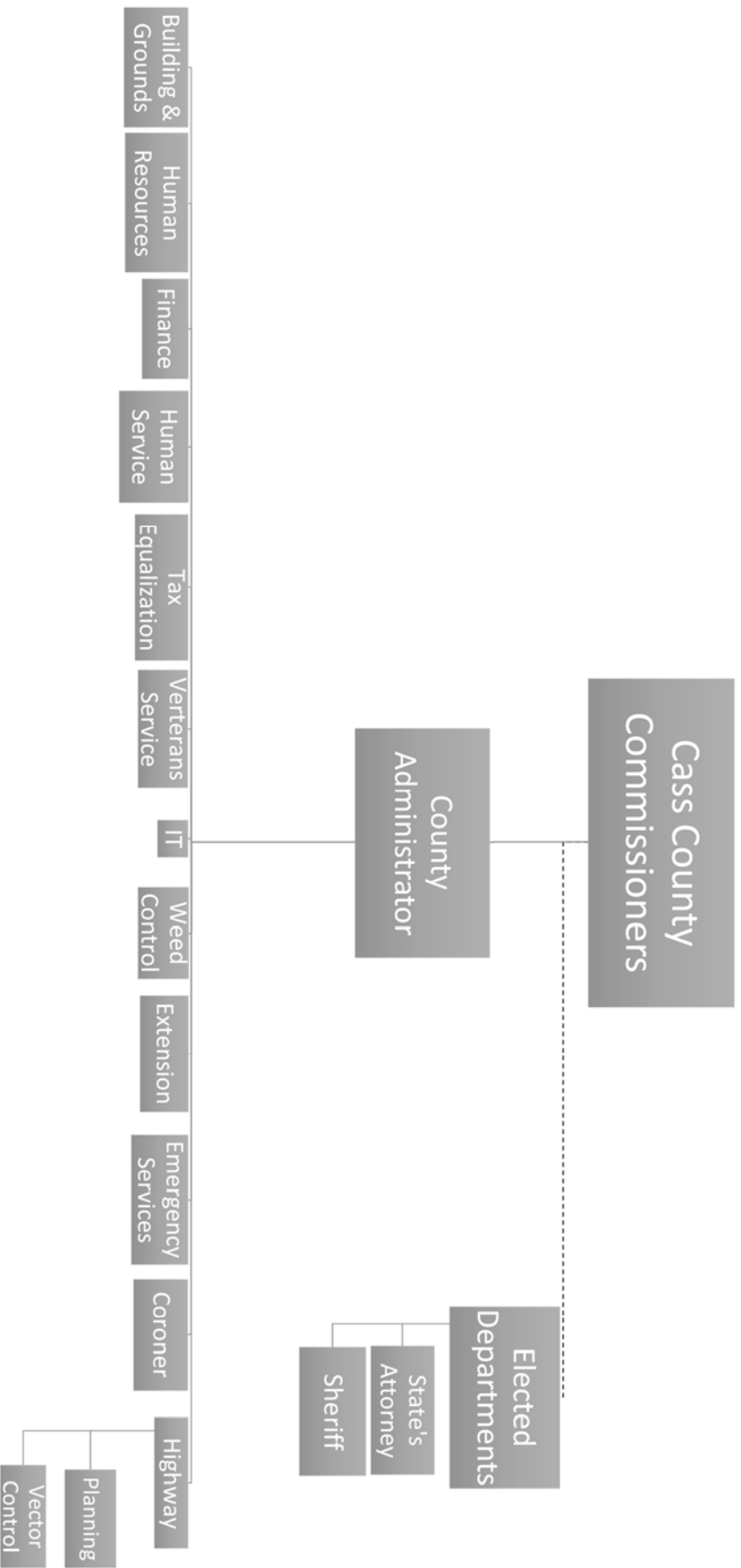
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morill

Executive Director/CEO

Cass County Government
 Organizational Chart
 as of December 31st, 2020



CASS COUNTY GOVERNMENT COUNTY OFFICIALS

Current Officials

| | |
|-------------------|--|
| Commissioners: | Rick Steen, Chairman Chad M. Peterson Duane Breitling Jim Kapitan Mary Scherling |
| Administrator: | Robert Wilson |
| Finance Director: | Brandy Madrigga |
| Sheriff: | Jesse Jahner |
| Recorder: | Deborah Moeller |
| States Attorney: | Birch Burdick |

2021 Officials

| | |
|-------------------|--|
| Commissioners: | Chad M. Peterson, Chairman Mary Scherling Duane Breitling Rick Steen Jim Kapitan |
| Administrator: | Robert Wilson |
| Finance Director: | Brandy Madrigga |
| Sheriff: | Jesse Jahner |
| Recorder: | Deborah Moeller |
| States Attorney: | Birch Burdick |

THIS PAGE HAS BEEN RESERVED FOR NOTES

FINANCIAL SECTION

STATE AUDITOR
Joshua C. Gallion



PHONE
701-328-2241

FAX
701-328-2345

www.nd.gov/auditor

STATE OF NORTH DAKOTA
OFFICE OF THE STATE AUDITOR
STATE CAPITOL
600 E. Boulevard Ave. Dept. 117
Bismarck, North Dakota, 58505

ndsao@nd.gov

INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Cass County
Fargo, North Dakota

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Cass County, North Dakota, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Cass County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Cass County, North Dakota, as of December 31, 2021, 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 zone fund, the ARPA Fund, and the county road and bridge fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Cass County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Cass County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing our audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Cass County's internal control. Accordingly, no such opinion is expressed
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Cass County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Cass County's basic financial statements. The *description of nonmajor governmental funds, the combining balance sheet - nonmajor governmental funds, the combining statement of revenues, expenditures, and changes in fund balances - nonmajor governmental funds, the schedule of revenues, expenditures, and changes in fund balances - budget and actual - nonmajor governmental funds, the description of internal service funds, the combining statement of net position - internal service fund, the combining statement of revenues, expenses, and changes in fund net position - internal service funds, the combining statement of cash flows - internal service funds, the description of fiduciary funds, the combining statement of net position - fiduciary funds, and the combining statement of changes in net position - fiduciary funds* are presented for purposes of additional analysis and are not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records

used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the items referred to above are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 1, 2022 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* in considering Cass County’s internal control over financial reporting and compliance.

/S/

Joshua C. Gallion
State Auditor

Bismarck, North Dakota
August 1, 2022

CASS COUNTY GOVERNMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS

The County's Management 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, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, in the financial statements, and notes to the financial statements.

FINANCIAL HIGHLIGHTS

- At December 31, 2021, the assets and deferred outflows of Cass County Government exceeded liabilities and deferred inflows by \$191,433,855 (net position). Net investment in assets (net of depreciation and related debt) was at \$168,299,566. Unrestricted net position increased by \$105.88 million from the prior year and ended at \$12.23 million.
- At December 31, 2021, Assets increased by \$38.98 million. Much of the increase is in cash and cash equivalents and is due to ARPA funding and the increase in Capital Assets are due to road projects. Deferred Outflows decreased by \$10.79 million due to changes in market conditions for pensions. Liabilities decrease by \$143.02 million due to pension changes and the payoff of debt. Deferred inflows increased by \$40.56 million due to changes in pension markets and Unearned grant funding.
- At December 31, 2021, the County's governmental funds reported combined ending fund balances of \$52,454,345 for an increase of \$7,095,108 over the previous year.
- At December 31, 2021, the unassigned fund balance for the General Fund was \$25,262,582 or 69.12% 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. The government-wide financial statements, fund financial statements, and 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 Position and the Statement of Activities.

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

The Statement of Activities presents information showing how the government's net position changed during fiscal year 2021. All changes in net position 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 2021.

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 19-20 of this report.

The table below summarizes the major features of the county's financial statements, including portions of the county's activities covered and the types of information they contain. The remainder of this overview section of Management's Discussion and Analysis highlights the structure and contents of each of the statements.

| Major Features of the Government-Wide and Fund Financial Statements | | | | |
|---|--|---|--|---|
| | | Fund Financial Statements | | |
| | Government-Wide Statements | Governmental Funds | Proprietary Funds | Fiduciary Funds |
| Scope | Entire District (except fiduciary funds) | The activities of the district that are not proprietary or fiduciary | Activities of the Internal Service Funds | Instances in which the county administers resources on behalf of someone else, such as other governments |
| Required Financial Statements | <ul style="list-style-type: none"> • Statement of Net Position • Statement of Activities | <ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures and Changes in Fund Balance | <ul style="list-style-type: none"> • Statement of Net Position • Statement of Revenues, Expenses, and Changes in Net Position • Statement of Cash Flows | <ul style="list-style-type: none"> • Statement Net Position • Statement of Changes in Net Position |
| Accounting Basis and Measurement Focus | Accrual Accounting and Economic Resource Focus | Modified accrual accounting and current financial resource focus | Accrual accounting and economic resources focus | Accrual accounting and economic resources focus |
| Type of Asset/Liability information | All assets and deferred outflows of resources, and liabilities and deferred inflows of resources, both financial and capital, short-term and long-term | Generally assets expected to be consumed and liabilities paid during the year or soon thereafter; no capital assets or long-term liabilities included | All assets and liabilities, both financial and capital, and short-term and long-term | All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can |
| Type of inflow/outflow information | All revenues and expenses during the year, regardless of when cash is received or paid | Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable | All revenues and expenses during the year, regardless of when cash is received or paid | All additions and deductions during the year, regardless of when cash is received or paid |

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.

The focus of governmental funds is narrower than that of the government-wide financial statements and 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.

The County maintains thirty-eight 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 Service Zone, County Road and Bridge, American Rescue Plan Act (ARPA), and Flood Control Sales Tax Fund which are considered to be major funds. Data from the other 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 22-34 of this report. Combining component unit statements can be found on pages 40-42.

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, technology trust, and motor pool. These services benefit governmental functions 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 35-37 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 statement can be found on page 38-39 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 44-88 of this report.

OTHER INFORMATION

The combining statements 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 100-132 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

STATEMENT OF NET POSITION

As noted earlier, net position may serve, over time, as a useful indicator of a government's financial position. At the close of the fiscal year ended December 31, 2021, Cass County's assets and deferred outflows exceeded liabilities and deferred inflows by \$191,433,855.

Statement of Net Position
December 31, 2021 and 2020

| | Governmental Activities | |
|----------------------------------|-------------------------|-----------------------|
| | 2021 | 2020 |
| Current and Other Assets | \$ 88,205,013 | \$ 72,044,283 |
| Capital Assets | 169,139,566 | 146,316,225 |
| Total Assets | <u>\$ 257,344,579</u> | <u>\$ 218,360,508</u> |
| Deferred Outflows of Resources | <u>\$ 28,219,492</u> | <u>\$ 39,012,238</u> |
| Other Liabilities | \$ 8,690,111 | \$ 8,057,581 |
| Long-Term Liabilities | 22,617,215 | 166,274,113 |
| Total Liabilities | <u>\$ 31,307,326</u> | <u>\$ 174,331,694</u> |
| Deferred Inflows of Resources | <u>\$ 62,822,890</u> | <u>\$ 22,266,311</u> |
| Net Position: | | |
| Net Investment in Capital Assets | \$ 168,299,566 | \$ 144,540,702 |
| Restricted | 10,904,426 | 9,881,718 |
| Unrestricted | 12,229,863 | (93,647,679) |
| Total Net Position | <u>\$ 191,433,855</u> | <u>\$ 60,774,741</u> |

The largest portion of the County's net position 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 position represents resources that are subject to external restrictions on how they may be used. Total net position Increased by \$130.66 million. The main reasons for the increase were the increase of Capital assets and the reduction in debt.

STATEMENT OF CHANGES IN NET POSITION

Governmental activities increased the County's net position by \$130,659,114. Key elements in changes in net position are shown in the following table.

| | Governmental Activities | |
|--|----------------------------|-----------------------|
| | 2021 | 2020 |
| Revenues: | | |
| Program Revenues: | | |
| Charges for Services | \$ 11,941,392 | \$ 12,716,263 |
| Operating Grants and Contributions | 23,103,595 | 21,015,342 |
| Capital Grants and Contributions | 11,301,221 | 1,293,858 |
| General Revenues: | | |
| Property Taxes | 46,151,464 | 44,117,175 |
| Sales Tax | 21,920,711 | 16,719,327 |
| State Share Revenues | 6,740,099 | 14,669,552 |
| Other | 2,446,167 | 2,807,015 |
| Total Revenues | <u>\$ 123,604,649</u> | <u>\$ 113,338,532</u> |
| Expenses: | | |
| General Government | \$ 11,499,691 | \$ 13,603,226 |
| Public Safety | 36,762,837 | 35,112,464 |
| Highways and Streets | 4,446,590 | 6,114,423 |
| Relief and Charities | 11,153,811 | 13,715,213 |
| Conservation & Economic Development | 26,080,746 | 22,688,887 |
| Culture and Recreation | 2,929,800 | 1,764,268 |
| Interest on Long-Term Debt | 72,060 | 1,088,434 |
| Total Expenses | <u>\$ 92,945,535</u> | <u>\$ 94,086,915</u> |
| Speical Items | \$ 100,000,000 | \$ - |
| (Decrease)/Increase in Net Position | \$ 130,659,114 | \$ 19,251,617 |
| Net Position – January 1, as previously stated | \$ 60,774,741 | \$ 38,437,813 |
| Prior Period Adjustment | - | 3,085,311 |
| Net Position – January 1, as restated | <u>\$ 60,774,741</u> | <u>\$ 41,523,124</u> |
| Net Position – December 31 | <u>\$ 191,433,855</u> | <u>\$ 60,774,741</u> |

Total revenues for 2021 were \$123,604,649 which is an increase of \$10,266,117 over 2020. Property tax revenue accounted for 37% of total revenues; the increase over 2020 was \$2.03 million as a result of increased property valuations. Operating grants accounted for 19%, an increase of \$2.09 million over 2020 due to highway funding. Sales tax accounted for 18%, with an increase of \$5.20 mil from 2020. Other revenues accounted for 2%, a decrease of \$360,848 resulting from decreased interest reimbursements. The remaining 24% came from charges for services, state shared revenues, and Capital Grants and Contributions. There was a large

decrease in state shared revenues due to onetime CARES funding received in 2020. Total expense decreased by \$1,141,380 over 2020 due to reduced road projects and Public Safety due to pensions.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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.

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 2021, the County's governmental funds reported combined ending fund balances of \$52,454,345, an increase of \$7.10 million compared with the previous year. The General, Human Service Zone, County Road and Bridge, ARPA, and Flood Control Sales Tax Fund are reported as major funds.

The General Fund is the chief operating fund of the County. At the end of the fiscal year 2021, unassigned fund balance of the General Fund was \$25,262,582, while total fund balance was \$26,038,622. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 69% of total General Fund expenditures.

The County's General Fund balance increased by \$4,726,681 during 2021. Property taxes increased by \$986,017 as a result of increased property valuations. The general state aid funding increased by \$568,824 over 2021 as a result of the increase in oil production in the western part of the state. The County Commission has a policy of maintaining a cash reserve of approximately 17% to 25% of budgeted expenditures.

The Human Service Zone Fund balance at December 31, 2021 was \$709,081. This fund receives its funding through the state of North Dakota and the County is not responsible for any shortfalls.

The fund balance of the County Road and Bridge Fund at December 31, 2021 was \$4,026,595. This is an increase of \$503,309 and due to an increase in state funding.

The American Rescue Plan Act (ARPA) Fund was established to account for the funding received from ARPA legislation. The county received 17,668,205 in funding in 2021 and is expected to receive a similar amount in 2022.

The Flood Control Sales Tax Fund had an ending fund balance of \$8,497,305. This fund is used to account for the one-half cent sales tax approved by the voters of Cass County for flood control projects. The county is using 94% of the sales tax dollars to fund the FM Diversion project. The remaining is being used on various county flood projects.

General Fund Budgetary Highlights

Differences between the General Fund's original budget and the final amended budget were and \$1,603,121 in expenditures and there was no change in the revenues budget.

The General Fund's actual revenue was \$3,666,739 over the final budget. The actual expenditures were \$2,674,564 less than the final budget. The variance is a result of the departments under spending their budgets and increased state aid.

CAPITAL ASSET AND DEBT ADMINISTRATION

CAPITAL ASSETS

As of December 31, 2021, the County's investment in capital assets for its governmental activities, net of accumulated depreciation/amortization, amounts to \$169,139,565. This investment in capital assets includes land, construction in progress, leased assets, buildings, improvements 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 \$22,823,341.

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

- New road and bridge projects in the Road Department
- Sale of land and building in the Road Department
- Replacement of vehicles and equipment for various offices

The following is a schedule of capital assets net of accumulated depreciation as of December 31, 2020 and 2021:

| | Governmental Activities | |
|-----------------------------------|----------------------------|----------------|
| | 2021 | 2020 |
| Land | \$ 31,904,245 | \$ 31,614,355 |
| Construction in Progress | 15,391,679 | 6,476,300 |
| Leased | 662,498 | 858,937 |
| Buildings | 32,504,375 | 33,494,344 |
| Improvements Other than Buildings | 2,194,667 | 1,920,492 |
| Machinery and Equipment | 3,074,222 | 3,487,111 |
| Infrastructure | 83,407,878 | 68,464,684 |
| Total | \$ 169,139,565 | \$ 146,316,223 |

Additional information on the County's capital assets can be found in Note 8 of this report.

LONG-TERM LIABILITIES

At the end of fiscal year 2021, the County had total long-term liabilities outstanding of \$22,617,215. Of this amount, \$180,000 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 with a remaining balance of \$840,000. The remainder of the County's long-term liabilities consists of net pension liability, leases, and compensated absences.

The following is a schedule of the outstanding long-term debt as of December 31, 2020 and 2021:

| | Governmental Activities | |
|--------------------------|----------------------------|----------------|
| | 2021 | 2020 |
| Special Assessment Bonds | \$ 180,000 | \$ 215,000 |
| General Obligation Bonds | 840,000 | 1,655,000 |
| Leases Payable | 630,953 | 831,820 |
| Loans Payable | 0 | 100,000,000 |
| Net Pension Liability | 17,833,066 | 59,610,328 |
| Net OPEB Liability | 1,135,804 | 1,756,803 |
| Compensated Absences | 2,002,063 | 2,216,217 |
| Total | \$ 22,617,215 | \$ 166,285,168 |

Additional information on the County's long-term liabilities can be found in Note 9 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The unemployment rate for the County on December 31, 2021 was 2.0%.
- The taxable value of all property located in the County has increased by 9.16% on average per year for the last five years.
- The taxable sales and purchases in the County increased by 20.54% 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 Finance Office, Box 2806, Fargo, ND 58108-2806.

THIS PAGE HAS BEEN RESERVED FOR NOTES

**BASIC FINANCIAL
STATEMENTS**

CASS COUNTY GOVERNMENT
Statement of Net Position
December 31, 2021

| | Primary Governmental Activities | Component Units |
|--|---------------------------------------|-----------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 67,384,234 | \$ 47,230,080 |
| Investments | 12,432,029 | - |
| Accounts Receivable | 804,256 | 561,229 |
| Investment Interest | 31,235 | - |
| Due From Primary Government | - | 34,860 |
| Deposits with Clerk of Court | - | 7,106,188 |
| Delinquent Tax | 372,462 | 79,728 |
| Due From Other Governments | 5,999,328 | 5,509,498 |
| Special Assessments | - | 5,286 |
| Loans | 10,527 | 2,107,800 |
| Inventories | 220,948 | 133,812 |
| Prepaid Items | 770,369 | 10,920 |
| Uncertified Special Assessments Receivable | 179,625 | 3,749,095 |
| Capital Assets Not Being Depreciated: | | |
| Land | 31,904,245 | 210,545,545 |
| Construction in progress | 15,391,679 | 6,352,801 |
| Capital assets (net of accumulated depreciation/amortization): | | |
| Leased | 662,499 | - |
| Buildings | 32,504,375 | 12,316 |
| Improvements other than buildings | 2,194,668 | - |
| Machinery and equipment | 3,074,222 | 448,520 |
| Infrastructure | 83,407,878 | 118,327,562 |
| Total assets | \$ 257,344,579 | \$ 402,215,240 |
| DEFERRED OUTFLOWS OF RESOURCES | | |
| Deferred Outflows of Resources Related to Pensions & OPEB | \$ 27,060,725 | \$ 504,769 |
| Pension & OPEB Contributions Made Subsequent to Measurement Date | 1,158,767 | 10,445 |
| Total Deferred Outflows of Resources | \$ 28,219,492 | \$ 515,214 |
| LIABILITIES | | |
| Accounts Payable | \$ 6,700,321 | \$ 1,733,305 |
| Benefits Payable | - | 14,128 |
| Retainages Payable | 837,886 | 93,973 |
| Interest Payable | 7,529 | 270,822 |
| Unearned Revenue | 14,143,628 | - |
| Premium Deposits | 492,756 | - |
| IBNR Claims | 427,848 | - |
| Due to Inmates/Permits/Drug Cases | 223,771 | - |
| Noncurrent liabilities: | | |
| Due within one year | 2,916,478 | 1,406,720 |
| Due in more than one year | 19,700,737 | 184,751,467 |
| Total liabilities | \$ 45,450,954 | \$ 188,270,415 |
| DEFERRED INFLOWS OF RESOURCES | | |
| Property Taxes Levied for Subsequent Year- Property Taxes | \$ 7,335,069 | \$ 203,244 |
| Property Taxes Levied for Subsequent Year - Special Assessments | 5,562 | - |
| Deferred Inflows of Resources Related to Pensions & OPEB | 41,338,631 | 881,190 |
| Total Deferred Inflows of Resources | 48,679,262 | \$ 1,084,434 |
| NET POSITION | | |
| Net Investment in capital assets | \$ 168,299,566 | \$ 149,947,254 |
| Restricted for: | | |
| General Government | 1,665,160 | - |
| Highway and Streets | 3,670,449 | - |
| Relief and Charities | 196,533 | - |
| Culture and Recreation | 253,112 | - |
| Emergency | 4,733,070 | - |
| Conservation of Natural Resources | - | 15,341,703 |
| Debt Service | 339,733 | 21,317,601 |
| Capital Projects | 46,369 | 3,701 |
| Unrestricted | 12,229,863 | 26,765,346 |
| Total Net Position | \$ 191,433,855 | \$ 213,375,605 |

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

CASS COUNTY GOVERNMENT
Statement of Activities
For the Year Ended December 31, 2021

| Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | | |
|---|----------------------|------------------------------------|----------------------------------|---|-------------------------|----------------------|
| | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Government | | |
| | | | | Governmental Activities | Component Units | |
| Functions/Programs | | | | | | |
| Primary Government: | | | | | | |
| Governmental Activities: | | | | | | |
| General Government | \$ 11,499,691 | \$ 2,837,431 | \$ 25,920 | \$ 245,252 | \$ (8,391,088) | \$ - |
| Public Safety | 36,762,837 | 8,133,857 | 1,990,800 | 3,279,325 | (23,358,855) | - |
| Highways and Streets | 4,446,590 | 550,844 | 7,851,136 | 7,776,644 | 11,732,034 | - |
| Relief and Charities | 11,153,811 | 382,751 | 12,112,785 | - | 1,341,725 | - |
| Conservation & Economic Development | 26,080,746 | 10,624 | 315,792 | - | (25,754,330) | - |
| Culture and Recreation | 2,929,800 | 25,885 | 807,162 | - | (2,096,753) | - |
| Interest on Long-Term Debt | 72,060 | - | - | - | (72,060) | - |
| Total Primary Government | <u>\$ 92,945,535</u> | <u>\$ 11,941,392</u> | <u>\$ 23,103,595</u> | <u>\$ 11,301,221</u> | <u>\$ (46,599,327)</u> | <u>\$ -</u> |
| Component units: | | | | | | |
| Southeast Cass Water Resource District | \$ 12,297,954 | \$ - | \$ 36,629,715 | \$ 35,057,892 | \$ - | \$ 59,389,653 |
| North Cass Water Resource District | 297,079 | - | 9,106 | - | - | (287,973) |
| Maple River Water Resource District | 1,160,984 | - | 694,506 | 96,924 | - | (369,554) |
| Rush River Water Resource District | 700,388 | - | 56,113 | 62,405 | - | (581,870) |
| Noxious Weed | 532,216 | 4,679 | 45,329 | - | - | (482,208) |
| Vector Control | 1,060,615 | 303,336 | - | - | - | (757,279) |
| Total Component Units | <u>\$ 16,049,236</u> | <u>\$ 308,015</u> | <u>\$ 37,434,769</u> | <u>\$ 35,217,221</u> | <u>\$ -</u> | <u>\$ 56,910,769</u> |
| General Revenues: | | | | | | |
| Property Taxes | | | | \$ 46,151,464 | \$ 10,453,488 | |
| Sales Taxes | | | | 21,920,711 | - | |
| Unrestricted State Shared Revenues | | | | 6,740,099 | 245,055 | |
| Gain/(Loss) on Sale of Capital Assets | | | | - | (2,032,776) | |
| Unrestricted Investment Earnings | | | | 369,055 | 101,437 | |
| Miscellaneous Revenue | | | | 2,077,112 | 816,159 | |
| Total General Revenues | | | | <u>\$ 77,258,441</u> | <u>\$ 9,583,363</u> | |
| Special Item - Amount to Fiscal Agent/P3 Fund Deposit | | | | \$ - | \$ (196,758,764) | |
| Special Item Loan Payoff | | | | \$ 100,000,000 | \$ - | |
| Changes in Net Position | | | | <u>\$ 130,659,114</u> | <u>\$ (130,264,632)</u> | |
| Net Position - January 1 as previously stated | | | | \$ 60,774,741 | \$ 343,640,237 | |
| Prior Period Adjustment | | | | | - | |
| Net Position - January 1 | | | | <u>\$ 60,774,741</u> | <u>\$ 343,640,237</u> | |
| Net position - December 31 | | | | <u>\$ 191,433,855</u> | <u>\$ 213,375,605</u> | |

The accompanying notes are an integral part of the financial statements.

**FUND FINANCIAL
STATEMENTS**

THIS PAGE HAS BEEN RESERVED FOR NOTES

CASS COUNTY GOVERNMENT

Balance Sheet

Governmental Funds

December 31, 2021

| | <u>General</u> | <u>Human Service Zone</u> | <u>County Road and Bridge</u> |
|---|----------------------|-------------------------------|-----------------------------------|
| Assets: | | | |
| Cash and Cash Equivalents | \$ 17,195,774 | \$ 730,146 | \$ 4,967,678 |
| Investments | 12,432,029 | - | - |
| Receivables: | | | |
| Taxes | 233,810 | - | 77,287 |
| Investment Interest | 31,235 | - | - |
| Accounts | 117,093 | 1,019 | 5,166 |
| Loans | 10,527 | - | - |
| Special Assessments | - | - | - |
| Uncertified Special Assessments | - | - | - |
| Due From Other Governments | 653,315 | 81,670 | 910,859 |
| Due From Other Funds | 690,204 | - | - |
| Inventory | - | - | 206,025 |
| Inventory of supplies, at cost | 14,923 | - | - |
| Prepaid Items | 613,945 | 570 | 63,116 |
| Total Assets | 31,992,855 | 813,405 | 6,230,131 |
| Liabilities: | | | |
| Accounts Payable | 1,093,221 | 104,324 | 565,309 |
| Unearned Revenues | 18,782 | - | 11,800 |
| Due to Inmates/Permits | - | - | 13,000 |
| Due to Other Funds | - | - | - |
| Total Liabilities | 1,112,003 | 104,324 | 590,109 |
| Deferred Inflows of Resources | | | |
| Taxes Receivable | 233,810 | - | 77,287 |
| Special Assessment Receivable | - | - | - |
| Uncertified Special Assessments Receivable | - | - | - |
| Property Taxes Levied for Subsequent Year | 4,608,420 | - | 1,536,140 |
| Special Assessments Levied for Subsequent Year | - | - | - |
| Total Deferred Inflows of Resources | 4,842,230 | - | 1,613,427 |
| Fund Balances (Deficits): | | | |
| Nonspendable: | | | |
| Inventory | 14,923 | - | 206,025 |
| Prepaid Items | 613,945 | 570 | 63,116 |
| Loans | 10,527 | - | - |
| Restricted: | | | |
| Sheriff Asset Forfeiture | - | - | - |
| Public Safety Communications System | - | - | - |
| JAIBG Funds | - | - | - |
| Hazardous Planning | - | - | - |
| State's Attorney Asset Forfeiture | - | - | - |
| 24/7 Sobriety | - | - | - |
| Relief and Charities | - | 708,511 | - |
| ARPA | - | - | - |
| Highways and Streets | - | - | 3,757,454 |
| Senior Citizens | - | - | - |
| Emergency | - | - | - |
| Document Preservation | - | - | - |
| County Park | - | - | - |
| Civil Asset Forfeitures | - | - | - |
| Pass Through Grants | - | - | - |
| Special Assessment Debt | - | - | - |
| General Obligation Debt | - | - | - |
| Committed: | | | |
| Jail Commissary | - | - | - |
| Valley Water Rescue | - | - | - |
| Parenting Workshop | - | - | - |
| Flood Control Projects | - | - | - |
| Capital Projects | - | - | - |
| Special Assessment Projects | - | - | - |
| Assigned: | | | |
| SWAT Vehicle Replacement | 136,645 | - | - |
| Unassigned | 25,262,582 | - | - |
| Total Fund Balances (Deficits) | 26,038,622 | 709,081 | 4,026,595 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits) | \$ 31,992,855 | \$ 813,405 | \$ 6,230,131 |

The accompanying notes are an integral part of the financial statements.

| ARPA Fund | Flood Control Sales Tax | Other Governmental Funds | Total Governmental Funds |
|----------------------|-------------------------|--------------------------|--------------------------|
| \$ 14,554,990 | \$ 9,078,359 | \$ 14,097,445 | \$ 60,624,392 |
| - | - | - | 12,432,029 |
| - | - | 61,365 | 372,462 |
| - | - | - | 31,235 |
| - | 8,393 | 666,048 | 797,719 |
| - | - | - | 10,527 |
| - | - | - | - |
| - | - | 179,625 | 179,625 |
| - | 4,058,383 | 295,101 | 5,999,328 |
| - | - | 112,314 | 802,518 |
| - | - | - | 206,025 |
| - | - | - | 14,923 |
| - | - | 92,738 | 770,369 |
| <u>14,554,990</u> | <u>13,145,135</u> | <u>15,504,636</u> | <u>82,241,152</u> |
| 411,362 | 3,814,880 | 704,494 | 6,693,590 |
| 14,143,628 | - | - | 14,174,210 |
| - | - | 210,771 | 223,771 |
| - | - | 802,518 | 802,518 |
| <u>14,554,990</u> | <u>3,814,880</u> | <u>1,717,783</u> | <u>21,894,089</u> |
| - | - | 61,365 | 372,462 |
| - | - | - | - |
| - | - | 179,625 | 179,625 |
| - | - | 1,190,509 | 7,335,069 |
| - | - | 5,562 | 5,562 |
| - | - | <u>1,437,061</u> | <u>7,892,718</u> |
| - | - | - | 220,948 |
| - | - | 92,738 | 770,369 |
| - | - | - | 10,527 |
| - | - | 153,432 | 153,432 |
| - | - | 122,091 | 122,091 |
| - | - | 66,041 | 66,041 |
| - | - | 30,715 | 30,715 |
| - | - | 259,177 | 259,177 |
| - | - | 22,084 | 22,084 |
| - | - | - | 708,511 |
| - | - | - | - |
| - | - | - | 3,757,454 |
| - | - | 133,103 | 133,103 |
| - | - | 4,733,070 | 4,733,070 |
| - | - | 2,000,372 | 2,000,372 |
| - | - | 120,258 | 120,258 |
| - | - | 57,981 | 57,981 |
| - | - | 10,573 | 10,573 |
| - | - | 20,717 | 20,717 |
| - | - | 132,125 | 132,125 |
| - | - | 500,732 | 500,732 |
| - | - | 8,030 | 8,030 |
| - | - | 35,722 | 35,722 |
| - | 9,330,255 | - | 9,330,255 |
| - | - | 3,740,418 | 3,740,418 |
| - | - | 110,413 | 110,413 |
| - | - | - | - |
| - | - | - | 136,645 |
| - | - | - | 25,262,582 |
| - | <u>9,330,255</u> | <u>12,349,792</u> | <u>52,454,345</u> |
| <u>\$ 14,554,990</u> | <u>\$ 13,145,135</u> | <u>\$ 15,504,636</u> | <u>\$ 82,241,152</u> |

THIS PAGE HAS BEEN RESERVED FOR NOTES

CASS COUNTY GOVERNMENT
Reconciliation of the Balance Sheet
of Governmental Funds
To the Statement of Net Position
December 31, 2021

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

| | |
|---|-----------------------|
| Total fund balances - governmental funds | \$ 52,454,345 |
| Add - Capital Assets | 280,615,628 |
| Deduct - accumulated depreciation/amortization | <u>(111,550,296)</u> |
| Net Capital Assets | 169,065,332 |
| 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 unearned revenues in the funds. | 372,462 |
| 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 unearned revenues in the funds. | 14,174,210 |
| Long-term uncertified special assessments receivable are not reported in the funds because they are unavailable to pay the current period's expenditures. | 179,625 |
| 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, including non-current asset, are included in governmental activities in the statement of net position. Add - net position of governmental activities accounted for in the internal service funds | 5,913,278 |
| Net pension and OPEB obligations are not due and payable in the current period, and therefore are not reported in the governmental funds. | (18,968,870) |
| Deferred outflows and inflows of resources related to pensions and OPEB are not due and payable in the current period and, therefore, are not reported in the funds. Deferred Outflows of Resources Related to Pensions and OPEB | 27,060,725 |
| Pension and OPEB Contributions made subsequent to the measurement date | 1,158,767 |
| Deferred Inflows of Resources Related to Grant Funding | (14,143,628) |
| Deferred Inflows of Resources Related to Pensions and OPEB | <u>(41,338,631)</u> |
| | (27,262,767) |
| 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 | (2,002,063) |
| Retainage payable | (837,886) |
| Leases payable | (630,953) |
| Special assessments bonds payable | (180,000) |
| GO Bonds Payable | (840,000) |
| Loan Payable | - |
| Unamortized Bond Discount | 4,671 |
| Interest Payable | <u>(7,529)</u> |
| Total long term liabilities | <u>(4,493,760)</u> |
| Net position of governmental activities | <u>\$ 191,433,855</u> |

The accompanying notes are an integral part of the financial statements.

CASS COUNTY GOVERNMENT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended December 31, 2021

| | General Fund | Human Service Zone | County Road and Bridge |
|--|----------------------|-----------------------|---------------------------|
| <u>REVENUES</u> | | | |
| Taxes: | | | |
| Property | \$ 28,982,293 | \$ - | \$ 9,638,497 |
| Sales | - | - | - |
| Licenses, permits and fees | 86,119 | - | 121,111 |
| Intergovernmental revenues | 8,269,268 | 11,374,908 | 7,594,804 |
| Charges for services | 4,374,792 | 245 | 429,732 |
| Miscellaneous revenues | 729,471 | 18,204 | 106,010 |
| Total Revenues | <u>42,441,943</u> | <u>11,393,357</u> | <u>17,890,154</u> |
| <u>EXPENDITURES</u> | | | |
| Current: | | | |
| General government | 9,814,640 | - | - |
| Public Safety | 24,127,262 | - | - |
| Highways and streets | - | - | 17,409,454 |
| Relief and charities | - | 10,986,413 | - |
| Culture and recreation | - | - | - |
| Conservation & economic development | 2,608,877 | - | - |
| Capital outlay | - | - | - |
| Debt service: | | | |
| Principal retirement | - | - | - |
| Interest | - | - | - |
| Fiscal charges | - | - | - |
| Total Expenditures | <u>36,550,779</u> | <u>10,986,413</u> | <u>17,409,454</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>5,891,164</u> | <u>406,944</u> | <u>480,700</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | |
| Transfers in | - | - | - |
| Transfers out | (1,329,648) | - | - |
| Issuance of Debt | - | - | - |
| Sale of capital assets | 165,165 | - | 22,609 |
| Bond Discount | - | - | - |
| Total of other financing sources and uses | <u>(1,164,483)</u> | <u>-</u> | <u>22,609</u> |
| Net change in fund balances | <u>4,726,681</u> | <u>406,944</u> | <u>503,309</u> |
| Fund balances (deficit) - beginning | <u>21,311,941</u> | <u>302,137</u> | <u>3,523,286</u> |
| Prior Period Adjustment | - | - | - |
| Adjusted Fund balances - beginning | <u>21,311,941</u> | <u>302,137</u> | <u>3,523,286</u> |
| Fund balances (deficit) - ending | <u>\$ 26,038,622</u> | <u>\$ 709,081</u> | <u>\$ 4,026,595</u> |

The accompanying notes are an integral part of the financial statements.

| ARPA Fund | Flood Control Sales Tax | Other Governmental Funds | Total Governmental Funds |
|------------------|-------------------------|--------------------------|--------------------------|
| \$ - | \$ - | \$ 7,651,374 | \$ 46,272,164 |
| - | 21,920,711 | - | 21,920,711 |
| - | - | - | 207,230 |
| 3,524,577 | - | 2,942,995 | 33,706,552 |
| - | - | 6,279,737 | 11,084,506 |
| - | 49,948 | 1,645,239 | 2,548,872 |
| <u>3,524,577</u> | <u>21,970,659</u> | <u>18,519,345</u> | <u>115,740,035</u> |
| 245,252 | - | 1,348,931 | 11,408,823 |
| 3,279,325 | - | 5,737,878 | 33,144,465 |
| - | - | 77,922 | 17,487,376 |
| - | - | - | 10,986,413 |
| - | - | 2,920,581 | 2,920,581 |
| - | - | 293,962 | 2,902,839 |
| - | 21,137,709 | 7,922,479 | 29,060,188 |
| - | - | 850,000 | 850,000 |
| - | - | 64,200 | 64,200 |
| - | - | 7,816 | 7,816 |
| <u>3,524,577</u> | <u>21,137,709</u> | <u>19,223,769</u> | <u>108,832,701</u> |
| - | 832,950 | (704,424) | 6,907,334 |
| - | - | 1,507,582 | 1,507,582 |
| - | - | (177,934) | (1,507,582) |
| - | - | - | - |
| - | - | - | 187,774 |
| - | - | - | - |
| - | - | 1,329,648 | 187,774 |
| - | 832,950 | 625,224 | 7,095,108 |
| - | 8,497,305 | 11,724,568 | 45,359,237 |
| - | - | - | - |
| - | 8,497,305 | 11,724,568 | 45,359,237 |
| <u>\$ -</u> | <u>\$ 9,330,255</u> | <u>\$ 12,349,792</u> | <u>\$ 52,454,345</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, 2021

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

Net change in fund balances - total governmental funds \$ 7,095,108

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 depreciation exceeded capital outlays in the current period.

| | | |
|--|--------------------|------------|
| Construction in progress Capital Contribution | 7,776,644 | |
| Capital asset additions | 26,066,024 | |
| Current year depreciation/amortization expense | <u>(4,478,337)</u> | |
| | | 29,364,331 |

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 position differs from the change in fund balance by the cost of the capital assets sold or disposed.

| | | |
|---|----------------|-------------|
| Retired assets | (6,799,863) | |
| Accumulated depreciation/amortization on retired assets | <u>305,162</u> | |
| | | (6,494,701) |

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

| | | |
|---|---------------|----------|
| Increase in Taxes Receivable | (81,282) | |
| Decrease in Uncertified Special Assessments | (30,321) | |
| Decrease in Loans Receivable | <u>11,800</u> | |
| | | (99,803) |

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

| | | |
|--------------------|--------------------|-------------|
| Repayment of bonds | <u>100,850,000</u> | 100,850,000 |
|--------------------|--------------------|-------------|

The net pension and OPEB liability, and related deferred outflows and inflows of resources are reported in the government wide statements; however, activity related to these pension and OPEB items do not involve financial resources, and are not reported in the funds.

| | | |
|--|---------------------|---------|
| Decrease in Net Pension and OPEB Liability | 42,398,261 | |
| Increase in Deferred Outflows of Resources | (10,792,746) | |
| Increase in Deferred Inflows of Resources | <u>(30,796,501)</u> | |
| | | 809,014 |

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 | 6,341 | |
| Retainage payable | (805,291) | |
| Decrease in leases payable | 200,867 | |
| Amortization of bond Issuance costs | (6,385) | |
| Net increase in compensated absences | <u>214,154</u> | |
| | | (390,314) |

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 position.

(474,521)

Change in net position of governmental activities \$ 130,659,114

The accompanying 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, 2021

| | Budget | | Actual | Variance With Final Budget Positive (Negative) |
|--|----------------------|----------------------|----------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Property Taxes | \$ 28,246,356 | \$ 28,246,356 | \$ 28,982,293 | \$ 735,937 |
| Licenses, Permits and Fees | 49,500 | 49,500 | 86,119 | 36,619 |
| Intergovernmental Revenues | 6,594,895 | 6,594,895 | 8,269,268 | 1,674,373 |
| Charges for Services | 3,426,733 | 3,426,733 | 4,374,792 | 948,059 |
| Miscellaneous Revenues | 457,720 | 457,720 | 729,471 | 271,751 |
| Total Revenues | 38,775,204 | 38,775,204 | 42,441,943 | 3,666,739 |
| Expenditures: | | | | |
| Current: | | | | |
| General Government: | | | | |
| County Commission | 1,074,409 | 1,687,223 | 1,959,277 | (272,054) |
| County Administrator | 3,116,121 | 3,116,121 | 2,870,756 | 245,365 |
| Information Technology | 2,131,923 | 2,131,923 | 1,930,039 | 201,884 |
| Finance Office | 1,241,392 | 1,275,461 | 1,210,434 | 65,027 |
| County Recorder | 694,825 | 694,825 | 609,503 | 85,322 |
| Director of Tax Equalization | 563,689 | 563,689 | 536,473 | 27,216 |
| Human Service Indirect | 248,060 | 248,060 | 227,492 | 20,568 |
| Veterans Service | 342,916 | 342,916 | 321,975 | 20,941 |
| County Planning | 164,517 | 164,517 | 148,691 | 15,826 |
| Total General Government | 9,577,852 | 10,224,735 | 9,814,640 | 410,095 |
| Public Safety: | | | | |
| Emergency Management | 281,024 | 281,024 | 253,360 | 27,664 |
| County Sheriff | 20,991,891 | 20,991,891 | 19,325,583 | 1,666,308 |
| States Attorney | 4,470,114 | 4,470,114 | 4,169,185 | 300,929 |
| County Coroner | 402,793 | 402,793 | 361,958 | 40,835 |
| Cemetery | 18,049 | 18,049 | 17,176 | 873 |
| Total Public Safety | 26,163,871 | 26,163,871 | 24,127,262 | 2,036,609 |
| Conservation & Econ. Development: | | | | |
| County Extension Agent | 514,235 | 514,235 | 404,795 | 109,440 |
| Public Service Agencies | 2,322,502 | 2,322,502 | 2,204,082 | 118,420 |
| Total Conservation & Econ Dev | 2,836,737 | 2,836,737 | 2,608,877 | 227,860 |
| Total Expenditures | 38,578,460 | 39,225,343 | 36,550,779 | 2,674,564 |
| Excess (deficiency) of revenues over (under) expenditures | 196,744 | (450,139) | 5,891,164 | 6,341,303 |
| Other Financing Sources (Uses): | | | | |
| Sale of Property | 20,500 | 20,500 | 165,165 | 144,665 |
| Transfers Out | 2,654,963 | 1,698,725 | (1,329,648) | (3,028,373) |
| Total Other Financing Sources and (Uses) | 2,675,463 | 1,719,225 | (1,164,483) | (2,883,708) |
| Net change in fund balances | 2,872,207 | 1,269,086 | 4,726,681 | 3,457,595 |
| Fund Balance - Beginning | 21,311,941 | 21,311,941 | 21,311,941 | - |
| Fund Balance - Ending | \$ 24,184,148 | \$ 22,581,027 | \$ 26,038,622 | \$ 3,457,595 |

The accompanying notes are an integral part of the financial statements.

CASS COUNTY GOVERNMENT
Human Service Zone
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Fiscal Year Ended December 31, 2021

| | Budget | | Actual | Variance With Final Budget Positive (Negative) |
|---|---------------------|---------------------|-------------------|---|
| | Original | Final | | |
| <u>Revenues:</u> | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - |
| Licenses, Permits and Fees | - | - | - | - |
| Intergovernmental Revenues | 11,244,745 | 11,244,745 | 11,374,908 | 130,163 |
| Charges for Services | - | - | 245 | 245 |
| Miscellaneous Revenues | - | - | 18,204 | 18,204 |
| Total Revenues | 11,244,745 | 11,244,745 | 11,393,357 | 148,612 |
| <u>Expenditures:</u> | | | | |
| Current: | | | | |
| Relief and Charities | 12,105,111 | 12,105,111 | 10,986,413 | 1,118,698 |
| Total Expenditures | 12,105,111 | 12,105,111 | 10,986,413 | 1,118,698 |
| Excess (deficiency) of revenues over (under) expenditures | (860,366) | (860,366) | 406,944 | 1,267,310 |
| <u>Other Financing Sources (Uses):</u> | | | | |
| Transfers In | - | - | - | - |
| Sale of Property | - | - | - | - |
| Operating Transfers Out | - | - | - | - |
| Total Other Financing Sources (Uses) | - | - | - | - |
| Revenues and Other Financing Sources Over (Under) Expenditures | (860,366) | (860,366) | 406,944 | 1,267,310 |
| Fund Balance - Beginning | 302,137 | 302,137 | 302,137 | - |
| Fund Balance - Ending | \$ (558,229) | \$ (558,229) | \$ 709,081 | \$ 1,267,310 |

The accompanying notes are an integral part of the financial statements.

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, 2021

| | Budget | | Actual | Variance With Final Budget Positive (Negative) |
|--|---------------------|----------------------|---------------------|---|
| | Original | Final | | |
| <u>Revenues:</u> | | | | |
| Property Taxes | \$ 9,815,345 | \$ 9,815,345 | \$ 9,638,497 | \$ (176,848) |
| Licenses, Permits and Fees | 58,500 | 58,500 | 121,111 | 62,611 |
| Intergovernmental Revenues | 8,310,042 | 14,703,116 | 7,594,804 | (7,108,312) |
| Charges for Services | - | - | 429,732 | 429,732 |
| Miscellaneous Revenues | 140,000 | 140,000 | 106,010 | (33,990) |
| Total Revenues | 18,323,887 | 24,716,961 | 17,890,154 | (6,826,807) |
| <u>Expenditures:</u> | | | | |
| Current: | | | | |
| Highways and Streets | 18,752,752 | 18,226,238 | 17,409,454 | 816,784 |
| Total Expenditures | 18,752,752 | 18,226,238 | 17,409,454 | 816,784 |
| Excess (deficiency) of revenues over (under) expenditures | (428,865) | 6,490,723 | 480,700 | (6,010,023) |
| <u>Other Financing Sources (Uses):</u> | | | | |
| Sale of Property | 10,000 | 10,000 | 22,609 | 12,609 |
| Transfers Out | - | - | - | - |
| Total Other Financing Sources and (Uses) | 10,000 | 10,000 | 22,609 | 12,609 |
| Net change in fund balances | (418,865) | 6,500,723 | 503,309 | (5,997,414) |
| Fund Balance - Beginning | 3,523,286 | 3,523,286 | 3,523,286 | - |
| Fund Balance - Ending | \$ 3,104,421 | \$ 10,024,009 | \$ 4,026,595 | \$ (5,997,414) |

The accompanying notes are an integral part of the financial statements.

CASS COUNTY GOVERNMENT
ARPA Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Fiscal Year Ended December 31, 2021

| | Budget | | Actual | Variance With Final Budget Positive (Negative) |
|--|-------------|----------------------|------------------|---|
| | Original | Final | | |
| <u>Revenues:</u> | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental Revenues | - | 17,668,205 | 3,524,577 | (14,143,628) |
| Charges for Services | - | - | - | - |
| Miscellaneous Revenues | - | - | - | - |
| Total Revenues | - | 17,668,205 | 3,524,577 | (14,143,628) |
| <u>Expenditures:</u> | | | | |
| Current: | | | | |
| General Government | - | - | 245,252 | (245,252) |
| Public Safety | - | 3,500,000 | 3,279,325 | 220,675 |
| Total Expenditures | - | 3,500,000 | 3,524,577 | (245,252) 220,675 |
| Excess (deficiency) of revenues over (under) expenditures | - | 14,168,205 | - | (14,388,880) |
| <u>Other Financing Sources (Uses):</u> | | | | |
| Transfers In | - | - | - | - |
| Transfers Out | - | - | - | - |
| Total Other Financing Sources and (Uses) | - | - | - | - |
| Net change in fund balances | - | 14,168,205 | - | (14,388,880) |
| Fund Balance - Beginning | - | - | - | - |
| Fund Balance - Ending | \$ - | \$ 14,168,205 | \$ - | \$ (14,388,880) |

The accompanying notes are an integral part of the financial statements.

CASS COUNTY GOVERNMENT

**Proprietary Funds
Statement of Net Position
December 31, 2021**

| | <u>Governmental Activities</u> <u>Internal Service Funds</u> |
|----------------------------------|---|
| <u>ASSETS</u> | |
| Current Assets: | |
| Cash and Cash Equivalents | \$ 6,759,842 |
| Accounts Receivable | 6,537 |
| Prepaid Items | <u>-</u> |
| Total Current Assets | <u>6,766,379</u> |
| Noncurrent Assets: | |
| Capital Assets | 450,916 |
| Less: Accumulated Depreciation | <u>(376,682)</u> |
| Total Noncurrent Assets | <u>74,234</u> |
| Total Assets | <u><u>6,840,613</u></u> |
| <u>LIABILITIES</u> | |
| <u>Current Liabilities</u> | |
| Accounts Payable | 6,731 |
| Premium Deposits | 492,756 |
| IBNR Claims | <u>427,848</u> |
| Total Liabilities | <u>927,335</u> |
| <u>Net Position</u> | |
| Net Investment in Capital Assets | 74,234 |
| Unrestricted | <u>5,839,044</u> |
| Total Net Position | <u><u>\$ 5,913,278</u></u> |

The accompanying notes are an integral part of the financial statements.

CASS COUNTY GOVERNMENT
Statement of Revenues, Expenses and
Changes in Net Position
Proprietary Fund Types
For the Year Ended December 31, 2021

| | Governmental Activities |
|--|----------------------------|
| | Internal Service Funds |
| <u>Operating Revenues:</u> | |
| Premiums | \$ 5,703,239 |
| Charges for Services | 351,913 |
| Miscellaneous | - |
| | 6,055,152 |
| <u>Operating Expenses:</u> | |
| Premiums | 1,034,285 |
| Medical Services | 21,011 |
| Telephone Service | 292,257 |
| Administrative Fees | 310,920 |
| Collision Repair/Replacement | 31,434 |
| Benefit Payments | 4,553,457 |
| IBNR Claims | 427,848 |
| Depreciation Expense | 45,731 |
| | 6,716,943 |
| Total Operating Expenses | 6,716,943 |
| Operating Income | (661,791) |
| <u>Nonoperating Revenues (Expenses):</u> | |
| Interest Income | 185,517 |
| Gain on Disposal of Capital Assets | 1,753 |
| | 187,270 |
| Total Nonoperating Revenues (Expenses) | 187,270 |
| Change in Net Position | (474,521) |
| Total Net Position Beginning | 6,387,799 |
| Total Net Position Ending | \$ 5,913,278 |

The accompanying notes are an integral part of the financial statements.

CASS COUNTY GOVERNMENT
Statement of Cash Flows
Proprietary Fund Types
For the Year Ended December 31, 2021

| | Governmental Activities |
|---|----------------------------|
| | Internal Service Funds |
| <u>Cash Flows From Operating Activities:</u> | |
| Receipts from customers | \$ 6,053,843 |
| Payments to suppliers | (1,714,313) |
| Claims paid | (5,091,681) |
| Other receipts | - |
| | - |
| Net cash provided by operating activities | (752,151) |
| <u>Cash Flows From Capital and Related Financing Activities:</u> | |
| Purchase of capital assets | - |
| Proceeds on Sale of Capital Assets | - |
| | - |
| Net Cash Used in Capital and Related Financing Activities | - |
| <u>Cash Flows From Investing Activities:</u> | |
| Interest income | 185,517 |
| | 185,517 |
| Net Increase in cash and cash equivalents | (566,634) |
| Cash and cash equivalents - beginning of the year | 7,326,476 |
| Cash and cash equivalents - end of the year | 6,759,842 |
| <u>Reconciliation of Operating Income to net cash provided by operating activities:</u> | |
| Operating income | (661,791) |
| Adjustments to reconcile operating income to net cash flows from operating activities: | |
| Depreciation | 48,041 |
| Changes in assets and liabilities: | |
| (Increase) decrease in accounts receivable | (3,619) |
| (Increase) decrease in prepaid items | - |
| Increase (decrease) in accounts payable | (24,406) |
| Increase (decrease) in premium deposit funds | 12,012 |
| Increase (decrease) in IBNR claims | (122,388) |
| Net cash provided by operating activities | \$ (752,151) |
| Schedule of non-cash capital and related financing activities: | |
| Disposal of Capital Assets | \$ (5,098) |

The accompanying notes are an integral part of the financial statements.

CASS COUNTY GOVERNMENT

Statement of Net Position

Fiduciary Funds

December 31, 2021

ASSETS

| | <u>Custodial Funds</u> |
|---------------------------|--------------------------|
| Current Assets: | |
| Cash and cash equivalents | \$ 44,508,810 |
| Accounts Receivable | 525 |
| Total Current Assets | <u>44,509,335</u> |
| Total Noncurrent Assets | <u>-</u> |
| Total Assets | <u><u>44,509,335</u></u> |

LIABILITIES

| | |
|---|--------------------|
| <u>Current Liabilities:</u> | |
| Accounts Payable | 534 |
| Due to Local Governments | <u>9,852,335</u> |
| Total Liabilities | <u>9,852,869</u> |
| <u>Deferred Inflows:</u> | |
| Property Tax | <u>34,656,466</u> |
| Total Deferred Inflows | <u>34,656,466</u> |
| <u>Net Position:</u> | |
| Restricted for Organizations and and other governments | <u>-</u> |
| Total Net Position | <u><u>\$ -</u></u> |

The accompanying notes are an integral part of the financial statements.

CASS COUNTY GOVERNMENT
Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended December 31, 2021

| | <u>Custodial Funds</u> |
|---|------------------------|
| <u>Additions:</u> | |
| Collections for Other Governments | \$ 300,363,494 |
| Miscellaneous | 2,424,934 |
| Total Additions | 302,788,428 |
| <u>Deductions:</u> | |
| Payments to Other Governments | 300,363,494 |
| Miscellaneous | 2,424,934 |
| Total Deductions | 302,788,428 |
| Net Increase (Decrease) in Net position | - |
| Total Net Position Beginning | - |
| Total Net Position Ending | \$ - |

The accompanying notes are an integral part of the financial statements.

CASS COUNTY GOVERNMENT

Statement of Net Position

Component Units

December 31, 2021

| | Southeast Cass WRD | Maple River WRD | North Cass WRD |
|---|-----------------------|----------------------|---------------------|
| <u>Assets:</u> | | | |
| Cash and Cash Equivalents | \$ 38,252,578 | \$ 3,485,469 | \$ 1,999,617 |
| Receivables: | | | |
| Accounts Receivable | 518,895 | - | - |
| Deposit with Clerk of Court | 7,106,188 | - | - |
| Delinquent Tax | 52,479 | 10,785 | 2,899 |
| Due From Other Governments | 5,498,752 | 3,030 | 1,218 |
| Special Assessments | 925 | 388 | - |
| Due From Primary Government | 27,383 | 5,557 | 1,040 |
| Inventory | - | - | - |
| Prepaid Items | - | - | - |
| Loans | 2,107,800 | - | - |
| Uncertified Special Assessments Receivable | 535,859 | 1,871,522 | - |
| Capital Assets Not Being Depreciated: | | | |
| Land | 203,210,765 | 3,148,269 | 1,265,494 |
| Construction in Progress | 1,752,678 | 3,380,429 | 70,986 |
| Capital Assets (Net of Accumulated Depreciation) | | | |
| Buildings | - | - | - |
| Equipment | 103,568 | - | - |
| Infrastructure | 86,677,469 | 21,663,293 | 4,089,473 |
| Total Assets | <u>\$ 345,845,339</u> | <u>\$ 33,568,742</u> | <u>\$ 7,430,727</u> |
| <u>Deferred Outflows of Resources:</u> | | | |
| Deferred Outflows of Resources Related to Pensions & OPEB | \$ 146,112 | \$ 48,704 | \$ 19,482 |
| Pension Contributions Made Subsequent to Measurement Date | - | - | - |
| Total Deferred Outflows of Resources | <u>\$ 146,112</u> | <u>\$ 48,704</u> | <u>\$ 19,482</u> |
| <u>Liabilities:</u> | | | |
| Accounts Payable | \$ 537,592 | \$ 216,614 | \$ 90,888 |
| Benefits Payable | 6,400 | 3,127 | 2,568 |
| Retainages Payable | 9,796 | 38,536 | - |
| Interest Payable | 250,108 | 9,751 | - |
| Noncurrent Liabilities: | | | |
| Due within one year | (262,430) | 1,255,821 | 3,009 |
| Due in more than one year | 179,994,940 | 1,754,912 | 16,992 |
| Total Liabilities | <u>\$ 180,536,406</u> | <u>\$ 3,278,761</u> | <u>\$ 113,457</u> |
| <u>Deferred Inflows of Resources:</u> | | | |
| Property Taxes Levied for Subsequent Year | \$ - | \$ - | \$ - |
| Deferred Inflows of Resources Related to Pensions & OPEB | 256,510 | 85,503 | 34,201 |
| Total Deferred Inflows of Resources | <u>\$ 256,510</u> | <u>\$ 85,503</u> | <u>\$ 34,201</u> |
| <u>Net Position</u> | | | |
| Net Investment in Capital Assets | \$ 112,152,186 | \$ 25,192,728 | \$ 5,425,954 |
| Restricted For: | | | |
| Conservation of Natural Resources | 10,790,470 | 1,936,430 | 1,702,878 |
| Debt Service | 17,114,225 | 1,987,836 | - |
| Capital Projects | - | - | - |
| Unrestricted | 25,141,654 | 1,136,188 | 173,719 |
| Total Net Position | <u>\$ 165,198,535</u> | <u>\$ 30,253,182</u> | <u>\$ 7,302,551</u> |

The accompanying notes are an integral part of the financial statements.

| Rush River WRD | Weed Control | Vector Control | Totals |
|----------------------|-------------------|-------------------|-----------------------|
| \$ 2,733,351 | \$ 400,180 | \$ 358,885 | \$ 47,230,080 |
| - | 974 | 41,360 | 561,229 |
| - | - | - | 7,106,188 |
| 2,056 | 4,842 | 6,667 | 79,728 |
| 3,363 | 308 | 2,827 | 5,509,498 |
| 3,973 | - | - | 5,286 |
| 880 | - | - | 34,860 |
| - | - | 133,812 | 133,812 |
| - | 2,095 | 8,825 | 10,920 |
| - | - | - | 2,107,800 |
| 1,341,714 | - | - | 3,749,095 |
| 2,921,017 | - | - | 210,545,545 |
| 1,148,708 | - | - | 6,352,801 |
| - | 12,316 | - | 12,316 |
| - | 8,827 | 336,125 | 448,520 |
| 5,897,327 | - | - | 118,327,562 |
| <u>\$ 14,052,389</u> | <u>\$ 429,542</u> | <u>\$ 888,501</u> | <u>\$ 402,215,240</u> |
| \$ 29,222 | \$ 81,210 | \$ 180,039 | \$ 504,769 |
| - | 3,247 | 7,198 | 10,445 |
| <u>\$ 29,222</u> | <u>\$ 84,457</u> | <u>\$ 187,237</u> | <u>\$ 515,214</u> |
| \$ 882,609 | \$ 4,138 | \$ 1,464 | \$ 1,733,305 |
| 2,033 | - | - | 14,128 |
| 45,641 | - | - | 93,973 |
| 10,963 | - | - | 270,822 |
| 390,198 | 2,170 | 17,952 | 1,406,720 |
| 2,742,097 | 75,390 | 167,136 | 184,751,467 |
| <u>\$ 4,073,541</u> | <u>\$ 81,698</u> | <u>\$ 186,552</u> | <u>\$ 188,270,415</u> |
| \$ - | \$ 72,672 | \$ 130,572 | \$ 203,244 |
| 51,302 | 141,026 | 312,648 | 881,190 |
| <u>\$ 51,302</u> | <u>\$ 213,698</u> | <u>\$ 443,220</u> | <u>\$ 1,084,434</u> |
| \$ 6,819,118 | \$ 21,143 | \$ 336,125 | \$ 149,947,254 |
| 911,925 | - | - | 15,341,703 |
| 2,215,540 | - | - | 21,317,601 |
| 3,701 | - | - | 3,701 |
| 6,484 | 197,460 | 109,841 | 26,765,346 |
| <u>\$ 9,956,768</u> | <u>\$ 218,603</u> | <u>\$ 445,966</u> | <u>\$ 213,375,605</u> |

Statement of Activities
Statement of Activities
Component Units
For the Year Ended December 31, 2021

| <u>Functions/Programs</u> | Program Revenues | | | |
|--|------------------|-------------------------|--|--|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Component units: | | | | |
| Southeast Cass Water Resource District | \$ 12,297,954 | \$ - | \$ 36,629,715 | \$ 35,057,892 |
| Maple River Water Resource District | 1,160,984 | - | 694,506 | 96,924 |
| North Cass Water Resource District | 297,079 | - | 9,106 | - |
| Rush River Water Resource District | 700,388 | - | 56,113 | 62,405 |
| Noxious Weed | 532,216 | 4,679 | 45,329 | - |
| Vector Control | 1,060,615 | 303,336 | - | - |
| Total Component Units | \$ 16,049,236 | \$ 308,015 | \$ 37,434,769 | \$ 35,217,221 |

General revenues:
Property taxes
Unrestricted State Shared Revenue
Gain/(Loss) on Sale of Capital Assets
Unrestricted investment earnings
Miscellaneous Revenue

Total General Revenues

Special Item
Amount to Fiscal Agent/P3 Fund Deposit

Changes in Net Position

Net position - January 1 as previously stated

Prior Period Adjustment

Net Position - January 1 as restated

Net Position - Ending

The accompanying notes are an integral part of the financial statements.

**Net (Expense) Revenue and
Changes in Net Position**

| Southeast Cass WRD | Maple River WRD | North Cass WRD | Rush River WRD | Weed Control | Vector Control | Total |
|-------------------------------|----------------------------|---------------------------|---------------------------|-------------------------|---------------------------|-------------------------|
| \$ 59,389,653 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 59,389,653 |
| - | (369,554) | - | - | - | - | (369,554) |
| - | - | (287,973) | - | - | - | (287,973) |
| - | - | - | (581,870) | - | - | (581,870) |
| - | - | - | - | (482,208) | - | (482,208) |
| - | - | - | - | - | (757,279) | (757,279) |
| <u>\$ 59,389,653</u> | <u>\$ (369,554)</u> | <u>\$ (287,973)</u> | <u>\$ (581,870)</u> | <u>\$ (482,208)</u> | <u>\$ (757,279)</u> | <u>\$ 56,910,769</u> |
| \$ 7,209,882 | \$ 1,281,696 | \$ 403,470 | \$ 298,362 | \$ 441,024 | \$ 819,054 | \$ 10,453,488 |
| 160,384 | 21,086 | 2,899 | 7,647 | 15,034 | 38,005 | 245,055 |
| (2,032,801) | - | - | - | 25 | - | (2,032,776) |
| 71,797 | 12,402 | 6,465 | 5,503 | 3,061 | 2,209 | 101,437 |
| 700,421 | 66,724 | 2,372 | 4,713 | 884 | 41,045 | 816,159 |
| <u>\$ 6,109,683</u> | <u>\$ 1,381,908</u> | <u>\$ 415,206</u> | <u>\$ 316,225</u> | <u>\$ 460,028</u> | <u>\$ 900,313</u> | <u>\$ 9,583,363</u> |
| \$ (196,758,764) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (196,758,764) |
| <u>\$ (131,259,428)</u> | <u>\$ 1,012,354</u> | <u>\$ 127,233</u> | <u>\$ (265,645)</u> | <u>\$ (22,180)</u> | <u>\$ 143,034</u> | <u>\$ (130,264,632)</u> |
| \$ 296,457,963 | \$ 29,240,828 | \$ 7,175,318 | \$ 10,222,413 | \$ 240,783 | \$ 302,932 | \$ 343,640,237 |
| - | - | - | - | - | - | - |
| <u>\$ 296,457,963</u> | <u>\$ 29,240,828</u> | <u>\$ 7,175,318</u> | <u>\$ 10,222,413</u> | <u>\$ 240,783</u> | <u>\$ 302,932</u> | <u>\$ 343,640,237</u> |
| <u>\$ 165,198,535</u> | <u>\$ 30,253,182</u> | <u>\$ 7,302,551</u> | <u>\$ 9,956,768</u> | <u>\$ 218,603</u> | <u>\$ 445,966</u> | <u>\$ 213,375,605</u> |

**CASS COUNTY GOVERNMENT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cass County operates under a Home Rule Charter passed by 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.

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.

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 Cass County Board of Commissioners 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 Cass County Board of Commissioners 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 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 Finance Office, Box 2806, Fargo, ND 58108-2806.

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 a summary of financial information on the joint venture as of and for the year ended December 31, 2021, which is the most current audited information available:

| | |
|------------------------|---------------------|
| Total Assets | \$ 17,087,415 |
| Total Liabilities | <u>30,427</u> |
| Total Net Position | <u>17,056,989</u> |
| Revenues | 2,796,565 |
| Expenses | <u>708,528</u> |
| Change in Net Position | <u>\$ 2,088,037</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.

Joint Powers Agreements

Metro Flood Diversion Authority

In June of 2010, the City of Fargo, ND, City of Moorhead, MN, Clay County of MN, Cass County of ND, the Cass County Joint Water Resource District, and the Buffalo Red River Watershed District entered into a joint powers agreement for the purpose of building and operating a flood diversion channel along the Red River of the North to reduce the flood risk of the stakeholder communities and counties. The Diversion Authority and its members worked with the United States Army Corps of Engineers on the FM Metro Flood Risk Management Feasibility Study to develop the flood diversion channel project plan.

In June of 2016, the joint powers agreement was revised to exclude the Buffalo Red River Watershed District.

The joint powers agreement will continue to be in full force and effect until it is terminated upon unanimous approval of the members to this agreement. Additional information regarding the authority may be obtained by contacting: Metro Flood Diversion Board of Authority, 207 4th Street North - Suite A, Fargo, ND 58102.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule include inter-fund 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 charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 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 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.

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 Zone Fund** – This fund is used to account for the County Human Service Zone 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. Most of the revenues for this fund are received from the North Dakota Department of Human Services and all deficits in this fund are the responsibility of 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 road shops. Most of the revenues for this fund are derived from the highway tax distribution fund.
- **American Rescue Plan Act Fund (ARPA)** – This fund is used to track revenues and expenses for funds received through ARPA legislation.
- **Flood Control Sales Tax Fund** – This fund is used to provide for the County share of costs incurred by the Metro 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 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.

Technology 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

Fiduciary funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments and/or other funds. These funds are custodial in nature and involve economic resources measurement focus. The following types of custodial funds are used by the County:

Custodial Funds - The County Finance Office provides fiscal services for various entities. These funds represent the assets, primarily cash and investments, of these entities in the Finance Office's custody.

Other Governmental Units Funds - These funds are used by the County in its role as tax/fee collector to record property tax receipts and fees awaiting apportionment to other governmental units.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services, 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 non-operating revenues and expenses.

Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles. 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.

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.

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, 2021.

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.

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 non-spendable 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.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2021, are recorded as prepaid items. Prepaid items are accounted for using the consumption method. Prepaid items are offset within the non-spendable classification of fund balance in the fund financial statements.

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.

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 acquisition value as of 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 |

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, 2021.

Retainages Payable

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

Interest Payable

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

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. The entire portion of accumulated unpaid vacation is considered short term for the reason that historically, unpaid vacation is utilized within one year either through vacation payouts when employees terminate their service with the County or with the use of annual leave through the year.

Deferred Outflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represent a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expenditure) until then. See additional information regarding this item in Note 12 and 13 to the financial statements.

Deferred Inflows of Resources

The statement of financial position includes a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The government has multiple items that qualifies for reporting in this category. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The County also reports deferred inflows of resources related to pensions. See additional information regarding this item in Note 12 and 13 to the financial statements.

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 | 2021 | 2020 |
|--|------------|------------|
| Balance January 1 | \$ 539,496 | \$ 337,716 |
| Incurred Claims Including IBNR's and Changes in Estimate | 3,756,122 | 3,453,108 |
| Less Claims Payments | 3,880,658 | 3,251,328 |
| Balance December 31 | \$ 414,960 | \$ 539,496 |

| Employee Dental | 2021 | 2020 |
|--|-----------|-----------|
| Balance January 1 | \$ 10,740 | \$ 12,029 |
| Incurred Claims Including IBNR's and Changes in Estimate | 272,947 | 229,437 |
| Less Claims Payments | 270,799 | 230,726 |
| Balance December 31 | \$ 12,888 | \$ 10,740 |

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 position. Bond premiums and discounts 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 recognize bond premiums and discounts 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.

Pension

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the North Dakota Public Employees Retirement System (NDPERS) and additions to/deductions from NDPERS' fiduciary net position have been determined on the same basis as they are reported by NDPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post-Employment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources, and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position of the North Dakota Public Employees Retirement System (NDPERS) and additions to/deductions from NDPERS' fiduciary net position have been determined on the same basis as they are reported by NDPERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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 resolutions passed by the Cass County Board of Commissioners. The Cass County Board of Commission is the highest level of decision-making authority for the county. Once approved, the limitation imposed remains in place until a similar action is taken to remove or revise the limitation.
- **Assigned** – Amounts that are constrained by the County's intent to be used for specific purposes but are neither restricted nor committed. The Cass County Board of Commission may assign fund balance. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment.
- **Unassigned** – Represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Net Position

Net position represents the difference between assets and liabilities. Net position 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 position is 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 position are available.

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 Finance Office who then files it with the Cass County Board of Commissioners. The County Finance Office 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 Cass County Board of 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 1st. For the year ending December 31, 2021, 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 Cass County Board of Commissioners. The Cass County Board of 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 2021 expenditures exceeded appropriations in the following funds:

Special Revenue Funds:

| | |
|--------------------------|-----------|
| Sheriff Asset Forfeiture | \$ 10,634 |
| JAIBG | 96 |
| ARPA | 24,577 |
| Jail Commissary | 16,802 |
| Valley Water Rescue | 42,535 |
| NDRIN | 70,012 |

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

NOTE 3: DEPOSITS

Custodial Credit Risk

Custodial credit risk is the risk associated with the failure of a depository institution, such that in the event of a depository financial institution's failure, the County would not be able to recover the deposits or collateralized securities that in the possession of the outside parties. The County does not have a formal policy regarding deposits that limits the amount they may invest in any one issuer.

In accordance with North Dakota statutes, deposits must either be deposited with the Bank of North Dakota or in other financial institution situated and doing business within the state. Deposits, other than with the Bank of North Dakota, must be fully insured or bonded. In lieu of a bond, a financial institution may provide a pledge of securities equal to 110% of the deposits not covered by insurance or bonds.

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 deposit, 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 another state of the United States or such other securities approved by the banking board.

At December 31, 2021, the County's carrying amount of deposits was \$125,252,716 and the bank balance was \$122,339,389. Of the bank balances, \$2,412,763 was covered by federal depository insurance. Of the remaining bank balances, \$39,136,737 was collateralized by U.S. Government Obligations and \$119,357,526 was collateralized with securities held by the pledging financial institution's agent in the government's name.

Component Units:

At December 31, 2021, 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.

At December 31, 2021, the 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.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt securities will adversely affect the fair value of an investment. The price of a debt security typically moves in the opposite direction of the change in interest rates. The County does not have a formal

deposit policy that limits maturities as a means of managing exposure to potential fair value losses arising from increasing interest rates.

As authorized in North Dakota statutes, idle funds may be invested as follows:

- Bonds, treasury bills and notes, or other securities that are a direct obligation insured or guaranteed by, the treasury of the United States, or its agencies, instrumentalities, or organizations created by an act of congress.
- Securities sold under agreements to repurchase written by a financial institution in which the underlying securities for the agreement to repurchase are the type listed above.
- Certificates of deposit fully insured by the federal deposit insurance corporation.
- Obligations of the state.
- Commercial paper issued by a United States corporation rated in the highest quality category by at least two nationally recognized rating agencies and matures in 270 days or less.

| Investment Type | Risk Rating | Total Fair Value | Less than 1 Year | 1-6 Years | 6-10 Years | More than 10 Years |
|----------------------------|-------------|------------------|------------------|-----------|------------|--------------------|
| Municipal Bonds | A+ | 3,845,075 | 84,969 | 3,760,106 | - | - |
| Municipal Bonds | AA | 842,625 | 349,925 | - | 492,700 | - |
| Municipal Bonds | AA- | - | - | - | - | - |
| Municipal Bonds | AAA | 1,025,027 | 1,025,027 | - | - | - |
| US Government Bonds | USAGY | 4,738,236 | 935,796 | 487,352 | 147,550 | 3,167,538 |
| Mortgage Backed Securities | USAGY | 681,187 | 425,348 | - | - | 255,839 |
| FDIC Insured Sweep | US | 1,299,879 | 1,299,879 | - | - | - |
| Total | | 12,432,029 | 4,120,944 | 4,247,458 | 640,250 | 3,423,377 |

NOTE 4: FAIR VALUE OF FINANCIAL INSTRUMENTS

In accordance with GASB Statement No. 72, assets, deferred outflows of resources, liabilities and deferred inflows of resources are grouped at fair value in three levels, based on the markets in which the assets and liabilities are traded, and the reliability of the assumptions used to determine fair value. These levels are:

Level 1: Valuation is based upon quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2: Valuation is based upon quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market.

Level 3: Valuation is generated from model-based techniques that use significant assumptions not observable in the market. These unobservable assumptions reflect our own estimates of assumptions that market participants would use in pricing the asset or liability. Valuation techniques include use of option pricing models, discounted cash flow models and similar techniques.

The following table below presents the balances of assets measured at fair value on a recurring basis at December 31, 2021:

| Asset | Quotes Prices in Active Markets Level 1 | Significant Other Observable Inputs Level 2 | Significant Unobservable Inputs Level 3 | Total |
|----------------------------|---|---|---|---------------|
| Municipal Bonds | \$ 5,712,727 | \$ - | \$ - | \$ 5,712,727 |
| US Government Bonds | 4,738,236 | - | - | 4,738,236 |
| Mortgage Backed Securities | 681,187 | - | - | 681,187 |
| FDIC Insured Sweep | 1,299,879 | - | - | 1,299,879 |
| Total | \$ 12,432,029 | \$ - | \$ - | \$ 12,432,029 |

NOTE 5: 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 the 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 Finance Office and certified for collection 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 6: DUE TO/ DUE FROM OTHER FUNDS

The composition of inter-fund balances as of December 31, 2021 is as follows:

| Receivable Fund | Payable Fund | Amount |
|-----------------|---------------------|-------------------|
| General | 911 Fund | \$ 459,390 |
| General | FM Diversion | 230,814 |
| Emergency | 2019 Flood Fund | 112,008 |
| Emergency | 2019 Flood Recovery | 306 |
| Total | | <u>\$ 802,518</u> |

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

NOTE 7: TRANSFERS

The following is the transfers in and transfers out as reported in the basic financial statements for the year ended December 31, 2021:

| Transfers In | Transfers Out | Amount |
|-------------------------------|-----------------------|---------------------|
| 911 | General Fund | \$ 353,410 |
| County Park | General Fund | 20,000 |
| Public Safety Comm Sys | Building Fund | 176,142 |
| Special Assessment Deficiency | Greyhawk Debt Service | 1,792 |
| Building Fund | General Fund | 956,238 |
| Total Transfers | | <u>\$ 1,507,582</u> |

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 8: CAPITAL ASSETS

The following is a summary of changes in the capital assets during the year ended December 31, 2021:

Primary Government Capital Assets

| | Balance 1/1/2021 | Additions | Decreases | Balance 12/31/2021 |
|---|-----------------------|----------------------|---------------------|-----------------------|
| Governmental Activities | | | | |
| Capital Assets Not Being Depreciated | | | | |
| Land | \$ 31,614,355 | \$ 290,140 | \$ 250 | \$ 31,904,245 |
| Construction in progress Capital Outlay | 6,330,680 | 8,041,885 | 6,330,680 | 8,041,885 |
| Construction in progress Capital Contribution | 145,620 | 7,349,794 | 145,620 | 7,349,794 |
| Total Capital Assets Not Being Depreciated | <u>38,090,655</u> | <u>15,681,819</u> | <u>6,476,550</u> | <u>47,295,924</u> |
| Capital Assets Being Depreciated/Amortized | | | | |
| Buildings | 53,090,180 | - | 42,087 | 53,048,093 |
| Improvements | 3,464,771 | 362,817 | - | 3,827,588 |
| Equipment | 13,188,012 | 617,038 | 286,324 | 13,518,726 |
| Infrastructure | 144,943,404 | 17,180,994 | - | 162,124,398 |
| Leases | 1,251,815 | - | - | 1,251,815 |
| Total Capital Assets Being Depreciated/Amortized | <u>215,938,182</u> | <u>18,160,849</u> | <u>328,411</u> | <u>233,770,620</u> |
| Accumulated Depreciation/Amortization | | | | |
| Building | 19,595,836 | 988,040 | 40,158 | 20,543,718 |
| Improvements | 1,544,279 | 88,642 | - | 1,632,921 |
| Equipment | 9,700,901 | 1,013,147 | 269,544 | 10,444,504 |
| Infrastructure | 76,478,720 | 2,237,800 | - | 78,716,520 |
| Leases | 392,878 | 196,439 | - | 589,317 |
| Total Accumulated Depreciation/Amortization | <u>107,712,614</u> | <u>4,524,068</u> | <u>309,702</u> | <u>111,926,980</u> |
| Net Capital Assets Being Depreciated/Amortized | <u>108,225,568</u> | <u>13,636,782</u> | <u>18,709</u> | <u>121,843,640</u> |
| Net Governmental Activities Capital Assets | <u>\$ 146,316,223</u> | <u>\$ 29,318,600</u> | <u>\$ 6,495,260</u> | <u>\$ 169,139,565</u> |

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

| | |
|---|---------------------|
| Governmental Activities: | |
| General Government | \$ 693,931 |
| Public Safety | 940,092 |
| Highways and Streets | 2,752,338 |
| Relief and Charities | 81,753 |
| Culture and Recreation | 9,219 |
| Conservation and Econ. Development | 1,005 |
| Total Depreciation/Amortization Expense | 4,478,337 |
| Depreciation of Internal Service Funds | 45,731 |
| Total Depreciation/Amortization Expense | <u>\$ 4,524,068</u> |

Component Units

During the year ended December 31, 2021, the following changes occurred in the capital assets of:

| Southeast Cass Water Resource District | | | | | |
|---|-----------------------------|---------------------|--------------------|------------------|-------------------------------|
| | Balance 1/1/2021 | Increases | Decreases | Transfers | Balance 12/31/2021 |
| Governmental Activities: | | | | | |
| Capital Assets not being depreciated: | | | | | |
| Land | \$ 164,292,336 | \$42,326,392 | \$3,407,963 | \$ - | \$ 203,210,765 |
| Construction in Progress | 3,346,998 | 1,814,993 | - | (3,409,313) | 1,752,678 |
| Total Capital Assets Not Being Depreciated | 167,639,334 | 44,141,385 | 3,407,963 | (3,409,313) | 204,963,443 |
| Capital Assets Being Depreciated | | | | | |
| Facilities | 83,368,182 | - | - | - | 83,368,182 |
| Projects | 45,561,736 | - | - | 3,409,313 | 48,971,049 |
| Equipment | 241,135 | - | - | - | 241,135 |
| Total Capital Assets Being Depreciated | 129,171,053 | - | - | 3,409,313 | 132,580,366 |
| Accumulated Depreciation for: | | | | | |
| Facilities | 33,377,600 | 1,667,364 | - | - | 35,044,964 |
| Projects | 9,702,667 | 914,129 | - | - | 10,616,796 |
| Equipment | 118,454 | 19,114 | - | - | 137,568 |
| Total Accumulated Depreciation | 43,198,721 | 2,600,607 | - | - | 45,799,328 |
| Total Capital Assets Being Depreciated, Net | 85,972,332 | (2,600,607) | - | 3,409,313 | 86,781,038 |
| Governmental Activities Capital Assets, Net | <u>\$ 253,611,666</u> | <u>\$41,540,778</u> | <u>\$3,407,963</u> | <u>\$ -</u> | <u>\$ 291,744,481</u> |

| Maple River Water Resource District | | | | | |
|--|----------------------|-------------------|------------------|------------------|----------------------|
| | Balance | | | | Balance |
| | 1/1/2021 | Increases | Decreases | Transfers | 12/31/2021 |
| Governmental Activities: | | | | | |
| Capital Assets not being depreciated: | | | | | |
| Land | \$ 3,140,119 | \$ 8,150 | \$ - | \$ - | \$ 3,148,269 |
| Construction in Progress | 2,474,196 | 1,482,845 | - | (576,611) | 3,380,430 |
| Total Capital Assets Not Being Depreciated | 5,614,315 | 1,490,995 | - | (576,611) | 6,528,699 |
| Capital Assets Being Depreciated | | | | | |
| Facilities | 21,331,367 | - | - | - | 21,331,367 |
| Projects | 11,590,649 | - | - | 576,611 | 12,167,260 |
| Total Capital Assets Being Depreciated | 32,922,016 | - | - | 576,611 | 33,498,627 |
| Accumulated Depreciation for: | | | | | |
| Facilities | 9,252,362 | 390,627 | - | - | 9,642,989 |
| Projects | 1,953,590 | 238,754 | - | - | 2,192,344 |
| Total Accumulated Depreciation | 11,205,952 | 629,381 | - | - | 11,835,333 |
| Total Capital Assets Being Depreciated, Net | 21,716,064 | (629,381) | - | 576,611 | 21,663,294 |
| Governmental Activities Capital Assets, Net | \$ 27,330,379 | \$ 861,614 | \$ - | \$ - | \$ 28,191,993 |

| North Cass Water Resource District | | | | | |
|--|---------------------|-------------------|------------------|------------------|---------------------|
| | Balance | | | | Balance |
| | 1/1/2021 | Increases | Decreases | Transfers | 12/31/2021 |
| Governmental Activities: | | | | | |
| Capital Assets not being depreciated: | | | | | |
| Land | \$ 1,265,494 | \$ - | \$ - | \$ - | 1,265,494 |
| Construction in Progress | 21,833 | 353,421 | - | (304,267) | 70,987 |
| Total Capital Assets Not Being Depreciated | 1,287,327 | 353,421 | - | (304,267) | 1,336,481 |
| Capital Assets Being Depreciated: | | | | | |
| Facilities | 3,768,901 | - | - | - | 3,768,901 |
| Projects | 4,470,235 | - | - | 304,267 | 4,774,502 |
| Total Capital Assets, Being Depreciated | 8,239,136 | - | - | 304,267 | 8,543,403 |
| Accumulated Depreciation for: | | | | | |
| Facilities | 3,004,808 | 75,378 | - | - | 3,080,186 |
| Projects | 1,284,338 | 89,405 | - | - | 1,373,743 |
| Total Accumulated Depreciation | 4,289,146 | 164,783 | - | - | 4,453,929 |
| Total Capital Assets Being Depreciated, Net | 3,949,990 | (164,783) | - | 304,267 | 4,089,474 |
| Governmental Activities Capital Assets, Net | \$ 5,237,317 | \$ 188,638 | \$ - | \$ - | \$ 5,425,955 |

| Rush River Water Resource District | | | | | |
|--|---------------------|-------------------|-------------|-------------|-----------------------|
| | Balance 1/1/2021 | Increases | Decreases | Transfers | Balance 12/31/2021 |
| Governmental Activities: | | | | | |
| Capital Assets not being depreciated: | | | | | |
| Land | \$ 2,921,017 | \$ - | \$ - | \$ - | \$ 2,921,017 |
| Construction in Progress | 66,024 | 1,082,684 | - | - | 1,148,708 |
| Total Capital Assets Not Being Depreciated | 2,987,041 | 1,082,684 | - | - | 4,069,725 |
| Capital Assets Being Depreciated: | | | | | |
| Facilities | 25,577,369 | - | - | - | 25,577,369 |
| Projects | 1,405,301 | - | - | - | 1,405,301 |
| Total Capital Assets, Being Depreciated | 26,982,670 | - | - | - | 26,982,670 |
| Less Accumulated Depreciation for: | | | | | |
| Facilities | 20,470,900 | 337,547 | - | - | 20,808,447 |
| Projects | 248,790 | 28,106 | - | - | 276,896 |
| Total Accumulated Depreciation | 20,719,690 | 365,653 | - | - | 21,085,343 |
| Total Capital Assets Being Depreciated, Net | 6,262,980 | (365,653) | - | - | 5,897,327 |
| Governmental Activities Capital Assets, Net | \$ 9,250,021 | \$ 717,031 | \$ - | \$ - | \$ 9,967,052 |

| Noxious Weed Control | | | | |
|---|---------------------|----------------|-----------|-----------------------|
| | Balance 1/1/2021 | Additions | Decreases | Balance 12/31/2021 |
| Governmental Activities | | | | |
| Capital Assets Being Depreciated | | | | |
| Buildings | 41,054 | - | - | 41,054 |
| Equipment | 101,680 | - | - | 101,680 |
| Total Capital Assets Being Depreciated | 142,734 | - | - | 142,734 |
| Accumulated Depreciation | | | | |
| Building | 27,916 | 821 | - | 28,738 |
| Equipment | 85,025 | 7,827 | - | 92,852 |
| Total Accumulated Depreciation | 112,941 | 8,649 | - | 121,590 |
| Net Capital Assets Being Depreciated | 29,792 | (8,649) | - | 21,144 |

| Vector Control | | | | |
|---|---------------------|----------------|---------------|-----------------------|
| | Balance 1/1/2021 | Additions | Decreases | Balance 12/31/2021 |
| Governmental Activities | | | | |
| Equipment | 1,099,233 | 127,657 | 59,016 | 1,167,873 |
| Accumulated Depreciation | | | | |
| Equipment | 750,210 | 131,744 | 50,206 | 831,748 |
| Total Accumulated Depreciation | 750,210 | 131,744 | 50,206 | 831,748 |
| Net Capital Assets Being Depreciated | 349,023 | (4,088) | 8,810 | 336,125 |

NOTE 9: LONG-TERM LIABILITIES

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 \$935,000. 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, 2021, the County had funds of \$10,359 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, 2021, are comprised of the following individual issues:

Special Assessment Bonds:

\$190,000 Refunding Improvement Bonds of 2017 for construction in the Wild Rice River Estates Subdivision due in annual installments of \$5,000 to \$15,000 through 2035 with interest at 2.6% to 3.25%. \$ 155,000

\$365,000 Refunding Improvement Bonds of 2007 due in annual installments of \$25,000 through 2022 with interest at 4.20% to 4.45%. 25,000

Total Special Assessment Bonds \$ 180,000

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

| Year Ending December 31 | Principal | Interest |
|----------------------------|-------------------|------------------|
| 2022 | 35,000 | 5,009 |
| 2023 | 10,000 | 4,193 |
| 2024 | 10,000 | 3,933 |
| 2025 | 10,000 | 3,673 |
| 2026 | 10,000 | 3,413 |
| 2027-2031 | 50,000 | 12,870 |
| 2032-2035 | 55,000 | 3,819 |
| <u>Total</u> | <u>\$ 180,000</u> | <u>\$ 36,910</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, 2021, are comprised of the following individual issues:

\$8,900,000 General Obligation Bonds of 2010 due in annual installments of \$755,000 to \$840,000 through 2022 with interest at 3.70 to 4.7%. \$ 840,000

| General Obligation Bonds | | |
|--------------------------|------------|-----------|
| Year Ending | Principal | Interest |
| December 31 | | |
| 2022 | 840,000 | 19,740 |
| Total | \$ 840,000 | \$ 19,740 |

Pledged Revenues

The County has pledged 94% future sales tax revenues to repay \$180 million in sales tax revenue bonds issued in 2021. Proceeds from the bonds were used refund loans, pay the cost of issuance, and finance a portion of the cost of the public improvements in FM Flood Rick Manage District. Sales tax revenue totaled \$21,920,659 for the year.

Loan Payable

During the year ended December 31, 2018 the County entered into a loan agreement with Wells Fargo for \$100,000,000 to provide upfront financing for Metro Flood Diversion Project. This loan was repaid in August 2019 with the issuance of \$100,000,000 from a Wells Fargo loan agreement. The loan is backed by 94% of the county's sales tax and has a maturity date of July 1, 2021. Interest is payable monthly at the LIBOR rate (a per annum rate of interest equal to .47% per annum plus the product of the LIBOR index multiplied by 80%). The interest rate will be subject to adjustment by a Margin Rate Factor. The Margin Rate Factor means the greater of (i) 1.0, and (ii) the product of (a) one minus the Maximum Federal Corporate Tax Rate multiplied by (b) 1.53846. The effective date of any change in the Margin Rate Factor shall be the effective date of the decrease or increase (as applicable) in the Maximum Federal Corporate Tax Rate resulting in such change. The Maximum Federal Corporate Tax Rate changed on January 1, 2018, from 35% to 21%.

During the year ended December 31, 2021, the following changes occurred in liabilities reported in noncurrent liabilities.

| | Balance 1/1/21 | Additions | Decrease | Balance 12/31/21 | Due Within One Year |
|----------------------------|-------------------|--------------|----------------|---------------------|------------------------|
| Special Assessment Bonds | \$ 215,000 | \$ - | \$ 35,000 | \$ 180,000 | \$ 35,000 |
| General Obligation Bonds | 1,655,000 | - | 815,000 | 840,000 | 840,000 |
| Loan Payable | 100,000,000 | - | 100,000,000 | - | - |
| Net Pension Liability | 59,610,328 | - | 41,777,262 | 17,833,066 | - |
| Net OPEB Liability | 1,756,803 | - | 620,999 | 1,135,804 | - |
| Lease Payable | 831,820 | - | 200,867 | 630,953 | 200,868 |
| Amortization of Bond Costs | (11,056) | 6,385 | - | (4,671) | (6,385) |
| Compensated Absences | 2,216,218 | 2,282,194 | 2,496,349 | 2,002,063 | 2,002,063 |
| Total | \$ 139,354,402 | \$ 2,288,579 | \$ 145,945,477 | \$ 22,617,215 | \$ 3,071,546 |

The County is subject to a statutory limitation by the State of North Dakota for indebtedness payable principally from property taxes. On December 31, 2021, the statutory limit for the County was \$507,467,955. The County has general obligation bonds payable and loan payable that are subject to this limitation. The general obligation bonds on December 31, 2020, were \$840,000. The legal debt margin on December 31, 2021, is \$506,624,998. The compensated absences and net pension and OPEB liabilities are generally liquidated as follows: 55% from the General Fund, 35% from Human Service Zone Fund, and 10% from County Road and Bridge Fund.

Leases

During the year ended December 31, 2021, the County was involved in two lease agreements. The first is for Motor Graders at the Highway Department. It is a 3 year lease at a discount rate of 3% with a fair value of 1,710,000 and annual payments of 171,360. The second is a land lease for the Law Enforcement Center. It is a 22 year lease at a discount rate of 3% with a fair value of 1,846,800 and annual payments of 48,134.

The following is a summary of changes in the Leased assets during the year ended December 31, 2021:

| | Balance 1/1/2021 | Additions | Decreases | Balance 12/31/2021 |
|---------------------------------|---------------------|---------------------|-------------|-----------------------|
| Governmental Activities | | | | |
| Leased Land | \$ 767,104 | \$ - | \$ - | \$ 767,104 |
| Leased Equipment | 484,711 | - | - | 484,711 |
| Total Leases Being Amortized | <u>1,251,815</u> | - | - | <u>1,251,815</u> |
| Accumulated Amortization | | | | |
| Leased Land | 69,738 | 34,867 | - | 104,605 |
| Leased Equipment | 323,140 | 161,571 | - | 484,711 |
| Total Accumulated Amortization | <u>392,878</u> | <u>196,438</u> | - | <u>589,316</u> |
| Net Activities Leased Assets | <u>\$ 858,937</u> | <u>\$ (196,438)</u> | <u>\$ -</u> | <u>\$ 662,499</u> |

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

| | |
|------------------------------------|-------------------|
| Governmental Activities: | |
| General Government | \$ - |
| Public Safety | 34,869 |
| Highways and Streets | 161,570 |
| Relief and Charities | - |
| Culture and Recreation | - |
| Conservation and Econ. Development | - |
| Total Amortization Expense | <u>\$ 196,439</u> |

Annual debt service requirements to maturity for Leases are as follows:

| LEC Land Lease | | |
|----------------|----------------|----------------|
| Year Ending | Principal | Interest |
| December 31 | | |
| 2022 | 27,450 | 20,684 |
| 2023 | 28,274 | 19,860 |
| 2024 | 29,122 | 19,012 |
| 2025 | 29,996 | 18,138 |
| 2026 | 30,896 | 17,238 |
| 2027-2031 | 168,948 | 71,722 |
| 2032-2036 | 195,859 | 44,811 |
| 2037-2040 | 178,920 | 13,616 |
| Total | <u>689,465</u> | <u>225,081</u> |

Component Units

During the year ended December 31, 2021, the following changes occurred in the long-term liabilities of the Component Units:

| Southeast Cass Water Resource District | | | | | |
|---|---------------------|-----------------------|-------------------|-------------------|---------------------|
| | Balance | | | Balance | Due Within |
| | 1/1/2021 | Increases | Decreases | 12/31/2021 | One Year |
| Bonds Payable | \$ 740,000 | \$ 180,000,000 | \$ 740,000 | \$ - | \$ - |
| Less Deferred Amounts: | | | | | |
| Bond Discount | (21,402) | (1,035,000) | (193,902) | 172,500 | (345,000) |
| Bond Premium | 9,705 | - | 9,705 | - | - |
| Total Bonds Payable | 728,303 | 178,965,000 | 555,803 | 172,500 | (345,000) |
| Loans Payable | 500,000 | - | 55,000 | 445,000 | 60,000 |
| Net Pension Liability | 363,800 | - | 243,052 | 120,748 | |
| Net OPEB Liability | 9,413 | - | 2,720 | 6,693 | |
| Compensated Absences | 23,927 | 12,006 | 13,362 | 22,571 | 22,570 |
| TOTAL | \$ 1,625,443 | \$ 178,977,006 | \$ 869,937 | \$ 767,512 | \$ (262,430) |

| Maple River Water Resource District | | | | | |
|--|---------------------|-------------------|---------------------|---------------------|---------------------|
| | Balance | | | Balance | Due Within |
| | 1/1/2021 | Increases | Decreases | 12/31/2021 | One Year |
| Bonds Payable | \$ 4,110,000 | \$ 720,000 | \$ 1,770,000 | \$ 3,060,000 | \$ 1,265,000 |
| Less Deferred Amounts: | | | | | |
| Bond Discount | (144,268) | (7,920) | (52,917) | (99,271) | (16,702) |
| Bond Premium | 830 | - | 830 | - | - |
| Total Bonds Payable | 3,966,562 | 712,080 | 1,717,913 | 2,960,729 | 1,248,298 |
| Loan Payable | - | - | - | - | - |
| Net Pension Liability | 121,267 | - | 81,017 | 40,250 | - |
| Net OPEB Liability | 3,138 | - | 907 | 2,231 | - |
| Compensated Absences | 7,975 | 4,002 | 4,454 | 7,523 | 7,523 |
| TOTAL | \$ 4,098,942 | \$ 716,082 | \$ 1,804,291 | \$ 3,010,733 | \$ 1,255,821 |

| North Cass Water Resource District | | | | | |
|---|-------------------|------------------|-------------------|-------------------|-------------------|
| | Balance | | | Balance | Due Within |
| | 1/1/2021 | Increases | Decreases | 12/31/2021 | One Year |
| Bonds Payable | \$ 85,000 | \$ - | \$ 85,000 | \$ - | \$ - |
| Less Deferred Amounts: | | | | | |
| Bond Discount | (729) | - | (729) | - | - |
| Total Bonds Payable | 84,271 | - | 84,271 | - | - |
| Net Pension Liability | 48,507 | - | 32,407 | 16,100 | |
| Net OPEB Liability | 1,255 | - | 363 | 892 | |
| Compensated Absences | 3,190 | 1,601 | 1,782 | 3,009 | 3,009 |
| TOTAL | \$ 137,223 | \$ 1,601 | \$ 118,823 | \$ 20,001 | \$ 3,009 |

| Rush River Water Resource District | | | | | |
|---|---------------------|---------------------|-------------------|---------------------|-------------------|
| | Balance | | | Balance | Due Within |
| | 1/1/2021 | Increases | Decreases | 12/31/2021 | One Year |
| Bonds Payable | \$ 2,120,000 | \$ 1,205,000 | \$ 180,000 | \$ 3,145,000 | \$ 390,000 |
| Less Deferred Amounts: | | | | | |
| Bond Discount | (32,663) | (13,255) | (3,211) | (42,707) | (4,316) |
| Total Bonds Payable | 2,087,337 | 1,191,745 | 176,789 | 3,102,293 | 385,684 |
| Net Pension Liability | 72,760 | - | 48,610 | 24,150 | |
| Net OPEB Liability | 1,883 | - | 544 | 1,339 | |
| Compensated Absences | 4,785 | 2,401 | 2,672 | 4,514 | 4,514 |
| TOTAL | \$ 2,166,765 | \$ 1,194,146 | \$ 228,615 | \$ 3,132,296 | \$ 390,198 |

| Noxious Weed Control District | | | | | |
|--------------------------------------|-------------------|------------------|-------------------|-------------------|-------------------|
| | Balance | | | Balance | Due Within |
| | 1/1/2021 | Increases | Decreases | 12/31/2021 | One Year |
| Net Pension Liability | \$ 197,230 | \$ - | \$ 126,928 | \$ 70,302 | \$ - |
| Net OPEB Liability | 7,246 | - | 2,158 | 5,088 | - |
| Compensated Absences | 2,945 | 8,131 | 8,906 | 2,170 | 2,170 |
| TOTAL | \$ 207,421 | \$ 8,131 | \$ 137,992 | \$ 77,560 | \$ 2,170 |

| Vector Control District | | | | | |
|--------------------------------|-------------------|------------------|-------------------|-------------------|-------------------|
| | Balance | | | Balance | Due Within |
| | 1/1/2021 | Increases | Decreases | 12/31/2021 | One Year |
| Net Pension Liability | \$ 425,171 | \$ - | \$ 269,315 | \$ 155,856 | \$ - |
| Net OPEB Liability | 15,621 | - | 4,342 | 11,279 | - |
| Compensated Absences | 19,169 | 12,621 | 13,838 | 17,952 | 17,952 |
| TOTAL | \$ 459,961 | \$ 12,621 | \$ 287,495 | \$ 185,087 | \$ 17,952 |

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, 2021, there were 25 series of Industrial Revenue Bonds outstanding with an aggregate principal amount payable of \$914,922,275.

NOTE 11: PENSION PLANS

General Information about the NDPERS Pension Plan (Main and Law Enforcement Systems)

Summary of Significant Accounting Policies

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the North Dakota Public Employees Retirement System (NDPERS) and additions to/deductions from NDPERS' fiduciary net position have been determined on the same basis as they are reported by NDPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

North Dakota Public Employees Retirement System (Main & Law Enforcement Systems)

The following brief description of NDPERS is provided for general information purposes only. Participants should refer to NDCC Chapter 54-52 for more complete information.

NDPERS is a cost-sharing multiple-employer defined benefit pension plan that covers substantially all employees of the State of North Dakota, its agencies and various participating political subdivisions. NDPERS provides for pension, death and disability benefits. The cost to administer the plan is financed through the contributions and investment earnings of the plan.

Responsibility for administration of the NDPERS defined benefit pension plan is assigned to a Board comprised of nine members. The Board consists of a Chairman, who is appointed by the Governor; one member appointed by the Attorney General; one member appointed by the State Health Officer; three members elected by the active membership of the NDPERS system, one member elected by the retired public employees and two members of the legislative assembly appointed by the chairman of the legislative management.

Pension Benefits

Main System

Benefits are set by statute. NDPERS has no provisions or policies with respect to automatic and ad hoc post-retirement benefit increases. Member of the Main System are entitled to unreduced monthly pension benefits beginning when the sum of age and years of credited service equal or exceed 85 (Rule of 85), or at normal retirement age (65). For members hired on or after January 1, 2016 the Rule of 85 was replaced with the Rule of 90 with a minimum age of 60. The monthly pension benefit is equal to 2.00% of their average monthly salary, using the highest 36 months out of the last 180 months of service, for each year of service. For members hired on or after January 1, 2020 the 2.00% multiplier was replaced with a 1.75% multiplier. The plan permits early retirement at ages 55-64 with three or more years of service.

Members may elect to receive the pension benefits in the form of a single life, joint and survivor, term-certain annuity, or partial lump sum with ongoing annuity. Members may elect to receive the value of their accumulated contributions, plus interest, as a lump sum distribution upon retirement or termination, or they may elect to receive their benefits in the form of an annuity. For each member electing an annuity, total payment will not be less than the members' accumulated contributions plus interest.

Law Enforcement System

Benefits are set by statute. The Law Enforcement System has no provision or policies with respect to automatic and ad hoc post-retirement benefit increases. Members of the Law Enforcement System are entitled to unreduced monthly pension benefits beginning when the sum of age and years of credited service equal or exceed 85 (Rule of 85), or at normal retirement age (55) with three or more years of service. The monthly pension benefit is equal to 2.00% of their average monthly salary, using the highest 36 months out of the last 180 months of service, for each year of service. For members first enrolled in the plan after December 31, 2019 the multiplier was reduced from 2.0% to 1.75%. The plan permits early retirement at ages 50-55 with three or more years of service.

Members may elect to receive the pension benefits in the form of a single life, joint and survivor, term-certain annuity, or partial lump sum with ongoing annuity. Members may elect to receive the value of their accumulated contributions, plus interest, as a lump sum distribution upon retirement or termination, or they may elect to receive their benefits in the form of an annuity. For each member electing an annuity, total payment will not be less than the members' accumulated contributions plus interest.

Death and Disability Benefits

Death and disability benefits are set by statute. If an active member dies with less than three years of service in the Main or Law Enforcement System, a death benefit equal to the value of the member's accumulated contributions, plus interest, is paid to the member's beneficiary. If the member has earned more than three years of credited service for the Main or Law Enforcement System, the surviving spouse will be entitled to a single payment refund, life-time monthly payments in an amount equal to 50% of the member's accrued normal retirement benefit, or monthly payments in an amount equal to the member's accrued 100% Joint and Survivor retirement benefit if the member had reached normal retirement age prior to date of death. If the surviving spouse dies before the member's accumulated pension benefits are paid, the balance will be payable to the surviving spouse's designated beneficiary.

Eligible members who become totally disabled after a minimum of 180 days of service, receive monthly disability benefits equal to 25% of their final average salary with a minimum benefit of \$100. To qualify under this section, the member has to become disabled during the period of eligible employment and apply for benefits within one year of termination. The definition of disabled is set by the NDPERS in the North Dakota Administrative Code.

Refunds of Member Account Balance

Upon termination, if a member of the Main System is not vested (is not 65 or does not have three years of service), they will receive the accumulated member contributions and vested employer contributions, plus interest, or may elect to receive this amount at a later date. If the member has vested, they have the option of applying for a refund or can remain as a terminated vested participant. If a member terminated and withdrew their accumulated member contribution and is subsequently reemployed, they have the option of repurchasing their previous service.

Upon termination, if a member of the Law Enforcement System is not vested (is not 55 or does not have three years of service), they will receive the accumulated member contributions and vested employer contributions, plus interest, or may elect to receive this amount at a later date. If the member has vested, they have the option of applying for a refund or can remain as a terminated vested participant. If a member terminated and withdrew their accumulated member contribution and is subsequently reemployed, they

have the option of repurchasing their previous service.

Member and Employer Contributions

Main System

Member and employer contributions paid to NDPERS are set by statute and are established as a percent of salaries and wages. Member contribution rates are 7% and employer contribution rates are 7.12% of covered compensation. For members hired on or after January 1, 2020 member contribution rates are 7% and employer contribution rates are 8.26% of covered compensation

The member's account balance includes the vested employer contributions equal to the member's contributions to an eligible deferred compensation plan. The minimum member contribution is \$25 and the maximum may not exceed the following:

- 1 to 12 months of service – Greater of one percent of monthly salary or \$25
- 13 to 24 months of service – Greater of two percent of monthly salary or \$25
- 25 to 36 months of service – Greater of three percent of monthly salary or \$25
- Longer than 36 months of service – Greater of four percent of monthly salary or \$25

Law Enforcement System

Member and employer contributions paid to NDPERS are established as a percent of covered compensation. Member contribution rates are set by statute and employer contribution rates are set by the Board. Contribution rates for the Law Enforcement System are established as follows:

| Plan | Member contribution rate | Employer contribution rate |
|--|--------------------------|----------------------------|
| Law Enforcement with previous service | | |
| Political Subdivisions | 5.50% | 9.81% |
| State | 6.00% | 9.81% |
| National Guard | 5.50% | 9.81% |
| Law Enforcement without previous service | 5.50% | 7.93% |

The member's account balance includes the vested employer contributions equal to the member's contributions to an eligible deferred compensation plan. The minimum member contribution is \$25 and the maximum may not exceed the following:

- 1 to 12 months of service – Greater of one percent of monthly salary or \$25
- 13 to 25 months of service – Greater of two percent of monthly salary or \$25
- 25 to 36 months of service – Greater of three percent of monthly salary or \$25
- Longer than 36 months of service – Greater of four percent of monthly salary or \$25

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2021, the County and its component units reported a liability for its proportionate share of net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Employer's proportion of the net pension liability was based on the share of covered payroll/contributions in the Main System and the Law Enforcement System pension plan relative to the covered payroll/contributions of all participating employers.

The table shows the primary government and the component units Net Pension Liability and the proportion share.

Main System

| | Net Pension Liability | Proportion Share | Change in Proportion Share |
|----------------------------|-----------------------|------------------|----------------------------|
| Primary Government: | | | |
| County | \$15,694,377 | 1.801482% | .281595% |
| Component Units: | | | |
| Southeast Cass WRD | 120,748 | .011585% | .000021% |
| Maple River WRD | 40,249 | .003862% | .000007% |
| North Cass WRD | 16,100 | .001545% | .000003% |
| Rush River WRD | 24,150 | .002317% | .000004% |
| Noxious Weed Control | 70,302 | .008070% | .001800% |
| Vector Control | 155,857 | .017890% | .004375% |

Law Enforcement System

| | Net Pension Liability | Proportion Share | Change in Proportion Share |
|----------------------------|-----------------------|------------------|----------------------------|
| Primary Government: | | | |
| County | \$2,138,689 | 12.905818% | (5.087666%) |

For the year ended December 31, 2021, the county and its component units recognized pension expense as follows:

Main System

| | Pension Expense |
|----------------------------|-----------------|
| Primary Government: | |
| County | \$1,557,187 |
| Component Units: | |
| Southeast Cass WRD | 14,050 |
| Maple River WRD | 4,683 |
| North Cass WRD | 1,873 |
| Rush River WRD | 2,810 |
| Noxious Weed Control | 6,975 |
| Vector Control | 15,464 |

Law Enforcement System

| | Pension Expense |
|----------------------------|-----------------|
| Primary Government: | |
| County | \$(115,627) |

At December 31, 2021, the County and its component units reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources.

Main System

Primary Government:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|--|
| Differences Between Expected and Actual Experience | \$ 270,960 | \$ 1,601,826 |
| Changes of Assumptions | 17,370,628 | 22,647,668 |
| Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments | - | - |
| Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions | - | 5,820,797 |
| District Contributions Subsequent to the Measurement Date | 220,636 | 912,703 |
| | 624,766 | - |
| Total | \$ 18,486,990 | \$ 30,982,994 |

Component Units:

Southeast Cass Water Resource District

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|--|
| Differences Between Expected and Actual Experience | \$ 2,084 | \$ 12,324 |
| Change of Assumptions | 133,645 | 174,245 |
| Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments | - | 44,783 |
| Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions | 2,947 | 21,508 |
| Contributions Subsequent to the Measurement Date | 4,717 | - |
| Total | \$ 143,393 | \$ 252,861 |

Maple River Water Resource District

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|--|
| Differences Between Expected and Actual Experience | \$ 695 | \$ 4,108 |
| Change of Assumptions | 44,548 | 58,082 |
| Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments | - | 14,928 |
| Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions | 928 | 7,169 |
| Contributions Subsequent to the Measurement Date | 1,572 | - |
| Total | \$ 47,798 | \$ 84,287 |

North Cass Water Resource District

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------|-------------------------------|
| Differences Between Expected and Actual Experience | \$ 278 | \$ 1,643 |
| Change of Assumptions | 17,819 | 23,233 |
| Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments | - | 5,971 |
| Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions | 393 | 2,868 |
| Contributions Subsequent to the Measurement Date | 629 | - |
| Total | \$ 19,119 | \$ 33,715 |

Rush River Water Resource District

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------|-------------------------------|
| Differences Between Expected and Actual Experience | \$ 417 | \$ 2,465 |
| Change of Assumptions | 26,729 | 34,849 |
| Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments | - | 8,957 |
| Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions | 589 | 4,302 |
| Contributions Subsequent to the Measurement Date | 943 | - |
| Total | \$ 28,679 | \$ 50,572 |

Noxious Weed Control District

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------|-------------------------------|
| Differences Between Expected and Actual Experience | \$ 1,214 | \$ 7,175 |
| Changes of Assumptions | 77,811 | 101,449 |
| Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments | - | 26,074 |
| Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions | 988 | 4,088 |
| District Contributions Subsequent to the Measurement Date | 2,799 | - |
| Total | \$ 82,812 | \$ 138,787 |

Vector Control District

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|--|
| Differences Between Expected and Actual Experience | \$ 2,691 | \$ 15,907 |
| Changes of Assumptions | 172,503 | 224,908 |
| Net Difference Between Projected and Actual Investment | | |
| Earnings on Pension Plan Investments | - | 57,805 |
| Changes in Proportion and Differences Between Employer | | |
| Contributions and Proportionate Share of Contributions | 2,191 | 9,064 |
| District Contributions Subsequent to the Measurement Date | 6,204 | - |
| Total | \$ 183,589 | \$ 307,684 |

Law Enforcement System

Primary Government:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|--|
| Differences Between Expected and Actual Experience | \$ 4,082,302 | \$ 101,904 |
| Changes of Assumptions | 4,848,951 | 7,439,182 |
| Net Difference Between Projected and Actual Investment | - | - |
| Earnings on Pension Plan Investments | - | 1,160,217 |
| Changes in Proportion and Differences Between Employer | - | - |
| Contributions and Proportionate Share of Contributions | - | 1,154,458 |
| District Contributions Subsequent to the Measurement Date | 388,788 | - |
| Total | \$ 9,320,041 | \$ 9,855,761 |

The contributions for the primary government and its component units reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expenses as follows.

Main System

Primary Government:

| | |
|--------------|------------------------|
| 2022 | \$ (1,938,598) |
| 2023 | (3,005,186) |
| 2024 | (2,489,472) |
| 2025 | (5,687,514) |
| 2026 | - |
| Thereafter | - |
| Total | \$ (13,120,770) |

Component Units:

Southeast Cass Water Resource District

| | |
|------------|--------------|
| 2022 | \$ (19,020) |
| 2023 | (28,337) |
| 2024 | (23,425) |
| 2025 | (43,403) |
| 2026 | - |
| Thereafter | - |
| Total | \$ (114,185) |

Maple River Water Resource District

| | |
|------------|-------------|
| 2022 | \$ (6,340) |
| 2023 | (9,446) |
| 2024 | (7,808) |
| 2025 | (14,468) |
| 2026 | - |
| Thereafter | - |
| Total | \$ (38,062) |

North Cass Water Resource District

| | |
|------------|-------------|
| 2022 | \$ (2,536) |
| 2023 | (3,778) |
| 2024 | (3,123) |
| 2025 | (5,787) |
| 2026 | - |
| Thereafter | - |
| Total | \$ (15,224) |

Rush River Water Resource District

| | |
|------------|-------------|
| 2022 | \$ (3,804) |
| 2023 | (5,667) |
| 2024 | (4,685) |
| 2025 | (8,681) |
| 2026 | - |
| Thereafter | - |
| Total | \$ (22,837) |

Noxious Weed Control District

| | |
|------------|-------------|
| 2022 | \$ (8,684) |
| 2023 | (13,462) |
| 2024 | (11,151) |
| 2025 | (25,477) |
| 2026 | - |
| Thereafter | - |
| Total | \$ (58,774) |

Vector Control District

| | |
|------------|--------------|
| 2022 | \$ (19,252) |
| 2023 | (29,844) |
| 2024 | (24,722) |
| 2025 | (56,481) |
| 2026 | - |
| Thereafter | - |
| Total | \$ (130,299) |

Law Enforcement System

Primary Government:

| | | |
|------------|----|-----------|
| 2022 | \$ | 133,667 |
| 2023 | | (78,976) |
| 2024 | | (117,650) |
| 2025 | | 74,844 |
| 2026 | | (483,298) |
| Thereafter | | (453,095) |
| Total | \$ | (924,508) |

Actuarial Assumptions

The total pension liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|----------------------------|------------------------------------|
| Inflation | 2.25% |
| Salary increases | 3.5% to 17.75% including inflation |
| Investment rate of return | 7.00%, net of investment expenses |
| Cost-of-living adjustments | None |

For active members, inactive members and healthy retirees, mortality rates were based on the Sex-distinct Pub-2010 table for General Employees, with scaling based on actual experience. Respective corresponding tables were used for healthy retirees, disabled retirees, and active members. Mortality rates are projected from 2010 using the MP-2019 scale.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation are summarized in the following table:

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|----------------------------|-------------------|--|
| Domestic Equity | 30% | 6.00% |
| International Equity | 21% | 6.70% |
| Private Equity | 7% | 9.50% |
| Domestic Fixed Income | 23% | 0.73% |
| International Fixed Income | 0% | 0.00% |
| Global Real Assets | 19% | 4.77% |
| Cash Equivalents | 0% | 0.00% |

Discount Rate

For PERS, GASB Statement No. 67 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the System to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The current employer and employee fixed rate contributions are assumed to be made in each future year. The Plan Net Position (assets) in future years can then be determined and

compared to its obligation to make benefit payments in those years. In years where assets are not projected to be sufficient to meet benefit payments, which is the case for the PERS plan, the use of a municipal bond rate is required.

The Single Discount Rate (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 1.92%; and the resulting Single Discount Rate is 7.00%.

Sensitivity of the District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the district’s proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the district’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate.

Main System

| District’s Proportionate Share of the Net Pension Liability | 1% Decrease (6.00%) | Current Discount Rate (7.00%) | 1% Increase (8.00%) |
|---|---------------------|-------------------------------|---------------------|
| Primary Government | \$ 24,959,334 | \$ 15,697,377 | \$ 7,979,844 |
| Component Units: | | | |
| Southeast Cass Water Resource District | 192,031 | 120,748 | 61,395 |
| Maple River Water Resource District | 64,010 | 40,249 | 20,465 |
| North Cass Water Resource District | 25,604 | 16,100 | 8,186 |
| Rush River Water Resource District | 38,406 | 24,150 | 12,279 |
| Noxious Weed Control District | 111,804 | 70,302 | 35,745 |
| Vector Control District | 247,864 | 155,857 | 79,246 |

Law Enforcement System

| District’s Proportionate Share of the Net Pension Liability | 1% Decrease (6.00%) | Current Discount Rate (7.00%) | 1% Increase (8.00%) |
|---|---------------------|-------------------------------|---------------------|
| Primary Government | \$ 5,005,579 | \$ 2,138,689 | \$ (161,880) |

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued NDPERS financial report. Additional financial and actuarial information is available on their website, www.nd.gov/ndpers, or may be obtained by contacting the agency at: North Dakota Public Employees Retirement System, 400 E Broadway Ave Suite 505, P.O. Box 1657, Bismarck, ND, 58502-1657 or by calling (701) 328-3900

NOTE 12: OPEB PLANS

General Information about the OPEB Plan

Summary of Significant Accounting Policies

Other Post Employment Benefits (OPEB). For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the North Dakota Public Employees Retirement System (NDPERS) and additions to/deductions from NDPERS' fiduciary net position have been determined on the same basis as they are reported by NDPERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

North Dakota Public Employees Retirement System

The following brief description of NDPERS is provided for general information purposes only. Participants should refer to NDAC Chapter 71-06 for more complete information.

NDPERS OPEB plan is a cost-sharing multiple-employer defined benefit OPEB plan that covers members receiving retirement benefits from the PERS, the HPRS, and Judges retired under Chapter 27-17 of the North Dakota Century Code a credit toward their monthly health insurance premium under the state health plan based upon the member's years of credited service. Effective July 1, 2015, the credit is also available to apply towards monthly premiums under the state dental, vision and long-term care plan and any other health insurance plan. Effective August 1, 2019 the benefit may be used for any eligible health, prescription drug plan, dental, vision, or long term care plan premium expense. The Retiree Health Insurance Credit Fund is advance-funded on an actuarially determined basis.

Responsibility for administration of the NDPERS defined benefit OPEB plan is assigned to a Board comprised of nine members. The Board consists of a Chairman, who is appointed by the Governor; one member appointed by the Attorney General; one member appointed by the State Health Officer; three members elected by the active membership of the NDPERS system, one member elected by the retired public employees and two members of the legislative assembly appointed by the chairman of the legislative management.

OPEB Benefits

The employer contribution for the PERS, the HPRS and the Defined Contribution Plan is set by statute at 1.14% of covered compensation. The employer contribution for employees of the state board of career and technical education is 2.99% of covered compensation for a period of eight years ending October 1, 2015. Employees participating in the retirement plan as part-time/temporary members are required to contribute 1.14% of their covered compensation to the Retiree Health Insurance Credit Fund. Employees purchasing previous service credit are also required to make an employee contribution to the Fund. The benefit amount applied each year is shown as "prefunded credit applied" on the Statement of Changes in Plan Net Position for the OPEB trust funds. Beginning January 1, 2020, members first enrolled in the NDPERS Main System and the Defined Contribution Plan on or after that date will not be eligible to participate in RHIC. Therefore, RHIC will become for the most part a closed plan. There were no other benefit changes during the year.

Retiree health insurance credit benefits and death and disability benefits are set by statute. There are no provisions or policies with respect to automatic and ad hoc post-retirement benefit increases. Employees who are receiving monthly retirement benefits from the PERS, the HPRS, the Defined Contribution Plan, the Chapter 27-17 judges or an employee receiving disability benefits, or the spouse of a deceased annuitant receiving a surviving spouse benefit or if the member selected a joint and survivor option are eligible to receive a credit toward their monthly health insurance premium under the state health plan.

Effective July 1, 2015, the credit is also available to apply towards monthly premiums under the state dental, vision and long-term care plan and any other health insurance plan. Effective August 1, 2019 the benefit may be used for any eligible health, prescription drug plan, dental, vision, or long term care plan premium expense. The benefits are equal to \$5.00 for each of the employee's, or deceased employee's years of credited service not to exceed the premium in effect for selected coverage. The retiree health insurance credit is also available for early retirement with reduced benefits.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2021, the County and its component units reported a liability for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability was based on the District's share of covered payroll in the OPEB plan relative to the covered payroll of all participating OPEB employers.

The table shows the primary government and the component units Net OPEB Liability and the proportion share.

| | Net OPEB Liability | Proportion Share |
|----------------------------|--------------------|------------------|
| Primary Government: | | |
| County | \$1,135,804 | 2.042178% |
| Component Units: | | |
| Southeast Cass WRD | 6,692 | .012033% |
| Maple River WRD | 2,231 | .004011% |
| North Cass WRD | 892 | .001604% |
| Rush River WRD | 1,338 | .002407% |
| Noxious Weed Control | 5,088 | .009148% |
| Vector Control | 11,279 | .020280% |

For the year ended December 31, 2021, the County and its component units recognized OPEB expense as follows:

| | OPEB Expense |
|----------------------------|--------------|
| Primary Government: | |
| County | \$136,159 |
| Component Units: | |
| Southeast Cass WRD | 699 |
| Maple River WRD | 233 |
| North Cass WRD | 93 |
| Rush River WRD | 140 |
| Noxious Weed Control | 610 |
| Vector Control | 1,352 |

At December 31, 2021, the county and its component units reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Primary Government

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|-----------------------------------|----------------------------------|
| Differences Between Expected and Actual Experience | \$ 65,228 | \$ 31,132 |
| Changes of Assumptions | 175,891 | - |
| Net Difference Between Projected and Actual Investment | - | - |
| Earnings on OPEB Plan Investments | - | 389,154 |
| Changes in Proportion and Differences Between Employer | - | - |
| Contributions and Proportionate Share of Contributions | 26,128 | 79,589 |
| District Contributions Subsequent to the Measurement Date | 100,033 | - |
| Total | \$ 367,281 | \$ 499,876 |

Component Units:

Southeast Cass Water Resource District

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Differences Between Expected and Actual Experience | \$ 385 | \$ 184 |
| Changes of Assumptions | 1,036 | - |
| Net Difference Between Projected and Actual Investment | - | - |
| Earnings on OPEB Plan Investments | - | 2,293 |
| Changes in Proportion and Differences Between District | - | - |
| Contributions and Proportionate Share of Contributions | 543 | 1,172 |
| District Contributions Subsequent to the Measurement Date | 755 | - |
| Total | \$ 2,719 | \$ 3,649 |

Maple River Water Resource District

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Differences Between Expected and Actual Experience | \$ 128 | \$ 61 |
| Changes of Assumptions | 345 | - |
| Net Difference Between Projected and Actual Investment | - | - |
| Earnings on OPEB Plan Investments | - | 764 |
| Changes in Proportion and Differences Between District | - | - |
| Contributions and Proportionate Share of Contributions | 181 | 391 |
| District Contributions Subsequent to the Measurement Date | 252 | - |
| Total | \$ 906 | \$ 1,216 |

North Cass Water Resource District

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|--|
| Differences Between Expected and Actual Experience | \$ 51 | \$ 24 |
| Changes of Assumptions | 138 | - |
| Net Difference Between Projected and Actual Investment | | |
| Earnings on OPEB Plan Investments | 43 | 306 |
| Changes in Proportion and Differences Between District | | |
| Contributions and Proportionate Share of Contributions | 72 | 156 |
| District Contributions Subsequent to the Measurement Date | 101 | - |
| Total | \$ 363 | \$ 486 |

Rush River Water Resource District

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|--|
| Differences Between Expected and Actual Experience | \$ 77 | \$ 37 |
| Changes of Assumptions | 207 | - |
| Net Difference Between Projected and Actual Investment | | |
| Earnings on OPEB Plan Investments | - | 456 |
| Changes in Proportion and Differences Between District | | |
| Contributions and Proportionate Share of Contributions | 109 | 234 |
| District Contributions Subsequent to the Measurement Date | 151 | - |
| Total | \$ 544 | \$ 730 |

Noxious Weed Control District

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|--|
| Differences Between Expected and Actual Experience | \$ 292 | \$ 139 |
| Changes of Assumptions | 788 | - |
| Net Difference Between Projected and Actual Investment | - | - |
| Earnings on OPEB Plan Investments | - | 1,743 |
| Changes in Proportion and Differences Between Employer | - | - |
| Contributions and Proportionate Share of Contributions | 117 | 357 |
| District Contributions Subsequent to the Measurement Date | 448 | - |
| Total | \$ 1,645 | \$ 2,239 |

Vector Control District

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|-----------------------------------|----------------------------------|
| Differences Between Expected and Actual Experience | \$ 648 | \$ 309 |
| Changes of Assumptions | 1,747 | - |
| Net Difference Between Projected and Actual Investment | - | - |
| Earnings on OPEB Plan Investments | - | 3,865 |
| Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions | 259 | 790 |
| District Contributions Subsequent to the Measurement Date | 993 | - |
| Total | \$ 3,647 | \$ 4,964 |

The contributions for the primary government and its component units reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEBs will be recognized in OPEB expense as follows:

Primary Government

| | |
|--------------|---------------------|
| 2022 | \$ (42,555) |
| 2023 | (45,357) |
| 2024 | (62,083) |
| 2025 | (90,081) |
| 2026 | 3,951 |
| 2027 | - |
| Thereafter | - |
| Total | \$ (236,125) |

Component Units:

Southeast Cass Water Resource District

| | |
|--------------|-------------------|
| 2022 | \$ (354) |
| 2023 | (371) |
| 2024 | (478) |
| 2025 | (544) |
| 2026 | 62 |
| 2027 | - |
| Thereafter | - |
| Total | \$ (1,685) |

Maple River Resource District

| | |
|--------------|-----------------|
| 2022 | \$ (118) |
| 2023 | (124) |
| 2024 | (159) |
| 2025 | (181) |
| 2026 | 21 |
| 2027 | - |
| Thereafter | - |
| Total | \$ (561) |

North Cass Resource District

| | | |
|------------|----|-------|
| 2022 | \$ | (47) |
| 2023 | | (49) |
| 2024 | | (64) |
| 2025 | | (73) |
| 2026 | | 8 |
| 2027 | | - |
| Thereafter | | - |
| Total | \$ | (225) |

Rush River Cass Resource District

| | | |
|------------|----|-------|
| 2022 | \$ | (71) |
| 2023 | | (74) |
| 2024 | | (96) |
| 2025 | | (109) |
| 2026 | | 12 |
| 2027 | | - |
| Thereafter | | - |
| Total | \$ | (338) |

Noxious Weed Control District

| | | |
|------------|----|---------|
| 2022 | \$ | (191) |
| 2023 | | (203) |
| 2024 | | (278) |
| 2025 | | (404) |
| 2026 | | 18 |
| 2027 | | - |
| Thereafter | | - |
| Total | \$ | (1,058) |

Vector Control District

| | | |
|------------|----|---------|
| 2022 | \$ | (423) |
| 2023 | | (450) |
| 2024 | | (617) |
| 2025 | | (895) |
| 2026 | | 39 |
| 2027 | | - |
| Thereafter | | - |
| Total | \$ | (2,345) |

Actuarial assumptions

The total OPEB liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|----------------------------|-----------------------------------|
| Inflation | 2.25% |
| Salary increases | Not applicable |
| Investment rate of return | 6.50%, net of investment expenses |
| Cost-of-living adjustments | None |

For active members, inactive members and healthy retirees, mortality rates were based on the MortalityPub-2010 Healthy Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by 103% for males and 101% for females. Pub-2010 Disabled Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by 117% for males and 112% for females. Pub-2010 Employee Mortality table (for General Employees), sex-distinct, with rates multiplied by 92% for both males and females. Mortality rates are projected from 2010 using the MP-2019 scale.

The long-term expected investment rate of return assumption for the RHIC fund was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of RHIC investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Estimates of arithmetic real rates of return, for each major asset class included in the RHIC's target asset allocation as of July 1, 2021 are summarized in the following table:

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|-----------------------------|-------------------|--|
| Large Cap Domestic Equities | 33% | 5.85% |
| Small Cap Domestic Equities | 6% | 6.75% |
| Domestic Fixed Income | 40% | 0.50% |
| International Equities | 21% | 6.25% |

Discount rate

flows used to determine the discount rate assumed plan member and statutory rates described in this report. For this purpose, only employer contributions that are intended to fund benefits of current RHIC members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries are not included. Based on those assumptions, the RHIC fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on RHIC investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Employer's proportionate share of the net OPEB liability to changes in the discount rate

The following presents the net OPEB liability of the Plans as of June 30, 2021, calculated using the discount rate of 6.50%, as well as what the RHIC net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50 percent) or 1-percentage-point higher (7.50 percent) than the current rate:

| | | Current | |
|---|---------------------|-----------------|---------------------|
| District's Proportionate Share of the Net | 1% | Discount | 1% |
| Pension Liability | Decrease (5.50%) | Rate (6.50%) | Increase (7.50%) |
| Primary Government | \$ 1,684,543 | \$ 1,135,804 | \$ 671,489 |
| Component Units: | | | |
| Southeast Cass Water Resource District | 9,926 | 6,692 | 3,956 |
| Maple River Water Resource District | 3,309 | 2,231 | 1,319 |
| North Cass Water Resource District | 1,323 | 892 | 528 |
| Rush River Water Resource District | 1,985 | 1,338 | 791 |
| Noxious Weed Control District | 7,546 | 5,088 | 3,008 |
| Vector Control District | \$ 16,729 | \$ 11,279 | \$ 6,668 |

NOTE 13: 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 2020, the County started carrying Cyber/Breach Response Insurance and in 2021 with also have a Coalition Cyber Excess Follow Form Policy through Marsh & McLennan. This coverage will assist in public relations, crisis management, business interruptions, and e-crime.

In 1986 state agencies and political subdivisions of the State of North Dakota joined together to form the North Dakota Insurance Reserve Fund (NDRIF), 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 NDRIF for its general liability, auto, and inland marine insurance coverage. The coverage by NDRIF is limited to losses of five 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 14: 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.

Metro Flood Diversion Authority Project

The U.S. Senate and the House of Representatives has signed the Water Resource Reform and Development Act (WRRDA), which is needed to acquire federal funding for the Metro Flood Diversion project. WRRDA authorizes \$846 million in federal funding for the Diversion Project. The project will build permanent flood protection for approximately 200,000 people in North Dakota and Minnesota.

Voters in the City of Fargo and Cass County have overwhelmingly approved two dedicated local sales taxes to help fund the Project. With modest growth, the sales taxes are expected to jointly raise \$700 million over the life of the tax.

The Metro Flood Diversion Authority’s U.S. EPA WIFIA loan was approved by US EPA. The final loan amount is \$569 million and the anticipated loan closing date is June 29, 2021.

The State of North Dakota legislature passed a bonding package that includes \$435.5 million for the Metro Flood Diversion Authority. The bonding bill became law, and fulfills the state’s pledged \$750 million share of the project’s cost and boost its total contribution to \$870 million

NOTE 15: CONSTRUCTION COMMITMENTS

The County has the following open construction contracts with balances owing as of December 31, 2021:

| Project | Amount | Completed | Retainages | Balance |
|--|----------------------|----------------------|-------------------|---------------------|
| C10 & C5 GRADE & SURFACING C5N TO C5S & THRU | \$ 4,770,474 | \$ 4,257,360 | \$ 67,956 | \$ 581,069 |
| C10 MILL & HMA OVERLAY C11 TO CASSELTON | 4,621,228 | 2,833,974 | 43,747 | 1,831,002 |
| C11 MILL & HMA OVERLAY C22 TO C4 | 3,840,156 | 2,195,019 | 43,747 | 1,688,885 |
| JAIL INTAKE EXPANSION | 4,737,716 | 3,412,695 | 602,244 | 1,927,265 |
| 76TH AVE & 45TH ST GRADE C17 TO 64TH AVE | 2,541,322 | 2,372,980 | 39,419 | 207,760 |
| 18/19 ADDISION 13/24 MAPLE RIVER TWPS BRIDGE | 4,343,581 | 2,567,076 | 40,773 | 1,817,279 |
| | \$ 24,854,477 | \$ 17,639,103 | \$ 837,886 | \$ 8,053,260 |

NOTE 16: TAX ABATEMENTS

Cass County and political subdivisions within the County can negotiate property tax abatement agreements with individuals and various commercial entities/businesses. Cass County and the political subdivisions within have the following types of tax abatement agreements with various individuals and commercial entities on December 31, 2021.

Cass County will state individually the parties whom received a benefit of the reduction in taxes of 20% or greater when compared to the total reduction of taxes for all tax abatement programs.

New and Expanding Business

Businesses that are primarily industrial, commercial, retail or service are eligible for property tax incentives for new and expanding businesses if they meet state

requirements (NDCC 40.57.1-03) and the guidelines stated below. The following criteria are only guidelines.

General criteria — The governing body of the city or county may grant a partial or complete exemption from ad valorem taxation on all buildings, structure, fixtures, and improvements used in or necessary to the operation of a project for period not exceeding five years from the date of commencement of project operations. The governing body may also grant a partial or complete exemption from ad valorem taxation on buildings, structures, fixtures, and improvements used in or necessary to the operation of a project that produces or manufactures a product from agricultural commodities for all or part of the sixth year through the tenth year from the date of commencement of project operations.

Exemption Criteria

The governing body must have received the certification of the Department of Commerce Division of Economic Development and Finance that the project is a primary sector business.

The governing body must have approval from a majority of the qualified electors to grant property tax exemptions. Additionally the governing body must require:

- Evaluation of the potential positive or adverse consequences for existing retail sector businesses.
- Evaluation of the short-term and long-term effects for other property taxpayers.
- A written agreement with the project operator, including performance requirements for which the exemption may be terminated.
- Evaluation of whether the project operator would locate the project within the boundaries without the exemption.

2020 Reduction in Taxes – Other Entities:

Total program reduction in taxes – \$98,118

Public Charity Exemption

Public Charities are eligible for property tax incentives if they meet state requirements (NDCC 57-02-08(8)) and the guidelines stated below. The following criteria are only guidelines.

All buildings belonging to institutions of public charity, including public hospitals and nursing homes licensed pursuant to section 23-16-01 under the control of religious or charitable institutions, used wholly or in part for public charity, together with the land actually occupied by such institutions not leased or otherwise used with a view to profit. The exemption provided by this subsection includes any dormitory, dwelling, or residential-type structure, together with necessary land on which such structure is located, owned by a religious or charitable organization recognized as tax exempt under section 501(c)(3) of the United States Internal Revenue Code which is occupied by members of said organization who are subject to a religious vow of poverty and devote and donate substantially all of their time to the religious or charitable activities of the owner.

Exemption criteria

Property exempt if the qualified facility is used wholly or in part for public charity, together with the land occupied by such institutions not leased or otherwise used with a view to profit.

2020 Reduction in Taxes – Other Entities:
Total program reduction in taxes – \$1,851,129

Single Family Residence

Single Family property owners are eligible for property tax incentives for the specified property that meet state requirements (NDCC 57-02-08(35)).

General Criteria - Up to one hundred fifty thousand dollars of the true and full value of all new single-family, condominium, and townhouse residential property, exclusive of the land on which it is situated, is exempt from taxation for the first two taxable years after the taxable year in which construction is completed and the residence is owned and occupied for the first time if all the following conditions are met:

- The governing body of the city, for property within city limits, or the governing body of the county, for property outside city limits, has approved the exemption of the property by resolution. A resolution adopted under this subsection may be rescinded or amended at any time. The governing body of the city or county may limit or impose conditions upon exemptions under this subsection, including limitations on the time during which an exemption is allowed.
- Special assessments and taxes on the property upon which the residence is situated are not delinquent.

2020 Reduction in Taxes – Other Entities:
Total Program Reduction in taxes – \$373,973

Childhood Service Exemption

A governing body may grant a property tax exemption for the portion of fixtures, buildings, and improvements, used primarily to provide early childhood services by a corporation, limited liability company, or organization licensed under NDCC 50-11.1 or used primarily as an adult day care center. (NDCC 57-02-08(36)).

This exemption is not available for property used as a residence.

2020 Reduction in Taxes – Other Entities:
Total Program Reduction in taxes – \$76,276

Commercial and Residential

Commercial and Residential property are eligible for property tax incentives if they meet state requirements (NDCC 57-05.2-03) and the guidelines stated below. The following criteria are only guidelines.

Under NDCC 57-02.2-03 improvements to commercial and residential buildings and structures as defined in this chapter may be exempt from assessment and taxation for up to five years from the date of commencement of making the improvements, if the exemption is approved by the governing body of the city, for property within city limits, or the governing body of the county, for property outside city limits. The governing body of the city or county may limit or impose conditions upon exemptions under this section, including limitations on the time during which an exemption is allowed. A resolution adopted by the governing body of the city or county under this section may be rescinded or amended at any time. The exemption provided by this chapter shall apply only to that part of the valuation resulting from the improvements which is over and above the assessed valuation, exclusive of the land, placed upon the building or

structure for the last assessment period immediately preceding the date of commencement of the improvements. Any person, corporation, limited liability company, association, or organization owning real property and seeking an exemption under this chapter shall file with the assessor a certificate setting out the facts upon which the claim for exemption is based. The assessor shall determine whether the improvements qualify for the exemption based on the resolution of the governing body of the city or county, and if the assessor determines that the exemption should apply, upon approval of the governing body, the exemption is valid for the prescribed period and shall not terminate upon the sale or exchange of the property but shall be transferable to subsequent owners. If the certificate is not filed as herein provided, the assessor shall regard the improvements as nonexempt and shall assess them as such.

2020 Reduction in Taxes – Other Entities:

Total program reduction in taxes – \$57,771

NOTE 17: DEPOSITS WITH CLERK OF COURT

The Water Resource District is responsible for acquiring properties relating to the Metro Flood Diversion Project. At times, the Water Resource District may exercise its eminent domain powers to acquire properties. The financial statements account for these transactions in the 'Deposits with Clerk of Court' line item, which is an asset.

THIS PAGE HAS BEEN RESERVED FOR NOTES

**REQUIRED
SUPPLEMENTARY
INFORMATION**

Cass County Government

Schedule of Proportionate Share of the Net Pension Liability and Related Ratios
ND Public Employees Retirement System
Last Ten Fiscal Years

| As of Measurement date* | Proportion of the Net Pension Liability | Proportionate Share of the Net Pension Liability(Asset) | Member Covered Payroll | Net Pension Liability (Asset) as a Percentage of Covered Payroll | Fiduciary Net Position as a Percentage of Total Pension Liability |
|--|---|---|------------------------|--|---|
| Primary Government - Main System | | | | | |
| 6/30/2021 | 1.80148% | \$ 15,694,377 | \$ 17,050,906 | 92.04% | 78.26% |
| 6/30/2020 | 1.51989% | 47,815,977 | 16,766,193 | 285.19% | 48.91% |
| 6/30/2019 | 1.62497% | 19,045,879 | 16,902,507 | 112.68% | 71.66% |
| 6/30/2018 | 1.60259% | 27,045,415 | 16,463,658 | 164.27% | 62.80% |
| 6/30/2017 | 1.56641% | 25,161,404 | 15,980,464 | 157.45% | 61.98% |
| 6/30/2016 | 1.49845% | 14,426,077 | 14,917,014 | 96.71% | 70.46% |
| 6/30/2015 | 2.31570% | 15,746,526 | 20,630,293 | 76.33% | 77.15% |
| 6/30/2014 | 2.39028% | 15,171,634 | 20,135,242 | 75.35% | 77.70% |
| Primary Government - Law Enforcement System | | | | | |
| 6/30/2021 | 12.90582% | \$ 2,138,689 | \$ 7,941,402 | 26.93% | 87.10% |
| 6/30/2020 | 17.99348% | 11,794,351 | 8,166,135 | 144.43% | 53.12% |
| 6/30/2019 | 19.94557% | 2,372,095 | 8,036,460 | 29.52% | 84.95% |
| 6/30/2018 | 22.04478% | 5,137,367 | 7,610,093 | 67.51% | 71.64% |
| 6/30/2017 | 25.07790% | 5,521,210 | 7,213,845 | 76.54% | 69.86% |
| 6/30/2016 | 25.27232% | 2,895,818 | 7,133,332 | 40.60% | 78.73% |
| Component Units | | | | | |
| Southeast Cass Water Resource District | | | | | |
| 6/30/2021 | 0.01159% | \$ 120,748 | \$ 131,188 | 92.04% | 78.26% |
| 6/30/2020 | 0.01156% | 363,800 | 127,562 | 285.19% | 48.91% |
| 6/30/2019 | 0.01428% | 167,090 | 148,284 | 112.68% | 71.66% |
| 6/30/2018 | 0.01416% | 238,874 | 145,412 | 164.27% | 62.80% |
| 6/30/2017 | 0.01428% | 229,517 | 145,771 | 157.45% | 61.98% |
| 6/30/2016 | 0.01176% | 114,601 | 118,501 | 96.71% | 70.46% |
| 6/30/2015 | 0.01353% | 92,018 | 120,559 | 76.33% | 77.15% |
| 6/30/2014 | 0.00141% | 89,500 | 118,779 | 75.35% | 77.70% |
| Maple River Water Resource District | | | | | |
| 6/30/2021 | 0.00398% | \$ 40,249 | \$ 43,729 | 92.04% | 78.26% |
| 6/30/2020 | 0.00547% | 121,267 | 42,521 | 285.19% | 48.91% |
| 6/30/2019 | 0.00475% | 55,697 | 48,428 | 112.68% | 71.66% |
| 6/30/2018 | 0.00472% | 79,625 | 48,471 | 164.27% | 62.80% |
| 6/30/2017 | 0.00476% | 76,506 | 48,590 | 157.45% | 61.98% |
| 6/30/2016 | 0.00392% | 38,200 | 39,500 | 96.71% | 70.46% |
| 6/30/2015 | 0.00451% | 30,673 | 40,186 | 76.33% | 77.15% |
| 6/30/2014 | 0.00403% | 25,571 | 33,937 | 75.35% | 77.70% |
| North Cass Water Resource District | | | | | |
| 6/30/2021 | 0.00154% | \$ 16,100 | \$ 17,492 | 92.04% | 78.26% |
| 6/30/2020 | 0.00219% | 48,507 | 17,008 | 285.20% | 48.91% |
| 6/30/2019 | 0.00190% | 22,279 | 19,771 | 112.69% | 71.66% |
| 6/30/2018 | 0.00189% | 31,850 | 19,388 | 164.27% | 62.80% |
| 6/30/2017 | 0.00190% | 30,602 | 19,436 | 157.45% | 61.98% |
| 6/30/2016 | 0.00457% | 15,280 | 15,800 | 96.71% | 70.46% |
| 6/30/2015 | 0.00180% | 12,269 | 16,074 | 76.33% | 77.15% |
| 6/30/2014 | 0.00179% | 11,365 | 15,083 | 75.35% | 77.70% |
| Rush River Water Resource District | | | | | |
| 6/30/2021 | 0.00231% | \$ 24,150 | \$ 26,238 | 92.04% | 78.26% |
| 6/30/2020 | 0.00328% | 72,760 | 25,512 | 285.20% | 48.91% |
| 6/30/2019 | 0.00285% | 33,418 | 29,657 | 112.68% | 71.66% |
| 6/30/2018 | 0.00283% | 47,775 | 29,082 | 164.27% | 62.80% |
| 6/30/2017 | 0.00288% | 45,903 | 29,154 | 157.45% | 61.98% |
| 6/30/2016 | 0.00235% | 22,920 | 23,700 | 96.71% | 70.46% |
| 6/30/2015 | 0.00271% | 18,404 | 24,112 | 76.33% | 77.15% |
| 6/30/2014 | 0.00246% | 15,627 | 20,739 | 75.35% | 77.70% |
| Noxious Weed Control District | | | | | |
| 6/30/2021 | 0.00807% | \$ 70,302 | \$ 76,379 | 92.04% | 78.26% |
| 6/30/2020 | 0.00827% | 197,230 | 69,157 | 285.19% | 48.91% |
| 6/30/2019 | 0.00652% | 76,361 | 67,768 | 112.68% | 71.66% |
| 6/30/2018 | 0.00643% | 108,544 | 66,075 | 164.27% | 62.80% |
| 6/30/2017 | 0.00700% | 112,521 | 71,464 | 157.45% | 61.98% |
| 6/30/2016 | 0.00626% | 61,006 | 63,082 | 96.71% | 70.46% |
| 6/30/2015 | 0.00723% | 49,142 | 64,384 | 76.33% | 77.15% |
| 6/30/2014 | 0.00753% | 47,783 | 63,416 | 75.35% | 77.70% |
| Vector Control District | | | | | |
| 6/30/2021 | 0.01789% | \$ 155,857 | \$ 169,328 | 92.04% | 78.26% |
| 6/30/2020 | 0.01351% | 425,171 | 149,082 | 285.19% | 48.91% |
| 6/30/2019 | 0.01117% | 130,971 | 116,232 | 112.68% | 71.66% |
| 6/30/2018 | 0.01242% | 209,593 | 127,588 | 164.27% | 62.80% |
| 6/30/2017 | 0.01367% | 219,650 | 139,504 | 157.45% | 61.98% |
| 6/30/2016 | 0.01220% | 118,948 | 122,996 | 96.71% | 70.46% |
| 6/30/2015 | 0.01404% | 95,464 | 125,072 | 76.33% | 77.15% |
| 6/30/2014 | 0.01462% | 92,824 | 123,192 | 75.35% | 77.70% |

* This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

Cass County Government

Schedule of Proportionate Share of the Net OPEB Liability and Related Ratios
ND Public Employees Retirement System
Last Ten Fiscal Years

| As of Measurement date of* | Proportion of the Net OPEB Liability | Proportionate Share of the Net OPEB Liability(Asset) | Member Covered Payroll | Net OPEB Liability (Asset) as a Percentage of Covered Payroll | Fiduciary Net Position as a Percentage of Total OPEB Liability |
|---|--------------------------------------|--|------------------------|---|--|
| Primary Government - Main System | | | | | |
| 6/30/2021 | 2.07161% | \$ 1,152,171 | \$ 22,585,851 | 5.10% | 76.63% |
| 6/30/2020 | 2.11564% | 1,779,670 | 24,117,652 | 7.38% | 63.38% |
| 6/30/2019 | 2.26128% | 1,816,234 | 25,232,693 | 7.20% | 63.13% |
| 6/30/2018 | 2.20164% | 1,733,940 | 24,090,678 | 7.17% | 61.89% |
| 6/30/2017 | 2.14476% | 1,696,531 | 23,202,935 | 7.28% | 59.78% |
| Component Units: | | | | | |
| Southeast Cass Water Resource District | | | | | |
| 6/30/2021 | 0.01203% | \$ 6,692 | \$ 131,188 | 5.10% | 76.63% |
| 6/30/2020 | 0.01119% | 9,413 | 127,562 | 7.38% | 63.38% |
| 6/30/2019 | 0.01329% | 10,673 | 148,284 | 7.20% | 63.13% |
| 6/30/2018 | 0.01329% | 10,466 | 145,412 | 7.20% | 61.89% |
| 6/30/2017 | 0.01347% | 10,658 | 145,771 | 7.31% | 59.78% |
| Maple River Water Resource District | | | | | |
| 6/30/2021 | 0.00401% | \$ 2,231 | \$ 43,729 | 5.10% | 76.63% |
| 6/30/2020 | 0.00373% | 3,138 | 42,521 | 7.38% | 63.38% |
| 6/30/2019 | 0.00443% | 3,558 | 49,428 | 7.20% | 63.13% |
| 6/30/2018 | 0.00443% | 3,489 | 48,471 | 7.20% | 61.89% |
| 6/30/2017 | 0.00449% | 3,553 | 48,590 | 7.31% | 59.78% |
| North Cass Water Resource District | | | | | |
| 6/30/2021 | 0.00160% | \$ 892 | \$ 17,492 | 5.10% | 76.63% |
| 6/30/2020 | 0.00149% | 1,255 | 17,008 | 7.38% | 63.38% |
| 6/30/2019 | 0.00177% | 1,423 | 19,771 | 7.20% | 63.13% |
| 6/30/2018 | 0.00177% | 1,396 | 19,388 | 7.20% | 61.89% |
| 6/30/2017 | 0.00180% | 1,421 | 19,436 | 7.31% | 59.78% |
| Rush River Water Resource District | | | | | |
| 6/30/2021 | 0.00241% | \$ 1,338 | \$ 26,238 | 5.10% | 76.63% |
| 6/30/2020 | 0.00224% | 1,883 | 25,512 | 7.38% | 63.38% |
| 6/30/2019 | 0.00266% | 2,135 | 29,657 | 7.20% | 63.13% |
| 6/30/2018 | 0.00266% | 2,093 | 29,082 | 7.20% | 61.89% |
| 6/30/2017 | 0.00270% | 2,132 | 29,154 | 7.31% | 59.78% |
| Noxious Weed Control District | | | | | |
| 6/30/2021 | 0.00915% | \$ 5,088 | \$ 99,735 | 5.10% | 76.63% |
| 6/30/2020 | 0.00861% | 7,246 | 98,202 | 7.38% | 63.38% |
| 6/30/2019 | 0.00897% | 7,203 | 100,077 | 7.20% | 63.13% |
| 6/30/2018 | 0.00884% | 6,959 | 96,686 | 10.53% | 81.89% |
| 6/30/2017 | 0.00959% | 7,587 | 103,762 | 10.62% | 59.78% |
| Vector Control District | | | | | |
| 6/30/2021 | 0.02028% | \$ 11,279 | \$ 221,108 | 5.10% | 76.63% |
| 6/30/2020 | 0.01857% | 15,621 | 211,694 | 7.38% | 63.38% |
| 6/30/2019 | 0.01538% | 12,355 | 171,646 | 7.20% | 63.13% |
| 6/30/2018 | 0.01706% | 13,437 | 186,694 | 10.53% | 61.89% |
| 6/30/2017 | 0.01872% | 14,810 | 202,553 | 10.62% | 59.78% |

* This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

Cass County Government

Schedule of Employer Contributions
ND Public Employees Retirement System
Last Ten Fiscal Years

| Year Ended * | Statutorily Required Contributions | Actual Employer Contributions | Contribution Excess/ (Deficiency) | Actual Covered Member Payroll | Contributions as a Percentage of Covered Payroll |
|--|------------------------------------|-------------------------------|-----------------------------------|-------------------------------|--|
| Primary Government - Main System | | | | | |
| 12/31/2021 | \$ 1,257,429 | \$ 1,279,217 | \$ 21,788 | \$ 17,675,185 | 7.24% |
| 12/31/2020 | 1,187,193 | 1,223,847 | 36,654 | 17,370,431 | 6.95% |
| 12/31/2019 | 1,230,598 | 1,211,129 | (19,469) | 17,437,236 | 6.95% |
| 12/31/2018 | 1,172,212 | 1,172,212 | - | 16,903,243 | 6.93% |
| 12/31/2017 | 1,137,809 | 1,137,809 | - | 16,269,432 | 6.99% |
| 12/31/2016 | 1,075,179 | 1,075,179 | - | 15,861,576 | 6.78% |
| 12/31/2015 | 1,468,877 | 1,468,877 | - | 22,076,888 | 6.65% |
| 12/31/2014 | 1,446,795 | 1,446,795 | - | 21,691,782 | 6.67% |
| Primary Government - Law Enforcement System | | | | | |
| 12/31/2021 | \$ 871,830 | \$ 812,146 | \$ (59,684) | \$ 9,791,685 | 8.29% |
| 12/31/2020 | 871,830 | 818,033 | (53,797) | 8,375,523 | 9.77% |
| 12/31/2019 | 750,412 | 795,981 | 45,569 | 8,249,344 | 9.65% |
| 12/31/2018 | 778,799 | 778,799 | - | 7,938,830 | 9.81% |
| 12/31/2017 | 720,556 | 720,556 | - | 7,345,113 | 9.81% |
| 12/31/2016 | 722,727 | 722,727 | - | 7,370,196 | 9.81% |
| Component Units: | | | | | |
| Southeast Cass Water Resource District | | | | | |
| 12/31/2021 | \$ 9,674 | \$ 10,111 | \$ 437 | \$ 132,489 | 7.63% |
| 12/31/2020 | 9,032 | 8,455 | (577) | 127,562 | 6.63% |
| 12/31/2019 | 10,796 | 10,558 | (238) | 148,284 | 7.12% |
| 12/31/2018 | 10,710 | 10,250 | (460) | 145,412 | 7.05% |
| 12/31/2017 | 10,570 | 11,144 | 574 | 145,771 | 7.64% |
| 12/31/2016 | 8,579 | 9,190 | 611 | 118,501 | 7.75% |
| 12/31/2015 | 9,157 | 8,992 | (165) | 120,559 | 7.46% |
| 12/31/2014 | 8,457 | 8,457 | - | 118,779 | 7.12% |
| Maple River Water Resource District | | | | | |
| 12/31/2021 | \$ 3,225 | \$ 3,370 | \$ 145 | \$ 44,163 | 7.63% |
| 12/31/2020 | 3,011 | 2,818 | (193) | 42,521 | 6.63% |
| 12/31/2019 | 3,599 | 3,519 | (80) | 49,428 | 7.12% |
| 12/31/2018 | 3,570 | 3,417 | (153) | 48,471 | 7.05% |
| 12/31/2017 | 3,523 | 3,715 | 192 | 48,590 | 7.64% |
| 12/31/2016 | 2,860 | 3,063 | 203 | 39,500 | 7.75% |
| 12/31/2015 | 3,052 | 2,997 | (55) | 40,186 | 7.46% |
| 12/31/2014 | 2,416 | 2,416 | - | 33,937 | 7.12% |
| North Cass Water Resource District | | | | | |
| 12/31/2021 | \$ 1,290 | \$ 1,348 | \$ 58 | \$ 17,665 | 7.63% |
| 12/31/2020 | 1,204 | 1,127 | (77) | 17,008 | 6.63% |
| 12/31/2019 | 1,440 | 1,408 | (32) | 19,771 | 7.12% |
| 12/31/2018 | 1,428 | 1,367 | (61) | 19,771 | 6.91% |
| 12/31/2017 | 1,409 | 1,486 | 77 | 19,388 | 7.66% |
| 12/31/2016 | 1,144 | 1,225 | 81 | 19,436 | 6.30% |
| 12/31/2015 | 1,221 | 1,199 | (22) | 15,800 | 7.59% |
| 12/31/2014 | 1,074 | 1,074 | - | 16,074 | 6.68% |
| Rush River Water Resource District | | | | | |
| 12/31/2021 | \$ 1,935 | \$ 2,022 | \$ 87 | \$ 26,498 | 7.63% |
| 12/31/2020 | 1,806 | 1,691 | (115) | 25,512 | 6.63% |
| 12/31/2019 | 2,159 | 2,112 | (47) | 29,657 | 7.12% |
| 12/31/2018 | 2,142 | 2,050 | (92) | 29,082 | 7.05% |
| 12/31/2017 | 2,114 | 2,229 | 115 | 29,154 | 7.64% |
| 12/31/2016 | 1,716 | 1,838 | 122 | 23,700 | 7.75% |
| 12/31/2015 | 1,831 | 1,798 | (33) | 24,112 | 7.46% |
| 12/31/2014 | 1,477 | 1,477 | - | 20,739 | 7.12% |
| Noxious Weed Control District | | | | | |
| 12/31/2021 | \$ 5,633 | \$ 5,730 | \$ 98 | \$ 78,891 | 7.26% |
| 12/31/2020 | 4,897 | 5,048 | 151 | 72,150 | 7.17% |
| 12/31/2019 | 4,934 | 4,856 | (78) | 70,510 | 6.89% |
| 12/31/2018 | 5,340 | 5,340 | - | 68,413 | 7.81% |
| 12/31/2017 | 5,180 | 5,180 | - | 72,528 | 7.14% |
| 12/31/2016 | 5,075 | 5,075 | - | 65,829 | 7.71% |
| 12/31/2015 | 4,906 | 4,906 | - | 69,053 | 7.10% |
| 12/31/2014 | 4,742 | 4,742 | - | 65,653 | 7.22% |
| Vector Control District | | | | | |
| 12/31/2021 | \$ 12,487 | \$ 12,704 | \$ 216 | \$ 175,712 | 7.23% |
| 12/31/2020 | 10,556 | 10,882 | 326 | 154,857 | 8.03% |
| 12/31/2019 | 8,462 | 8,328 | (134) | 119,868 | 6.95% |
| 12/31/2018 | 10,311 | 10,311 | - | 131,695 | 7.83% |
| 12/31/2017 | 10,112 | 10,112 | - | 141,760 | 7.13% |
| 12/31/2016 | 9,894 | 9,894 | - | 128,447 | 7.70% |
| 12/31/2015 | 9,530 | 9,530 | - | 129,196 | 7.38% |
| 12/31/2014 | 9,087 | 9,087 | - | 126,929 | 7.16% |

* This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

Cass County Government

Schedule of Employer Contributions
ND Public Employees Retirement System OPEB
Last Ten Fiscal Years

| Year Ended * | Statutorily Required Contributions | Actual Employer Contributions | Contribution Excess/ (Deficiency) | Actual Covered Member Payroll | Contributions as a Percentage of Covered Payroll |
|---|------------------------------------|-------------------------------|-----------------------------------|-------------------------------|--|
| Primary Government - Main System | | | | | |
| 12/31/2021 | \$ 267,743 | \$ 272,502 | \$ 4,759 | \$ 22,998,023 | 1.18% |
| 12/31/2020 | 279,691 | 288,400 | 8,709 | 24,549,058 | 1.17% |
| 12/31/2019 | 290,297 | 286,656 | (3,640) | 25,686,580 | 1.12% |
| 12/31/2018 | 274,634 | 274,634 | - | 24,841,694 | 1.11% |
| 12/31/2017 | 264,513 | 264,513 | - | 23,614,545 | 1.12% |
| Component Units: | | | | | |
| Southeast Cass Water Resource District | | | | | |
| 12/31/2021 | \$ 1,577 | \$ 1,619 | \$ 42 | \$ 132,489 | 1.22% |
| 12/31/2020 | 1,499 | 1,354 | (145) | 127,562 | 1.06% |
| 12/31/2019 | 1,724 | 1,690 | (34) | 148,284 | 1.14% |
| 12/31/2018 | 1,706 | 1,641 | (65) | 145,412 | 1.23% |
| 12/31/2017 | 1,694 | 1,784 | 90 | 145,771 | 1.22% |
| Maple River Water Resource District | | | | | |
| 12/31/2021 | \$ 526 | \$ 540 | \$ 14 | \$ 44,163 | 1.22% |
| 12/31/2020 | 500 | 451 | (49) | 42,521 | 1.06% |
| 12/31/2019 | 575 | 563 | (12) | 49,428 | 1.14% |
| 12/31/2018 | 569 | 547 | (22) | 48,471 | 1.13% |
| 12/31/2017 | 565 | 595 | 30 | 48,590 | 1.22% |
| North Cass Water Resource District | | | | | |
| 12/31/2021 | \$ 210 | \$ 216 | \$ 6 | \$ 17,665 | 1.22% |
| 12/31/2020 | 200 | 180 | (20) | 17,008 | 1.06% |
| 12/31/2019 | 230 | 225 | (5) | 19,771 | 1.14% |
| 12/31/2018 | 227 | 219 | (8) | 19,771 | 1.13% |
| 12/31/2017 | 226 | 238 | 12 | 19,388 | 1.22% |
| Rush River Water Resource District | | | | | |
| 12/31/2021 | \$ 315 | \$ 324 | \$ 9 | \$ 26,498 | 1.22% |
| 12/31/2020 | 300 | 271 | (29) | 25,512 | 1.06% |
| 12/31/2019 | 345 | 338 | (7) | 29,657 | 1.14% |
| 12/31/2018 | 341 | 328 | (13) | 29,082 | 1.13% |
| 12/31/2017 | 339 | 357 | 18 | 29,154 | 1.22% |
| Noxious Weed Control District | | | | | |
| 12/31/2021 | \$ 1,199 | \$ 1,221 | \$ 21 | \$ 66,411 | 1.84% |
| 12/31/2020 | 1,154 | 1,190 | 36 | 67,178 | 1.82% |
| 12/31/2019 | 1,164 | 1,149 | (15) | 70,510 | 1.63% |
| 12/31/2018 | 1,102 | 1,102 | - | 68,413 | 1.61% |
| 12/31/2017 | 1,183 | 1,183 | - | 72,528 | 1.63% |
| Vector Control District | | | | | |
| 12/31/2021 | \$ 2,659 | \$ 2,706 | \$ 47 | \$ 147,916 | 1.83% |
| 12/31/2020 | 2,487 | 2,564 | 77 | 144,187 | 2.03% |
| 12/31/2019 | 1,996 | 1,971 | (25) | 119,868 | 1.64% |
| 12/31/2018 | 2,128 | 2,128 | - | 131,696 | 1.62% |
| 12/31/2017 | 2,309 | 2,309 | - | 141,760 | 1.63% |

* This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

CASS COUNTY GOVERNMENT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2021

NOTE 1: LAW ENFORCEMENT RETIREMENT SYSTEM

CHANGES OF BENEFIT TERMS

The interest rate earned on member contributions decreased from 7.00 percent to 6.50 percent effective January 1, 2021 (based on the adopted decrease in the investment return assumption). New Public Safety members who are hired on or after January 1, 2020 will have a benefit multiplier of 1.75 percent (compared to the current benefit multiplier of 2.00 percent). For members who terminate after December 31, 2019, final average salary is the higher of the final average salary calculated on December 31, 2019 or the average salary earned in the three highest periods of twelve consecutive months employed during the last 180 months of employment. There have been no other changes in plan provisions since the previous actuarial valuation as of July 1, 2020.

CHANGES OF ASSUMPTIONS

All actuarial assumptions and the actuarial cost method are unchanged from the last actuarial valuation as of July 1, 2020

NOTE 2: NDPERS MAIN SYSTEM

CHANGES OF BENEFIT TERMS

The interest rate earned on member contributions decreased from 7.00 percent to 6.50 percent effective January 1, 2021 (based on the adopted decrease in the investment return assumption). New Main System members who are hired on or after January 1, 2020 will have a benefit multiplier of 1.75 percent (compared to the current benefit multiplier of 2.00 percent). The fixed employer contribution for new members of the Main System increased from 7.12 percent to 8.26 percent. For members who terminate after December 31, 2019, final average salary is the higher of the final average salary calculated on December 31, 2019 or the average salary earned in the three highest periods of twelve consecutive months employed during the last 180 months of employment. There have been no other changes in plan provisions since the previous actuarial valuation as of July 1, 2020.

CHANGES OF ASSUMPTIONS

All actuarial assumptions and the actuarial cost method are unchanged from the last actuarial valuation as of July 1, 2020.

NOTE 3: OPED PLAN

CHANGES OF BENEFIT TERMS

Beginning January 1, 2020, members first enrolled in the NDPERS Main System and the Defined Contribution Plan on or after that date will not be eligible to participate in RHIC. Therefore, RHIC will become for the most part a closed plan. There have been no other changes in plan provisions since the previous actuarial valuation as of July 1, 2020.

CHANGES OF ASSUMPTIONS

All actuarial assumptions and the actuarial cost method are unchanged from the last actuarial valuation as of July 1, 2020.

**OTHER
SUPPLEMENTARY
INFORMATION**

CASS COUNTY GOVERNMENT Nonmajor Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Parenting Workshop

This fund is used by the County Extension office to track the cost of providing various workshops to the citizens of the County on parenting. The costs of the workshops are offset by fees charged to the participants along with some agency sponsorships.

Sheriff Asset Forfeiture

This fund is used to account for assets seized by law enforcement due to criminal activity. These funds are used to supplement a law enforcement budget and cannot supplant funding provided by general tax dollars.

JAIBG

This is the Juvenile Accountability Incentive Block Grant fund and is 90% federal funds. The funds are used for programs that encourage or assist juvenile offenders in being more accountable for their criminal activities.

Jail Commissary

This fund is used to account for telephone commissions in the County Jail. These revenues are used to purchase furniture, fixtures, recreational and audio-visual equipment, and miscellaneous items for inmates of the jail.

Hazardous Plan/Response

This fund is set up through state statute and used to account for chemical fees paid by those under the local Emergency Planning Commission. Revenues are used to purchase supplies for the Hazardous Material Response Team.

Valley Water Rescue

This fund accounts for grants received from four city governments and two county governments and is used to repair and purchase equipment for the Valley Water Rescue Unit.

State's Attorney Asset Forfeiture

This is a fund for assets seized by various law enforcement agencies.

Senior Citizens

These funds provide support for senior citizen programs throughout the County, in accordance with the guidelines set by the State Department of Human Services.

911 Service

This fund is used to accumulate the 911 fees from both land lines and cellular lines and pay for the cost of dispatch service through the Red River Regional Dispatch Center. This Center is a joint operation between Cass County, Clay County of Minnesota, and the cities of Fargo, West Fargo, and Moorhead.

NDRIN-County Recorders

This fund provides for the management of the North Dakota Recorders Information Network Fund (NDRIN). NDRIN provides for the operation of a central repository for electronic land records from member counties and provides for access to those records by electronic means over the Internet. Funding is provided by electronic access fees and the Document Preservation Fee charged by member counties for recording documents.

Document Preservation Fund

This fund accounts for Cass County's Document Preservation Fee. Currently \$2 of the \$3 fee is used to fund the NDRIN project, and \$1 is used to maintain the technology within the County Recorder's Office.

County Park

The funds received are for maintenance of the county park facilities at Brewer Lake, in Erie, North Dakota, and for other park projects around the County.

24/7 Sobriety Program

This fund is used to account for the sobriety program implemented by the State of North Dakota. Participants in the program are individuals arrested for alcohol or controlled substance offenses. The participants are given less jail time if they agree to be tested twice a day for drugs and alcohol. The participants are required to pay for the testing.

Civil Asset Forfeiture

This fund is used to account for asset forfeiture and disbursements to other agencies.

Pass Through Grants

This fund is used hold fund that are due to other agencies for grants that the County acts as an agent for.

2019 Flood Emergency and Response

These funds were created to track the revenues and expenses associated with the 2019 flood fight.

Emergency Fund

This fund holds funds to cover the expenses for unforeseen expenses related to floods or other disasters.

2020 Flood Fund

These funds were created to track the revenues and expenses associated with the 2020 flood fight.

Public Safety Communication System

This fund was created to track the revenues and expenses associated with maintenance of the new county wide communication system for emergency personnel.

FM Diversion

This fund created to track the revenues and expenses associated with diversion revenues and expenses reimbursed if full by the diversion authority.

**CASS COUNTY GOVERNMENT
Nonmajor Debt Service Funds**

Debt service funds are used to account for accumulation of resources for, and the payment of, principal and interest on long term debt.

**Wild Rice River Estates
Greyhawk Estates Subdivision
Granberg/ Amber Plains
2010 Bond Sinking & Interest
Special Assessment Deficiency**

These funds are used to accumulate resources for the payment of principal and interest on the special assessment bonds related to improvements within the specific subdivision. Revenues are received primarily from special assessments on property within the district. The County issues bonds for special assessments if the subdivision is not within city limits.

**CASS COUNTY GOVERNMENT
Nonmajor Capital Projects Funds**

Capital projects funds are used to account for the acquisition and construction of major capital facilities.

Building Fund

This fund is used to provide for the construction/remodeling of County buildings.

Forest River Subdivision

This fund is used to provide for the construction of street improvements in the Forest River Subdivision.

Round Hill Subdivision

This fund is used to provide for the construction of street improvements in the Round Hill Subdivision.

Flood Control Loan Fund

This fund is used to provide for the construction FM Diversion and will be closed after this year.

Granberg/ Amber Plains

This fund is used to provide for the construction of street improvements in the Granberg's and Amber Plains Subdivisions.

Wild Rice River Estates Subdivision

This fund is used to provide for the construction of street improvements in the Wild Rice River Estates Subdivision.

Career Workforce Academy

This fund is used to provide funding for multi organization Career Center.

THIS PAGE HAS BEEN RESERVED FOR NOTES

CASS COUNTY GOVERNMENT
Combining Balance Sheet
Nonmajor Governmental Funds - Special Revenue Funds
December 31, 2021

| | Parenting Workshop | Sheriff Asset Forfeiture | JAIBG Fund | Jail Commissary |
|--|-----------------------|--------------------------------|------------------|--------------------|
| Assets: | | | | |
| Cash and cash equivalents | \$ 35,689 | \$ 262,745 | \$ 65,979 | \$ 625,904 |
| Receivables: | | | | |
| Taxes | - | - | - | - |
| Accounts | 33 | 250 | 62 | 2,921 |
| Due From Other Funds | - | - | - | - |
| Prepaid Items | - | - | - | 109 |
| Due From Other Governments | - | 605 | - | - |
| Total Assets | 35,722 | 263,600 | 66,041 | 628,934 |
| Liabilities: | | | | |
| Accounts Payable | - | 9,470 | - | 18,020 |
| Due to Other Funds | - | - | - | - |
| Due to Inmates/Permits/Drug Cases | - | 100,698 | - | 110,073 |
| Total Liabilities | - | 110,168 | - | 128,093 |
| Deferred Inflows of Resources: | | | | |
| Taxes Receivable | - | - | - | - |
| Property Taxes Levied for Subsequent Year | - | - | - | - |
| Total Deferred Inflows of Resources | - | - | - | - |
| Fund Balance: | | | | |
| Nonspendable: | | | | |
| Prepaid Items | - | - | - | 109 |
| Restricted: | | | | |
| Sheriff Asset Forfeiture | - | 153,432 | - | - |
| Public Safety Communications System | - | - | - | - |
| JAIBG Funds | - | - | 66,041 | - |
| Hazardous Planning | - | - | - | - |
| States Attorney Asset Forfeiture | - | - | - | - |
| 24/7 Sobriety | - | - | - | - |
| Senior Citizens | - | - | - | - |
| Flood Control Projects | - | - | - | - |
| Document Preservation | - | - | - | - |
| County Park | - | - | - | - |
| Civil Asset Forfeiture | - | - | - | - |
| Pass Through Grants | - | - | - | - |
| Committed: | | | | |
| Jail Commissary | - | - | - | 500,732 |
| Valley Water Rescue | - | - | - | - |
| Parenting Workshop | 35,722 | - | - | - |
| Total Fund Balances | 35,722 | 153,432 | 66,041 | 500,841 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits) | \$ 35,722 | \$ 263,600 | \$ 66,041 | \$ 628,934 |

| Hazardous Plan/ Response | Valley Water Rescue | State's Attorney Asset Forfeiture | Senior Citizens | Public Safety Comm System | 911 Service | FM Diversion |
|--------------------------------|---------------------------|---|--------------------|------------------------------|-------------------|-------------------|
| \$ 30,686 | \$ 24,050 | 258,937.00 | \$ 286,525 | \$ 200,457 | \$ - | \$ - |
| - | - | - | 7,729 | - | - | - |
| 29 | 23 | 240.00 | 192 | - | 604,045 | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | 6,250 |
| - | 30,000 | - | - | - | - | 230,497 |
| <u>30,715</u> | <u>54,073</u> | <u>259,177.00</u> | <u>294,446</u> | <u>200,457</u> | <u>604,045</u> | <u>236,747</u> |
| - | 46,043 | - | - | 1,559 | 144,655 | 721 |
| - | - | - | - | - | 459,390 | 230,814 |
| - | - | - | - | - | - | - |
| - | 46,043 | - | - | 1,559 | 604,045 | 231,535 |
| - | - | - | 7,729 | - | - | - |
| - | - | - | 153,614 | 76,807 | - | - |
| - | - | - | 161,343 | 76,807 | - | - |
| - | - | - | - | - | - | 6,250 |
| - | - | - | - | - | - | - |
| - | - | - | - | 122,091 | - | - |
| - | - | - | - | - | - | - |
| 30,715 | - | - | - | - | - | - |
| - | - | 259,177.00 | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | 133,103 | - | - | - |
| - | - | - | - | - | - | (1,038) |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | 8,030 | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 30,715 | 8,030 | 259,177.00 | 133,103 | 122,091 | - | 5,212 |
| <u>\$ 30,715</u> | <u>\$ 54,073</u> | <u>259,177.00</u> | <u>\$ 294,446</u> | <u>\$ 200,457</u> | <u>\$ 604,045</u> | <u>\$ 236,747</u> |

Continued on next page

CASS COUNTY GOVERNMENT
Combining Balance Sheet
Nonmajor Governmental Funds - Special Revenue Funds
December 31, 2021

| | NDRIN County Recorder Project | Document Preservation ROD | County Park | 24/7 Sobriety Program |
|--|-------------------------------------|---------------------------------|-------------------|-----------------------------|
| Assets: | | | | |
| Cash and cash equivalents | \$ 1,751,828 | \$ 512,794 | \$ 120,389 | \$ 44,923 |
| Receivables: | | | | |
| Taxes | - | - | - | - |
| Accounts Due From Other Funds | 18,570 | 30,549 | 162 | 41 |
| Prepaid Items | 29,940 | 55,481 | - | 958 |
| Due From Other Governments | - | 1,539 | - | - |
| Total Assets | 1,800,338 | 600,363 | 120,551 | 45,922 |
| Liabilities: | | | | |
| Accounts Payable | 314,908 | - | 293 | 22,880 |
| Due to Other Funds | - | - | - | - |
| Due to Inmates/Permits/Drug Cases | - | - | - | - |
| Total Liabilities | 314,908 | - | 293 | 22,880 |
| Deferred Inflows of Resources: | | | | |
| Taxes Receivable | - | - | - | - |
| Property Taxes Levied for Subsequent Year | - | - | - | - |
| Total Deferred Inflows of Resources | - | - | - | - |
| Fund Balances: | | | | |
| Nonspendable: | | | | |
| Prepaid Items | 29,940 | 55,481 | - | 958 |
| Restricted: | | | | |
| Sheriff Asset Forfeiture | - | - | - | - |
| Public Safety Communications System | - | - | - | - |
| JAIBG Funds | - | - | - | - |
| Hazardous Planning | - | - | - | - |
| States Attorney Asset Forfeiture | - | - | - | - |
| 24/7 Sobriety | - | - | - | 22,084 |
| Senior Citizens | - | - | - | - |
| Flood Control Projects | - | - | - | - |
| Document Preservation | 1,455,490 | 544,882 | - | - |
| County Park | - | - | 120,258 | - |
| Civil Asset Forfeiture | - | - | - | - |
| Pass Through Grants | - | - | - | - |
| Committed: | | | | |
| Jail Commissary | - | - | - | - |
| Valley Water Rescue | - | - | - | - |
| Parenting Workshop | - | - | - | - |
| Total Fund Balances | 1,485,430 | 600,363 | 120,258 | 23,042 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits) | \$ 1,800,338 | \$ 600,363 | \$ 120,551 | \$ 45,922 |

Continued from previous page

| Civil Asset Forfeiture | Pass Through Grants | 2019 Flood Emergency | 2019 Flood Recovery | 2020 Flood Fund | FM Diversion | Total Nonmajor Special Revenue Funds |
|------------------------|---------------------|----------------------|---------------------|---------------------|------------------|--------------------------------------|
| \$ 57,981 | \$ - | \$ - | \$ - | \$ 4,697,387 | \$ 32,237 | \$ 9,008,511 |
| - | - | - | - | - | - | 7,729 |
| - | - | - | - | 4,454 | 30 | 661,601 |
| - | - | - | - | 112,314 | - | 112,314 |
| - | - | - | - | - | - | 92,738 |
| - | 32,460 | - | - | - | - | 295,101 |
| <u>57,981</u> | <u>32,460</u> | <u>-</u> | <u>-</u> | <u>4,814,155</u> | <u>32,267</u> | <u>10,177,994</u> |
| - | 21,887 | - | - | - | - | 580,436 |
| - | - | 112,008 | 306 | - | - | 802,518 |
| - | - | - | - | - | - | 210,771 |
| <u>-</u> | <u>21,887</u> | <u>112,008</u> | <u>306</u> | <u>-</u> | <u>-</u> | <u>1,593,725</u> |
| - | - | - | - | - | - | 7,729 |
| - | - | - | - | - | - | 230,421 |
| - | - | - | - | - | - | 238,150 |
| - | - | - | - | - | - | 92,738 |
| - | - | - | - | - | - | 153,432 |
| - | - | - | - | - | - | 122,091 |
| - | - | - | - | - | - | 66,041 |
| - | - | - | - | - | - | 30,715 |
| - | - | - | - | - | - | 259,177 |
| - | - | - | - | - | - | 22,084 |
| - | - | - | - | - | - | 133,103 |
| - | - | (112,008) | (306) | 4,814,155 | 32,267 | 4,733,070 |
| - | - | - | - | - | - | 2,000,372 |
| - | - | - | - | - | - | 120,258 |
| 57,981 | - | - | - | - | - | 57,981 |
| - | 10,573 | - | - | - | - | 10,573 |
| - | - | - | - | - | - | 500,732 |
| - | - | - | - | - | - | 8,030 |
| - | - | - | - | - | - | 35,722 |
| <u>57,981</u> | <u>10,573</u> | <u>(112,008)</u> | <u>(306)</u> | <u>4,814,155</u> | <u>32,267</u> | <u>8,346,119</u> |
| <u>\$ 57,981</u> | <u>\$ 32,460</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 4,814,155</u> | <u>\$ 32,267</u> | <u>\$ 10,177,994</u> |

CASS COUNTY GOVERNMENT
Combining Balance Sheet
Nonmajor Governmental Funds - All Debt Service Funds
December 31, 2021

| | Wild Rice River Estates | Greyhawk Estates Subdivision | Granberg Amber Plains | 2010 Bond S&I | Special Assessment Deficiency | Total Nonmajor Debt Service Funds |
|---|-------------------------------|------------------------------------|-----------------------------|---------------------|-------------------------------------|---|
| Assets: | | | | | | |
| Cash and Cash Equivalents | \$ 6,373 | \$ - | \$ 9,541 | \$ 247,166 | \$ 10,348 | \$ 273,428 |
| Receivables: | - | - | 7 | 170 | 10 | 187 |
| Taxes | - | - | - | 7,266 | - | 7,266 |
| Special Assessments | - | - | - | - | - | - |
| Uncertified Special Assessments | 158,539 | - | 21,086 | - | - | 179,625 |
| Total Assets | 164,912 | - | 30,634 | 254,602 | 10,358 | 460,506 |
| Deferred Inflows of Resources: | | | | | | |
| Taxes Receivable | - | - | - | 7,266 | - | 7,266 |
| Special Assessments Receivable | - | - | - | - | - | - |
| Uncertified Special Assessments Receivable | 158,539 | - | 21,086 | - | - | 179,625 |
| Property Taxes Levied for Subsequent Year | - | - | - | 115,211 | - | 115,211 |
| Special Assessments Levied for Subsequent Year | 1,759 | - | 3,803 | - | - | 5,562 |
| Total Deferred Inflows of Resources | 160,298 | - | 24,889 | 122,477 | - | 307,664 |
| Fund Balances: | | | | | | |
| Restricted: | | | | | | |
| Special Assesment Debt | 4,614 | - | 5,745 | - | 10,358 | 20,717 |
| General Obligation Debt | - | - | - | 132,125 | - | 132,125 |
| Total Fund Balances | 4,614 | - | 5,745 | 132,125 | 10,358 | 152,842 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | \$ 164,912 | \$ - | \$ 30,634 | \$ 254,602 | \$ 10,358 | \$ 460,506 |

CASS COUNTY GOVERNMENT
Combining Balance Sheet
Nonmajor Governmental Funds - Capital Projects Funds
December 31, 2021

| | Building Fund | Forest River Subdivision | Round Hill Subdivision | Flood Control Loan Fund | Granberg Amber Plains | Wild Rice River Estates Subdivision | Career Workforce Academy | Total Nonmajor Capital Projects Funds |
|--|---------------------|--------------------------------|------------------------------|----------------------------|-----------------------------|---|--------------------------------|---|
| ASSETS | | | | | | | | |
| Cash and cash equivalents | \$ 4,551,650 | \$ 31,142 | \$ 28,899 | \$ - | \$ 7,329 | \$ - | \$ 196,486 | \$ 4,815,506 |
| Taxes Receivable | 38,644 | - | - | - | - | - | 7,726 | 46,370 |
| Accounts Receivable | 4,089 | 29 | 27 | - | 7 | - | 108 | 4,260 |
| Prepaid Item | - | - | - | - | - | - | - | - |
| Total Assets | 4,594,383 | 31,171 | 28,926 | - | 7,336 | - | 204,320 | 4,866,136 |
| LIABILITIES AND FUND BALANCES | | | | | | | | |
| Liabilities: | | | | | | | | |
| Accounts Payable | 124,058 | - | - | - | - | - | - | 124,058 |
| Due to Other Funds | - | - | - | - | - | - | - | - |
| Total Liabilities | 124,058 | - | - | - | - | - | - | 124,058 |
| Deferred Inflows of Resources: | | | | | | | | |
| Taxes Receivable | 38,644 | - | - | - | - | - | 7,726 | 46,370 |
| Property Taxes Levied for Subsequent Yea | 691,263 | - | - | - | - | - | 153,614 | 844,877 |
| Total Deferred Inflows of Resources | 729,907 | - | - | - | - | - | 161,340 | 891,247 |
| Fund Balances: | | | | | | | | |
| Committed: | | | | | | | | |
| Special Assessment Projects | 3,740,418 | 31,171 | 28,926 | - | 7,336 | - | 42,980 | 3,850,831 |
| Unassigned | - | - | - | - | - | - | - | - |
| Total Fund Balances | 3,740,418 | 31,171 | 28,926 | - | 7,336 | - | 42,980 | 3,850,831 |
| Total Liabilities and Fund Balances | \$ 4,594,383 | \$ 31,171 | \$ 28,926 | \$ - | \$ 7,336 | \$ - | \$ 204,320 | \$ 4,866,136 |

CASS COUNTY GOVERNMENT
Combining Balance Sheet
All Nonmajor Governmental Funds
December 31, 2021

| | Total Nonmajor Special Revenue Funds | Total Nonmajor Debt Service Funds | Total Nonmajor Capital Project Funds | Total Nonmajor Governmental Funds |
|---|---|--|---|---|
| Assets: | | | | |
| Cash and cash equivalents | \$ 9,008,511 | \$ 273,428 | \$ 4,815,506 | \$ 14,097,445 |
| Receivables: | | | | |
| Taxes | 7,729 | 7,266 | 46,370 | 61,365 |
| Accounts | 661,601 | 187 | 4,260 | 666,048 |
| Special Assessments | - | - | - | - |
| Uncertified Special Assessments | - | 179,625 | - | 179,625 |
| Due From Other Governments | 295,101 | - | - | 295,101 |
| Due From Other Funds | 112,314 | - | - | 112,314 |
| Prepaid Items | 92,738 | - | - | 92,738 |
| Total Assets | 10,177,994 | 460,506 | 4,866,136 | 15,504,636 |
| Liabilities: | | | | |
| Accounts Payable | 580,436 | - | 124,058 | 704,494 |
| Due to Other Funds | 802,518 | - | - | 802,518 |
| Due To Inmates/Permits/Drug Cases | 210,771 | - | - | 210,771 |
| Total Liabilities | 1,593,725 | - | 124,058 | 1,717,783 |
| Deferred Inflows of Resources: | | | | |
| Taxes Receivable | 7,729 | 7,266 | 46,370 | 61,365 |
| Special Assessments Receivable | - | - | - | - |
| Uncertified Special Assessments Receivable | - | 179,625 | - | 179,625 |
| Property Taxes Levied for Subsequent Year | 230,421 | 115,211 | 844,877 | 1,190,509 |
| Special Assessments Levied for Subsequent Year | - | 5,562 | - | 5,562 |
| Total Deferred Inflows of Resources | 238,150 | 307,664 | 891,247 | 1,437,061 |
| Fund Balances: | | | | |
| Nonspendable: | | | | |
| Prepaid Items | 92,738 | - | - | 92,738 |
| Restricted: | | | | |
| Sheriff Asset Forfeiture | 153,432 | - | - | 153,432 |
| Public Safety Communications System | 122,091 | - | - | 122,091 |
| JAIBG Funds | 66,041 | - | - | 66,041 |
| Hazardous Planning | 30,715 | - | - | 30,715 |
| State's Attorney Asset Forfeiture | 259,177 | - | - | 259,177 |
| 24/7 Sobriety | 22,084 | - | - | 22,084 |
| Senior Citizens | 133,103 | - | - | 133,103 |
| Flood Control Projects | 4,733,070 | - | - | 4,733,070 |
| Document Preservation | 2,000,372 | - | - | 2,000,372 |
| County Park | 120,258 | - | - | 120,258 |
| Civil Asset Forfeitures | 57,981 | - | - | 57,981 |
| Pass Through Grants | 10,573 | - | - | 10,573 |
| Special Assessment Debt | - | 20,717 | - | 20,717 |
| General Obligation Debt | - | 132,125 | - | 132,125 |
| Committed: | | | | |
| Jail Commissary | 500,732 | - | - | 500,732 |
| Valley Water Rescue | 8,030 | - | - | 8,030 |
| Parenting Workshop | 35,722 | - | - | 35,722 |
| Special Assessment Projects | - | - | 3,850,831 | 3,850,831 |
| Unassigned | - | - | - | - |
| Total Fund Balances | 8,346,119 | 152,842 | 3,850,831 | 12,349,792 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | \$ 10,177,994 | \$ 460,506 | \$ 4,866,136 | \$ 15,504,636 |

THIS PAGE HAS BEEN RESERVED FOR NOTES

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, 2021

| | Parenting Workshop | Sheriff Asset Forfeiture | JAIBG Fund | Jail Commissary |
|--|-----------------------|--------------------------------|------------------|--------------------|
| <u>Revenues:</u> | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental Revenues | - | 89,567 | - | - |
| Charges for Services | 2,909 | - | - | 453,115 |
| Miscellaneous Revenues | 186 | 114,331 | 1,790 | 3,251 |
| Total Revenues | 3,095 | 203,898 | 1,790 | 456,366 |
| <u>Expenditures:</u> | | | | |
| Current: | | | | |
| General Government | - | - | - | - |
| Public Safety | - | 209,389 | 4,096 | 387,147 |
| Highway and Streets | - | - | - | - |
| Culture and Recreation | - | - | - | - |
| Conservation & Econ. Development | 1,877 | - | - | - |
| Total Expenditures | 1,877 | 209,389 | 4,096 | 387,147 |
| Excess (deficiency) of Revenues Over (Under) Expenditures | 1,218 | (5,491) | (2,306) | 69,219 |
| <u>Other Financing Sources (Uses):</u> | | | | |
| Transfers In | - | - | - | - |
| Transfers Out | - | - | - | - |
| Total Other Financing Sources and (Uses) | - | - | - | - |
| Net change in fund balances | 1,218 | (5,491) | (2,306) | 69,219 |
| Fund Balance - Beginning | 34,504 | 158,923 | 68,347 | 431,622 |
| Fund Balance - Ending | \$ 35,722 | \$ 153,432 | \$ 66,041 | \$ 500,841 |

| Hazardous Plan/ Response | Valley Water Rescue | State's Attorney Asset Forfeiture | Senior Citizens | FM Diversion | 911 Service | NDRIN County Recorders |
|--------------------------------|---------------------------|---|--------------------|-----------------|------------------|------------------------------|
| \$ - | \$ - | \$ - | \$ 963,850 | \$ - | \$ - | \$ - |
| - | 97,831 | - | 807,162 | - | - | - |
| 6,950 | - | - | - | - | 4,190,273 | 1,040,059 |
| 191 | 180 | 36,465 | 1,077 | 980,482 | 109 | 8,678 |
| <u>7,141</u> | <u>98,011</u> | <u>36,465</u> | <u>1,772,089</u> | <u>980,482</u> | <u>4,190,382</u> | <u>1,048,737</u> |
| - | - | - | - | - | - | 1,181,312 |
| 14,561 | 111,505 | 2,074 | - | - | 4,543,792 | - |
| - | - | - | - | - | - | - |
| - | - | - | 1,913,840 | 975,270 | - | - |
| - | - | - | - | - | - | - |
| <u>14,561</u> | <u>111,505</u> | <u>2,074</u> | <u>1,913,840</u> | <u>975,270</u> | <u>4,543,792</u> | <u>1,181,312</u> |
| <u>(7,420)</u> | <u>(13,494)</u> | <u>34,391</u> | <u>(141,751)</u> | <u>5,212</u> | <u>(353,410)</u> | <u>(132,575)</u> |
| - | - | - | - | - | 353,410 | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | 353,410 | - |
| <u>(7,420)</u> | <u>(13,494)</u> | <u>34,391</u> | <u>(141,751)</u> | <u>5,212</u> | <u>-</u> | <u>(132,575)</u> |
| <u>38,135</u> | <u>21,524</u> | <u>224,786</u> | <u>274,854</u> | <u>-</u> | <u>-</u> | <u>1,618,005</u> |
| <u>\$ 30,715</u> | <u>\$ 8,030</u> | <u>\$ 259,177</u> | <u>\$ 133,103</u> | <u>\$ 5,212</u> | <u>\$ -</u> | <u>\$ 1,485,430</u> |

Continued on next page

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, 2021

| | Document Preservation Fund | County Park | 24/7 Sobriety Program | Public Safety Communications System |
|--|----------------------------------|-------------------|-----------------------------|---|
| <u>Revenues:</u> | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental Revenues | - | - | - | - |
| Charges for Services | 176,989 | 25,885 | 383,557 | - |
| Miscellaneous Revenues | 3,006 | 611 | 238 | - |
| Total Revenues | 179,995 | 26,496 | 383,795 | - |
| <u>Expenditures:</u> | | | | |
| Current: | | | | |
| General Government | 167,619 | - | - | - |
| Public Safety | - | - | 398,865 | 54,051 |
| Highway and Streets | - | - | - | - |
| Culture and Recreation | - | 31,471 | - | - |
| Conservation & Econ. Development | - | - | - | - |
| Total Expenditures | 167,619 | 31,471 | 398,865 | 54,051 |
| Excess (deficiency) of Revenues Over (Under) Expenditures | 12,376 | (4,975) | (15,070) | (54,051) |
| <u>Other Financing Sources (Uses):</u> | | | | |
| Transfers In | - | 20,000 | - | 176,142 |
| Transfers Out | - | - | - | - |
| Total Other Financing Sources and (Uses) | - | 20,000 | - | 176,142 |
| Net change in fund balances | 12,376 | 15,025 | (15,070) | 122,091 |
| Fund Balance - Beginning | 587,987 | 105,233 | 38,112 | - |
| Fund Balance - Ending | \$ 600,363 | \$ 120,258 | \$ 23,042 | \$ 122,091 |

Continued from previous page

| Civil Asset Forfeiture | Pass Through Grants | 2019 Flood Emergency | 2019 Flood Recovery | Emergency Fund | 2020 Flood Fund | Total Nonmajor Special Revenue Funds |
|------------------------|---------------------|----------------------|---------------------|----------------|-----------------|--------------------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 963,850 |
| - | 286,644 | - | - | - | 237,774 | 1,518,978 |
| - | - | - | - | - | - | 6,279,737 |
| 67,066 | - | - | 25 | 25,457 | 156 | 1,243,299 |
| 67,066 | 286,644 | - | 25 | 25,457 | 237,930 | 10,005,864 |
| - | - | - | - | - | - | 1,348,931 |
| 12,398 | - | - | - | - | - | 5,737,878 |
| - | - | - | 17,869 | - | 60,053 | 77,922 |
| - | - | - | - | - | - | 2,920,581 |
| - | 292,085 | - | - | - | - | 293,962 |
| 12,398 | 292,085 | - | 17,869 | - | 60,053 | 10,379,274 |
| 54,668 | (5,441) | - | (17,844) | 25,457 | 177,877 | (373,410) |
| - | - | - | - | - | - | 549,552 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | 549,552 |
| 54,668 | (5,441) | - | (17,844) | 25,457 | 177,877 | 176,142 |
| 3,313 | 16,014 | (112,008) | 17,538 | 4,788,698 | (145,610) | 8,169,977 |
| \$ 57,981 | \$ 10,573 | \$ (112,008) | \$ (306) | \$ 4,814,155 | \$ 32,267 | \$ 8,346,119 |

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, 2021

| | Wild Rice River Estates | Greyhawk Estates Subdivision | Granberg Amber Plains | 2010 Bond S&I | Special Assessment Deficiency | Total Nonmajor Debt Service Funds |
|--|-------------------------------|------------------------------------|-----------------------------|---------------------|-------------------------------------|---|
| <u>Revenues:</u> | | | | | | |
| Property Taxes | \$ 15,009 | \$ - | \$ 24,412 | \$ 889,133 | \$ - | \$ 928,554 |
| Intergovernmental Revenues | - | - | - | 24,517 | - | 24,517 |
| Miscellaneous Revenues | - | 21 | 57 | 1,270 | 50 | 1,398 |
| Total Revenues | 15,009 | 21 | 24,469 | 914,920 | 50 | 954,469 |
| <u>Expenditures:</u> | | | | | | |
| <u>Debt Service:</u> | | | | | | |
| Principal | 10,000 | - | 25,000 | 815,000 | - | 850,000 |
| Interest | 4,713 | - | 1,669 | 57,818 | - | 64,200 |
| Fiscal Charges | 1,020 | 5,376 | 1,020 | 400 | - | 7,816 |
| Total Expenditures | 15,733 | 5,376 | 27,689 | 873,218 | - | 922,016 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (724) | (5,355) | (3,220) | 41,702 | 50 | 32,453 |
| <u>Other Financing Sources (Uses):</u> | | | | | | |
| Transfers In | - | - | - | - | 1,792 | 1,792 |
| Transfers Out | - | (1,792) | - | - | - | (1,792) |
| Total Other Financing Sources and (Uses) | - | (1,792) | - | - | 1,792 | - |
| Net Change in Fund Balances | (724) | (7,147) | (3,220) | 41,702 | 1,842 | 32,453 |
| Fund Balance - Beginning | 5,338 | 7,147 | 8,965 | 90,423 | 8,516 | 120,389 |
| Fund Balance - Ending | \$ 4,614 | \$ - | \$ 5,745 | \$ 132,125 | \$ 10,358 | \$ 152,842 |

Changes in Fund Balances
Nonmajor Governmental Funds - Capital Projects Funds
For the Fiscal Year Ended December 31, 2021

| | Building Fund | Forest River Subdivision | Round Hill Subdivision | Flood Control Loan Fund | Granberg Amber Plains | Wild Rice River Estates Subdivision | Career Workforce Academy | Total Nonmajor Capital Projects Funds |
|--|---------------------|--------------------------------|------------------------------|----------------------------|-----------------------------|---|--------------------------------|---|
| Revenues: | | | | | | | | |
| Property Tax | \$ 4,819,230 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 939,740 | 5,758,970 |
| Intergovernmental Revenues | 1,399,500 | - | - | - | - | - | - | 1,399,500 |
| Miscellaneous Revenues | 22,255 | 165 | 153 | 375,496 | 39 | - | 2,434 | 400,542 |
| Total Revenues | 6,240,985 | 165 | 153 | 375,496 | 39 | - | 942,174 | 7,559,012 |
| Expenditures: | | | | | | | | |
| Capital Outlay | 5,884,485 | - | - | 237,994 | - | - | 1,800,000 | 7,922,479 |
| Total Expenditures | 5,884,485 | - | - | 237,994 | - | - | 1,800,000 | 7,922,479 |
| Excess (deficiency) of revenues over (under) expenditures | 356,500 | 165 | 153 | 137,502 | 39 | - | (857,826) | (363,467) |
| Other Financing Sources: | | | | | | | | |
| Transfer In | 956,238 | - | - | - | - | - | - | 956,238 |
| Transfer Out | (176,142) | - | - | - | - | - | - | (176,142) |
| Bond Discount | - | - | - | - | - | - | - | - |
| Bond/Lease Proceeds | - | - | - | - | - | - | - | - |
| Total Other Financing Sources | 780,096 | - | - | - | - | - | - | 780,096 |
| Revenues and Other Financing Sources over Expenditures | 1,136,596 | 165 | 153 | 137,502 | 39 | - | (857,826) | 416,629 |
| Fund Balance - Beginning | 2,603,822 | 31,006 | 28,773 | (137,502) | 7,297 | - | 900,806 | 3,434,202 |
| Fund Balance - Ending | \$ 3,740,418 | \$ 31,171 | \$ 28,926 | \$ - | \$ 7,336 | \$ - | \$ 42,980 | \$ 3,850,831 |

CASS COUNTY GOVERNMENT
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
All Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2021

| | Special Revenue Funds | Debt Service Funds | Capital Project Funds | Total Nonmajor Governmental Funds |
|--|-----------------------------|--------------------------|-----------------------------|---|
| <u>Revenues</u> | | | | |
| Taxes: | | | | |
| Property | \$ 963,850 | \$ 928,554 | \$ 5,758,970 | \$ 7,651,374 |
| Intergovernmental Revenues | 1,518,978 | 24,517 | 1,399,500 | 2,942,995 |
| Charges for Services | 6,279,737 | - | - | 6,279,737 |
| Miscellaneous Revenues | 1,243,299 | 1,398 | 400,542 | 1,645,239 |
| | <u>10,005,864</u> | <u>954,469</u> | <u>7,559,012</u> | <u>18,519,345</u> |
| <u>Expenditures</u> | | | | |
| Current: | | | | |
| General Government | 1,348,931 | - | - | 1,348,931 |
| Public Safety | 5,737,878 | - | - | 5,737,878 |
| Highways and streets | 77,922 | - | - | 77,922 |
| Culture and Recreation | 2,920,581 | - | - | 2,920,581 |
| Conservation & Economic Development | 293,962 | - | - | 293,962 |
| Capital outlay | - | - | 7,922,479 | 7,922,479 |
| Debt Service: | | | | |
| Principal Retirement | - | 850,000 | - | 850,000 |
| Interest | - | 64,200 | - | 64,200 |
| Fiscal Charges | - | 7,816 | - | 7,816 |
| | <u>10,379,274</u> | <u>922,016</u> | <u>7,922,479</u> | <u>19,223,769</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(373,410)</u> | <u>32,453</u> | <u>(363,467)</u> | <u>(704,424)</u> |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Transfers In | 549,552 | 1,792 | 956,238 | 1,507,582 |
| Transfers Out | - | (1,792) | (176,142) | (177,934) |
| Bond Discounts | - | - | - | - |
| Bond Proceeds | - | - | - | - |
| | <u>549,552</u> | <u>-</u> | <u>780,096</u> | <u>1,329,648</u> |
| Net Change in Fund Balances | 176,142 | 32,453 | 416,629 | 625,224 |
| Fund Balances - Beginning | <u>8,169,977</u> | <u>120,389</u> | <u>3,434,202</u> | <u>11,724,568</u> |
| Fund Balances - Ending | <u>\$ 8,346,119</u> | <u>\$ 152,842</u> | <u>\$ 3,850,831</u> | <u>\$ 12,349,792</u> |

THIS PAGE HAS BEEN RESERVED FOR NOTES

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Special Revenue Funds

For the Fiscal Year Ended December 31, 2021

| | Parenting Workshop | | | Variance With Final Budget Positive (Negative) |
|--|--------------------|---------------|--------------|---|
| | Budget | | Actual | |
| | Original | Final | | |
| <u>Revenues:</u> | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental Revenues | - | - | - | - |
| Charges for Services | 10,750 | 10,750 | 2,909 | (7,841) |
| Miscellaneous Revenues | 200 | 200 | 186 | (14) |
| Total Revenues | 10,950 | 10,950 | 3,095 | (7,855) |
| <u>Expenditures:</u> | | | | |
| Current: | | | | |
| General Government | - | - | - | - |
| Public Safety | - | - | - | - |
| Highways and Streets | - | - | - | - |
| Culture and Recreation | - | - | - | - |
| Conservation & Econ. Development | 22,000 | 22,000 | 1,877 | 20,123 |
| Total Expenditures | 22,000 | 22,000 | 1,877 | 20,123 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (11,050) | (11,050) | 1,218 | 12,268 |
| <u>Other Financing Sources (Uses):</u> | | | | |
| Transfers In | - | - | - | - |
| Transfers Out | - | - | - | - |
| Total Other Financing Sources (Uses) | - | - | - | - |
| | | | | |
| Net Change in Fund Balances | (11,050) | (11,050) | 1,218 | 12,268 |
| Fund Balance - Beginning | 34,504 | 34,504 | 34,504 | - |
| Fund Balance - Ending | \$ 23,454 | \$ 23,454 | \$ 35,722 | \$ 12,268 |

| Sheriff Asset Forfeiture | | | | JAIBG Fund | | | |
|--------------------------|------------|------------|---|------------|-----------|-----------|---|
| Budget | | Actual | Variance With Final Budget Positive (Negative) | Budget | | Actual | Variance With Final Budget Positive (Negative) |
| Original | Final | | | Original | Final | | |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 60,000 | 99,566 | 89,567 | (9,999) | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 14,500 | 78,780 | 114,331 | 35,551 | 4,550 | 4,550 | 1,790 | (2,760) |
| 74,500 | 178,346 | 203,898 | 25,552 | 4,550 | 4,550 | 1,790 | (2,760) |
| - | - | - | - | - | - | - | - |
| 118,883 | 198,755 | 209,389 | (10,634) | 4,000 | 4,000 | 4,096 | (96) |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 118,883 | 198,755 | 209,389 | (10,634) | 4,000 | 4,000 | 4,096 | (96) |
| (44,383) | (20,409) | (5,491) | 14,918 | 550 | 550 | (2,306) | (2,856) |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| (44,383) | (20,409) | (5,491) | 14,918 | 550 | 550 | (2,306) | (2,856) |
| 158,923 | 158,923 | 158,923 | - | 68,347 | 68,347 | 68,347 | - |
| \$ 114,540 | \$ 138,514 | \$ 153,432 | \$ 14,918 | \$ 68,897 | \$ 68,897 | \$ 66,041 | \$ (2,856) |

Continued on next page

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, 2021

| | Jail Commissary | | | Variance With Final Budget Positive (Negative) |
|--|-------------------|-------------------|-------------------|---|
| | Budget | | Actual | |
| | Original | Final | | |
| <u>Revenues:</u> | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental Revenues | - | - | - | - |
| Charges for Services | 171,580 | 433,083 | 453,115 | 20,032 |
| Miscellaneous Revenues | 5,000 | 5,000 | 3,251 | (1,749) |
| Total Revenues | 176,580 | 438,083 | 456,366 | 18,283 |
| <u>Expenditures:</u> | | | | |
| Current: | | | | |
| General Government | - | - | - | - |
| Public Safety | 175,092 | 370,345 | 387,147 | (16,802) |
| Highways and Streets | - | - | - | - |
| Culture and Recreation | - | - | - | - |
| Conservation & Econ. Development | - | - | - | - |
| Total Expenditures | 175,092 | 370,345 | 387,147 | (16,802) |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 1,488 | 67,738 | 69,219 | 1,482 |
| <u>Other Financing Sources (Uses):</u> | | | | |
| Transfers In | - | - | - | - |
| Transfers Out | - | - | - | - |
| Total Other Financing Sources (Uses) | - | - | - | - |
| | | | | |
| Net Change in Fund Balances | 1,488 | 67,738 | 69,219 | 1,482 |
| Fund Balance - Beginning | 431,622 | 431,622 | 431,622 | - |
| Fund Balance - Ending | \$ 433,110 | \$ 499,360 | \$ 500,841 | \$ 1,482 |

Continued from previous page

| Hazardous Plan/Response | | | | Valley Water Rescue | | | |
|-------------------------|-----------|-----------|---|---------------------|-----------|----------|---|
| Budget | | Actual | Variance With Final Budget Positive (Negative) | Budget | | Actual | Variance With Final Budget Positive (Negative) |
| Original | Final | | | Original | Final | | |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | 42,361 | 67,831 | 97,831 | 30,000 |
| 8,500 | 6,950 | 6,950 | - | - | - | - | - |
| - | - | 191 | 191 | 600 | 600 | 180 | (420) |
| 8,500 | 6,950 | 7,141 | 191 | 42,961 | 68,431 | 98,011 | 29,580 |
| - | - | - | - | - | - | - | - |
| 8,000 | 18,116 | 14,561 | 3,555 | 43,500 | 68,970 | 111,505 | (42,535) |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 8,000 | 18,116 | 14,561 | 3,555 | 43,500 | 68,970 | 111,505 | (42,535) |
| 500 | (11,166) | (7,420) | 3,746 | (539) | (539) | (13,494) | (12,955) |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 500 | (11,166) | (7,420) | 3,746 | (539) | (539) | (13,494) | (12,955) |
| 38,135 | 38,135 | 38,135 | - | 21,524 | 21,524 | 21,524 | - |
| \$ 38,635 | \$ 26,969 | \$ 30,715 | \$ 3,746 | \$ 20,985 | \$ 20,985 | \$ 8,030 | \$ (12,955) |

Continued on next page

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, 2021

| | States Attorney Asset Forfeiture | | | Variance With Final Budget Positive (Negative) |
|--|----------------------------------|-------------------|-------------------|---|
| | Budget | | Actual | |
| | Original | Final | | |
| <u>Revenues:</u> | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental Revenues | - | - | - | - |
| Charges for Services | - | - | - | - |
| Miscellaneous Revenues | 6,000 | 6,000 | 36,465 | 30,465 |
| Total Revenues | 6,000 | 6,000 | 36,465 | 30,465 |
| <u>Expenditures:</u> | | | | |
| Current: | | | | |
| General Government | - | - | - | - |
| Public Safety | 2,500 | 2,500 | 2,074 | 426 |
| Highways and Streets | - | - | - | - |
| Culture and Recreation | - | - | - | - |
| Conservation & Econ. Development | - | - | - | - |
| Total Expenditures | 2,500 | 2,500 | 2,074 | 426 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 3,500 | 3,500 | 34,391 | 30,891 |
| <u>Other Financing Sources (Uses):</u> | | | | |
| Transfers In | - | - | - | - |
| Transfers Out | - | - | - | - |
| Total Other Financing Sources (Uses) | - | - | - | - |
| | | | | |
| Net Change in Fund Balances | 3,500 | 3,500 | 34,391 | 30,891 |
| Fund Balance - Beginning | 224,786 | 224,786 | 224,786 | - |
| Fund Balance - Ending | \$ 228,286 | \$ 228,286 | \$ 259,177 | \$ 30,891 |

Continued from previous page

| Senior Citizens | | | | 911 Service | | | |
|---------------------|---------------------|-------------------|---|------------------|------------------|------------------|---|
| Budget | | Actual | Variance With Final Budget Positive (Negative) | Budget | | Actual | Variance With Final Budget Positive (Negative) |
| Original | Final | | | Original | Final | | |
| \$ 941,534 | \$ 941,534 | \$ 963,850 | \$ 22,316 | \$ - | \$ - | \$ - | \$ - |
| - | - | 807,162 | 807,162 | - | - | - | - |
| - | - | - | - | 3,835,000 | 3,835,000 | 4,190,273 | 355,273 |
| 12,000 | 12,000 | 1,077 | (10,923) | - | - | 109 | 109 |
| <u>953,534</u> | <u>953,534</u> | <u>1,772,089</u> | <u>818,555</u> | <u>3,835,000</u> | <u>3,835,000</u> | <u>4,190,382</u> | <u>355,382</u> |
| - | - | - | - | - | - | - | - |
| - | - | - | - | 4,555,147 | 4,555,147 | 4,543,792 | 11,355 |
| - | - | - | - | - | - | - | - |
| 1,913,840 | 1,913,840 | 1,913,840 | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| <u>1,913,840</u> | <u>1,913,840</u> | <u>1,913,840</u> | <u>-</u> | <u>4,555,147</u> | <u>4,555,147</u> | <u>4,543,792</u> | <u>11,355</u> |
| <u>(960,306)</u> | <u>(960,306)</u> | <u>(141,751)</u> | <u>818,555</u> | <u>(720,147)</u> | <u>(720,147)</u> | <u>(353,410)</u> | <u>366,737</u> |
| - | - | - | - | 720,147 | 720,147 | 353,410 | (366,737) |
| - | - | - | - | - | - | - | - |
| - | - | - | - | 720,147 | 720,147 | 353,410 | (366,737) |
| <u>(960,306)</u> | <u>(960,306)</u> | <u>(141,751)</u> | <u>818,555</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>274,854</u> | <u>274,854</u> | <u>274,854</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>\$ (685,452)</u> | <u>\$ (685,452)</u> | <u>\$ 133,103</u> | <u>\$ 818,555</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

Continued on next page

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, 2021

| | NDRIN - County Recorders | | | Variance With Final Budget Positive (Negative) |
|--|--------------------------|---------------------|---------------------|---|
| | Budget | | Actual | |
| | Original | Final | | |
| <u>Revenues:</u> | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental Revenues | - | - | - | - |
| Charges for Services | 768,000 | 768,000 | 1,040,059 | 272,059 |
| Miscellaneous Revenues | 32,000 | 32,000 | 8,678 | (23,322) |
| Total Revenues | 800,000 | 800,000 | 1,048,737 | 248,737 |
| <u>Expenditures:</u> | | | | |
| Current: | | | | |
| General Government | 1,111,300 | 1,111,300 | 1,181,312 | (70,012) |
| Public Safety | - | - | - | - |
| Highways and Streets | - | - | - | - |
| Culture and Recreation | - | - | - | - |
| Conservation & Econ. Development | - | - | - | - |
| Total Expenditures | 1,111,300 | 1,111,300 | 1,181,312 | (70,012) |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (311,300) | (311,300) | (132,575) | 178,725 |
| <u>Other Financing Sources (Uses):</u> | | | | |
| Transfers In | - | - | - | - |
| Transfers Out | - | - | - | - |
| Total Other Financing Sources (Uses) | - | - | - | - |
| Net Change in Fund Balances | (311,300) | (311,300) | (132,575) | 178,725 |
| Fund Balance - Beginning | 1,618,005 | 1,618,005 | 1,618,005 | - |
| Fund Balance - Ending | \$ 1,306,705 | \$ 1,306,705 | \$ 1,485,430 | \$ 178,725 |

Continued from previous page

| Document Preservation - ROD | | | | County Park | | | |
|-----------------------------|------------|------------|---|-------------|------------|------------|---|
| Budget | | Actual | Variance With Final Budget Positive (Negative) | Budget | | Actual | Variance With Final Budget Positive (Negative) |
| Original | Final | | | Original | Final | | |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - | - | - |
| 90,000 | 90,000 | 176,989 | 86,989 | 18,000 | 18,000 | 25,885 | 7,885 |
| - | - | 3,006 | 3,006 | 1,500 | 1,500 | 611 | (889) |
| 90,000 | 90,000 | 179,995 | 89,995 | 19,500 | 19,500 | 26,496 | 6,996 |
| 214,401 | 214,401 | 167,619 | 46,782 | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | 39,500 | 39,500 | 31,471 | 8,029 |
| - | - | - | - | - | - | - | - |
| 214,401 | 214,401 | 167,619 | 46,782 | 39,500 | 39,500 | 31,471 | 8,029 |
| (124,401) | (124,401) | 12,376 | 136,777 | (20,000) | (20,000) | (4,975) | 15,025 |
| - | - | - | - | 20,000 | 20,000 | 20,000 | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | 20,000 | 20,000 | 20,000 | - |
| (124,401) | (124,401) | 12,376 | 136,777 | - | - | 15,025 | 15,025 |
| 587,987 | 587,987 | 587,987 | - | 105,233 | 105,233 | 105,233 | - |
| \$ 463,586 | \$ 463,586 | \$ 600,363 | \$ 136,777 | \$ 105,233 | \$ 105,233 | \$ 120,258 | \$ 15,025 |

Continued on next page

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, 2021

| | 24/7 Sobriety Program | | | Variance With Final Budget Positive (Negative) |
|--|-----------------------|----------------|----------------|---|
| | Budget | | Actual | |
| | Original | Final | | |
| <u>Revenues:</u> | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental Revenues | - | - | - | - |
| Charges for Services | 460,000 | 460,000 | 383,557 | (76,443) |
| Miscellaneous Revenues | 3,000 | 3,000 | 238 | (2,762) |
| Total Revenues | 463,000 | 463,000 | 383,795 | (79,205) |
| <u>Expenditures:</u> | | | | |
| Current: | | | | |
| General Government | - | - | - | - |
| Public Safety | 421,807 | 421,807 | 398,865 | 22,942 |
| Highways and Streets | - | - | - | - |
| Culture and Recreation | - | - | - | - |
| Conservation & Econ. Development | - | - | - | - |
| Total Expenditures | 421,807 | 421,807 | 398,865 | 22,942 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 41,193 | 41,193 | (15,070) | (56,263) |
| <u>Other Financing Sources (Uses):</u> | | | | |
| Transfers In | - | - | - | - |
| Transfers Out | - | - | - | - |
| Total Other Financing Sources (Uses) | - | - | - | - |
| | | | | |
| Net Change in Fund Balances | 41,193 | 41,193 | (15,070) | (56,263) |
| Fund Balance - Beginning | 38,112 | 38,112 | 38,112 | - |
| Fund Balance - Ending | \$ 79,305 | \$ 79,305 | \$ 23,042 | \$ (56,263) |

Continued from previous page

| Civil Asset Forfeiture | | | | 2020 Flood Fund | | | |
|------------------------|----------|-----------|---|-----------------|--------------|-----------|---|
| Budget | | Actual | Variance With Final Budget Positive (Negative) | Budget | | Actual | Variance With Final Budget Positive (Negative) |
| Original | Final | | | Original | Final | | |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | 95,890 | 237,774 | 141,884 |
| - | - | - | - | - | - | - | - |
| - | 66,065 | 67,066 | 1,001 | - | - | 156 | 156 |
| - | 66,065 | 67,066 | 1,001 | - | 95,890 | 237,930 | 142,040 |
| - | - | - | - | - | - | - | - |
| - | 66,065 | 12,398 | 53,667 | - | - | - | - |
| - | - | - | - | - | 60,053 | 60,053 | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | 66,065 | 12,398 | 53,667 | - | 60,053 | 60,053 | - |
| - | - | 54,668 | 54,668 | - | 35,837 | 177,877 | 142,040 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | 54,668 | 54,668 | - | 35,837 | 177,877 | 142,040 |
| 3,313 | 3,313 | 3,313 | - | (145,610) | (145,610) | (145,610) | - |
| \$ 3,313 | \$ 3,313 | \$ 57,981 | \$ 54,668 | \$ (145,610) | \$ (109,773) | \$ 32,267 | \$ 142,040 |

Continued on next page

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, 2021

| | Public Safety Comm System | | | Variance With Final Budget Positive (Negative) |
|--|---------------------------|----------------|----------------|---|
| | Budget | | Actual | |
| | Original | Final | | |
| <u>Revenues:</u> | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental Revenues | - | - | - | - |
| Charges for Services | - | - | - | - |
| Miscellaneous Revenues | - | - | - | - |
| Total Revenues | - | - | - | - |
| <u>Expenditures:</u> | | | | |
| Current: | | | | |
| General Government | - | - | - | - |
| Public Safety | 176,142 | 176,142 | 54,051 | 122,091 |
| Highways and Streets | - | - | - | - |
| Culture and Recreation | - | - | - | - |
| Conservation & Econ. Development | - | - | - | - |
| Total Expenditures | 176,142 | 176,142 | 54,051 | 122,091 |
| Excess (deficiency) of revenues over (under) expenditures | (176,142) | (176,142) | (54,051) | 122,091 |
| <u>Other Financing Sources (Uses):</u> | | | | |
| Transfers In | - | - | 176,142 | 176,142 |
| Transfers Out | - | - | - | - |
| Total Other Financing Sources (Uses) | - | - | 176,142 | 176,142 |
| | | | | |
| Net change in fund balances | (176,142) | (176,142) | 122,091 | 298,233 |
| Fund Balance - Beginning | - | - | - | - |
| Fund Balance - Ending | \$ (176,142) | \$ (176,142) | \$ 122,091 | \$ 298,233 |

Continued from previous page

| Pass Through Grants | | | | 2019 Flood Recovery | | | |
|---------------------|-----------|-----------|---|---------------------|----------|----------|---|
| Budget | | Actual | Variance With Final Budget Positive (Negative) | Budget | | Actual | Variance With Final Budget Positive (Negative) |
| Original | Final | | | Original | Final | | |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - | - | - |
| 100,000 | 355,462 | 286,644 | (68,818) | - | - | - | - |
| - | - | - | - | - | - | 25 | 25 |
| 100,000 | 355,462 | 286,644 | (68,818) | - | - | 25 | 25 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | 17,870 | 17,869 | 1 |
| - | - | - | - | - | - | - | - |
| 100,000 | 355,462 | 292,085 | 63,377 | - | - | - | - |
| 100,000 | 355,462 | 292,085 | 63,377 | - | 17,870 | 17,869 | 1 |
| - | - | (5,441) | (5,441) | - | (17,870) | (17,844) | 26 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | (5,441) | (5,441) | - | (17,870) | (17,844) | 26 |
| 16,014 | 16,014 | 16,014 | - | 17,538 | 17,538 | 17,538 | - |
| \$ 16,014 | \$ 16,014 | \$ 10,573 | \$ (5,441) | \$ 17,538 | \$ (332) | \$ (306) | \$ 26 |

Continued on next page

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, 2021

| | 2019 Flood Emergency | | | Variance With Final Budget Positive (Negative) |
|--|----------------------|---------------------|---------------------|---|
| | Budget | | Actual | |
| | Original | Final | | |
| <u>Revenues:</u> | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental Revenues | - | - | - | - |
| Charges for Services | - | - | - | - |
| Miscellaneous Revenues | - | - | - | - |
| Total Revenues | - | - | - | - |
| <u>Expenditures:</u> | | | | |
| Current: | | | | |
| General Government | - | - | - | - |
| Public Safety | - | - | - | - |
| Highways and Streets | - | - | - | - |
| Culture and Recreation | - | - | - | - |
| Conservation & Econ. Development | - | - | - | - |
| Total Expenditures | - | - | - | - |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | - | - | - | - |
| <u>Other Financing Sources (Uses):</u> | | | | |
| Transfers In | - | - | - | - |
| Transfers Out | - | - | - | - |
| Total Other Financing Sources (Uses) | - | - | - | - |
| Net Change in Fund Balances | - | - | - | - |
| Fund Balance - Beginning | (112,008) | (112,008) | (112,008) | - |
| Fund Balance - Ending | \$ (112,008) | \$ (112,008) | \$ (112,008) | \$ - |

Continued from previous page

| Emergency Fund | | | | FM Diversion | | | |
|----------------|--------------|--------------|---|--------------|--------------|----------|---|
| Budget | | Actual | Variance With Final Budget Positive (Negative) | Budget | | Actual | Variance With Final Budget Positive (Negative) |
| Original | Final | | | Original | Final | | |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 65,000 | 65,000 | 25,457 | (39,543) | - | - | 980,482 | 980,482 |
| 65,000 | 65,000 | 25,457 | (39,543) | - | - | 980,482 | 980,482 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 2,000,000 | 2,000,000 | - | 2,000,000 | - | 961,324 | 975,270 | (13,946) |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 2,000,000 | 2,000,000 | - | 2,000,000 | - | 961,324 | 975,270 | (13,946) |
| (1,935,000) | (1,935,000) | 25,457 | 1,960,457 | - | (961,324) | 5,212 | 966,536 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| (1,935,000) | (1,935,000) | 25,457 | 1,960,457 | - | (961,324) | 5,212 | 966,536 |
| 4,788,698 | 4,788,698 | 4,788,698 | - | - | - | - | - |
| \$ 2,853,698 | \$ 2,853,698 | \$ 4,814,155 | \$ 1,960,457 | \$ - | \$ (961,324) | \$ 5,212 | \$ 966,536 |

Continued on next page

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, 2021

| | Total Nonmajor Budgeted Special Revenue Funds | | | Variance With Final Budget Positive (Negative) |
|--|---|------------------------|---------------------|---|
| | Budget | | Actual | |
| | Original | Final | | |
| <u>Revenues:</u> | | | | |
| Property Taxes | \$ 941,534 | \$ 941,534 | \$ 963,850 | \$ 22,316 |
| Intergovernmental Revenues | 102,361 | 263,287 | 1,232,334 | 969,047 |
| Charges for Services | 5,461,830 | 5,977,245 | 6,566,381 | 589,136 |
| Miscellaneous Revenues | 144,350 | 274,695 | 1,243,299 | 968,604 |
| Total Revenues | 6,650,075 | 7,456,761 | 10,005,864 | 2,549,103 |
| <u>Expenditures:</u> | | | | |
| Current: | | | | |
| General Government | 1,325,701 | 1,325,701 | 1,348,931 | (23,230) |
| Public Safety | 5,505,071 | 5,881,847 | 5,737,878 | 143,969 |
| Highways and Streets | 2,000,000 | 3,039,247 | 1,053,192 | 1,986,055 |
| Culture and Recreation | 1,953,340 | 1,953,340 | 1,945,311 | 8,029 |
| Conservation & Econ. Development | 122,000 | 377,462 | 293,962 | 83,500 |
| Total Expenditures | 10,906,112 | 12,577,597 | 10,379,274 | 2,198,323 |
| Excess (deficiency) of revenues over (under) expenditures | <u>(4,256,037)</u> | <u>(5,120,836)</u> | <u>(373,410)</u> | <u>4,747,427</u> |
| <u>Other Financing Sources (Uses):</u> | | | | |
| Transfers In | 740,147 | 740,147 | 549,552 | (190,595) |
| Transfers Out | - | - | - | - |
| Total Other Financing Sources (Uses) | 740,147 | 740,147 | 549,552 | (190,595) |
| Net change in fund balances | <u>(3,515,890)</u> | <u>(4,380,689)</u> | <u>176,142</u> | <u>4,556,832</u> |
| Fund Balance - Beginning | <u>8,169,977</u> | <u>8,169,977</u> | <u>8,169,977</u> | <u>-</u> |
| Fund Balance - Ending | \$ 4,654,087 | \$ 3,789,288 | \$ 8,346,119 | \$ 4,556,832 |

Continued from previous page

THIS PAGE HAS BEEN RESERVED FOR NOTES

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, 2021

| | Wild Rice River Estates | | | Variance With Final Budget Positive (Negative) |
|--|--------------------------------|-----------------|-----------------|---|
| | Budget | | Actual | |
| | Original | Final | | |
| <u>Revenues:</u> | | | | |
| Property Taxes | \$ 15,009 | \$ 15,009 | \$ 15,009 | \$ - |
| Intergovernmental Revenues | - | - | - | - |
| Miscellaneous Revenues | 300 | 300 | - | (300) |
| Total Revenues | 15,309 | 15,309 | 15,009 | (300) |
| <u>Expenditures:</u> | | | | |
| <u>Debt Service:</u> | | | | |
| Principal | 10,000 | 10,000 | 10,000 | - |
| Interest | 4,713 | 4,713 | 4,713 | - |
| Fiscal Charges | 1,300 | 1,300 | 1,020 | 280 |
| Total Expenditures | 16,013 | 16,013 | 15,733 | 280 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (704) | (704) | (724) | (580) |
| <u>Other Financing Sources (Uses):</u> | | | | |
| Transfers In | - | - | - | - |
| Transfers Out | - | - | - | - |
| Total Other Financing Sources and (Uses) | - | - | - | - |
| Net Change in Fund Balances | (704) | (704) | (724) | (580) |
| Fund Balance - Beginning | 5,338 | 5,338 | 5,338 | 832 |
| Fund Balance - Ending | \$ 4,634 | \$ 4,634 | \$ 4,614 | \$ 252 |

| Greyhawk Estates Subdivision | | | | Granberg Amber Plains | | | |
|------------------------------|---------|---------|---|-----------------------|-----------|-----------|---|
| Budget | | Actual | Variance With Final Budget Positive (Negative) | Budget | | Actual | Variance With Final Budget Positive (Negative) |
| Original | Final | | | Original | Final | | |
| \$ - | \$ - | \$ - | \$ - | \$ 24,106 | \$ 24,106 | \$ 24,412 | \$ 306 |
| - | - | - | - | - | - | - | - |
| - | - | 21 | 21 | 200 | 200 | 57 | (143) |
| - | - | 21 | 21 | 24,306 | 24,306 | 24,469 | 163 |
| - | - | - | - | 25,000 | 25,000 | 25,000 | - |
| - | - | - | - | 1,668 | 1,668 | 1,669 | (1) |
| - | 5,376 | 5,376 | - | 1,300 | 1,300 | 1,020 | 280 |
| - | 5,376 | 5,376 | - | 27,968 | 27,968 | 27,689 | 279 |
| - | (5,376) | (5,355) | 21 | (3,662) | (3,662) | (3,220) | (116) |
| - | - | - | - | - | - | - | - |
| - | (1,792) | (1,792) | - | - | - | - | - |
| - | (1,792) | (1,792) | - | - | - | - | - |
| - | (7,168) | (7,147) | 21 | (3,662) | (3,662) | (3,220) | (116) |
| 7,147 | 7,147 | 7,147 | (69) | 8,965 | 8,965 | 8,965 | - |
| \$ 7,147 | \$ (21) | \$ - | \$ (48) | \$ 5,303 | \$ 5,303 | \$ 5,745 | \$ (116) |

Continued on next page

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, 2021

| | Special Assessment Deficiency | | | Variance With Final Budget Positive (Negative) |
|--|--------------------------------------|-----------------|------------------|---|
| | Budget | | Actual | |
| | Original | Final | | |
| <u>Revenues:</u> | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental Revenues | - | - | - | - |
| Miscellaneous Revenues | - | - | 50 | 50 |
| Total Revenues | - | - | 50 | 50 |
| <u>Expenditures:</u> | | | | |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Fiscal Charges | - | - | - | - |
| Total Expenditures | - | - | - | - |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | - | - | 50 | 50 |
| <u>Other Financing Sources (Uses):</u> | | | | |
| Transfers In | - | - | 1,792 | 1,792 |
| Transfers Out | - | - | - | - |
| Total Other Financing Sources and (Uses) | - | - | 1,792 | 1,792 |
| Net Change in Fund Balances | - | - | 1,842 | 1,842 |
| Fund Balance - Beginning | 8,516 | 8,516 | 8,516 | - |
| Fund Balance - Ending | \$ 8,516 | \$ 8,516 | \$ 10,358 | \$ 1,842 |

Continued from previous page

| 2010 Bond S&I | | | | Total Nonmajor Debt Service Funds | | | |
|------------------|------------------|-------------------|---|-----------------------------------|-------------------|-------------------|---|
| Budget | | Actual | Variance With Final Budget Positive (Negative) | Budget | | Actual | Variance With Final Budget Positive (Negative) |
| Original | Final | | | Original | Final | | |
| \$ 866,440 | \$ 866,440 | \$ 889,133 | \$ 22,693 | \$ 905,555 | \$ 905,555 | \$ 928,554 | \$ 22,999 |
| - | - | 24,517 | 24,517 | - | - | 24,517 | 24,517 |
| 8,000 | 8,000 | 1,270 | (6,730) | 8,500 | 8,500 | 1,398 | (7,102) |
| <u>874,440</u> | <u>874,440</u> | <u>914,920</u> | <u>40,480</u> | <u>914,055</u> | <u>914,055</u> | <u>954,469</u> | <u>40,414</u> |
| 815,000 | 815,000 | 815,000 | - | 850,000 | 850,000 | 850,000 | - |
| 57,818 | 57,818 | 57,818 | - | 64,199 | 64,199 | 64,200 | - |
| 400 | 400 | 400 | - | 3,000 | 8,376 | 7,816 | 560 |
| <u>873,218</u> | <u>873,218</u> | <u>873,218</u> | <u>-</u> | <u>917,199</u> | <u>922,575</u> | <u>922,016</u> | <u>560</u> |
| 1,222 | 1,222 | 41,702 | 40,480 | (3,144) | (8,520) | 32,453 | 39,854 |
| - | - | - | - | - | - | 1,792 | 1,792 |
| - | - | - | - | - | (1,792) | (1,792) | - |
| - | - | - | - | - | (1,792) | - | 1,792 |
| <u>1,222</u> | <u>1,222</u> | <u>41,702</u> | <u>40,480</u> | <u>(3,144)</u> | <u>(10,312)</u> | <u>32,453</u> | <u>41,646</u> |
| <u>90,423</u> | <u>90,423</u> | <u>90,423</u> | <u>-</u> | <u>120,389</u> | <u>120,389</u> | <u>120,389</u> | <u>-</u> |
| <u>\$ 91,645</u> | <u>\$ 91,645</u> | <u>\$ 132,125</u> | <u>\$ 40,480</u> | <u>\$ 117,245</u> | <u>\$ 110,077</u> | <u>\$ 152,842</u> | <u>\$ 41,646</u> |

CASS COUNTY GOVERNMENT

Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County, on a cost reimbursement basis.

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 and the plan holder. The portion of the total premium paid by the plan holder for a single, single plus dependent, or family plan is 7.15%, 14.3%, or 21.45%, respectively.

The expenditures are the actual claims incurred, up to a certain level. Stop loss coverage is purchased to limit the County's liability on each individual and in the aggregate.

Technology Trust

This fund provides for the operation of the County's telephone system. Monthly user fees are charged to departments, as well as related long-distance charges.

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 and the plan holder. The plan holder has a choice of a single or family policy. The County covers only the cost of the single policy.

Motor Pool Operating

The Motor Pool Operating Fund is used to account for the operations of the Cass County's motor pool. The fund pays for the purchase and operation of cars that are "rented" to Cass County departments. Departments pay for the use of the vehicles on per mile basis.

CASS COUNTY GOVERNMENT
Combining Statement of Net Position
Internal Service Funds
December 31, 2021

| | Health Insurance Trust | Dental Insurance Trust | Technology Trust | Motor Pool Operating | Total |
|----------------------------------|------------------------------|------------------------------|---------------------|----------------------------|---------------------|
| <u>ASSETS</u> | | | | | |
| Current Assets: | | | | | |
| Cash and cash equivalents | \$ 5,894,435 | \$ 606,374 | \$ 189,702 | \$ 69,331 | \$ 6,759,842 |
| Accounts Receivable | 5,537 | 562 | 379 | 59 | 6,537 |
| Prepaid Items | - | - | - | - | - |
| Total Current Assets | <u>5,899,972</u> | <u>606,936</u> | <u>190,081</u> | <u>69,390</u> | <u>6,766,379</u> |
| Noncurrent Assets: | | | | | |
| Capital Assets | - | - | 234,760 | 216,156 | 450,916 |
| Less: Accumulated Depreciation | - | - | (189,006) | (187,676) | (376,682) |
| Total Noncurrent Assets | <u>-</u> | <u>-</u> | <u>45,754</u> | <u>28,480</u> | <u>74,234</u> |
| Total Assets | <u>5,899,972</u> | <u>606,936</u> | <u>235,835</u> | <u>97,870</u> | <u>6,840,613</u> |
| <u>LIABILITIES</u> | | | | | |
| Current Liabilities: | | | | | |
| Accounts Payable | 377 | - | - | 6,354 | 6,731 |
| Premium Deposits | 464,930 | 27,826 | - | - | 492,756 |
| IBNR Claims | 414,960 | 12,888 | - | - | 427,848 |
| Total Liabilities | <u>880,267</u> | <u>40,714</u> | <u>-</u> | <u>6,354</u> | <u>927,335</u> |
| <u>Net Position:</u> | | | | | |
| Net Investment in Capital Assets | - | - | 45,754 | 28,480 | 74,234 |
| Unrestricted | 5,019,705 | 566,222 | 190,081 | 63,036 | 5,839,044 |
| Total Net Position | <u>\$ 5,019,705</u> | <u>\$ 566,222</u> | <u>\$ 235,835</u> | <u>\$ 91,516</u> | <u>\$ 5,913,278</u> |

CASS COUNTY GOVERNMENT
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended December 31, 2021

| | Health Insurance Trust | Dental Insurance Trust | Technology Trust | Motor Pool | Total |
|---|------------------------------|------------------------------|---------------------|------------------|---------------------|
| <u>Operating Revenues:</u> | | | | | |
| Premiums | \$ 5,344,056 | \$ 359,183 | \$ - | \$ - | \$ 5,703,239 |
| Charges for Services | - | - | 307,223 | 44,690 | 351,913 |
| Miscellaneous | - | - | - | - | - |
| Total Operating Revenues | 5,344,056 | 359,183 | 307,223 | 44,690 | 6,055,152 |
| <u>Operating Expenses:</u> | | | | | |
| Premiums | 1,034,285 | - | - | - | 1,034,285 |
| Medical Services | 21,011 | - | - | - | 21,011 |
| Telephone Service | - | - | 292,257 | - | 292,257 |
| Administrative Fees | 288,829 | 22,091 | - | - | 310,920 |
| Maintenance and Repairs | - | - | - | 31,434 | 31,434 |
| Benefit Payments | 4,270,658 | 282,799 | - | - | 4,553,457 |
| IBNR Claims | 414,960 | 12,888 | - | - | 427,848 |
| Depreciation Expense | - | - | 22,427 | 23,304 | 45,731 |
| Total Operating Expenses | 6,029,743 | 317,778 | 314,684 | 54,738 | 6,716,943 |
| Operating Income | (685,687) | 41,405 | (7,461) | (10,048) | (661,791) |
| <u>Nonoperating Revenues (Expenses):</u> | | | | | |
| Interest Income | 181,380 | 3,101 | 734 | 302 | 185,517 |
| Loss/Gain on Disposal of Capital Assets | - | - | 1,753 | - | 1,753 |
| Total Nonoperating Revenues (Expenses) | 181,380 | 3,101 | 2,487 | 302 | 187,270 |
| Change in Net Position | (504,307) | 44,506 | (4,974) | (9,746) | (474,521) |
| Total Net Position Beginning | 5,524,012 | 521,716 | 240,809 | 101,262 | 6,387,799 |
| Prior Period Adjustment | - | - | - | - | - |
| Adjusted Retained Earnings - January 1 | 5,524,012 | 521,716 | 240,809 | 101,262 | 6,387,799 |
| Total Net Position Ending | \$ 5,019,705 | \$ 566,222 | \$ 235,835 | \$ 91,516 | \$ 5,913,278 |

CASS COUNTY GOVERNMENT
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2021

| | Health Insurance Trust | Dental Insurance Trust | Technology Trust | Motor Pool | Total |
|---|------------------------------|------------------------------|---------------------|------------------|---------------------|
| Cash Flows From Operating Activities: | | | | | |
| Receipts from customers | \$ 5,341,120 | \$ 358,846 | \$ 309,227 | \$ 44,650 | \$ 6,053,843 |
| Payments to Suppliers | (1,343,748) | (22,091) | (323,303) | (25,171) | (1,714,313) |
| Claims Paid | (4,794,919) | (296,762) | - | - | (5,091,681) |
| Other Receipts | - | - | - | - | - |
| Net Cash provided by operating activities | <u>(797,547)</u> | <u>39,993</u> | <u>(14,076)</u> | <u>19,479</u> | <u>(752,151)</u> |
| Cash Flows From Capital and Related Financing Activities: | | | | | |
| Purchase of Capital Assets | - | - | - | - | - |
| Proceeds on Sale of Capital Assets | - | - | - | - | - |
| Net Cash Used in Capital and Related Financing Activities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Cash Flows From Investing Activities: | | | | | |
| Interest Income | <u>181,380</u> | <u>3,101</u> | <u>734</u> | <u>302</u> | <u>185,517</u> |
| Net Increase in cash and cash equivalents | (616,167) | 43,094 | (13,342) | 19,781 | (566,634) |
| Balances - Beginning of the Year | <u>6,510,602</u> | <u>563,280</u> | <u>203,043</u> | <u>49,551</u> | <u>7,326,476</u> |
| Balances - End of the Year | <u>5,894,435</u> | <u>606,374</u> | <u>189,701</u> | <u>69,332</u> | <u>6,759,842</u> |
| Reconciliation of Operating Income to net cash provided by operating activities: | | | | | |
| Operating Income (Loss) | (685,687) | 41,405 | (7,461) | (10,048) | (661,791) |
| Adjustments to Reconcile Operating Income to Net Cash Flows from Operating Activities: | | | | | |
| Depreciation | - | - | 24,737 | 23,304 | 48,041 |
| Changes in Assets and Liabilities: | | | | | |
| (Increase) Decrease in Accounts Receivable | (2,936) | (337) | (306) | (40) | (3,619) |
| (Increase) Decrease in Prepaid Items | - | - | - | - | - |
| Increase (Decrease) in Accounts Payable | 377 | - | (31,046) | 6,263 | (24,406) |
| Increase (Decrease) in Premium Deposit Funds | 15,235 | (3,223) | - | - | 12,012 |
| Increase (Decrease) in IBNR Claims | (124,536) | 2,148 | - | - | (122,388) |
| Net Cash Provided by Operating Activities | <u>\$ (797,547)</u> | <u>\$ 39,993</u> | <u>\$ (14,076)</u> | <u>\$ 19,479</u> | <u>\$ (752,151)</u> |
| Schedule of non-cash capital and related financing activities: | | | | | |
| Disposal of Capital Assets | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (5,098)</u> | <u>\$ -</u> | <u>\$ (5,098)</u> |

CASS COUNTY GOVERNMENT
Fiduciary Funds

Other Governmental Units Funds

The County Finance Office provides fiscal for various governmental entities. These funds represent the assets, primarily cash and investments, of these entities in the Finance Office's custody and the related liability of the County to disburse these monies on demand.

Tax Collection Funds

The County Finance Office has the role of tax/fee collector for various governmental entities. These funds represent these collections.

CASS COUNTY GOVERNMENT
Combining Statement of Net Position
Fiduciary Funds
December 31, 2021

| | Other Governmental Units Funds | Tax Collection Funds | Total Custodial Funds |
|---|--------------------------------------|----------------------------|-----------------------------|
| <u>ASSETS</u> | | | |
| Current Assets: | | | |
| Cash and cash equivalents | \$ 15,914 | \$ 44,492,896 | \$ 44,508,810 |
| Accounts Receivable | - | 525 | 525 |
| Total Current Assets | 15,914 | 44,493,421 | 44,509,335 |
| Total Noncurrent Assets | - | - | - |
| Total Assets | 15,914 | 44,493,421 | 44,509,335 |
| <u>LIABILITIES</u> | | | |
| Current Liabilities: | | | |
| Accounts Payable | 44 | 490 | 534 |
| Due to Other Governments | 15,870 | 9,836,465 | 9,852,335 |
| Total Liabilities | 15,914 | 9,836,955 | 9,852,869 |
| Deferred Inflows: | | | |
| Property Tax | - | 34,656,466 | 34,656,466 |
| Total Deferred Inflows | - | 34,656,466 | 34,656,466 |
| Net Position: | | | |
| Restricted for Organizations and and other governments | - | - | - |
| Total Net Position | \$ - | \$ - | \$ - |

CASS COUNTY GOVERNMENT
Combining Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended December 31, 2021

| | Other Governmental Units Funds | Tax Collection Funds | Total Custodial Funds |
|--|--------------------------------------|----------------------------|-----------------------------|
| <u>Additions:</u> | | | |
| Collections for Other Governments | \$ - | \$ 300,363,494 | \$ 300,363,494 |
| Miscellaneous | 2,424,934 | - | 2,424,934 |
| Total Additions | 2,424,934 | 300,363,494 | 302,788,428 |
| <u>Deductions:</u> | | | |
| Payments to Other Governments | - | 300,363,494 | 300,363,494 |
| Miscellaneous | 2,424,934 | - | 2,424,934 |
| Total Deductions | 2,424,934 | 300,363,494 | 302,788,428 |
| Net Increase (Decrease) in Net position | - | - | - |
| Total Net Position Beginning | - | - | - |
| Total Net Position Ending | \$ - | \$ - | \$ - |

STATISTICAL SECTION

**CASS COUNTY GOVERNMENT
Statistical Section**

This part of the Cass County Government's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

| <u>Contents</u> | <u>Page</u> |
|---|-------------|
| Financial Trends These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time. | 144-151 |
| Revenue Capacity These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property taxes. | 152-158 |
| Debt Capacity These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future. | 159-164 |
| Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments. | 165-166 |
| Operating Information These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs. | 167-171 |

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**CASS COUNTY GOVERNMENT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(Unaudited)**

| | Fiscal Year | | | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2012 | 2013 | 2014 | 2015 |
| Primary Government | | | | |
| Governmental Activities | | | | |
| Net Investment in capital assets | \$ 130,868,984 | \$ 133,541,081 | \$ 138,776,719 | \$ 140,362,009 |
| Restricted | 6,062,258 | 9,052,410 | 32,222,189 | 40,648,438 |
| Unrestricted | 16,904,143 | 24,283,484 | (37,951,347) | (57,010,859) |
| Total governmental activities net position | <u>\$ 153,835,385</u> | <u>\$ 166,876,975</u> | <u>\$ 133,047,561</u> | <u>\$ 123,999,587</u> |

Net position for 2014 was restated.

Balances prior to FY 2014 have not been adjusted for the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* - an amendment of GASB Statement No. 27, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* - an amendment of GASB Statement No. 68.

Source: County Finance Office

| Fiscal Year | | | | | |
|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| \$ 133,225,720 | \$ 131,170,862 | \$ 120,968,969 | \$ 126,558,019 | \$ 144,540,702 | \$ 168,299,566 |
| 17,217,641 | 9,671,740 | 9,666,784 | 18,291,135 | 9,881,718 | 10,904,426 |
| (109,842,657) | (104,820,905) | (99,227,627) | (106,411,341) | (93,647,679) | 12,229,863 |
| <u>\$ 40,600,704</u> | <u>\$ 36,021,697</u> | <u>\$ 31,408,126</u> | <u>\$ 38,437,813</u> | <u>\$ 60,774,741</u> | <u>\$ 191,433,855</u> |

CASS COUNTY GOVERNMENT
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)

| | Fiscal Year | | | |
|---|------------------------|------------------------|------------------------|------------------------|
| | 2012 | 2013 | 2014 | 2015 |
| Expenses | | | | |
| Primary Government | | | | |
| Governmental activities: | | | | |
| General government | \$ 15,302,368 | \$ 13,935,655 | \$ 9,028,821 | \$ 10,351,235 |
| Public safety | 17,152,771 | 17,642,420 | 19,512,519 | 21,987,295 |
| Highways and streets | 25,619,469 | 20,884,882 | 23,395,819 | 21,422,780 |
| Relief and charities | 12,238,254 | 13,137,268 | 14,019,886 | 14,179,753 |
| Conservation & economic development | 2,463,396 | 8,356,650 | 41,669,890 | 32,612,490 |
| Culture & recreation | 866,399 | 859,350 | 991,260 | 1,064,697 |
| Interest on long-term debt | 309,675 | 329,890 | 308,046 | 263,219 |
| Total primary government expenses | <u>\$ 73,952,332</u> | <u>\$ 75,146,115</u> | <u>\$ 108,926,242</u> | <u>\$ 101,881,469</u> |
| Program Revenues | | | | |
| Governmental activities: | | | | |
| Charges for services | | | | |
| General government | \$ 2,343,679 | \$ 2,466,536 | \$ 2,586,708 | \$ 2,580,027 |
| Public safety | 2,278,942 | 2,354,580 | 3,746,880 | 6,501,870 |
| Highways and streets | 499,846 | 621,954 | 376,314 | 350,875 |
| Relief and charities | 119,219 | 201,521 | 193,022 | 296,462 |
| Conservation & economic development | 80,360 | 55,103 | 47,426 | 24,215 |
| Culture and recreation | 9,703 | 11,130 | 11,705 | 15,788 |
| Operating grants and contributions: | | | | |
| General government | \$ 420,770 | \$ 106,914 | \$ 101,542 | \$ 94,446 |
| Public safety | 871,054 | 605,802 | 540,802 | 480,722 |
| Highways and streets | 13,494,047 | 17,934,441 | 16,453,142 | 14,204,940 |
| Relief and charities | 3,206,771 | 3,218,237 | 3,223,837 | 3,234,853 |
| Conservation & economic development | 1,461,876 | 177,820 | 21,726 | 22,012 |
| Culture & recreation | 360,921 | 380,750 | 442,880 | 475,892 |
| Capital grants and contributions: | | | | |
| General government | - | - | - | - |
| Public Safety | - | - | - | - |
| Highways and streets | - | - | - | - |
| Conservation & economic development | 354,695 | 5,538,738 | 5,720,548 | 4,515,419 |
| Total primary government program revenues | <u>\$ 25,501,883</u> | <u>\$ 33,673,526</u> | <u>\$ 33,466,532</u> | <u>\$ 32,797,521</u> |
| Net (Expense)/Revenue | | | | |
| Governmental activities | <u>\$ (48,450,451)</u> | <u>\$ (41,472,590)</u> | <u>\$ (75,459,710)</u> | <u>\$ (69,083,949)</u> |
| General Revenues and Other Changes in Net Position | | | | |
| General activities: | | | | |
| Property Taxes | \$ 31,046,541 | \$ 31,465,829 | \$ 32,846,723 | \$ 35,718,426 |
| Sales Taxes | 14,812,160 | 15,135,193 | 16,164,464 | 16,449,060 |
| Unrestricted State Shared Revenues | 7,384,069 | 7,563,694 | 8,639,513 | 7,361,938 |
| Unrestricted investment earnings | 187,373 | 167,809 | 133,782 | 146,742 |
| Miscellaneous | 172,108 | 181,655 | 752,661 | 359,805 |
| Total primary government | <u>\$ 53,602,252</u> | <u>\$ 54,514,181</u> | <u>\$ 58,537,142</u> | <u>\$ 60,035,971</u> |
| Special Items | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Change in Net Position | | | | |
| Primary government | <u>\$ 5,151,803</u> | <u>\$ 13,041,590</u> | <u>\$ (16,922,568)</u> | <u>\$ (9,047,976)</u> |

Balance prior to FY 2015 have not been adjusted for the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* - an amendment of GASB Statement No. 27, as amended by GASB Statement No. 71, *Pension Transition for Contributions Subsequent to the Measurement Date* - an amendment of GASB Statement No. 68.

Source: County Finance Office

| | | Fiscal Year | | | | | | | | | |
|----|-----------------------|-------------|----------------------|------|----------------------|------|----------------------|----|----------------------|----|----------------------|
| | | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | | | | |
| \$ | 10,427,951 | \$ | 9,583,401 | \$ | 10,374,663 | \$ | 10,803,001 | \$ | 13,603,226 | \$ | 11,499,691 |
| | 23,670,341 | | 26,746,728 | | 29,207,691 | | 29,581,251 | | 35,112,464 | | 36,762,837 |
| | 21,563,531 | | 21,574,723 | | 16,830,330 | | 13,542,355 | | 6,114,423 | | 4,446,590 |
| | 12,003,373 | | 13,272,509 | | 13,822,652 | | 14,218,827 | | 13,715,213 | | 11,153,811 |
| | 94,618,770 | | 16,894,004 | | 17,245,449 | | 23,868,344 | | 22,688,887 | | 26,080,746 |
| | 1,143,624 | | 1,292,132 | | 1,475,061 | | 1,670,203 | | 1,764,268 | | 2,929,800 |
| | 812,755 | | 1,478,432 | | 2,438,533 | | 2,614,563 | | 1,088,434 | | 72,060 |
| | <u>\$ 164,240,346</u> | | <u>\$ 90,841,929</u> | | <u>\$ 91,394,379</u> | | <u>\$ 96,298,544</u> | | <u>\$ 94,086,915</u> | | <u>\$ 92,945,535</u> |
| \$ | 2,565,815 | \$ | 2,862,248 | \$ | 2,595,783 | \$ | 2,586,121 | \$ | 4,067,227 | \$ | 2,837,431 |
| | 6,239,764 | | 7,074,473 | | 7,686,690 | | 7,470,357 | | 7,611,826 | | 8,133,857 |
| | 476,037 | | 726,983 | | 553,129 | | 463,923 | | 610,636 | | 550,844 |
| | 287,077 | | 256,650 | | 410,353 | | 443,249 | | 389,564 | | 382,751 |
| | 17,477 | | 10,315 | | 9,273 | | 7,549 | | 9,273 | | 10,624 |
| | 19,861 | | 22,890 | | 20,211 | | 19,410 | | 27,737 | | 25,885 |
| \$ | 86,085 | \$ | 76,438 | \$ | 78,271 | \$ | 75,077 | \$ | 24,870 | \$ | 25,920 |
| | 580,119 | | 1,537,143 | | 787,818 | | 827,104 | | 662,860 | | 1,990,800 |
| | 12,753,978 | | 9,812,133 | | 8,026,149 | | 8,665,391 | | 8,091,707 | | 7,851,136 |
| | 3,236,367 | | 3,066,627 | | 12,425,528 | | 12,392,057 | | 11,244,745 | | 12,112,785 |
| | 24,135 | | 76,875 | | 17,969 | | 159,979 | | 234,872 | | 315,792 |
| | 519,770 | | 604,880 | | 661,417 | | 718,685 | | 756,288 | | 807,162 |
| | - | | 190,000 | | - | | - | | - | | 245,252 |
| | - | | - | | - | | - | | - | | 3,279,325 |
| | - | | - | | - | | 1,208,548 | | 1,293,858 | | 7,776,644 |
| | 26,585 | | - | | - | | - | | - | | - |
| | <u>\$ 26,833,070</u> | | <u>\$ 26,317,655</u> | | <u>\$ 33,272,591</u> | | <u>\$ 35,037,450</u> | | <u>\$ 35,025,463</u> | | <u>\$ 46,346,208</u> |
| \$ | (137,407,277) | \$ | (64,524,273) | \$ | (58,121,788) | \$ | (61,261,094) | \$ | (59,061,452) | \$ | (46,599,327) |
| \$ | 37,741,395 | \$ | 39,109,785 | \$ | 35,590,062 | \$ | 40,504,234 | \$ | 44,117,175 | \$ | 46,151,464 |
| | 16,112,224 | | 15,302,921 | | 15,720,221 | | 16,670,136 | | 16,719,327 | | 21,920,711 |
| | 5,664,187 | | 5,602,372 | | 6,517,610 | | 6,998,540 | | 14,669,552 | | 6,740,099 |
| | 143,659 | | 120,658 | | 298,501 | | 1,044,439 | | 757,623 | | 369,055 |
| | 693,716 | | 1,346,951 | | 2,331,986 | | 2,984,179 | | 2,049,392 | | 2,077,112 |
| | <u>\$ 60,355,181</u> | | <u>\$ 61,482,687</u> | | <u>\$ 60,458,380</u> | | <u>\$ 68,201,528</u> | | <u>\$ 78,313,069</u> | | <u>\$ 77,258,441</u> |
| \$ | (6,346,790) | \$ | - | \$ | (6,950,163) | \$ | - | \$ | - | \$ | 100,000,000 |
| \$ | (83,398,886) | \$ | (3,041,586) | \$ | (4,613,571) | \$ | 6,940,434 | \$ | 19,251,617 | \$ | 130,659,114 |

CASS COUNTY GOVERNMENT
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

| | 2012 | 2013 | 2014 | 2015 |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| General Fund: | | | | |
| Nonspendable: | | | | |
| Inventory | \$ 16,161 | \$ 17,264 | \$ 17,047 | \$ 17,777 |
| Prepaid Items | 265,020 | 150,917 | 299,830 | 310,053 |
| Loans | - | - | - | - |
| Assigned: | | | | |
| SWAT Vehicle Replacement | 2,432 | 5,445 | 7,802 | 10,163 |
| Unassigned | 8,476,106 | 8,769,301 | 8,260,583 | 6,396,075 |
| Total General Fund | \$ 8,759,719 | \$ 8,942,927 | \$ 8,585,262 | \$ 6,734,067 |

All Other Governmental Funds:

| | | | | |
|---|----------------------|----------------------|----------------------|----------------------|
| Nonspendable: | | | | |
| Inventory | \$ 124,860 | \$ 136,723 | \$ 143,841 | \$ 205,828 |
| Prepaid Items | 74,899 | 18,698 | 51,339 | 184,209 |
| Restricted | | | | |
| Sheriff Asset Forfeiture | 29,113 | 36,607 | 8,767 | 46,440 |
| Public Safety Comm System | - | - | - | - |
| JAIBG Funds | 61,585 | 65,249 | 65,367 | 66,336 |
| Hazardous Planning | 18,358 | 24,372 | 38,040 | 35,001 |
| State's Attorney Asset Forfeiture | 124,805 | 124,939 | 212,140 | 183,171 |
| 24/7 Sobriety | 28,123 | 56,323 | 87,592 | 136,346 |
| Relief and Charities | 1,906,753 | 2,140,820 | 2,048,537 | 2,172,675 |
| ARPA | - | - | - | - |
| Highways and Streets | 1,631,831 | 3,367,690 | 3,171,880 | 3,433,174 |
| Senior Citizens | 52,130 | 65,134 | 100,581 | 129,583 |
| Emergency | 765,272 | 1,778,740 | 25,078,671 | 2,283,691 |
| Document Preservation | 1,552,639 | 1,639,430 | 1,869,242 | 1,862,042 |
| County Park | 53,556 | 61,087 | 69,602 | 86,784 |
| Civil Asset Forfeitures | - | - | - | - |
| Pass Through Grants | - | - | - | - |
| Special Assessment Debt | 60,267 | 61,830 | 70,775 | 65,454 |
| General Obligation Debt | 114,076 | 88,642 | 100,637 | 109,288 |
| Committed: | | | | |
| Jail Commissary | 208,158 | 285,421 | 360,724 | 451,400 |
| Valley Water Rescue | | | | |
| Parenting Workshop | 35,178 | 34,567 | 43,629 | 43,035 |
| Flood Control Projects | 11,951,297 | 15,941,570 | 15,836,693 | 30,872,051 |
| Capital Projects | 311,751 | 30,247 | - | - |
| Special Assessment Projects | 135,330 | 135,750 | 124,931 | 125,218 |
| Unassigned | (5,112,118) | (2,109,755) | (2,415,342) | (3,954) |
| Total all other governmental funds | \$ 14,127,864 | \$ 23,984,084 | \$ 47,067,646 | \$ 42,487,772 |

Note- GASB Statement No. 54 altered the classification of governmental fund balances on a prospective basis effective with fiscal year 2011.

The objective of this statement is to more clearly define categories that reflect the nature and extent of constraints placed on the County's fund balances.

| Fiscal Years | | | | | |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| \$ 17,209 | \$ 16,302 | \$ 17,165 | \$ 15,558 | \$ 16,326 | \$ 14,923 |
| 375,747 | 278,968 | 342,884 | 373,783 | 390,580 | 613,945 |
| - | - | - | - | 31,625 | 10,527 |
| 12,531 | 14,915 | 17,367 | 81,240 | 109,397 | 136,645 |
| 2,538,761 | 4,692,103 | 7,882,859 | 10,045,437 | 20,764,013 | 25,262,582 |
| <u>\$ 2,944,248</u> | <u>\$ 5,002,288</u> | <u>\$ 8,260,275</u> | <u>\$ 10,516,018</u> | <u>\$ 21,311,941</u> | <u>\$ 26,038,622</u> |
| | | | | | |
| \$ 209,500 | \$ 240,947 | \$ 243,852 | \$ 225,117 | \$ 255,446 | \$ 206,025 |
| 76,583 | 99,382 | 87,026 | 137,011 | 122,799 | 156,424 |
| 78,696 | 89,061 | 127,681 | 182,105 | 158,923 | 153,432 |
| - | - | - | - | - | 122,091 |
| 67,333 | 66,618 | 64,699 | 68,324 | 68,347 | 66,041 |
| 21,255 | 30,094 | 32,304 | 32,390 | 38,135 | 30,715 |
| 252,528 | 196,733 | 236,245 | 250,424 | 224,786 | 259,177 |
| 125,010 | 107,269 | 92,465 | 136,672 | 37,453 | 22,084 |
| 2,507,095 | 411,349 | 366,857 | (25,828) | 288,800 | 708,511 |
| - | - | - | - | - | - |
| 3,631,878 | 2,356,100 | 4,445,973 | 6,166,403 | 3,219,212 | 3,757,454 |
| 202,586 | 319,620 | 369,421 | 325,941 | 274,854 | 133,103 |
| 4,158,324 | 4,408,839 | 4,643,378 | 4,749,462 | 4,548,618 | 4,733,070 |
| 2,240,585 | 2,389,305 | 2,342,759 | 2,236,601 | 2,182,757 | 2,000,372 |
| 97,038 | 100,246 | 103,387 | 98,200 | 108,546 | 120,258 |
| - | - | - | 35,174 | 16,014 | 57,981 |
| - | - | - | - | 29,966 | 10,573 |
| 56,025 | 51,203 | 48,042 | 56,591 | 90,423 | 20,717 |
| 86,866 | 60,336 | 48,551 | 48,211 | - | 132,125 |
| 511,214 | 600,149 | 643,831 | 379,274 | 431,547 | 500,732 |
| 9,079 | 25,242 | 13,198 | 19,968 | 21,524 | 8,030 |
| 39,837 | 38,617 | 38,881 | 35,013 | 34,504 | 35,722 |
| 4,855,030 | 5,633,394 | 6,767,552 | 7,757,781 | 8,352,938 | 9,330,255 |
| - | - | - | 182,031 | 2,603,822 | 3,740,418 |
| 125,516 | 126,893 | 426,275 | 37,314 | 937,882 | 110,413 |
| (168,225) | - | - | (503,896) | - | - |
| <u>\$ 19,183,753</u> | <u>\$ 17,351,400</u> | <u>\$ 21,142,377</u> | <u>\$ 22,630,283</u> | <u>\$ 24,047,296</u> | <u>\$ 26,415,723</u> |

CASS COUNTY GOVERNMENT
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(unaudited)

| | Fiscal Year | | | |
|---|-----------------------|----------------------|------------------------|------------------------|
| | 2012 | 2013 | 2014 | 2015 |
| Revenues | | | | |
| Property Taxes | \$ 31,217,265 | \$ 31,572,698 | \$ 33,011,508 | \$ 35,823,646 |
| Sales Tax | 14,812,160 | 15,135,193 | 16,164,464 | 16,449,060 |
| Intergovernmental | 25,762,129 | 35,501,698 | 35,102,540 | 30,378,356 |
| Licenses Permits & Fees | 127,947 | 133,469 | 211,419 | 166,711 |
| Charges for Services | 5,056,253 | 5,423,907 | 6,453,308 | 9,470,782 |
| Miscellaneous | 516,079 | 490,744 | 1,211,108 | 654,680 |
| Total revenues | <u>\$ 77,491,833</u> | <u>\$ 88,257,709</u> | <u>\$ 92,154,347</u> | <u>\$ 92,943,235</u> |
| Expenditures | | | | |
| General Government | \$ 7,631,349 | \$ 7,911,266 | \$ 9,151,938 | \$ 10,319,594 |
| Public Safety | 16,719,600 | 17,107,862 | 19,220,676 | 23,142,829 |
| Public Works | 23,578,843 | 18,262,385 | 21,505,559 | 19,163,328 |
| Relief & Charities | 12,207,748 | 13,125,256 | 14,030,665 | 14,380,943 |
| Culture & Recreation | 859,916 | 909,785 | 983,675 | 1,065,777 |
| Conservation & Economic Development | 2,462,144 | 8,364,271 | 10,326,277 | 5,449,088 |
| Capital Outlay | 14,546,103 | 11,407,367 | 38,281,498 | 29,832,863 |
| Debt Service | | | | |
| Principal | 889,152 | 874,771 | 757,210 | 767,606 |
| Interest | 301,759 | 282,864 | 260,555 | 240,652 |
| Fiscal charges | 2,808 | 2,483 | 2,750 | 2,782 |
| Total expenditures | <u>\$ 79,199,422</u> | <u>\$ 78,248,310</u> | <u>\$ 114,520,803</u> | <u>\$ 104,365,462</u> |
| Excess of revenues over (under) expenditures | <u>\$ (1,707,589)</u> | <u>\$ 10,009,399</u> | <u>\$ (22,366,456)</u> | <u>\$ (11,422,227)</u> |
| Other Financing Sources (Uses) | | | | |
| Bonds Issued | \$ - | \$ - | \$ - | \$ - |
| Loans Issued | - | - | 45,060,200 | 4,939,800 |
| Sale of Property | 74,795 | 30,031 | 32,156 | 51,357 |
| Transfers In | 5,819,780 | 3,502,006 | 1,798,048 | 1,419,290 |
| Transfers Out | (5,819,780) | (3,502,006) | (1,798,048) | (1,419,290) |
| Total other financing sources (uses) | <u>\$ 74,795</u> | <u>\$ 30,031</u> | <u>\$ 45,092,358</u> | <u>\$ 4,991,159</u> |
| Net change in fund balance | \$ (1,632,795) | \$ 10,039,430 | \$ 22,725,902 | \$ (6,431,068) |
| Debt service as a percentage of noncapital expenditures | 2.02% | 1.60% | 0.96% | 1.02% |

Source: County Finance Office

| Fiscal Year | | | | | |
|-------------------------|-------------------------|----------------------|-----------------------|-----------------------|-----------------------|
| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| \$ 37,793,970 | \$ 39,096,997 | \$ 35,564,376 | \$ 40,378,330 | \$ 44,251,855 | \$ 46,272,164 |
| 16,112,224 | 15,302,921 | 15,720,221 | 16,670,136 | 16,719,327 | 21,920,711 |
| 22,849,912 | 20,745,886 | 185,708 | 154,500 | 249,106 | 207,230 |
| 162,128 | 176,465 | 28,524,740 | 29,536,957 | 35,673,763 | 33,706,552 |
| 9,190,358 | 10,577,206 | 10,939,805 | 10,683,048 | 12,307,347 | 11,084,506 |
| 1,087,785 | 1,619,865 | 2,805,844 | 4,563,307 | 2,894,008 | 2,548,872 |
| <u>\$ 87,196,377</u> | <u>\$ 87,519,340</u> | <u>\$ 93,740,694</u> | <u>\$ 101,986,278</u> | <u>\$ 112,095,406</u> | <u>\$ 115,740,035</u> |
| | | | | | |
| \$ 10,420,306 | \$ 9,292,888 | \$ 9,749,656 | \$ 10,090,924 | \$ 11,968,416 | \$ 11,408,823 |
| 24,826,748 | 25,881,762 | 27,591,855 | 28,901,024 | 29,679,833 | 33,144,465 |
| 19,560,000 | 19,298,125 | 14,451,979 | 16,367,983 | 20,646,734 | 17,487,376 |
| 12,192,337 | 12,834,366 | 12,965,733 | 13,802,013 | 11,372,458 | 10,986,413 |
| 1,133,929 | 1,268,313 | 1,444,522 | 1,660,696 | 1,761,442 | 2,920,581 |
| 2,236,868 | 2,151,597 | 2,126,553 | 2,340,501 | 2,561,052 | 2,902,839 |
| 92,384,213 | 14,748,762 | 15,127,150 | 21,523,776 | 20,076,974 | 29,060,188 |
| | | | | | |
| 50,783,024 | 100,785,000 | 810,000 | 1,048,101 | 855,000 | 850,000 |
| 865,435 | 1,472,157 | 2,433,047 | 2,609,775 | 1,084,630 | 64,200 |
| 2,739 | 3,321 | 3,758 | 3,731 | 3,370 | 7,816 |
| <u>\$ 214,405,599</u> | <u>\$ 187,736,291</u> | <u>\$ 86,704,253</u> | <u>\$ 98,348,524</u> | <u>\$ 100,009,909</u> | <u>\$ 108,832,701</u> |
| | | | | | |
| <u>\$ (127,209,222)</u> | <u>\$ (100,216,951)</u> | <u>\$ 7,036,441</u> | <u>\$ 3,637,754</u> | <u>\$ 12,085,497</u> | <u>\$ 6,907,334</u> |
| | | | | | |
| \$ - | \$ 188,100 | \$ - | \$ - | \$ - | \$ - |
| 100,000,000 | 100,000,000 | - | - | - | - |
| 115,380 | 87,526 | 12,526 | 16,642 | 127,439 | 187,774 |
| 160,018 | 385,087 | 1,069,818 | 2,401,528 | 2,181,673 | 1,507,582 |
| (160,018) | (385,087) | (1,069,818) | (2,401,528) | (2,181,673) | (1,507,582) |
| <u>\$ 100,115,382</u> | <u>\$ 100,275,628</u> | <u>\$ 12,526</u> | <u>\$ 16,642</u> | <u>\$ 127,439</u> | <u>\$ 187,774</u> |
| | | | | | |
| \$ (27,093,840) | \$ 58,676 | \$ 7,048,967 | \$ 3,654,396 | \$ 12,212,936 | \$ 7,095,108 |
| | | | | | |
| 24.39% | 54.84% | 3.78% | 3.75% | 1.96% | 1.10% |

CASS COUNTY GOVERNMENT
True and Full Value, Assessed Value, and Actual Value of Taxable Property
Last Ten Fiscal Years
(Unaudited)

| Fiscal Year | True and Full Value of Real Property | | | Total True & Full Value | Total Taxable Value | Total Direct Tax Rate |
|-------------|--------------------------------------|---------------------|---------------|-------------------------|---------------------|-----------------------|
| | Residential Property | Commerical Property | Farmland | | | |
| 2012 | 6,035,161,188 | 3,659,791,030 | 723,805,350 | 10,418,757,568 | 496,726,180 | 65.75 |
| 2013 | 6,178,466,848 | 3,868,885,870 | 856,233,100 | 10,903,585,818 | 521,035,701 | 63.60 |
| 2014 | 6,416,212,498 | 4,125,432,120 | 941,070,200 | 11,482,714,818 | 548,947,150 | 62.67 |
| 2015 | 6,870,590,258 | 4,520,934,400 | 1,025,443,920 | 12,416,968,578 | 594,023,291 | 62.67 |
| 2016 | 7,642,811,085 | 5,222,180,842 | 1,105,180,020 | 13,970,171,947 | 668,216,009 | 57.42 |
| 2017 | 8,670,137,538 | 6,010,399,946 | 1,137,607,420 | 15,818,144,904 | 755,904,584 | 52.76 |
| 2018 | 9,521,810,807 | 6,483,657,846 | 1,136,223,820 | 17,141,692,473 | 816,935,032 | 44.71 |
| 2019 | 10,133,805,071 | 6,841,947,109 | 1,164,871,320 | 18,140,623,500 | 864,329,046 | 48.00 |
| 2020 | 10,599,465,855 | 7,491,437,830 | 1,212,462,600 | 19,303,366,285 | 930,105,710 | 49.00 |
| 2021 | 11,202,927,388 | 7,872,973,821 | 1,222,817,000 | 20,298,718,209 | 1,034,208,806 | 47.92 |

Source: County Finance Office

Notes:

Taxable values for a given fiscal year are from the prior calendar year's tax roll.

Direct tax rate per \$1,000 of taxable value.

Property in Cass County is assessed annually. The county assesses property at true and full value. For residential and commercial property, true and full is market value. For farmland, true and full value is productivity value. True and full value for all property is reduced by 50 percent to arrive at assessed value. Taxable value is calculated at 10% of assessed value for commercial property and farmland. Residential property is calculated at 9% of assessed value. Taxable value also includes centrally assessed property such as railroads, pipelines and electric. Taxable valuation is also reduced for homestead credits and veteran's credits as approved by state statute.

CASS COUNTY GOVERNMENT
Principal Property Tax Payers
Current Year and Nine Years Ago
(Unaudited)

| Name | Fiscal Year 2021 | | Fiscal Year 2012 | |
|---|-------------------------|-----------------------------------|-----------------------|-----------------------------------|
| | Taxable Value | Percentage of Total Taxable Value | Taxable Value | Percentage of Total Taxable Value |
| Northern States Power Company | \$ 7,673,217 | 0.74% | \$ 3,652,475 | 0.74% |
| McNeilus Steel Inc | 7,422,150 | 0.72% | | |
| Inreit Properties LLLP | 7,165,905 | 0.69% | 5,942,585 | 1.20% |
| Burlington Northern | 5,439,972 | 0.53% | 3,053,229 | 0.61% |
| Sanford Medical Center | 5,113,770 | 0.49% | | |
| Dakota Upreit LP | 4,677,625 | 0.45% | | |
| West Acres Development Company | 4,014,610 | 0.39% | 4,326,055 | 0.87% |
| Tharaldson Ethanol Plant | 3,368,385 | 0.33% | | |
| Great Plains Software | 2,790,285 | 0.27% | | |
| Innovis Health LLC | 2,769,370 | 0.27% | 1,623,235 | 0.33% |
| Matrix Properties Corp. | | | 2,492,695 | 0.50% |
| Wal-Mart Real Estate Business Trust | | | 1,850,395 | 0.37% |
| Blue Cross of North Dakota | | | 1,707,340 | 0.34% |
| Meritcare Medical Group | | | 1,252,705 | 0.25% |
| Case Equipment Corporation | | | 1,115,090 | 0.22% |
| Total Attributable to Ten Largest Property Taxpayers | \$ 50,435,288 | 4.88% | \$ 27,015,804 | 5.43% |
| Total Gross Taxable Value | \$ 1,034,208,806 | 100.00% | \$ 496,726,180 | 100.00% |

Source: County Finance Office

CASS COUNTY GOVERNMENT
Property Tax Rates - Direct and Overlapping
Last Ten Fiscal Years
(per \$1,000 of taxable value)
(Unaudited)

| | Fiscal Year | | | |
|--------------------------------|---------------|--------------|--------------|--------------|
| | 2012 | 2013 | 2014 | 2015 |
| Direct | | | | |
| General | 32.25 | 28.25 | 27.34 | 28.80 |
| Human Service | 17.50 | 19.50 | 19.50 | 18.71 |
| Highway | 10.25 | 10.25 | 10.25 | 9.83 |
| Senior Citizens | 1.00 | 1.00 | 1.00 | 1.00 |
| Building Fund | - | - | - | - |
| Emergency | 3.00 | 3.00 | 3.00 | 2.88 |
| Career Workforce Academy | - | - | - | - |
| Debt Service Sinking | 1.75 | 1.60 | 1.58 | 1.45 |
| Total Direct | 65.75 | 63.60 | 62.67 | 62.67 |
| Overlapping Governments | | | | |
| Cities | | | | |
| Fargo | 58.25 | 58.25 | 57.25 | 57.25 |
| West Fargo | 91.03 | 90.11 | 89.11 | 85.05 |
| Other Cities | 11.77-200.15 | 10.49-194.03 | 5.48-174.61 | 2.27-174.14 |
| Park Districts | | | | |
| Fargo | 31.34 | 31.25 | 30.74 | 30.71 |
| West Fargo | 34.56 | 32.93 | 32.45 | 31.41 |
| Other Park Districts | 0.66-26.17 | 4.00-26.23 | 4.00-32.45 | 3.22-30.23 |
| School Districts | | | | |
| Fargo | 221.59 | 219.28 | 165.35 | 165.35 |
| West Fargo | 192.20 | 192.20 | 142.20 | 142.20 |
| Other School Districts | 100.00-187.91 | 99.33-179.22 | 67.17-137.51 | 60-133.05 |
| Townships | 10.04-40.12 | 8.37-39.92 | 8.14-40.46 | 7.46-75.47 |
| Water Resource Districts | 6.00 | 6.00 | 6.00 | 6.00 |
| Fire Districts | 1.79-13.00 | 1.46-13.00 | 1.98-12.63 | 1.81-12.35 |

Source: County Finance Office

| Fiscal Year | | | | | |
|-------------|--------------|--------------|--------------|--------------|--------------|
| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| 28.80 | 30.41 | 31.91 | 31.00 | 31.00 | 30.00 |
| 13.66 | 10.00 | - | - | - | - |
| 9.83 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| - | - | 0.50 | 5.00 | 5.00 | 5.00 |
| 2.88 | 0.25 | 0.25 | - | - | - |
| - | - | - | - | 1.00 | 1.00 |
| 1.25 | 1.10 | 1.05 | 1.00 | 1.00 | 0.92 |
| 57.42 | 52.76 | 44.71 | 48.00 | 49.00 | 47.92 |
| 55.00 | 53.00 | 51.00 | 51.00 | 53.00 | 53.00 |
| 80.08 | 70.24 | 73.08 | 73.22 | 77.98 | 77.47 |
| 5.34-175.32 | 9.7-168.27 | 10.42-188.05 | 13.64-185.71 | 9.63-172.25 | 10.56-167.24 |
| 29.52 | 28.61 | 27.80 | 27.83 | 28.67 | 29.60 |
| 29.75 | 26.18 | 28.02 | 26.99 | 27.06 | 26.55 |
| 3.00-29.52 | 2.60-25.89 | 2.49-28.02 | 2.38-27.83 | 1.17-28.67 | 1.78-22.86 |
| 166.35 | 154.35 | 154.13 | 154.13 | 154.38 | 154.38 |
| 139.71 | 133.29 | 129.27 | 133.31 | 137.26 | 139.45 |
| 60-126.88 | 62.99-124.08 | 71.85-132.16 | 71.81-119.51 | 75.80-116.39 | 84.24-119.44 |
| 6.91-60.77 | 5.30-64.51 | 5.67-64.74 | 5.78-60.68 | 10.99-56.93 | 12.47-38.97 |
| 5.5-6.00 | 5.4-6.00 | 4.5-6.00 | 4.26-5.50 | 4.11-5.50 | 3.93-5.50 |
| 1.67-13.00 | 1.60-13.00 | 1.58-13.00 | 1.54-13.00 | 1.47-13.00 | 4.00-13.00 |

CASS COUNTY GOVERNMENT
Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)

| Fiscal Year | Taxes Levied for the Fiscal Year Original Levy | Adjustments | Total Adjusted Levy |
|----------------|---|-------------|---------------------------|
| 2012 | 31,927,747 | 145,152 | 32,072,900 |
| 2013 | 32,379,259 | 320,621 | 32,699,880 |
| 2014 | 33,559,573 | 46,510 | 33,606,083 |
| 2015 | 36,204,233 | 267,139 | 36,471,372 |
| 2016 | 38,368,963 | 253,244 | 38,622,207 |
| 2017 | 39,881,526 | 170,671 | 40,052,197 |
| 2018 | 38,687,804 | (114,440) | 38,573,364 |
| 2019 | 43,797,804 | 942,661 | 44,740,465 |
| 2020 | 47,590,681 | (15,858) | 47,574,823 |
| 2021 | 48,761,674 | 2,430 | 48,764,104 |

Source: County Finance Office

Note: The information in this schedule relates to the county's own property tax levies, and does not include those it collects on behalf of other governments.

| <u>Collected Within the Fiscal Year of the Levy</u> | | Collections in Subsequent Years | <u>Total Collections to Date</u> | |
|---|-----------------------------------|---------------------------------------|----------------------------------|-----------------------------------|
| Amount | Percentage of Original Levy | | Amount | Percentage of Adjusted Levy |
| 30,332,994 | 94.58% | 334,919 | 30,667,913 | 95.62% |
| 31,086,237 | 95.07% | 183,494 | 31,269,731 | 95.63% |
| 32,078,024 | 95.45% | 190,078 | 32,268,102 | 96.02% |
| 34,629,229 | 94.95% | 261,390 | 34,890,619 | 95.67% |
| 36,662,427 | 94.93% | 231,727 | 36,894,154 | 95.53% |
| 38,216,384 | 95.42% | 206,231 | 38,422,615 | 95.93% |
| 36,512,303 | 94.66% | 355,244 | 36,867,547 | 95.58% |
| 41,368,945 | 92.46% | 1,484,034 | 42,852,979 | 95.78% |
| 45,159,436 | 94.92% | 242,191 | 45,401,627 | 95.43% |
| 46,260,909 | 94.87% | - | 46,260,909 | 94.87% |

CASS COUNTY GOVERNMENT
Sales Tax Revenue
Last Ten Fiscal Years
(Unaudited)

| Fiscal Year | Sales Tax Revenue | Taxable Sales and Purchases | Direct Rate |
|----------------|-------------------------|-----------------------------------|----------------|
| 2012 | 14,620,690 | 3,055,069,906 | 0.50% |
| 2013 | 15,310,716 | 3,125,583,081 | 0.50% |
| 2014 | 16,120,808 | 3,256,646,158 | 0.50% |
| 2015 | 16,319,173 | 3,199,609,785 | 0.50% |
| 2016 | 16,576,834 | 3,001,106,671 | 0.50% |
| 2017 | 15,302,922 | 2,874,488,805 | 0.50% |
| 2018 | 15,720,221 | 2,919,224,801 | 0.50% |
| 2019 | 16,670,136 | 2,967,851,483 | 0.50% |
| 2020 | 16,719,327 | 2,842,788,188 | 0.50% |
| 2021 | 21,920,711 | 3,426,697,514 | 0.50% |

Source: County Finance Office and Office of the ND State Tax Commissioner

Notes:

Effective April 1, 2011 an ordinance was approved for a 1/2 cent sales tax for flood control to terminate on March 31, 2031.

Effective January 1, 2017 an ordinance was approved for an extension of the 1/2 cent sales tax to terminate on December 31, 2084.

Revenues are shown net of state administrative fee.

CASS COUNTY GOVERNMENT
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)

| Fiscal Year | Governmental Activities Debt | | | | | Total Primary Government | Percentage of Personal Income(1) | Per Capita(1) |
|-------------|------------------------------|------------------------------|-----------------------------|--------------|----------------|--------------------------|----------------------------------|---------------|
| | General Obligation Bonds | Special Assessment Bonds (1) | Special Assessments Payable | Loan Payable | Capital Leases | | | |
| 2011 | 8,225,000 | 561,152 | 109,033 | - | 250,611 | 9,145,797 | 0.13% | 60.02 |
| 2012 | 7,540,000 | 479,674 | 105,285 | - | 127,937 | 8,252,896 | 0.11% | 52.85 |
| 2013 | 6,850,000 | 422,839 | - | - | - | 7,272,839 | 0.09% | 44.67 |
| 2014 | 6,150,000 | 365,630 | - | 45,060,200 | - | 51,575,830 | 0.59% | 308.83 |
| 2015 | 5,440,000 | 308,024 | - | 50,000,000 | - | 55,748,024 | 0.61% | 325.04 |
| 2016 | 4,715,000 | 250,000 | - | 100,000,000 | - | 104,965,000 | 1.12% | 598.95 |
| 2017 | 3,980,000 | 390,000 | - | 100,000,000 | - | 104,370,000 | 1.08% | 587.05 |
| 2018 | 3,225,000 | 335,000 | - | 100,000,000 | - | 103,560,000 | 1.02% | 570.53 |
| 2019 | 2,450,000 | 275,000 | - | 100,000,000 | - | 102,725,000 | 1.01% | 564.66 |
| 2020 | 1,655,000 | 215,000 | - | 100,000,000 | - | 101,870,000 | 0.95% | 550.11 |
| 2021 | 840,000 | 180,000 | - | - | - | 1,020,000 | 0.01% | 5.47 |

Notes: 2021 percentages calculated using 2020 personal income data, which is the most recent available.

(1) See Schedule Demographic Statistics for population and personal income data

CASS COUNTY GOVERNMENT
Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years
(Unaudited)

| Fiscal Year | General Obligation Bonds | Percent of Actual Value of Taxable Property(2) | Per Capita(3) |
|----------------|--------------------------------|---|------------------|
| 2012 | 7,540,000 | 1.52% | 48.28 |
| 2013 | 6,850,000 | 1.31% | 42.07 |
| 2014 | 6,150,000 | 1.12% | 36.83 |
| 2015 | 5,440,000 | 0.92% | 31.72 |
| 2016 | 4,715,000 | 0.71% | 26.90 |
| 2017 | 3,980,000 | 0.53% | 22.39 |
| 2018 | 3,225,000 | 0.39% | 45.00 |
| 2019 | 2,450,000 | 0.28% | 13.47 |
| 2020 | 1,655,000 | 0.19% | 8.94 |
| 2020 | 840,000 | 0.10% | 4.54 |

(2) See Schedule True and Full Value, Assessed Value, and Actual Value of Taxable Property for property tax value data

(3) See Schedule Demographic Statistics for population data

CASS COUNTY GOVERNMENT
Ratio of Net Bonded Debt to Assessed Value and Net Bonded Debt Per Capita
Last Ten Fiscal Years
(Unaudited)

| Fiscal Year | Assessed Valuation | General Bonded Debt | | | Ratio of Net Bonded Debt to Assessed Valuation | Net Bonded Debt Per Capita(3) |
|-------------|--------------------|------------------------------|--|-----------------|--|-------------------------------|
| | | General Obligation Bonds (1) | Less: Amounts Restricted to Repaying Principal | Net Bonded Debt | | |
| 2012 | 5,209,378,784 | 7,540,000 | 114,076 | 7,425,924 | 0.14% | 47.55 |
| 2013 | 5,451,792,909 | 6,850,000 | 88,642 | 6,761,358 | 0.12% | 41.52 |
| 2014 | 5,741,357,409 | 6,150,000 | 100,637 | 6,049,363 | 0.11% | 36.22 |
| 2015 | 6,208,484,289 | 5,440,000 | 99,980 | 5,340,020 | 0.09% | 31.13 |
| 2016 | 6,985,085,974 | 4,715,000 | 86,866 | 4,628,134 | 0.07% | 26.41 |
| 2017 | 7,909,072,452 | 3,980,000 | 60,336 | 3,919,664 | 0.05% | 22.05 |
| 2018 | 8,570,861,237 | 3,225,000 | 48,551 | 3,176,449 | 0.04% | 17.50 |
| 2019 | 9,070,311,750 | 2,450,000 | 48,211 | 2,401,789 | 0.03% | 13.20 |
| 2020 | 9,651,683,143 | 1,655,000 | 90,423 | 1,564,577 | 0.02% | 8.45 |
| 2021 | 10,149,359,105 | 840,000 | 132,125 | 707,875 | 0.01% | 3.82 |

(3) See Schedule Demographic Statistics for population data

**CASS COUNTY GOVERNMENT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)**

| | 2012 | 2013 | 2014 | 2015 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| Assessed Value of Property | \$ 5,209,378,784 | \$ 5,451,792,909 | \$ 5,741,357,409 | \$ 6,208,484,289 |
| Debt Limit, 5% of Assessed Value | 260,468,939 | 272,589,645 | 287,067,870 | 310,424,214 |
| Amount of Debt Applicable to Limit | | | | |
| General Obligation Bonds | 7,447,890 | 6,799,729 | 6,105,643 | 5,401,557 |
| Less: Resources Restricted to Paying Principal | - | - | - | - |
| Total Net General Obligation Bonds | 7,447,890 | 6,799,729 | 6,105,643 | 5,401,557 |
| Loan Payable | - | - | 45,060,200 | 50,000,000 |
| Capital Leases | 127,935 | - | - | - |
| Total net debt applicable to limit | 7,575,825 | 6,799,729 | 51,165,843 | 55,401,557 |
| Legal Debt Margin | <u>\$ 252,893,114</u> | <u>\$ 265,789,916</u> | <u>\$ 235,902,027</u> | <u>\$ 255,022,657</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 2.91% | 2.49% | 17.82% | 17.85% |

Source: County Finance Office

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ 6,985,085,974 | \$ 7,909,072,452 | \$ 8,570,861,237 | \$ 9,070,311,750 | \$ 9,651,683,143 | \$ 10,149,359,105 |
| 349,254,299 | 395,453,623 | 428,543,062 | 453,515,588 | 482,584,157 | 507,467,955 |
| 4,682,472 | 3,953,386 | 3,245,700 | 2,464,786 | 1,663,871 | 842,957 |
| 4,682,472 | 3,953,386 | 3,245,700 | 2,464,786 | 1,663,871 | 842,957 |
| 100,000,000 | 100,000,000 | 100,000,000 | 100,000,000 | 100,000,000 | - |
| - | - | - | - | - | - |
| 104,682,472 | 103,953,386 | 103,245,700 | 102,464,786 | 101,663,871 | 842,957 |
| <u>\$ 244,571,827</u> | <u>\$ 291,500,237</u> | <u>\$ 325,297,362</u> | <u>\$ 351,050,802</u> | <u>\$ 380,920,286</u> | <u>\$ 506,624,998</u> |
| 29.97% | 26.29% | 24.09% | 22.59% | 21.07% | 0.17% |

CASS COUNTY GOVERNMENT
Sales Tax Note Payable - Direct Bank Loan
Last Ten Fiscal Years
(Unaudited)

| Fiscal Year | FM Diversion Financing | | | |
|----------------|------------------------|--------------|-----------|----------|
| | Sales Tax | Debt Service | | Coverage |
| | | Principal | Interest | |
| 2011 | \$ - | \$ - | \$ - | \$ - |
| 2012 | - | - | - | - |
| 2013 | - | - | - | - |
| 2014 | 14,669,935 | - | 41,206 | 356 |
| 2015 | 14,850,447 | - | 328,609 | 45 |
| 2016 | 15,084,919 | 50,000,000 | 647,752 | 23 |
| 2017 | 13,925,659 | 100,000,000 | 1,276,946 | 11 |
| 2018 | 14,305,401 | 100,000,000 | 2,263,811 | 6 |
| 2019 | 15,637,970 | 100,000,000 | 2,466,377 | 6 |
| 2020 | 15,716,168 | 100,000,000 | 983,078 | 16 |
| 2021 | 20,605,468 | - | 237,994 | 87 |

Note: Sales tax reported is only the share dedicated to the FM diversion project.

Source: County Finance Office

CASS COUNTY GOVERNMENT
Demographic Statistics
Last Ten Fiscal Years
(Unaudited)

| Year | Estimated Population (1) | Personal Income (thousands of dollars) (1) | Per Capita Income (1) | Unemployment Rate (2) |
|------|--------------------------------|--|-----------------------------|-----------------------------|
| 2011 | 152,368 | 6,948,277 | 45,602 | 3.4% |
| 2012 | 156,157 | 7,714,419 | 49,402 | 3.3% |
| 2013 | 162,829 | 8,139,909 | 49,991 | 3.0% |
| 2014 | 167,005 | 8,803,026 | 52,711 | 2.5% |
| 2015 | 171,512 | 9,184,845 | 53,552 | 2.2% |
| 2016 | 175,249 | 9,404,240 | 53,662 | 2.3% |
| 2017 | 177,787 | 9,635,401 | 54,196 | 2.1% |
| 2018 | 181,516 | 10,177,672 | 56,070 | 2.6% |
| 2019 | 181,923 | 10,693,894 | 58,783 | 2.4% |
| 2020 | 185,181 | 11,383,413 | 61,899 | 2.3% |
| 2020 | 186,562 | * | * | 2.0% |

SOURCES:

- (1) Bureau of Economic Analysis, U.S. Department of Commerce
www.bea.gov
- (2) North Dakota Job Service
www.state.nd.us

* Information is not yet available.

CASS COUNTY GOVERNMENT
Principal Employers
Current Year and Nine Years Ago
(Unaudited)

| Employer | 2021 | | 2012 | |
|------------------------------------|------------------------|---|------------------------|---|
| | Number of Employees | Percentage of Total County Employment | Number of Employees | Percentage of Total County Employment |
| Sanford Health | 8,651 | 6.40% | 6,739 | 8.19% |
| Essentia Health | 5,141 | 3.80% | 967 | 1.18% |
| North Dakota State University | 4,363 | 3.23% | 2,339 | 2.84% |
| Axis Communications | 3,200 | 2.37% | | |
| Fargo Public School District #1 | 1,929 | 1.43% | 1,762 | 2.14% |
| Wanzek Construction, Inc. | 1,841 | 1.36% | | |
| Eventide Senior Living Communities | 1,660 | 1.23% | | |
| West Fargo Public Schools | 1,623 | 1.20% | 786 | 0.96% |
| U.S. Bank Service Center | 1,201 | 0.89% | 975 | 1.19% |
| Fargo VA Health Care Systems | 1,186 | 0.88% | 870 | 1.06% |
| Noridian Health Care Solutions | | | 1,345 | 1.64% |
| Microsoft | | | 870 | 1.06% |
| City of Fargo | | | 773 | 0.94% |
| | <u>30,795</u> | <u>22.76%</u> | <u>17,426</u> | <u>21.20%</u> |

SOURCE: Fargo Moorhead West Fargo Chamber of Commerce
<http://www.fmwfchamber.com/work>

Job Service of North Dakota
<http://www.jobsnd.com>

CASS COUNTY GOVERNMENT
Elected Officials and Full-Time Employees by Function
Last Ten Years
(Unaudited)

| <u>Year</u> | <u>General Government</u> | <u>Public Safety</u> | <u>Public Works</u> | <u>Human Services</u> | <u>Elected Officials</u> | <u>Total</u> |
|-------------|-------------------------------|--------------------------|-------------------------|---------------------------|------------------------------|--------------|
| 2012 | 38 | 179 | 34 | 139 | 10 | 400 |
| 2013 | 40 | 183 | 34 | 142 | 10 | 409 |
| 2014 | 40 | 198 | 34 | 148 | 10 | 430 |
| 2015 | 41 | 199 | 34 | 149 | 10 | 433 |
| 2016 | 41 | 203 | 34 | 151 | 10 | 439 |
| 2017 | 42 | 206 | 34 | 154 | 10 | 446 |
| 2018 | 43 | 212 | 34 | 160 | 10 | 459 |
| 2019 | 48 | 220 | 35 | 167 | 7 | 477 |
| 2020 | 49 | 219 | 36 | 169 | 7 | 480 |
| 2021 | | | | | 7 | |

(1) For this schedule, full-time is 30 hours per week (75% FTE) or more.

SOURCE: County Finance Office

CASS COUNTY GOVERNMENT
Operating Indicators by Function
Last Ten Fiscal Years
(Unaudited)

| <u>Function/Program</u> | Fiscal Year | | | |
|--|--------------|--------------|--------------|--------------|
| | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> |
| General Government | | | | |
| County Recorder Deeds Filed | 6,231 | 6,553 | 6,432 | 6,482 |
| County Recorder Total Documents | 33,644 | 33,170 | 27,739 | 31,113 |
| Tax Statements Issued | 60,286 | 60,898 | 62,085 | 64,949 |
| Statements Collected | | | | |
| within First Year | 59,083 | 59,813 | 60,544 | 63,423 |
| Percent Collected in First Year | 98.00% | 98.22% | 97.52% | 97.65% |
| Marriage License Issued | 1,148 | 1,102 | 1,102 | 1,081 |
| Public Safety | | | | |
| Inmates Processed ** | 7,824 | 7,764 | 7,718 | 8,034 |
| Average Daily Population | 227 | 208 | 242 | 274 |
| Citations Issued | 4,495 | 4,779 | 8,132 | 6,958 |
| 24/7 Drug Program | | | | |
| SCRAM Bracelets | 27 | 96 | 232 | 368 |
| Drug Patch | 48 | 167 | 309 | 377 |
| Twice-a-day Breath Test | 156 | 194 | 320 | 332 |
| Highways & Streets | | | | |
| Miles of paved roads overlaid with asphalt | 16.50 | 11.00 | 25.00 | 30.60 |
| Miles of paved roads reconstructed with asphalt | - | 6.00 | 2.00 | 0.70 |
| Miles of paved roads reconstructed with concrete | - | - | - | - |
| Miles of Concrete roads overlaid with asphalt | - | - | - | 6.00 |
| Miles of gravel roads paved with asphalt | - | - | 1.00 | 1.00 |
| Total Miles Surfaced | <u>16.50</u> | <u>17.00</u> | <u>28.00</u> | <u>38.30</u> |
| Miles of asphalt roads chip sealed | 23.00 | 30.00 | 30.00 | 17.00 |

** - Due to a new system the inmates are tracked differently than in prior years.
Source: Various County Departments

| | Fiscal Year | | | | |
|--------|-------------|--------|--------|--------|--------|
| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| 6,780 | 6,067 | 5,892 | 5,646 | 6,664 | 7,267 |
| 32,873 | 28,952 | 25,994 | 25,924 | 37,484 | 37,629 |
| 66,515 | 67,193 | 68,924 | 69,589 | 69,908 | 68,119 |
| 64,974 | 65,732 | 67,359 | 68,074 | 68,439 | 66,684 |
| 97.68% | 97.83% | 97.73% | 97.82% | 97.90% | 97.89% |
| 1,134 | 1,148 | 1,081 | 1,112 | 1,083 | 1,093 |
| 8,594 | 9,312 | 9,701 | 9,100 | 6,932 | 5,258 |
| 303 | 276 | 252 | 276 | 247 | 275 |
| 5,074 | 5,074 | 3,287 | 2,240 | 1,403 | 1,236 |
| 395 | 342 | 360 | 351 | 384 | 334 |
| 435 | 528 | 581 | 583 | 279 | 337 |
| 536 | 527 | 573 | 485 | 237 | 273 |
| 10.20 | - | - | 27.00 | - | 22.00 |
| 1.00 | 9.20 | 8.00 | 0.90 | 7.50 | 2.30 |
| - | 1.00 | - | 0.25 | - | - |
| 6.40 | - | - | - | - | - |
| - | - | - | - | 0.50 | - |
| 17.60 | 10.20 | 8.00 | 28.15 | 8.00 | 24.30 |
| 17.00 | 78.40 | 17.00 | - | 27.00 | - |

CASS COUNTY GOVERNMENT
Capital Asset Statistics by Function
Last Ten Fiscal Years
(Unaudited)

| <u>Function/Program</u> | Fiscal Year | | | |
|-------------------------------|-------------|------|------|------|
| | 2012 | 2013 | 2014 | 2015 |
| General Government | | | | |
| Number of Voting Machines | 137 | 137 | 137 | 150 |
| Number of E-Poll Books | 140 | 140 | 140 | - |
| Number of Election Tablets | - | - | - | 195 |
| Number of Buildings | 4 | 4 | 4 | 5 |
| Public Safety | | | | |
| Jail Capacity | 348 | 348 | 348 | 348 |
| Highways & Streets | | | | |
| County Road Miles Maintained | 652 | 652 | 652 | 652 |
| Number of Bridges | 246 | 246 | 246 | 246 |
| Number of Motorgraders | 7 | 7 | 7 | 7 |

Source: Various County Departments

| Fiscal Year | | | | | |
|-------------|------|------|------|------|------|
| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| 150 | 150 | 150 | 75 | 75 | 75 |
| - | - | - | - | - | - |
| 195 | 195 | 195 | - | - | - |
| 5 | 5 | 5 | 5 | 5 | 5 |
| 348 | 348 | 348 | 348 | 348 | 348 |
| 652 | 652 | 652 | 652 | 635 | 635 |
| 246 | 246 | 246 | 246 | 564 | 564 |
| 7 | 7 | 7 | 7 | 6 | 6 |



NORTH DAKOTA OFFICE OF THE STATE AUDITOR

State Auditor Joshua C. Gallion

Cass County

Fargo, North Dakota

Governance Communication and Additional Reports
for the Year Ended December 31, 2021

Client Code: PS9000



Photo credit: North Dakota Tourism



Office of the
State Auditor

CASS COUNTY

Table of Contents

For the Year Ended December 31, 2021

County Officials 1

Supplementary Information

 Schedule of Expenditures of Federal Awards..... 2

 Notes to the Schedule of Expenditures of Federal Awards 3

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 4

Report on Compliance for Each Major Federal Program; Report on
Internal Control Over Compliance; and Report on Schedule of
Expenditures of Federal Awards Required by the Uniform Guidance 6

Summary of Auditor’s Results..... 9

Schedule of Audit Findings and Questioned Costs 10

Management’s Corrective Action Plan..... 13

Schedule of Prior Year Findings..... 15

Governance Communication 16

CURRENT OFFICIALS

Commissioners: Rick Steen, Chairman
Chad M. Peterson
Duane Breitling
Jim Kapitan
Mary Scherling

Administrator: Robert Wilson

Finance Director: Brandy Madrigga

Sheriff: Jesse Jahner

Recorder: Deborah Moeller

States Attorney: Birch Burdick

2021 Officials

Commissioners: Chad M. Peterson, Chairman
Mary Scherling
Duane Breitling
Rick Steen
Jim Kapitan

Administrator: Robert Wilson

Finance Director: Brandy Madrigga

Sheriff: Jesse Jahner

Recorder: Deborah Moeller

States Attorney: Birch Burdick

CASS COUNTY

Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2021

| ALN Number | Program Title | Grantor's Number | Expenditures |
|---|--|-----------------------------------|---------------------|
| U.S. DEPARTMENT OF THE TREASURY | | | |
| <u>Direct Assistance</u> | | | |
| 21.027 | COVID-19 - Coronavirus State and Local Fiscal Recovery Funds | N/A | \$ 3,524,577 |
| 21.020 | Community Development Financial Institutions Program | N/A | 24,517 |
| Total U.S. Department of the Treasury | | | <u>\$ 3,549,094</u> |
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | |
| <u>Passed through the State Department of Human Services</u> | | | |
| 93.563 | Child Support Enforcement | S0351 | 14 |
| 93.767 | Children's Health Insurance Program | CHIP | 631 |
| Aging Cluster | | | |
| 93.044 | Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers | S091 | 170,691 |
| Medical Assistance Cluster | | | |
| 93.778 | Medical Assistance Program | TITEL XIX MEDICAID | 65,589 |
| Total U.S. Department of Health and Human Services | | | <u>\$ 236,925</u> |
| U.S. DEPARTMENT OF JUSTICE | | | |
| <u>Direct Assistance</u> | | | |
| 16.738 | Edward Byrne Memorial Justice Assistance Grant | N/A | \$ 50,204 |
| 16.710 | Public Safety Partnership and Community Policing Grants | N/A | 35,855 |
| <u>Passed Through State Attorney General</u> | | | |
| 16.034 | COVID-19 - Coronavirus Emergency Supplemental Funding | STCOV20 | 48,886 |
| <u>Passed Through State Department of Corrections and Rehabilitations</u> | | | |
| 16.576 | Crime Victim Compensation | AG00095 | 40,000 |
| <u>Passed Through North Dakota Department of Health</u> | | | |
| 16.588 | Violence Against Women Formula Grant | HLH6121 | 7,805 |
| Total U.S. Department of Justice | | | <u>\$ 182,750</u> |
| U.S. DEPARTMENT OF TRANSPORTATION | | | |
| <u>Passed Through State Highway Department</u> | | | |
| 20.600 | State and Community Highway Safety | HSPSC2007 | \$ 2,035 |
| 20.616 | National Priority Safety Programs | HSPID2010/HSPOP2005 /HSPOP2205 | 20,859 |
| Total U.S. Department of Transportation | | | <u>\$ 22,894</u> |
| U.S. DEPARTMENT OF HOMELAND SECURITY | | | |
| <u>Passed through the State Department of Emergency Services</u> | | | |
| 97.036 | Disaster Grants - Public Assistance (Presidentially Declared Disasters) | DR4553 | \$ 194,385 |
| 97.036 | COVID-19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters) | DR4509 | 6,668 |
| 97.042 | Emergency Management Performance Grants | EMPG2020/2021 | 147,948 |
| 97.047 | BRIC: Building Resilient Infrastructure and Communities | PDM2017 | 3,038 |
| 97.067 | Homeland Security Grant Program | HLS2019 | 25,200 |
| Total U.S. Department of Homeland Security | | | <u>\$ 377,239</u> |
| Total Expenditures of Federal Awards | | | <u>\$ 4,368,902</u> |

See notes to the Schedule of Expenditures of Federal Awards

CASS COUNTY

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2021

NOTE 1 BASIS OF PRESENTATION / ACCOUNTING

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the County under programs of the federal government for the year ended December 31, 2021. The information in the schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Uniform Guidance. Because the schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position or changes in net position of the County. Expenditures represent only the federally funded portions of the program. County records should be consulted to determine amounts expended or matched from non-federal sources.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

Governmental fund types account for the County's federal grant activity. The County's summary of significant accounting policies is presented in Note 1 in the County's basic financial statements.

NOTE 3 PASS-THROUGH GRANT NUMBER

For federal programs marked "N/A", the County was unable to obtain a pass-through grant number.

NOTE 4 INDIRECT COST RATE

The County does not draw for indirect administrative expenses and has not elected to use the 10% de minimis cost rate

STATE AUDITOR
Joshua C. Gallion



PHONE
701-328-2241

FAX
701-328-2345

www.nd.gov/auditor

STATE OF NORTH DAKOTA
OFFICE OF THE STATE AUDITOR
STATE CAPITOL
600 E. Boulevard Ave. Dept. 117
Bismarck, North Dakota, 58505

ndsao@nd.gov

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

Independent Auditor's Report

Board of County Commissioners
Cass County
Fargo, North Dakota

We have audited, 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, the financial statements of the governmental activities the aggregate 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, 2021, and the related notes to the financial statements, which collectively comprise Cass County's basic financial statements, and have issued our report thereon dated August 1, 2022.

Report on Internal Control Over Financial Reporting

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

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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying *schedule of audit findings and questioned costs* as items 2021-001 and 2021-003.

CASS COUNTY

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* - Continued

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Cass County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying *schedule of audit findings and questioned costs as item 2021-002*.

Cass County's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Cass County's response to the findings identified in our audit and described in the accompanying *schedule of audit findings and questioned costs*. The Cass County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

/S/

Joshua C. Gallion
State Auditor

Bismarck, North Dakota
August 1, 2022

STATE AUDITOR
Joshua C. Gallion



PHONE
701-328-2241
FAX
701-328-2345

www.nd.gov/auditor

STATE OF NORTH DAKOTA
OFFICE OF THE STATE AUDITOR
STATE CAPITOL
600 E. Boulevard Ave. Dept. 117
Bismarck, North Dakota, 58505

ndsao@nd.gov

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON
INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL
AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Independent Auditor's Report

Board of County Commissioners
Cass County
Fargo, North Dakota

Qualified Opinion

We have audited Cass County's compliance with the types of compliance requirements⁸⁴ identified as subject to audit in the *OMB 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, 2021. 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*.

Qualified Opinion on Coronavirus State and Local Fiscal Recovery Funds

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion section of our report, Cass County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on Coronavirus State and Local Fiscal Recovery Funds for the year ended December 31, 2021.

Basis for Qualified Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Cass County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Cass County's compliance with the compliance requirements referred to above

Matter(s) Giving Rise to Qualified Opinion on Coronavirus State and Local Fiscal Recovery Funds.

As described in the accompanying *schedule of findings and questioned costs*, Cass County did not comply with requirements regarding Assisting Listing Number 21.027 *Coronavirus State and Local Fiscal Recovery Funds* as described in finding number 2021-002 for Reporting, consequently we were unable to determine whether Cass County complied with those requirements applicable to that program.

Compliance with such requirements is necessary, in our opinion, for Cass County to comply with the requirements applicable to that program.

CASS COUNTY

Report on Compliance for Each Major Federal Programs; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards - Continued

Responsibilities of Management's Responsibility

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Cass County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Cass County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Cass County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Cass County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Cass County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Cass County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

Government Auditing Standards requires the auditor to perform limited procedures on Cass County's response to the noncompliance findings identified in our audit described in the accompanying *schedule of findings and questioned costs*. Cass County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be significant deficiencies. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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

CASS COUNTY

Report on Compliance for Each Major Federal Programs; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards - Continued

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2021-001 and 2021-003 to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on Cass County's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Cass County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of Cass County as of and for the year ended December 31, 2021 and have issued our report thereon dated August 1, 2022 which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is 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 and other 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

/S/

Joshua C. Gallion
State Auditor

Bismarck, North Dakota
August 1, 2022

CASS COUNTY

Summary of Auditor's Results
For the Year Ended December 31, 2021

Financial Statements

| | |
|--|------------|
| Type of Report Issued: | |
| Governmental Activities | Unmodified |
| Aggregate Discretely Presented Component Units | Unmodified |
| Major Funds | Unmodified |
| Aggregate Remaining Fund Information | Unmodified |

Internal control over financial reporting

| | | | | |
|---|-------------|-----|-------------|------------|
| Material weaknesses identified? | <u> X </u> | Yes | <u> </u> | None Noted |
| Significant deficiencies identified not considered to be material weaknesses? | <u> </u> | Yes | <u> X </u> | None Noted |
| Noncompliance material to financial statements noted? | <u> </u> | Yes | <u> X </u> | None Noted |

Federal Awards

Internal Control Over Major Programs

| | | | | |
|--|-------------|-----|-------------|------------|
| Material weaknesses identified? | <u> X </u> | Yes | <u> </u> | None noted |
| Significant deficiencies identified? | <u> </u> | Yes | <u> X </u> | None noted |
| Type of auditor's report issued on compliance for major programs: | | | | Qualified |
| Any audit findings disclosed that are required to be reported in accordance with CFR §200.516 (Uniform Guidance) requirements? | <u> X </u> | Yes | <u> </u> | None noted |

Identification of Major Programs

| <u>ALN Number</u> | <u>Name of Federal Program or Cluster</u> |
|---|---|
| ALN 21.027 | Coronavirus State and Local Fiscal Recovery Funds |
| Dollar threshold used to distinguish between Type A and B programs: | <u> \$ 750,000 </u> |
| Auditee qualified as low-risk auditee? | <u> </u> Yes <u> X </u> No |

CASS COUNTY

Schedule of Audit Findings and Questioned Costs
For the Year Ended December 31, 2021

SECTION I – FINANCIAL STATEMENT FINDINGS

2021-001 – AUDIT ADJUSTMENTS – MATERIAL WEAKNESS

Condition

Various sections of Cass County’s Comprehensive Annual Financial Report (ACFR) were found to be incomplete or inaccurate. Sections included but were not limited to the *management discussion and analysis, basic financial statements, fund financial statements, notes to the financial statements, and the supplementary information*. The material errors were corrected by county management during the audit.

Effect

There is an increased risk of material misstatement to the Cass County’s ACFR even though the errors were corrected by county management during the audit.

Cause

Cass County may not have a proper review process in place to ensure the ACFR is complete and accurate.

Criteria

Cass County is responsible for the preparation of its ACFR to ensure it is reliable, accurate, free of material misstatement, and in accordance with GAAP.

Repeat Finding

Yes.

Recommendation

We recommend Cass County review its procedures for the preparation of the ACFR and update if necessary, to ensure the ACFR is complete and accurate in accordance with GAAP.

Cass County’s Response

See Corrective Action Plan

CASS COUNTY

Schedule of Audit Findings and Questioned Costs – Continued

SECTION II – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2021-002 – CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS - IMPROPER REPORTING OF OBLIGATIONS AND EXPENDITURES – ALN 21.027- MATERIAL NONCOMPLIANCE

Condition

Cass County did not properly report total obligations and total expenditures on the December 31, 2021 Project and Expenditure Report. Total expenditures were understated by \$414,938. Total obligations were understated by \$3,853,085.

Cass County did not properly report total obligations and total expenditures on the July 31, 2021 Interim Report. Total expenditures were understated by \$5,707. Total obligations were understated by \$4,213,222.

Effect

The amounts reported as expenditures and obligations on the December 31, 2021 Project and Expenditure Report and Interim Report were materially inaccurate. This material inaccuracy led to a qualified opinion on the federal program.

Cause

Cass County recorded total expenditures in the total obligation category of both reports. Also, Cass County did not report payables in the expenditure category in both reports.

Criteria

Page 9 of the Coronavirus State and Local Fiscal Recovery Funds: Project and Expenditure Report User Guide Version 1 (January 7, 2022) states: "An obligation is an order placed – such as a contract – and similar transactions that require payment. An expenditure is when the service has been rendered or the good has been delivered to the entity, and payment is due."

Repeat Finding

No.

Recommendation

We recommend Cass County comply with all reporting requirements of the Coronavirus State and Local Fiscal Recovery Funds program by properly reporting all obligations and expenditures in the Interim Report and Project and Expenditure Report.

Cass County's Response

See Corrective Action Plans

CASS COUNTY

Schedule of Audit Findings and Questioned Costs – Continued

2021-003 – CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS – LACK OF CONTROLS SURROUNDING SUSPENSION & DEBARMENT - ALN 21.027 - MATERIAL WEAKNESS

Condition

Cass County did not have procedures in place to ensure an entity the county enters into a covered transaction with is not suspended and debarred from receiving federal funds.

Effect

Without procedures in place, Cass County is at increased risk of entering into a covered transaction with an entity that is suspended and debarred from receiving federal funds.

Cause

Cass County was not aware that procedures were required to be in place to ensure an entity entering into a covered transaction with the county was not suspended and debarred.

Criteria

2 CFR 200.303(a) states: "The non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO)."

According to the "Standards for Internal Control in the Federal Government", Transaction control activities are actions built directly into operational processes to support the entity in achieving its objectives and addressing related risks. "Transactions" tends to be associated with financial processes (e.g., payables transactions), while "activities" is more generally applied to operational or compliance processes. For the purposes of this standard, "transactions" covers both definitions. Management may design a variety of transaction control activities for operational processes, which may include verifications, reconciliations, authorizations and approvals, physical control activities, and supervisory control activities. (Green Book, GAO-14-704G para 10.10).

Repeat Finding

No.

Recommendation

We recommend Cass County develop procedures that will provide for a documented review of entities for suspended and debarred status prior to entering into a covered transaction.

Cass County's Response

See Corrective Action Plans



Finance Office

Telephone: 701-241-5600
Fax: 701-241-5728
SMB-FIN@casscountynd.gov

Date: July 29, 2022
To: Joshua C. Gallion, ND State Auditor
From: Brandy Madrigga, Finance Director
RE: Cass County – FY2021 Corrective Action Plan

Contact Person Responsible for Corrective Acton Plan: Brandy Madrigga, Finance Director

Section I – Financial Statement Findings:

2021-001 AUDIT ADJUSTMENTS – MATERIAL WEAKNESS

Condition:

Various sections of Cass County's Comprehensive Annual Financial Report (ACFR) were found to be incomplete or inaccurate. Sections included but were not limited to the *management discussion and analysis, basic financial statements, fund financial statements, notes to the financial statements, and the supplementary information*. The material errors were corrected by county management during the audit.

Corrective Action Plan:

We Agree. Another level of review will be added to the counties work files to ensure future errors are caught prior to statement preparation.

Anticipated Completion Date:

Fiscal Year 2022

CASS COUNTY

Schedule of Audit Findings and Questioned Costs – Continued



Finance Office

Telephone: 701-241-5600

Fax: 701-241-5728

SMB-FIN@casscountynynd.gov

Section II –Federal Award Findings and Questioned Costs:

2021-002 CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS - IMPROPER REPORTING OF OBLIGATIONS AND EXPENDITURES – ALN 21.027- MATERIAL NONCOMPLIANCE

Condition:

Cass County did not properly report total obligations and total expenditures on the December 31, 2021 Project and Expenditure Report. Total expenditures were understated by \$414,938. Total obligations were understated by \$3,853,085.

Cass County did not properly report total obligations and total expenditures on the July 31, 2021 Interim Report. Total expenditures were understated by \$5,707. Total obligations were understated by \$4,213,222.

Corrective Action Plan:

We agree. With the lack of direction provided the treasury department, the quarterly report were not completed in the manner requested. Going forward all reporting will be complete in the manner expected.

Anticipated Completion Date:

Fiscal Year 2022

2021-003 CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS – LACK OF CONTROLS SURROUNDING SUSPENSION & DEBARMENT - ALN 21.027 - MATERIAL WEAKNESS

Condition:

Cass County did not have procedures in place to ensure an entity the county enters into a covered transaction with is not suspended and debarred from receiving federal funds.

Corrective Action Plan:

We Agree, going forward there will be a statement in contracts stating parties have not been suspended and debarred from receiving federal funds.

Anticipated Completion Date:

Fiscal Year 2022



Finance Office

Telephone: 701-241-5600
Fax: 701-241-5728
SMB-FIN@casscountynd.gov

Date: 5/24/2022
To: Joshua C. Gallion, ND State Auditor
From: Brandy Madrigga, Finance Director
RE: Cass County – FY2020 Schedule of Prior Year Findings

2020-001 COMPREHENSIVE ANNUAL FINANCIAL REPORT ADJUSTMENTS – MATERIAL WEAKNESS

Condition:

Various sections of Cass County's Comprehensive Annual Financial Report (ACFR) were found to be incomplete or inaccurate. Sections included but were not limited to the management discussion and analysis, basic financial statements, fund financial statements, notes to the financial statements, and the supplementary information. The errors were corrected by county management during the audit.

Recommendation:

We recommend Cass County review its procedures for the preparation of the ACFR and update if necessary, to ensure the ACFR is complete and accurate in accordance with GAAP.

Current Status of Recommendation:

With the change in Staff, we believe that this item has not been fully implemented at this time. As new staff become familiar with the current process, further adjustments will be made.

STATE AUDITOR
Joshua C. Gallion



PHONE
701-328-2241

FAX
701-328-2345

www.nd.gov/auditor

STATE OF NORTH DAKOTA
OFFICE OF THE STATE AUDITOR
STATE CAPITOL
600 E. Boulevard Ave. Dept. 117
Bismarck, North Dakota, 58505

ndsao@nd.gov

GOVERNANCE COMMUNICATION

Board of County Commissioners
Cass County
Fargo, North Dakota

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Cass County, North Dakota, for the year ended December 31, 2021. Professional standards require that we provide you with information about our responsibilities under general accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 17, 2022. Professional standards also require that we communicate to you with the following information related to our audit.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Cass County are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during 2021. We noted no transactions entered into by Cass County during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements presented by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the governmental activities financial statements were:

Management's estimate of the useful lives of capital assets is based on past history of each classification of capital assets. We evaluated the key factors and assumptions used to develop the useful lives capital assets in determining that is reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

CASS COUNTY

Governance Communication – Continued

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and report them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit.

2021 Passed Adjustments

| | <u>Audit Adjustments</u> | |
|---|--------------------------|---------------|
| | <u>Debit</u> | <u>Credit</u> |
| COUNTY - PRIMARY GOVERNMENT | | |
| Government Fund Adjustments | | |
| General Fund | | |
| <u>Passed Audit Found Fund Balance Classification</u> | | |
| Assigned Balance to SWAT Vehicle Replacement | \$ 126,822 | \$ - |
| Unassigned Fund Balance | - | 126,822 |
| Other Governmental Funds | | |
| <u>Passed Audit Adjustment Interests on LTD</u> | | |
| Interests on LTD | 237,994 | - |
| Capital Outlay | - | 237,994 |
| <u>Passed Audit Adjustment For FM Diversion Fund Expenditures</u> | | |
| Expenditure-Conservation and Econ Development | 975,270 | - |
| Expenditure-Culture and Recreation | - | 975,270 |
| <u>Passed Audit Adjustment on reclassifying the Insurance Rebates from Interest income to Misc. Revenue</u> | | |
| Interest Income | 185,517 | |
| Misc. Revenue | | 185,517 |
| Government Wide Adjustments | | |
| <u>Passed Audit Adjustment for Retainage Payable</u> | | |
| Retainage Payable | 431,151 | - |
| Capital Assets | - | 431,151 |
| <u>Passed Audit Adjustment for Current Capital Asset CIP errors</u> | | |
| Expenditures | 337,851 | - |
| Capital Assets | - | 337,851 |
| <u>Passed Audit Adjustment for Capital Asset Prior Period Adjustment</u> | | |
| Capital Assets | 254,609 | |
| Net Position - January 1, 2021 | - | 254,609 |
| <u>Passed Audit Adjustment for Net Position Classification</u> | | |
| Unrestricted Net Position | 217,023 | - |
| Net Investment in Capital Assets | - | 217,023 |
| <u>Passed Audit Adjustment for Interest on LTD</u> | | |
| Interests on LTD | 237,994 | - |
| Expenditure-Conservation & Economic Development | - | 237,994 |

CASS COUNTY

Governance Communication – Continued

The following material misstatements detected as a result of audit procedures were corrected by management.

| 2021 Adjustments | Audit Adjustments | |
|--|-------------------|------------|
| | Debit | Credit |
| COUNTY - PRIMARY GOVERNMENT | | |
| Government Fund Adjustments | | |
| ARPA Fund | | |
| <u>Reclass Part of the Revenues of ARPA fund to Unearned Revenues</u> | | |
| Revenue | 14,143,628 | - |
| Unearned Revenue | - | 14,143,628 |
| Other Governmental Funds | | |
| <u>To reclassify the Emergency Fund Balance from Flood Control Projects to Emergency Function</u> | | |
| Fund Balance - Flood Control Project | 14,143,628 | - |
| Fund Balance - Emergency | - | 14,143,628 |
| <u>To reclassify part of the Committed Special assessment Projects fund balance to Capital Project Fund Balance</u> | | |
| Fund Balance - Special Assessment Projects | 3,740,418 | - |
| Fund Balance - Capital Projects | - | 3,740,418 |
| Government Wide Adjustments | | |
| <u>To record Current Capital Contributions</u> | | |
| Operating Grants and Contributions | 3,524,577 | - |
| Capital Grants and Contributions | - | 3,524,577 |
| <u>To reclassify the Emergency Net Position from Highway and Streets to Emergency Function</u> | | |
| Net Position - Highway and Streets | 4,733,070 | - |
| Net Position - Emergency | - | 4,733,070 |
| <u>To reclassify the Building fund expenditure from Conversation and Econ Development to Public Safety Expenditure</u> | | |
| Public Safety Expenditure | 5,884,485 | - |
| Conservation and Econ Development Expenditure | - | 5,884,485 |
| <u>Reclass the un-used ARPA fund from Net Position restricted for General Government to Unearned Revenue</u> | | |
| Net Position | 14,143,628 | - |
| Unearned Revenue | - | 14,143,628 |
| Fiduciary fund Adjustments | | |
| <u>To reclassify the Prepaid taxes from Current Liabilities to Deferred Inflows of Resources</u> | | |
| Current Liabilities | 34,656,466 | - |
| Deferred Inflows of Resources | - | 34,656,466 |
| <u>To increase the 2021 Collections for/Payments to other governments</u> | | |
| 2021 Payments to Other Government, Net | 20,326,620 | - |
| 2021 Collections for Other Government, Net | - | 20,326,620 |
| SEFA Adjustments | | |
| <u>To record Schedule of Federal Award Adjustments</u> | | |
| SEFA - Expenditures | - | 35,448 |

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, or reporting matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated August 1, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the County’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the *management’s discussion and analysis, schedule of the proportionate share of the net pension and OPEB liability, schedule of employer pension and OPEB contributions, and notes to the required supplementary information* which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the *description of nonmajor governmental funds, the combining balance sheet - nonmajor governmental funds, the combining statement of revenues, expenditures, and changes in fund balances - nonmajor governmental funds, the schedule of revenues, expenditures, and changes in fund balances - budget and actual - nonmajor governmental funds, the description of internal service funds, the combining statement of net position - internal service fund, the combining statement of revenues, expenses, and changes in fund net position - internal service funds, the combining statement of cash flows – internal service funds, the description of fiduciary funds, the combining statement of net position – fiduciary funds, and the combining statement of changes in net position – fiduciary funds*, which accompany the financial statements but are not RSI, Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restrictions on Use

This information is intended solely for the use of the board of county commissioners and management of Cass County, and is not intended to be, and should not be, used for any other purpose. We would be happy to meet with you and any member of your staff to discuss any of the items in this letter in more detail if you so desire.

Thank you and the employees of Cass County for the courteous and friendly assistance we received during the course of our audit. It is a pleasure for us to be able to serve Cass County.

/S/

Joshua C. Gallion
State Auditor

Bismarck, North Dakota
August 1, 2022



Office of the
State Auditor

NORTH DAKOTA STATE AUDITOR
JOSHUA C. GALLION

NORTH DAKOTA STATE AUDITOR'S OFFICE

600 E. Boulevard Ave. Dept. 117 | Bismarck, North Dakota 58505