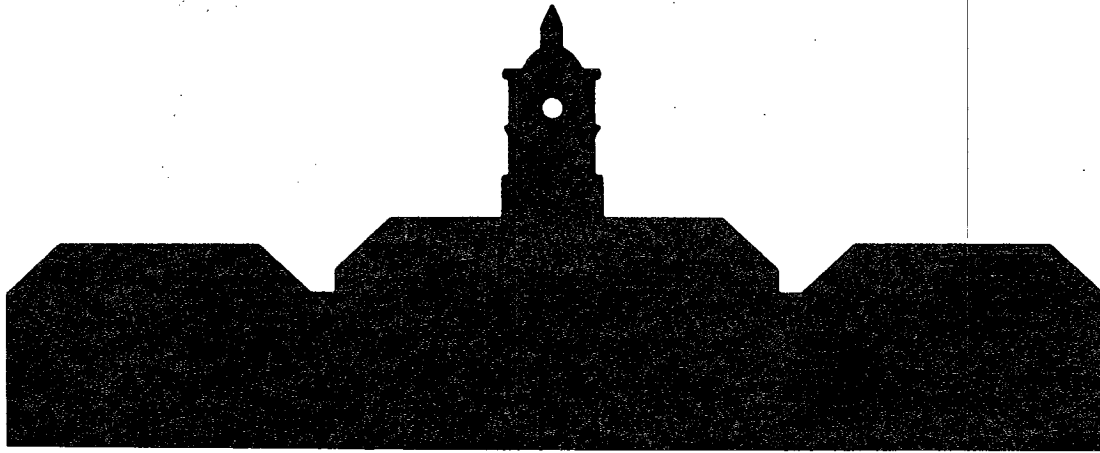


# CASS COUNTY GOVERNMENT



## COMPREHENSIVE ANNUAL FINANCIAL REPORT

**For the Year Ended December 31, 1998**  
**Fargo, North Dakota**



CASS COUNTY, NORTH DAKOTA

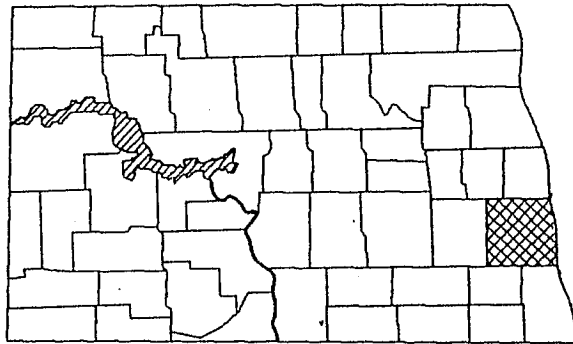
**COMPREHENSIVE  
ANNUAL  
FINANCIAL  
REPORT**

For the Year Ended December 31,

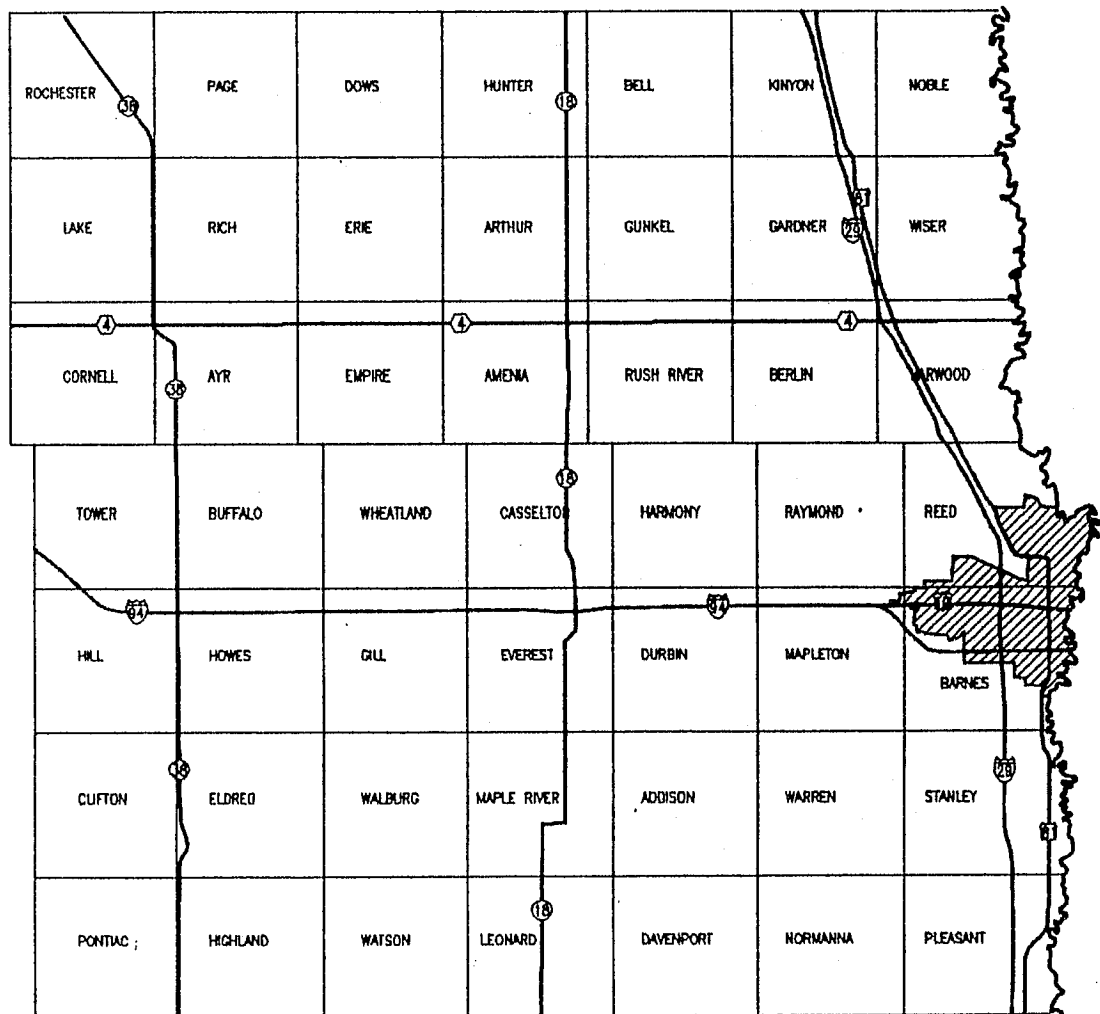
**1998**

Prepared by the County Auditor's Office

# North Dakota



# Cass County



**CASS COUNTY GOVERNMENT  
Comprehensive Annual Financial Report  
For the Year Ended December 31, 1998**

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June 7, 1999



Honorable Chairman and Commissioners  
Cass County Board of Commissioners  
211 South 9th Street  
Fargo ND 58103

Commissioners:

## Auditor

Michael Montplaisir, CPA  
701-241-5601

## Treasurer

Charlotte Sandvik  
701-241-5611

## Director of Equalization

Frank Klein  
701-241-5616

The Comprehensive Annual Financial Report of Cass County is hereby submitted for the fiscal year ended December 31, 1998. This report was prepared by the County Auditor's Office. The responsibility for both 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 and account groups of the County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial, and Statistical. The introductory section includes this transmittal letter, a Certificate of Achievement, the County organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and the combining and individual fund and account group financial statements and schedules, as well as the independent auditor's report on the financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The Notes to the Financial Statements are considered an integral and essential part of adequate disclosure and fair presentation of the general purpose financial statements. They 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.

This report includes all funds and account groups of the County. The County provides a full range of services. These services include tax assessment and collection; judicial, law enforcement and jail services; social services and public health services; the construction and maintenance of highways; and general administrative services.

Box 2806  
211 Ninth Street South  
Fargo, North Dakota 58103

FAX 701-241-5728

The County is also 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 all of the board members for the 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 the Vector, Noxious Weed, and the four water resource districts are combined and shown in the component unit column of the financial statements.

The County supports, through grants, 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 agency funds are held in the name of the County and represent funds held for others in a fiduciary capacity and, as such, are not available for the general use of the County.

#### ECONOMIC CONDITIONS AND OUTLOOK

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 is one of the few areas in the state with a growing population. The County Courthouse and administrative offices are located in Fargo, the largest and fastest growing city in the state.

Over the past ten years, the taxable valuation of the County has been growing at an average rate of 4.1 percent, and the population has been growing at an average rate of 1.4 percent. The taxable valuation growth has occurred mainly in the service industry and in new home construction. These growth trends are expected to continue, with the shift in population from the rural areas of the state to the urban areas.

Cass County is home to the state's second largest university, North Dakota State University, with a student body of over 9,600. Also serving the region are another state university and a private college, both located across the river in Moorhead, Minnesota.

The area is well-known for quality health care services, with two major medical facilities, Meritcare Health System and Dakota-Heartland Health System. These facilities serve a large area in both North Dakota and Minnesota, and have a combined daily patient volume of approximately 400 patients.

Cass County is a regional trade center which draws from eastern North Dakota, western Minnesota, and central Canada. Taxable sales and purchases through the fourth quarter of 1998 were \$1.61 billion and have been increasing at an average annual rate of 7.7 percent over the last ten years.

## MAJOR INITIATIVES

In 1997 Cass County suffered record flooding and is still involved with a master flood control plan to reduce damages in future floods. This effort has resulted in some flood control structures being built, some raising of roads to ensure access during flooding, and some purchases of homes that were damaged in the flood. In addition the county has been studying the creation of flood corridors to further reduce future flood damage.

Cass County spent several months planning for a new correctional facility in 1998 and on April 20, 1999 put the question of a .05% sales tax to the voters for financing of the facility. This measure was passed by over 70% of the voters voting on the issue. During the four years authorized by the voters, this tax is projected to raise over \$28 million. The correctional facility is expected to cost \$18 million. Any funds raised in excess of the construction costs must be utilized for operation and maintenance of the new facility. The facility is expected to open in late 2001.

## FINANCIAL INFORMATION

### Internal Control

Management of the County 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 also 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.

As part of the government's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the government has complied with applicable laws and regulations. There were no instances of material weaknesses in the internal control structure. Two findings were reported concerning reporting issues in connection with funding of flood recovery.

The first finding concerned reporting program income to the North Dakota Department of Emergency Management, reports will be corrected and remitted to the required agency. The second finding concerned failure to file for a time extension on projects that were not completed, and extensions will be filed for these projects.

### Budget Controls

The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the County Commission and also 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 (7% to 10% of budgeted expenditures) for each separate fund. The County also requires officials to maintain budgetary control at the department level.

As demonstrated by the statements and schedules included in the financial section of this report, the County meets its responsibility for sound financial management.

### General Government Functions

The following schedule presents a summary of general, special revenue, debt service, and capital project funds revenues for the fiscal year ended December 31, 1998 and the amount and percentage of increases and decreases in relation to prior year revenues.

#### General Government Revenues

<u>Revenues</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 1997</u>	<u>Percent of Increase (Decrease)</u>
Taxes	\$12,950,635	47.5%	\$ 1,303,726	11.2 %
Intergovernmental	11,640,209	42.7%	(4,169,545)	(26.4)%
Licenses, Permits and Fees	13,150	0.1%	( 7,703)	(36.9)%
Charges for Service	1,717,635	6.3%	233,684	15.7)%
Miscellaneous	<u>926,558</u>	<u>3.4%</u>	<u>22,398</u>	<u>2.5 %</u>
Total Revenues	<u>\$27,248,187</u>	<u>100.0%</u>	<u>\$(2,617,440)</u>	<u>(8.7)%</u>

Increased taxes were due to a mill levy increase and increased taxable valuation of property in the County. The mill levy increased by 2.27 mills (3.5%) and the valuation increased by 6.31% over the previous year. Tax collections remain strong with over 94 percent of the current taxes being collected by December 31, 1998. Intergovernmental revenues decreased in 1998 from the unusually high revenues of 1997. The 1997 revenues were higher due to reimbursements for flood related expenses from the Federal Emergency Management Agency, and while the county is still receiving some reimbursements, they are considerably less than received in 1997.

The following schedule presents a summary of general fund and special revenue funds expenditures for the fiscal year ended December 31, 1998 and the amount and percentage of increases and decreases in relation to prior year expenditures.

<b>General Government Expenditures</b>				
<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 1997</u>	<u>Percent of Increase (Decrease)</u>
General Government	\$ 2,854,837	10.3%	\$ 10,846	.4 %
Public Safety	7,080,769	25.6%	741,415	11.7 %
Public Works	8,109,806	29.4%	(1,633,643)	(16.8)%
Human Services	5,889,859	21.3%	(466,128)	( 7.3)%
Culture and Recreation	326,440	1.2%	27,156	9.1 %
Conservation and Economic Development	<u>3,361,886</u>	<u>12.2%</u>	<u>( 31,183)</u>	<u>(.9)%</u>
Total Expenditures	<u>\$ 27,623,607</u>	<u>100.0%</u>	<u>\$(1,351,537)</u>	<u>(4.7)%</u>

The 4.7% percent decrease in total expenditures for the year ended December 31, 1998 is primarily due to the expenses incurred in flood recovery efforts in 1997, most flood recovery costs were reimbursed by the Federal Emergency Management Agency.

#### General Fund Balance

The County had a \$442,022 unreserved fund balance in the General Fund as of December 31, 1998 - a \$502,959 decrease from December 31, 1997. The county policy is to maintain a reserve of 7% to 10% of budgeted expenditures and this balance amounts to about 4% of budgeted expenditures. The county has taken action to raise the fund balance level in 1999 to at least 7% of budgeted expenditures.

#### Proprietary Operations

The County's proprietary operations are accounted for within the following Internal Service Funds: Health Insurance, Telephone, and Motor Pool.

Total operating revenues for the year ended December 31, 1998 were \$903,964. This represents a \$124,703 decrease (12.4%) from 1997. Total operating expenses were \$1,024,544 - a \$115,142 decrease (10.1%) from the previous year. Operating revenue increases were due to increased health insurance premiums. The county carries reinsurance on health claims in excess of 120% of the expected claims for the policy year. Operating expenses increased due to the health insurance claims in the self-funded health insurance program as noted above. The County policy is to maintain reserves equaling at least twenty-five percent of expected expense in the Health Insurance Trust Fund. The fund currently has reserves of thirty-four percent of annual expected expenses. Overall, the proprietary operations had an operating loss for 1998 of \$120,580. The County has increased premiums for the health insurance for 1999 to more closely match revenues and expenditures.

**Debt Administration**

The County has a favorable level of general obligation debt, with only two issues outstanding for a total of \$1,005,000. Both of these issues are to finance the addition for the Human Services department. The percent of net bonded debt to assessed value, the amount of net bonded debt per capita and the legal debt limit are useful indicators of the County's debt position. The following relates to the bonded indebtedness of the County as of December 31, 1998:

<u>Bond Issue</u>	<u>Net Bonded Debt at December 31, 1998</u>	<u>Percent of Net Bonded Debt to Assessed Valuation</u>	<u>Net Bonded Debt Per Capita</u>	<u>Legal Debt Limit</u>
Cass County General Obligation Bond	\$1,005,000	0.04%	\$ 7	\$109,148,734

In addition to the general obligation debt, the County has special assessment bonds outstanding for a number of road projects within subdivisions located outside of incorporated cities in the County. As of December 31, 1998 the total outstanding special assessment bonds were \$625,000.

The four water resource districts located in the County had \$7,025,351 of special assessment bonds outstanding as of December 31, 1998. The level terrain in the region, with few natural drains, has prompted the water resource districts to construct drains for proper water management. Special assessments are charged to property owners within the district to fund these projects.

**Cash Management**

Cash is pooled for the purpose of increasing interest income through investment activities. Cash is primarily invested in demand deposits, money market accounts, certificates of deposit, and treasury bills. These amounts must be deposited in a financial institution situated and doing business within the state. The average yield on investments for 1998 was slightly over five percent, which appears in line with national averages. The majority of County investments are short term.

**Risk Management**

The County is self-insured for various types of risk including group medical employee benefits and unemployment insurance. Insurance liability reserves as of December 31, 1998 are considered adequate by management to cover the ultimate cost to defend or settle claims arising from these risks.

## OTHER INFORMATION

### Independent Audit

The general purpose financial statements have been audited by the Office of the State Auditor. The County's independent auditors have reviewed the adequacy of internal accounting controls and the supplementary financial information included in the Comprehensive Annual Financial Report, as they relate to the fairness of presentation of the County's general purpose financial statements. The auditor's report is included in the Financial Section of this report.

Federal funds received by the County are also subject to an annual program compliance audit under the requirements of the Single Audit Act and Office of Management and Budget Circular A-128. The results of this examination for the fiscal year ended December 31, 1998 are incorporated in a separate report.

### Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement of Excellence in Financial Reporting to Cass County for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 1997. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

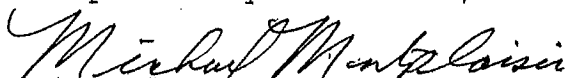
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Cass County has received a Certificate of Achievement for the last five consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting to GFOA.

### 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 Debra Ness, Accountant, and Heather Worden, Administrative Secretary, who assisted in the preparation of this report.

Respectfully submitted,

  
Michael Montplaisir, CPA  
County Auditor

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Cass County Government,  
North Dakota

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 1997.

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

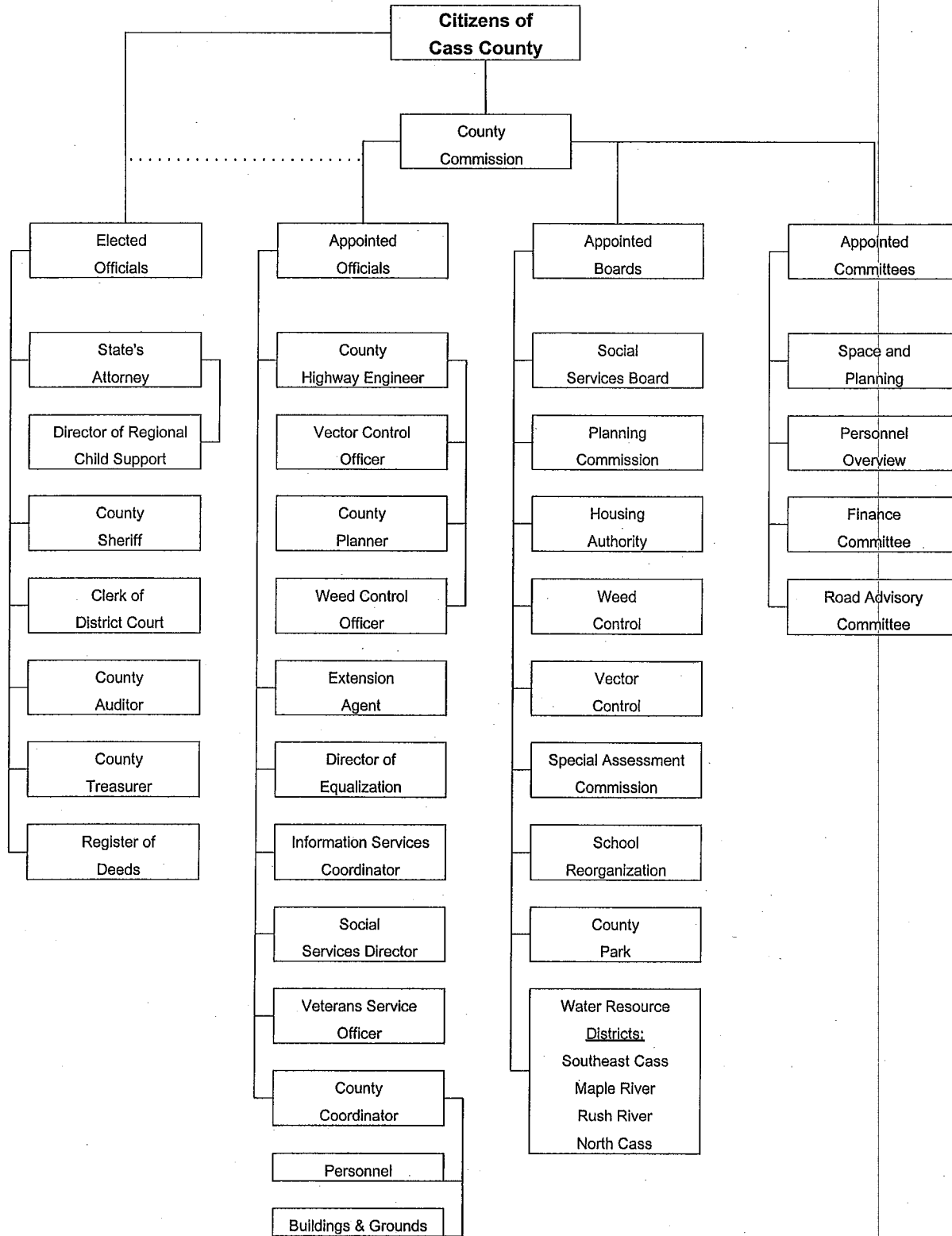


*Douglas R. Ellsworth*  
President

*Jeffrey L. Esser*  
Executive Director



**CASS COUNTY GOVERNMENT**  
1999 Organizational Chart



CASS COUNTY GOVERNMENT  
COUNTY OFFICIALS

Officials December 31, 1998

Commissioners:	Donna Schneider - Chairman Alon Wieland John Meyer Roberta Quick Paul Koenig
Auditor:	Michael Montplaisir
Treasurer:	Charlotte Sandvik
Sheriff:	Donald Rudnick
Register of Deeds:	Deanna Kensrud
Clerk of District Court:	Dorothy Howard
States Attorney:	John Goff

Officials - December 31, 1997

Commissioners:	Alon Wieland - Chairman Donna Schneider John Meyer Roberta Quick Paul Koenig
Auditor:	Michael Montplaisir
Treasurer:	Charlotte Sandvik
Sheriff:	Donald Rudnick
Register of Deeds:	Deanna Kensrud
Clerk of District Court:	Dorothy Howard
States Attorney:	John Goff

STATE AUDITOR  
ROBERT R. PETERSON  
PHONE  
(701) 328-2241



STATE OF NORTH DAKOTA  
OFFICE OF THE STATE AUDITOR  
925 BASIN AVENUE  
BISMARCK, ND 58504-6647

LOCAL GOVERNMENT DIVISION:  
MANAGER - JAMES BROWNLEE  
(701) 239-7250  
FAX (701) 239-7251  
MANAGER - AUGIE TERNES  
(701) 328-9505  
FAX (701) 328-9503

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## INDEPENDENT AUDITOR'S REPORT

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Board of County Commissioners  
Cass County  
Fargo, North Dakota

We have audited the accompanying general purpose financial statements of Cass County, as of and for the year ended December 31, 1998, as listed in the table of contents. These general purpose financial statements are the responsibility of Cass County's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Cass County as of December 31, 1998, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

Cass County has not presented the disclosures required by Governmental Accounting Standards Board Technical Bulletin 98-1, Disclosures about Year 2000 Issues, as amended by Governmental Accounting Standards Board Technical Bulletin 99-1, that the Governmental Accounting Standards Board has determined are necessary to supplement, although not be a part of, the basic financial statements. In addition, we do not provide assurance that Cass County is or will become year 2000 compliant, that Cass County's year 2000 remediation efforts will be successful in whole or in part, or that parties with which Cass County does business are or will become year 2000 compliant.

In accordance with Government Auditing Standards, we have also issued our report dated May 14, 1999 on our consideration of Cass County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of Cass County, taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not part of the general purpose financial statements of Cass County. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

We did not audit the data included in the introductory or statistical sections of this report and, accordingly, we express no opinion on such data.

A handwritten signature in cursive script that reads "Bob Peterson".

Robert R. Peterson  
State Auditor

May 14, 1999

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CASS COUNTY GOVERNMENT

Combined Balance Sheet -- All Fund Types, Account Groups,  
and Discretely Presented Component Units  
December 31, 1998

	Governmental Funds			
	General	Special Revenue	Debt Service	Capital Projects
<u>ASSETS AND OTHER DEBITS</u>				
<u>Assets:</u>				
Cash and Investments	\$1,924,812	\$4,200,112	\$334,643	\$1,688,876
Cash - County Offices	1,330	200		
Investments with Fiscal Agents				124,186
<u>Receivables:</u>				
Taxes	138,413	149,971	12,237	
Accounts	60,331	2,665		
Special Assessments				
Due From Other Governments	68,433	376,609		227,684
Due From Other Fund	25,491			
Inventory		248,305		
Inventory of supplies, at cost	3,056			
Prepaid Items	4,084			
Fixed Assets				
Accumulated Depreciation				
<u>Other Debits:</u>				
Amount Available for Retirement of General Long-Term Debt				
Amount to be Provided for Retirement of General Long-Term Debt				
Amount to be Provided for Compensated Absences				
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>2,225,950</b>	<b>4,977,862</b>	<b>346,880</b>	<b>2,040,746</b>
<u>LIABILITIES, EQUITY AND OTHER CREDITS</u>				
<u>Liabilities:</u>				
Accounts Payable	198,894	555,582		57,499
Contract Payable				
Compensated Absences				
Deposits				
Deferred Revenues	1,577,894	1,809,434	155,163	
IBNR Claims				
Due to Other Funds		15,491		
Uncertified Special Assessments				
General Obligation Bonds Payable				
Capital Lease Payable				
Line of Credit				
Special Assessment Debt with Governmental Commitment				
<b>Total Liabilities</b>	<b>1,776,788</b>	<b>2,380,507</b>	<b>155,163</b>	<b>57,499</b>
<u>Equity and Other Credits:</u>				
Investment in General Fixed Assets				
<u>Retained Earnings:</u>				
Unreserved				
<u>Fund Balances:</u>				
Reserved for Inventory of Supplies	3,056			
Reserved for Prepaid Expenses	4,084			
Reserved for Debt Service			191,717	
Unreserved, Undesignated	442,022	2,597,355		1,983,247
<b>Total Equity and Other Credits</b>	<b>449,162</b>	<b>2,597,355</b>	<b>191,717</b>	<b>1,983,247</b>
<b>TOTAL LIABILITIES, EQUITY AND OTHER CREDITS</b>	<b>\$2,225,950</b>	<b>\$4,977,862</b>	<b>\$346,880</b>	<b>\$2,040,746</b>

Proprietary Fund Type	Fiduciary Fund Type	Account Groups		Totals		Totals
		General Fixed Assets	General Long-Term Debt	Primary Government (Memorandum Only)	Component Units	Reporting Entity (Memorandum Only)
\$471,728	\$21,395,431	\$	\$	\$30,015,602	\$6,749,944	\$36,765,546
				1,530		1,530
				124,186		124,186
				300,621	27,651	328,272
1,234	225			64,455		64,455
					175,834	175,834
				672,726	242,069	914,795
				25,491	110,775	136,266
				248,305		248,305
				3,056		3,056
				4,084		4,084
360,008 (286,363)		16,152,185		16,512,193 (286,363)	3,123,629	19,635,822 (286,363)
			191,717	191,717	2,250,429	2,442,146
			1,886,617	1,886,617	4,774,922	6,661,539
			669,919	669,919		669,919
<u>546,607</u>	<u>21,395,656</u>	<u>16,152,185</u>	<u>2,748,253</u>	<u>50,434,139</u>	<u>17,455,253</u>	<u>67,889,392</u>
5,382	2,459			819,816	244,795	1,064,611
					72,175	72,175
			669,919	669,919		669,919
66,673	21,393,197			21,459,870		21,459,870
				3,542,491	269,747	3,812,238
74,185				74,185		74,185
10,000				25,491	110,775	136,266
			213,334	213,334		213,334
			1,005,000	1,005,000	6,815,900	7,820,900
			235,000	235,000		235,000
					167,676	167,676
			625,000	625,000		625,000
<u>156,240</u>	<u>21,395,656</u>		<u>2,748,253</u>	<u>28,670,106</u>	<u>7,681,068</u>	<u>36,351,174</u>
		16,152,185		16,152,185	3,123,629	19,275,814
390,367				390,367		390,367
				3,056		3,056
				4,084		4,084
				191,717	2,250,429	2,442,146
				5,022,624	4,400,127	9,422,751
<u>390,367</u>		<u>16,152,185</u>		<u>21,764,033</u>	<u>9,774,185</u>	<u>31,538,218</u>
<u>\$546,607</u>	<u>\$21,395,656</u>	<u>\$16,152,185</u>	<u>\$2,748,253</u>	<u>\$50,434,139</u>	<u>\$17,455,253</u>	<u>\$67,889,392</u>

CASS COUNTY GOVERNMENT

Combined Statement of Revenues, Expenditures and Changes in Fund Balances --  
All Governmental Fund Types and Discretely Presented Component Units  
For the Fiscal Year Ended December 31, 1998

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds
<u>Revenues:</u>				
Taxes	\$5,797,419	\$6,537,563	\$615,653	\$
Licenses, Permits and Fees	13,150			
Intergovernmental Revenues	2,223,469	8,900,637	\$31,349	484,755
Charges for Services	1,551,661	165,975		
Miscellaneous Revenues	309,956	472,879	\$18,810	124,913
Total Revenues	9,895,654	16,077,053	665,812	609,668
<u>Expenditures:</u>				
Current:				
General Government	2,736,185	118,652		
Public Safety	7,044,002	36,767		
Highways and Streets		8,109,816		
Relief and Charities		5,889,859		
Culture and Recreation		326,440		
Conservation & Econ. Development	912,431	2,449,455		
Capital Outlay				212,864
Debt Service:				
Principal Retirement			505,000	
Interest			91,867	
Fiscal Charges			3,085	
Miscellaneous-Township Payment			1,340	
Total Expenditures	10,692,618	16,930,989	601,292	212,864
Excess of Revenues Over (Under) Expenditures	(796,964)	(853,936)	64,520	396,804
<u>Other Financing Sources (Uses):</u>				
Operating Transfers In	278,787			
Operating Transfers Out		(128,787)		(150,000)
Sale of Property	15,005	108,356		
Proceeds of Lease				235,000
Proceeds of General Obligation Bonds				
Total Other Financing Sources (Uses)	293,791	(20,431)		85,000
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(503,173)	(874,367)	64,520	481,804
Fund Balance - January 1		3,471,723	125,092	1,503,549
Adjusted Balance -January 1	952,335	3,471,723	125,092	1,503,549
Residual Equity Transfers			2,105	(2,105)
Fund Balance - December 31	\$449,162	\$2,597,356	\$191,717	\$1,983,248

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



Totals Primary Government (Memorandum Only)	Component Units	Totals Reporting Entity (Memorandum Only)
\$12,950,635	\$2,857,567	\$15,808,202
13,150		13,150
11,640,209	1,143,663	12,783,872
1,717,635	43,644	1,761,279
926,558	412,457	1,339,015
<u>27,248,187</u>	<u>4,457,331</u>	<u>31,705,518</u>
2,854,837		2,854,837
7,080,769		7,080,769
8,109,816		8,109,816
5,889,859		5,889,859
326,440		326,440
3,361,886	2,185,552	5,547,438
212,864	511,767	724,631
505,000	1,842,055	2,347,055
91,867	371,362	463,229
3,085		3,085
1,340		1,340
<u>28,437,763</u>	<u>4,910,736</u>	<u>33,348,499</u>
<u>(1,189,576)</u>	<u>(453,405)</u>	<u>(1,642,981)</u>
278,787	537,500	816,287
(278,787)	(537,500)	(816,287)
123,361	144	123,505
235,000		235,000
	221,187	221,187
<u>358,361</u>	<u>221,331</u>	<u>579,692</u>
<u>(831,215)</u>	<u>(232,074)</u>	<u>(1,063,289)</u>
5,100,364	6,882,630	11,982,994
<u>5,100,364</u>	<u>6,882,630</u>	<u>11,982,994</u>
<u>\$4,269,149</u>	<u>\$6,650,556</u>	<u>\$10,919,705</u>

CASS COUNTY GOVERNMENT

Combined Statement of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - General, Special Revenue, and Debt Service Funds  
For the Fiscal Year Ended December 31, 1998

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Taxes	\$5,676,165	\$5,797,419	\$121,254	\$6,475,744	\$6,537,563	\$61,819
Licenses, Permits and Fees	14,500	13,150	(1,350)			
Intergovernmental Revenues	2,345,356	2,223,469	(121,887)	6,031,552	6,905,061	873,509
Charges for Services	1,357,836	1,551,661	193,825	138,000	165,975	27,975
Miscellaneous Revenues	275,000	309,956	34,956	387,837	472,880	85,043
<b>Total Revenues</b>	<b>9,668,857</b>	<b>9,895,654</b>	<b>226,798</b>	<b>13,033,133</b>	<b>14,081,479</b>	<b>1,048,346</b>
<u>Expenditures:</u>						
Current:						
General Government	2,903,979	2,736,185	167,794	148,694	118,652	30,042
Public Safety	7,208,276	7,044,002	164,274	40,882	36,767	4,115
Highways and Streets				8,179,074	8,109,816	69,258
Relief and Charities				6,172,763	5,889,859	282,904
Culture and Recreation				325,865	326,440	(575)
Conservation & Econ. Development	938,189	912,431	25,758	773,058	773,058	
Debt Service:						
Principal, Int. and Fiscal Charges						
<b>Total Expenditures</b>	<b>11,050,444</b>	<b>10,692,618</b>	<b>357,826</b>	<b>15,640,336</b>	<b>15,254,592</b>	<b>385,744</b>
Revenues Over (Under) Expenditures	(1,381,587)	(796,964)	584,624	(2,607,203)	(1,173,113)	1,434,090
<u>Other Financing Sources (Uses):</u>						
Operating Transfers In	270,000	278,787	8,787			
Sale of Property	50,000	15,005	(34,995)	30,000	108,356	78,356
Operating Transfers Out				(120,000)	(128,787)	(8,787)
<b>Total Other Financing Sources (Uses)</b>	<b>320,000</b>	<b>293,791</b>	<b>(26,208)</b>	<b>(90,000)</b>	<b>(20,431)</b>	<b>69,569</b>
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,061,587)	(503,173)	558,416	(2,697,203)	(1,193,544)	1,503,659
Fund Balance - January 1	952,335	952,335		3,397,226	3,397,226	
Residual Equity Transfers						
<b>Fund Balance - December 31</b>	<b>(\$109,252)</b>	<b>\$449,162</b>	<b>\$558,416</b>	<b>\$700,023</b>	<b>\$2,203,682</b>	<b>\$1,503,659</b>

See Note 14 - Reconciliation of Budget to Actual

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

Debt Service Funds

Budget	Actual	Variance Favorable (Unfavorable)
\$588,602	\$615,653	\$27,051
37,586	31,349	(6,237)
10,588	18,810	8,222
636,776	665,812	29,036
602,872	601,292	1,580
602,872	601,292	1,580
33,904	64,520	30,616
33,904	64,520	30,616
125,093	125,092	
	2,105	2,105
\$158,997	\$191,717	\$32,721

CASS COUNTY GOVERNMENT  
 Combined Statement of Revenues, Expenses and  
 Changes in Retained Earnings  
 All Proprietary Fund Types  
 For the Year Ended December 31, 1998

	Internal Service
<u>Operating Revenues:</u>	
Premiums	\$781,371
Charges for Services	120,867
Miscellaneous	1,726
Total Operating Revenues	903,964
<u>Operating Expenses:</u>	
Premiums	61,616
Dues	250
Education Seminars	1,680
Telephone Service	57,002
Maintenance Agreements	25,982
Equipment Repair	679
Uncapitalized Equipment	867
Wellness Health Fair	1,550
Administrative Fees	52,971
Collision Repair/Replacement	5,467
Benefit Payments	725,816
IBNR Claims	66,673
Depreciation Expense	23,991
Total Operating Expenses	1,024,544
Operating Income	(120,580)
<u>Nonoperating Revenues (Expenses):</u>	
Interest Income	38,294
Gain (Loss) on disposal of Fixed Assets	
Total Nonoperating Revenues (Expenses)	38,294
Net Income	(82,286)
Retained Earnings - January 1	472,654
Retained Earnings - December 31	\$390,368

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

CASS COUNTY GOVERNMENT  
 Combined Statement of Cash Flows  
 All Proprietary Fund Types  
 For the Year Ended December 31, 1998

	Internal Service
<u>Cash Flows from Operating Activities:</u>	
Operating Income	(\$120,580)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:	
Depreciation	23,991
Changes in Assets and Liabilities:	
Decrease in Accounts Receivable	200,231
Decrease in Accounts Payable	(21)
Increase in Due to Other Funds	0
Increase in Premium Deposit Funds	6,315
Increase in IBNR Claims	7,301
	117,237
<u>Cash flows from noncapital financing activities:</u>	
Operating transfers-out to other funds	0
<u>Cash Flows from Capital and Related Financing Activities:</u>	
Acquisition of Fixed Assets	0
Proceeds on Sale of Fixed Assets	0
Net Cash Used in Capital and Related Financing Activities	0
<u>Cash Flows from Investing Activities</u>	
Interest on Investments	38,294
	38,294
Net Increase in Cash and Cash Equivalents	155,531
Cash and Cash Equivalents at January 1	316,198
Cash and Cash Equivalents at December 31	\$471,729

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

CASS COUNTY GOVERNMENT

Combining Balance Sheet-Component Units  
December 31, 1998

	Southeast Cass WRD	North Cass WRD	Maple River WRD	Rush River WRD
<u>ASSETS AND OTHER DEBITS</u>				
<u>Assets:</u>				
Cash and Investments	\$5,584,969	\$453,127	\$462,041	\$70,973
Receivables:				
Due from Special Revenue Fund			110,775	
Taxes Receivable	11,643	4,730	3,044	2,974
Intergovernmental Receivable	162,432		79,637	
Special Assessments	166,126		9,708	
Fixed Assets	2,859,295			
<u>Other Debits:</u>				
Amount Available for Retirement of General Long-Term Debt	2,216,413		34,016	
Amount to be Provided for Retirement of General Long-Term Debt	4,733,938		40,984	
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<u>15,734,817</u>	<u>457,857</u>	<u>740,205</u>	<u>73,947</u>
<u>LIABILITIES, EQUITY AND OTHER CREDITS</u>				
<u>Liabilities:</u>				
Accounts Payable	170,428	62,874		
Benefits Payable	1,781	179		
Due to General Fund			110,775	
Contract Payable	72,175			
Deferred Revenues	177,769	4,730	12,752	2,974
Bonds and Warrants Payable	6,740,900		75,000	
Line of Credit	167,676			
<b>Total Liabilities</b>	<u>7,330,729</u>	<u>67,783</u>	<u>198,527</u>	<u>2,974</u>
<u>Equity and Other Credits:</u>				
Investment in General Fixed Assets	2,859,295			
Fund Balances:				
Unreserved				
Designated for Debt Service	2,216,413		34,016	
Undesignated	3,328,380	390,074	507,661	70,973
<b>Total Equity and Other Credits</b>	<u>8,404,088</u>	<u>390,074</u>	<u>541,677</u>	<u>70,973</u>
<b>TOTAL LIABILITIES, EQUITY AND OTHER CREDITS</b>	<u>\$15,734,817</u>	<u>\$457,857</u>	<u>\$740,205</u>	<u>\$73,947</u>

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

Weed Control	Vector Control	Totals
\$121,360	\$57,474	\$6,749,944
		110,775
2,630	2,631	27,651
		242,069
		175,834
151,275	113,059	3,123,629
		2,250,429
		4,774,922
<u>275,265</u>	<u>173,164</u>	<u>17,455,253</u>
9,533		242,835
		1,960
		110,775
		72,175
41,070	30,452	269,747
		6,815,900
		167,676
<u>50,603</u>	<u>30,452</u>	<u>7,681,068</u>
151,275	113,059	3,123,629
		2,250,429
73,387	29,652	4,400,127
<u>224,662</u>	<u>142,711</u>	<u>9,774,185</u>
<u>\$275,265</u>	<u>\$173,164</u>	<u>\$17,455,253</u>

CASS COUNTY GOVERNMENT

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances-Component Units  
For the Year Ended December 31, 1998

	Southeast Cass WRD	North Cass WRD	Maple River WRD	Rush River WRD
<u>Revenues:</u>				
Taxes	\$2,246,316	\$138,972	\$250,829	\$71,823
Intergovernmental Revenues	865,872	20,247	187,197	57,358
Charges for Services				
Miscellaneous Revenues	301,856	43,766	43,003	4,751
Total Revenues	<u>3,414,044</u>	<u>202,985</u>	<u>481,029</u>	<u>133,932</u>
<u>Expenditures:</u>				
Current:				
Conservation & Econ. Development	818,453	564,175	316,456	159,319
Capital Outlay	369,532		142,235	
Debt Service:				
Principal Retirement	1,754,655		87,400	
Interest and Fiscal Charges	363,000		8,362	
Total Expenditures	<u>3,305,640</u>	<u>564,175</u>	<u>554,453</u>	<u>159,319</u>
Excess of Revenues Over (Under) Expenditures	<u>108,404</u>	<u>(361,190)</u>	<u>(73,424)</u>	<u>(25,387)</u>
<u>Other Financing Sources (Uses):</u>				
Operating Transfers In	500,000	8,000	20,500	9,000
Sale of Property				
Proceeds From Bonds	167,676		53,511	
Operating Transfers Out	<u>(500,000)</u>	<u>(8,000)</u>	<u>(20,500)</u>	<u>(9,000)</u>
Total Other Financing Sources (Uses)	<u>167,676</u>		<u>53,511</u>	
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>276,080</u>	<u>(361,190)</u>	<u>(19,913)</u>	<u>(25,387)</u>
Fund Balance - January 1	5,268,713	751,264	561,591	96,360
Prior Period Adjustment				
Adjusted Balance - January 1	<u>5,268,713</u>	<u>751,264</u>	<u>561,591</u>	<u>96,360</u>
Fund Balance - December 31	<u><u>\$5,544,793</u></u>	<u><u>\$390,074</u></u>	<u><u>\$541,678</u></u>	<u><u>\$70,973</u></u>

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



Weed Control	Vector Control	Totals
\$51,561	\$98,066	\$2,857,567
7,079	5,910	1,143,663
18,904	24,740	43,644
10,361	8,719	412,457
<u>87,906</u>	<u>137,436</u>	<u>4,457,331</u>
138,531	188,618	2,185,552
		511,767
		1,842,055
		371,362
<u>138,531</u>	<u>188,618</u>	<u>4,910,736</u>
<u>(50,625)</u>	<u>(51,183)</u>	<u>(453,405)</u>
60	84	537,500
		144
		221,187
		(537,500)
<u>60</u>	<u>84</u>	<u>221,331</u>
<u>(50,565)</u>	<u>(51,098)</u>	<u>(232,074)</u>
123,952	80,750	6,882,630
<u>123,952</u>	<u>80,750</u>	<u>6,882,630</u>
<u>\$73,387</u>	<u>\$29,652</u>	<u>\$6,650,556</u>

THIS PAGE HAS BEEN RESERVED FOR NOTES

CASS COUNTY GOVERNMENT  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 1998

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. The Financial Reporting Entity

For financial reporting purposes, Cass County has included all funds and account groups, 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 the Cass County's financial statements to be misleading or incomplete. The Government Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of Cass County to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on Cass County.

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

B. Individual Component Unit Disclosures

**Discretely Presented Component Units.** The component units columns 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 governing bodies of all of these component units are appointed by the county board.

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

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

Complete financial statements of the individual Water Resource Districts can be obtained at Water Resource Districts, P.O. Box 5012, West Fargo, North Dakota 58078-5012.

Cass County Vector Control District and Cass County Noxious Weed District are both governed by a three-member board appointed by the county board. The district's primary responsibilities are to provide vector and weed control on public land. Management responsibilities for both districts are provided by the Cass County Engineer, a county

department head and the districts are located at the Cass County Highway Department. Complete financial statements of the Cass County Noxious Weed District and Cass County Vector Control District can be obtained at Cass County Auditor's Office, Box 2806, Fargo, ND 58108.

#### C. Joint Ventures

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

The following is summary financial information on the joint venture as of and for the year ended December 31, 1997, which is the most current audited information available:

#### Red River Joint Water Resource Board

Total Assets	\$4,800,483
Total Liabilities	<u>445,727</u>
Total Equity	<u>4,354,756</u>
Revenues	624,754
Expenditures	<u>219,949</u>
Net Increase in Fund Balance	<u>\$ 404,805</u>

Complete financial statements can be obtained at Red River Joint Water Resource Board, Box 10, Hillsboro, North Dakota, 58045.

#### D. Fund Accounting

The government uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The following fund types and account groups are used by the government:

**GOVERNMENTAL FUNDS**

General Fund - The general fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Capital Projects Funds - Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Debt Service Funds - Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

**PROPRIETARY FUNDS**

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

**FIDUCIARY FUNDS**

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

**ACCOUNT GROUPS**

General Fixed Asset Account Group - The General Fixed Asset Account Group is used to account for property and equipment of governmental funds.

General Long-Term Obligations Account Group - The General Long-Term Obligations Account Group is used to account for the unmatured principal of general obligation and special assessment bonds and other long-term liabilities of governmental funds.

**E. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment applied to a fund are determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all

liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The modified accrual basis of accounting is used by all governmental fund types and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available).

"Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County considers property tax as available when they are collected. Property taxes collected within 60 days after year end are not material. A 60 day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

Those revenues susceptible to accrual are property taxes, special assessments, intergovernmental revenue, licenses, interest revenue, and charges for services. Fines and permits are not susceptible to accrual because generally they are not measurable until received in cash.

The accrual basis of accounting is utilized by the proprietary fund types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The County applies all GASB (Governmental Accounting Standards Board) pronouncements as well as the FASB (Financial Accounting Standards Board) pronouncements issued before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

The government reports deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurring of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

#### F. 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.

G. Cash, Cash Equivalents, and Investments

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

State statutes authorize the County to invest in:

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

Investments are stated at market.

H. Cash - County Offices

These amounts represent currency on hand in the county offices for exchange purposes.

I. Receivables

Receivables in the County's governmental funds consist primarily of tax and special assessment revenues. Receivables in all other funds include amounts due for services to individuals performed by the County and not received by December 31, 1998.

J. Due from Other Governments

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

K. 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.

L. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 1998, are recorded as prepaid items.

M. Fixed Assets

Fixed assets are valued at historical cost. Assets acquired from gifts or contributions are recorded at fair market value on the date of donation.

Equipment with a cost of \$500 or more is capitalized and reported in the accompanying general purpose financial statements. Fixed asset costs include the purchase price or construction cost, plus those costs necessary to place the asset in its intended location and condition for use. Interest incurred during construction is capitalized on general fixed assets. Normal maintenance and repairs are not capitalized. Major improvements that add to the value of the assets or materially extend the useful lives of the assets are capitalized.

Expenditures for infrastructure (roads, bridges, etc.) are not capitalized in the financial statements.

Acquisitions of fixed assets are recorded as expenditures in the governmental fund types at the time of purchase. The related assets are reported in the General Fixed Assets Account Group. No depreciation has been provided on general fixed assets.

Fixed assets used in the proprietary fund type are accounted for in the fund in which they are utilized. Depreciation of all exhaustible fixed assets used by the internal service funds are charged as an operating expense, and accumulated depreciation is reported on the balance sheet. Assets depreciated are telephone equipment in the Telephone Trust and automobiles in the Motor Pool Trust. In the Telephone Trust, depreciation has been provided using the straight-line method over a seven-year useful life. In the Motor Pool Trust, depreciation is provided using the straight line method over a five-year useful life.

Assets leased under capital leases are included in the General Fixed Assets Account Group or the appropriate proprietary fund type. The related capital lease obligations are recorded in the General Long-Term Obligations Account Group.

N. 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, 1998.

O. Compensated Absences

Vested or accumulated vacation leave for governmental funds that are not expected to be liquidated with expendable available financial resources are reported in the general long-term debt account group. The cost of such benefits is recognized when payments are made to employees, therefore, no expenditure is reported for these amounts.

The balance included in the general long-term debt account group are the total unpaid vacation and the related social security and Medicare taxes. No liability is recorded for accumulated sick leave as this is a non-vesting benefit in accordance with GASB Statement 16, Accounting for Compensated Absences.



P. Deferred Revenues

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

Q. IBNR Claims - Self Insurance

The IBNR (Incurred But Not Reported) claims are an estimate of the health 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. The County records estimated liabilities for such claims filed or estimated to be filed for incidents which have occurred in the related Internal Service Fund. Premiums are collected from county departments and employees, and claims are paid in the related Internal Service Fund.

Reconciliation of Claims Liability:  
Employee Health

	<u>1998</u>		<u>1997</u>
Balance January 1	\$ 66,884		\$ 151,425
Incurred Claims Including IBNR's and Changes in Estimates	725,605		726,658
Less Claims Payments	<u>725,816</u>		<u>811,199</u>
Balance December 31	\$ <u>66,673</u>		\$ <u>66,884</u>

R. Long-Term Obligations

All long-term debt financed from a governmental fund is reported in the general long-term debt account group. The debt is recognized as a liability of the governmental fund when due. There are no long-term obligations financed from proprietary funds.

S. Leases

The county has entered into a lease agreement as lessee for financing the acquisition of a CRIS Register of Deeds Computer System. This lease qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of September 16, 1998, in the general fixed assets account group.

The asset acquired through the capital leases is as follows:

<u>Asset</u>	<u>General Fixed Assets</u>
Machinery and equipment	\$ 235,000

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 1998, were as follows:

<u>Year ending December 31</u>	<u>General Long-term Debt</u>
1999	\$ 54,700
2000	54,700
2001	54,700
2002	54,700
2003	<u>54,700</u>
Total minimum lease payments	273,500
Less: Amount representing interest	<u>38,500</u>
Present value of minimum lease payments	<u>\$ 235,000</u>

T. Fund Equity

Reserves represent those portions of fund equity not appropriable for expenditures or legal segregation for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

U. Bond Discounts/Issuance Costs

In governmental fund types, bond discounts and issuance costs are recognized in the current period.

V. Interfund Transactions

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

All other transactions, except reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Operating transfers in 1998 included the following:

	<u>In</u>	<u>Out</u>
General Fund	\$278,787	
<u>Special Revenue Funds:</u>		
County Road and Bridge		\$120,000
State's Attorney Asset Forfeiture		8,787
<u>Capital Project Funds:</u>		
Future Building		150,000

Residual equity transfers in 1998 included the following:

	<u>In</u>	<u>Out</u>
<u>Debt Service Funds:</u>		
Windsor Green Subdivision	2,105	
<u>Capital Projects Funds:</u>		
Windsor Green Subdivision		2,105

W. Memorandum Only - Total Columns

Total columns in the general purpose financial statements are captioned "memorandum only" to indicate they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2: LEGAL COMPLIANCE - BUDGETS

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

Each department completes its budget and delivers it to the county auditor, to be filed with the board of county commissioners. The county auditor prepares a preliminary county budget for the general, special revenue, and debt service funds on the modified accrual basis of accounting. The preliminary budget includes proposed expenditures and the means of financing them. The board of county commissioners holds a public hearing where any taxpayer may testify in favor of or against any proposed expenditures or tax levies. The board of county commissioners may not approve the budget until after the public budget hearing, but must adopt the final budget on or before October 1.

For the year ending December 31, 1998, the County complied with the applicable budget laws except as noted below:

<u>Fund Types</u>	Number of <u>Funds Unbudgeted</u>	Unappropriated <u>Expenditures</u>
Special Revenue	1	\$ 1,676,397

(See Note 14 for further explanation)

The legal level of budgetary control is at the fund level, no expenditure or commitment of funds may exceed the appropriation for the fund as a whole. In addition, the policy of Cass County is to control budgets at the departmental level. Formal budgetary integration is employed as management control during the year for the General, Special Revenue and Debt Service Funds at this level. Management may approve transfers of appropriations within departments without formal approval by the board of county commissioners. Any appropriation transfer between departments or any supplemental appropriation must be approved by the board of county commissioners. 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 time of original adoption of the annual budget and appropriation. 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 1998, actual intergovernmental revenues in the general fund differed from the budgeted revenues by \$ 121,887. This unfavorable variance was a result of a change in state funding of the Child Support Enforcement Unit.

Also during 1998, three departments in the General Fund and two Special Revenue Funds had an excess of expenditures over appropriations. The funds and their respective budgets and expenditures are:

	1998 <u>Budget</u>	1998 <u>Appropriation</u>	Expenditures over <u>Appropriations</u>
General Fund:			
County Commission	\$ 471,594	\$ 479,295	\$ ( 7,701)
Coroner	65,000	73,970	(8,970)
Cemetery	5,303	5,443	(140)
Special Revenue:			
Sheriff's Block			
Grant	20,865	21,440	(575)
County Park	21,882	22,482	(600)

The County Commission's difference was caused by the 911 service costs being more than anticipated. The County Coroner and Cemetery differences were caused by unanticipated expenses. The County Park difference was caused by increased usage of the park system and subsequent upkeep. The Sheriff's Block Grant difference was a result of the grant received being less than anticipated.

The County Commission is aware of the above and has taken steps to ensure that departments remain within their budgets.

NOTE 3: DEPOSITS AND INVESTMENTS

Deposits: At year-end, the carrying amount of the County's deposits was \$14,282,083 and the bank balance was \$14,144,084. Of the bank balance, \$14,260,960 was covered by federal depository insurance or by collateral held by the County's agent in the County's name, and \$21,123 was uninsured and uncollateralized. The uninsured and uncollateralized deposits were held by the Bank of North Dakota.

Deposits include checking accounts, short term certificates of deposit, and money market funds.

Investments: State statutes authorize the County to invest in direct obligations of the U.S. Treasury.

The County's investments are categorized as either (1) insured or registered or for which the securities are held by the County or its agent in the County's name, (2) uninsured and unregistered for which the securities are held by the counter party's trust department or agent in the County's name, or (3) uninsured and unregistered for which the securities are held by the counter party, or by its trust department or agent, but not in the County's name.

The County's investments consist of treasury notes that are category 1, and various deferred compensation plans that are not categorized.

	Category 1	Carrying Amount	Market Value
U.S. Government Securities	<u>\$15,909,336</u>	<u>\$15,909,336</u>	<u>\$15,890,120</u>

Component Units

Deposits: At December 31, 1998, 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. 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.

Investments: A mutual fund of \$1,952,507 held with First Trust of North Dakota is not categorized.

Additional information regarding deposits and investments is included in Note 1G.

NOTE 4: TAXES AND SPECIAL ASSESSMENTS RECEIVABLE

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

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

Property tax mill levies must be approved by the County Commission on or before October 1 of each year. Levies are expressed in terms of one thousandth of a dollar or 'mills'. The property tax for each taxed property is computed by the Cass County Auditor and certified for collection to the County Treasurer by December 10. Before computing the tax, the true and full value is reduced by 50 percent to arrive at an 'assessed value'. The assessed value is further reduced to 10 percent of the assessed value for commercial and agricultural property and 9 percent for residential property. The resulting value is known as the 'taxable value' and is the value 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 1, May 1, July 1, and October 15. Penalties of 6 percent are assessed on the second installment on October 15.

On the second Tuesday in December, taxes remaining unpaid are offered for sale to the public. The public is bidding on an investment with the maximum bid being 9 percent. The bidder offering the lowest interest rate wins the bid; taxes not sold are bid by the County Treasurer at 12 percent. The purchaser receives a tax sale certificate. Three years from the date a tax sale certificate is issued, the purchaser, private

party or County, is entitled to a tax deed, unless redemption is made by the property owner. The County, upon receiving a tax deed, will set a minimum sales price on the property and offer it for sale at a public auction.

NOTE 5: FIXED ASSETS

The following is a summary of changes in the general fixed assets account group during the year ended December 31, 1998:

	Balance Jan. 1, <u>1998</u>	<u>Additions</u>	<u>Deletions</u>	Balance Dec. 31, <u>1998</u>
Land	\$ 297,562	-		\$ 297,562
Buildings	9,275,952	--		9,275,952
Improvements other than buildings	663,232	--	--	663,232
Machinery and equip- ment	<u>5,931,845</u>	<u>481,220</u>	<u>( 497,625)</u>	<u>5,915,440</u>
Total general fixed assets	<u>\$16,168,591</u>	<u>\$481,220</u>	<u>\$ ( 497,625)</u>	<u>\$16,152,186</u>

The following is a summary of proprietary fund-type fixed assets at December 31, 1998:

	<u>Telephone Trust</u>	<u>Motor Pool Operating</u>	<u>Total</u>
Machinery and equip- ment	\$ 312,334	\$ 47,674	\$ 360,008
Less Accumulated Depreciation	<u>(274,823)</u>	<u>(11,540)</u>	<u>(286,363)</u>
Net Fixed Assets	<u>\$ 37,511</u>	<u>\$ 36,134</u>	<u>\$ 73,645</u>

Component Units

During the year ended December 31, 1998, the following changes occurred in the general fixed assets account group of:

Southeast Cass Water Resource District

	Balance Jan. 1, <u>1998</u>	<u>Additions</u>	<u>Deletions</u>	Balance Dec. 31, <u>1998</u>
Land	\$2,801,893	-	-	\$2,801,893
Machinery and equipment	49,165	200	(850)	48,515
Furniture	<u>8,237</u>	<u>650</u>	<u>-</u>	<u>8,887</u>
Total general fixed assets	<u>\$2,859,295</u>	<u>\$ 850</u>	<u>\$ (850)</u>	<u>\$2,859,295</u>

Noxious Weed Control

	Balance Jan. 1, 1998	Additions	Deletions	Balance Dec. 31, 1998
Building	\$ 12,977	--	--	\$ 12,977
Machinery and equipment	124,227	18,210	(4,139)	138,298
Total general fixed assets	<u>\$ 137,204</u>	<u>\$ 18,210</u>	<u>\$ (4,139)</u>	<u>\$ 151,275</u>

Vector Control

	Balance Jan. 1, 1998	Additions	Deletions	Balance Dec. 31, 1998
Building	\$ 800	--	--	\$ 800
Machinery and equipment	118,494	11,010	(17,245)	112,259
Total general fixed assets	<u>\$ 119,294</u>	<u>\$ 11,010</u>	<u>\$ (17,245)</u>	<u>\$ 113,059</u>

NOTE 6: LONG-TERM DEBT

During the year ended December 31, 1998, the following changes occurred in liabilities reported in the general long-term debt account group.

	Balance January 1	Additions	Reductions	Balance December 31
General Oblig. Bonds	\$1,470,000	\$ 0	\$ (465,000)	\$ 1,005,000
Lease Payable		235,000		235,000
Special Assess. Bonds	665,000	0	(40,000)	625,000
Special Assessments	237,023	0	(23,688)	213,335
Compensated Absences	610,246	59,673	*	669,919
Total	<u>\$2,982,269</u>	<u>\$ 294,673</u>	<u>\$ (528,688)</u>	<u>\$ 2,748,254</u>

- The addition and reduction of compensated absences could not be determined. The addition is the net amount.

Long-term debt at December 31, 1998, is comprised of the following individual issues:

General Obligation Bonds:

\$2,210,000 Limited Tax Building Fund Bonds of 1994 due March 1, 1999, with interest at 4.6%.	\$ 485,000
\$520,000 Limited Tax Building Fund Bonds of 1995 due in 2000 with interest at 4.75%.	520,000
Total General Obligation Bonds and Warrants	<u>\$ 1,005,000</u>

Special Assessment Bonds:

\$80,000 Refunding Improvement Bonds of 1989 for construction in the Sleepy Hollow Subdivision due in annual installments of \$5,000 to \$10,000 through 2004 with interest at 6.80% to 7.0%.	35,000
\$60,000 Refunding Improvement Bonds of 1993 for construction in the Windsor Green Subdivision due in annual installments of \$5,000 to \$10,000 through 2003 with interest at 4.50% to 5.2%.	35,000
\$95,000 Refunding Improvement Bonds of 1995 for construction in the Borderuds Subdivision due in annual installments of \$5,000 to \$10,000 through 2010 with interest at 5.6%.	80,000
\$205,000 Refunding Improvement Bonds of 1996 for construction in the Forest River Subdivision due in annual installments of \$20,000 to \$25,000 through 2006 with interest at 5.1%.	175,000
\$305,000 Refunding Improvement Bonds of 1997 for Construction in the Round Hill Subdivision due in annual installments of \$15,000 to \$25,000 through 2012 with interest at 4.4% to 5.2%.	300,000
Total Special Assessment Bonds and Warrants	<u>\$ 625,000</u>

Special Assessments:

Special Assessment taxes levied by the city of Fargo, ND against the County for the County's share of the benefit derived from city-funded improvements.	\$ 1,904
\$418,275 Sheyenne-Maple Flood Control Project No. 1 special assessments due in annual installments of \$27,876, with interest at 7.65%.	211,431
Total Special Assessments	<u>\$ 213,335</u>
TOTAL LONG-TERM DEBT (Excluding Compensated Absences and Capital Leases)	<u><u>\$ 1,843,335</u></u>

The annual requirements to amortize all debt (excluding compensated absences and capital leases) outstanding as of December 31, 1998, including interest payments of \$326,497 are as follows:

Year Ending December 31	General Obligation Bonds	Special Assessment Bonds	Special Assessments	Total
1999	\$ 520,855	80,865	40,019	641,739
2000	532,350	78,333	38,205	648,888
2001		80,678	36,392	117,070
2002		82,775	34,579	117,354
2003		79,703	32,766	112,469
2004-2015		<u>419,229</u>	<u>113,081</u>	<u>532,310</u>
Total	<u>\$1,053,205</u>	<u>\$821,583</u>	<u>\$295,042</u>	<u>\$2,169,830</u>



The County is subject to a statutory limitation by the State of North Dakota for indebtedness payable principally from property taxes. At December 31, 1998, the statutory limit for the County was \$109,148,734. The only debt the County has that is subject to this limitation is the Limited Tax Building Fund Bonds of 1994 and 1995.

The general obligation debt, net of funds available for bond retirement was \$850,457, leaving a debt margin of \$108,299,277. As of December 31, 1998, the County had funds of \$33,990 available for payment on the General Obligation Bonds.

General Obligation bonds are paid through the debt service fund by a mill levy sufficient to meet the current year's principal and interest payments.

Special assessment bonds are paid from the debt service funds by the annual payments made by property owners directly benefitting from each project. As of December 31, 1998, the County had funds of \$180,100 available for payment on the special assessment bonds. Special assessment bonds are further backed by the taxing power of the County. 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 assessments levied against County owned property are paid through a general tax levy. The amount to be paid each year is certified to the County and included in the General Fund budget. State statute does allow an unlimited levy for the payment of the County's share of special assessments.

Component Units

During the year ended December 31, 1998, the following changes occurred in special assessment bonds reported in the general long-term debt account groups of the Water Resource Districts.

	Balance <u>January 1</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>December 31</u>
Southeast Cass	\$ 8,537,330	\$ 167,676	\$(1,754,655)	\$ 6,950,351
Maple River	107,400	55,000	(87,400)	75,000
<b>Total</b>	<b><u>\$ 8,644,730</u></b>	<b><u>\$ 222,676</u></b>	<b><u>\$(1,842,055)</u></b>	<b><u>\$ 7,025,351</u></b>

Long-term debt of the Water Resource Districts at December 31, 1998, is comprised of the following special assessment bonds:

Southeast Cass Water Resource District

\$38,000 Sewer District #13 warrants, due in annual installments of \$800 to \$1,300 through 2011 with interest at 5.0%.	\$ 15,900
\$3,115,000 Refunding Improvement Bonds Series B, due in annual installments of \$100,000 to \$350,000 through 2007 with interest at 3.8% to 5.1%.	2,765,000

\$1,325,000 Refunding Improvement Bonds Series A, due in annual installments of \$140,000 to \$175,000 through 2005 with interest at 3.8% to 4.9%.	1,150,000
\$875,000 Refunding Improvement Bonds Series B, due in annual installments of \$85,000 to \$90,000 through 2007 with interest from 4.5% to 5.0%.	790,000
\$710,000 Refund Improvement Bond Series A, due in annual installments of \$30,000 to \$140,000 through 2004 with interest at 4.25% to 4.7%.	710,000
\$250,000 Improvement Bonds, due in annual installments of \$15,000 to \$20,000 through 2006 with interest at 5.75% to 6.4%.	145,000
\$1,030,000 Improvement Bonds, due in annual installments of \$110,000 to \$115,000 through 2006 with interest at 3.9% to 4.65%.	915,000
\$340,000 Improvement Bonds, due in annual installments of \$20,000 to \$25,000 through 2008 with interest at 3.4% to 5.0%.	<u>250,000</u>
Total Special Assessment Bonds	<u>\$ 6,740,900</u>

Contract Payable

\$83,550 agreement with the City of West Fargo dated January 11, 1993, to pay the City for the cost of a generator. Annual principal payments of \$8,355 through August 2003 with no interest.	41,775
\$214,000 1998 State Revolving Loan Fund, the district drew down \$167,676. As this line of credit is not complete, no payment schedule can be shown.	<u>167,676</u>
Total South East Cass WRD Long-Term Debt	<u>\$ 6,950,351</u>

Maple River Water Resource District

\$55,000 1998 Improvement Warrants, due in annual installments of \$5,000 through 2009; interest at 4.4% to 4.9%.	55,000
\$145,000 Flood Control District #2 bonds, due in annual installment of \$20,000 through 1999 with interest at 5.0%.	<u>20,000</u>
Total Maple River WRD	<u>\$ 75,000</u>
Total Component Unit Debt	<u>\$ 7,025,351</u>

Water Resource Districts' special assessment bond debt service requirements to maturity, excluding line of credit, including \$1,252,703 of interest, are as follows:

Year Ending December 31	Southeast Cass Bonds	Southeast Cass Contract	Maple River Bonds	Total
1999	\$ 1,193,346	\$ 8,355	\$ 27,908	\$ 1,229,609
2000	1,140,854	8,355	7,188	1,156,397
2001	1,097,679	8,355	6,968	1,113,002
2002	1,058,476	8,355	6,748	1,073,579
2003	1,013,225	8,355	6,525	1,028,105
Remaining Years	<u>2,475,384</u>		<u>34,304</u>	<u>2,509,688</u>
Total	<u>\$ 7,978,964</u>	<u>\$41,775</u>	<u>\$ 89,639</u>	<u>\$ 8,110,378</u>

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 benefitting from each project. As of December 31, 1998, the water resource districts had funds of \$2,250,429 available for payment on the special assessment bonds. The water resource district may re-assess 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.

The contract payable is an operating expense of a special improvement project and is paid by an annual maintenance levy on the property benefitting from the improvement.

**NOTE 7: 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, the 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, 1998, there were eleven series of Industrial Revenue Bonds outstanding with an aggregate principal amount payable of \$40,137,000.00.

As of December 31, 1998, there were two Community Development Block Grants outstanding with an aggregate principal amount \$ 30,497.68.

**NOTE 8: PENSION PLANS**

The county contributes to the North Dakota Public Employees' Retirement System (NDPERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Dakota. NDPERS provides for retirement disability and survivor benefits to plan members and beneficiaries. Benefit and contribution provisions are administered in accordance with chapter 54-52 of the North Dakota Century Code. NDPERS issues a publicly available financial report that includes financial

statements and required supplementary information for NDPERS. That report may be obtained by writing to NDPERS, 400 E Broadway, Suite 505, PO Box 1214, Bismarck, North Dakota, 58502-1214.

Plan members are required to contribute 4% of their annual covered salary. The county is required to contribute 5.12% of the employees salary which consists of 4.12% for employee and 1% for the retiree health benefits fund. The county has agreed to pay 100% of the member assessments in lieu of a salary increase. The contribution requirements of plan members and the county are established and may be amended by the state legislature. The county's contributions to NDPERS for the years ending December 31, 1998, 1997, and 1996 were \$764,676, \$698,486, and \$652,896, respectively, equal to the required contributions for the year.

Three-Year Trend Information

Fiscal Year <u>Ending</u>	Annual Pension Cost (APC)	Percentage of APC <u>Contributed</u>	Net Pension <u>Obligation</u>
12/31/98	\$ 764,676	100%	-0-
12/31/97	695,486	100%	-0-
12/31/96	652,896	100%	-0-

NOTE 9: BUDGET AMENDMENTS

The County amended the budget as follows:

<u>Fund</u>	1998 Budget	Amendments	Amended Budget
<b>REVENUES:</b>			
General Fund	\$ 9,947,084	\$ 41,773	\$ 9,988,857
Veteran's Service	81,511	250	81,761
Drug Restitution	7,500	24,000	31,500
St. Attny Asset Forfeiture	5,000	3,787	8,737
Sheriff's Block Grant	0	21,882	21,882
Round Hill Subdivision	0	23,331	23,331
<b>EXPENDITURES:</b>			
General Fund	\$ 10,828,686	\$ 221,758	\$ 11,050,444
County Road & Bridge	4,754,074	1,250,000	6,004,074
Veteran's Service	93,444	250	93,694
Drug Restitution	8,500	10,500	19,000
County Park	17,365	3,500	20,865
Sheriff's Block Grant	0	21,882	21,882
Round Hill Subdivision	0	21,910	21,910

NOTE 10: RISK MANAGEMENT

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

In 1986 state agencies and political subdivision of the State of North Dakota joined together to form the North Dakota Insurance Reserve Fund (NDIRF), a public entity risk pool currently operating as a common risk management and insurance program for the state and more than 2,000

political subdivisions. The County pays an annual premium to NDIRF for its general liability, auto, and inland marine insurance coverage. The coverage by NDIRF is limited to losses of one 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. Replacement cost coverage is provided by estimating replacement cost in consultation with the Fire and Tornado Fund. 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 \$1,500,000 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 11: CONTINGENT LIABILITIES

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

NOTE 12: DEFICIT FUND BALANCES

The County had the following deficit fund balances:

Special Revenue Funds:

County Park	\$ (9,752)
Sheriff's Block Grant	(84)

Debt Service Funds:

South Acres Subdivision	\$ (3,066)
-------------------------	------------

Trust & Agency Funds:

Sheriff's Revenue Fund	\$ (5,792)
Payroll Clearing	(1,938)
Town & Country Roll-Off	(92)

The deficit in the County Park Fund is a result of unexpected

expenditures caused by increased usage of the County Park. A \$10,000 loan from the General Fund will cover these unanticipated expenditures. Taxes will be levied to make up this difference. The Sheriff's Block Grant deficit was caused by unanticipated expenditures.

The bonds for south Acres subdivision were paid off early, resulting in the deficit balance. No future disbursements are anticipated, which will enable the deficit to be relieved by the remaining special assessments against the benefitted property.

The deficit in the Sheriff's Revenue Fund is a result of unanticipated expenditures. The Payroll Clearing Fund deficit is a result of timing differences with our flexible benefits. The Town & County Roll Off was a Community Development Block Grant(CDBG). A payment was sent to the State of North Dakota creating a deficit. The County was unable to collect from the owners.

NOTE 14: RECONCILIATION OF BUDGET TO ACTUAL

The Economic Development Corporation and disaster assistance funds administered by the Lake Agassiz Regional Council is included on the Combined Statement of Revenues, Expenditures, and Changes in Fund Balance. These funds were not budgeted for by the county. Also these funds are not recorded on the county's general ledger. Therefore, these fund are not included on the Budget to Actual Statement. The differences are as follows:

Special Revenue Funds:

	<u>Combined Statement</u>	<u>Adjustments</u>	<u>Budget to Actual</u>
Balance, 1-1-98	\$ 3,471,723	\$( 74,497)	\$ 3,397,226
Receipts	16,185,410	(1,995,576)	14,189,834
Disbursements	17,059,776	(1,676,397)	15,383,379
Balance 12-31-98	2,597,337	( 393,674)	2,203,681

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CASS COUNTY GOVERNMENT  
 Balance Sheet  
 General Fund  
 December 31, 1998

ASSETS

Cash and Investments	\$1,924,812
Cash - County Offices	1,330
Receivables:	
Taxes	138,413
Accounts	60,331
Due From Other Governments	68,433
Due From Other Funds	25,491
Inventory of supplies, at cost	3,056
Prepaid Items	4,084
	\$2,225,950
<b>TOTAL ASSETS</b>	<b>\$2,225,950</b>

LIABILITIES AND FUND EQUITY

Liabilities:

Accounts Payable	198,894
Deferred Revenues	1,577,894
	1,776,788
<b>Total Liabilities</b>	<b>1,776,788</b>

Fund Equity:

Fund Balances:	
Reserved for Inventory of Supplies	3,056
Reserved for Prepaid Expenses	4,084
Reserved for Debt Service	
Unreserved, Undesignated	442,022
	449,162
<b>Total Fund Equity</b>	<b>449,162</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$2,225,950</b>

CASS COUNTY GOVERNMENT

Statement of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual - General Fund  
 For the Fiscal Year Ended December 31, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$5,676,165	\$5,797,419	\$121,254
Licenses, Permits and Fees	14,500	13,150	(1,350)
Intergovernmental Revenues	2,345,356	2,223,469	(121,887)
Charges for Services	1,357,836	1,551,661	193,825
Miscellaneous Revenues	275,000	309,956	34,956
<b>Total Revenues</b>	<b>9,668,857</b>	<b>9,895,654</b>	<b>226,798</b>
<u>Expenditures:</u>			
Current:			
General Government:			
County Commission	471,594	479,295	(7,701)
County Coordinator	793,583	713,729	79,854
Data Processing	570,727	537,249	33,478
Auditor	445,807	413,902	31,905
Treasurer	199,474	195,900	3,574
Register of Deeds	296,087	291,102	4,985
Director of Tax Equalization	98,952	88,471	10,481
County Planning	27,755	16,538	11,217
<b>Total General Government</b>	<b>2,903,979</b>	<b>2,736,185</b>	<b>167,793</b>
Public Safety:			
Clerk of District Court	917,490	880,956	36,534
County Sheriff	4,453,497	4,409,446	44,051
States Attorney	1,766,986	1,674,185	92,801
Coroner	65,000	73,970	(8,970)
Cemetery	5,303	5,443	(140)
<b>Total Public Safety</b>	<b>7,208,276</b>	<b>7,044,002</b>	<b>164,274</b>
Conservation & Econ. Development:			
County Extension Agent	307,203	293,551	13,652
Public Service Agencies	630,986	618,880	12,106
<b>Total Conservation &amp; Econ Dev</b>	<b>938,189</b>	<b>912,431</b>	<b>25,758</b>
<b>Total Expenditures</b>	<b>11,050,444</b>	<b>10,692,618</b>	<b>357,825</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(1,381,587)</b>	<b>(796,964)</b>	<b>584,623</b>
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	270,000	278,787	8,787
Sale of Property	50,000	15,005	(34,995)
<b>Total Other Financing Sources (Uses)</b>	<b>320,000</b>	<b>293,791</b>	<b>(26,208)</b>
<b>Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>(1,061,587)</b>	<b>(503,173)</b>	<b>558,415</b>
<b>Fund Balance - January 1</b>	<b>952,335</b>	<b>952,335</b>	
<b>Fund Balance - December 31</b>	<b>(\$109,252)</b>	<b>\$449,162</b>	<b>\$558,415</b>

# CASS COUNTY GOVERNMENT

## Special Revenue Funds

### Human Services

This is the fund from which County Social Services operates, a department which has been 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. Social Services provides a wide range of services including both social services and economic assistance programs. Some services are provided directly by County employees and others are provided through contracts.

### County Road and Bridge

This fund provides for the normal maintenance of county roads and the operation of the road shops. Most of the revenues for this fund are derived from the Highway Tax Distribution Fund.

### Special 10 Mill Road

This is a special 20-year levy of 10 Mills, approved by voters in 1984. These funds can only be used for specific road and bridge construction projects.

### Veterans Service Office

This office provides services to County veterans, and coordinates activities of the state and federal agencies.

### Drug Restitution

This fund is used to provide services for drug enforcement programs.

### 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.

### Job Development

This fund is used for the activities of the Fargo-Cass County Economic Development Corporation.

### 911 Service

This fund is financed by a \$0.50 charge on rural phone lines. The fund is used to pay for the contracted dispatch services with the City of Fargo and for the purchase of rural street signs.

### State's Attorney Asset Forfeiture

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

### County Emergency

This is a contingency fund, to provide funds to cover unexpected events.

### County Park

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

In addition, this fund operates a loan pool, with the County matching outside funds raised, up to \$400,000.

### Sheriff Block Grant

This is a fund for the accounting of various grants received by the Sheriff's Department.

### Federal Disaster Aid

This fund was a temporary fund set up in 1997 to account for federal aid received to help repair damage caused by the Flood of 1997.

CASS COUNTY GOVERNMENT

Combining Balance Sheet -- All Special Revenue Funds  
December 31, 1998

	Human Services	County Road and Bridge	Special 10 Mill Road	Veterans Service Office	Drug Restitution
<u>ASSETS</u>					
Cash and Investments	\$1,972,179	\$295,430	\$669,816	\$33,783	\$19,415
Cash - County Offices		200			
Receivables:					
Taxes	80,154	1,029	46,547	1,818	
Accounts	584	2,081			
Inventory		248,305			
Due From Other Governments	194,834				
<b>TOTAL ASSETS</b>	<b>\$2,247,751</b>	<b>\$547,045</b>	<b>\$716,363</b>	<b>\$35,601</b>	<b>\$19,415</b>
<u>LIABILITIES AND FUND EQUITY</u>					
<u>Liabilities:</u>					
Accounts Payable	110,178	199,927	47,819	884	
Due to Other Funds	5,491				
Deferred Revenues	1,051,057	10,929	510,214	25,003	
<b>Total Liabilities</b>	<b>1,166,726</b>	<b>210,856</b>	<b>558,033</b>	<b>25,887</b>	
<u>Fund Equity:</u>					
Fund Balances, Unreserved					
Undesignated	1,081,026	336,188	158,329	9,713	19,416
<b>Total Fund Equity</b>	<b>1,081,026</b>	<b>336,188</b>	<b>158,329</b>	<b>9,713</b>	<b>19,416</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$2,247,751</b>	<b>\$547,045</b>	<b>\$716,363</b>	<b>\$35,601</b>	<b>\$19,415</b>

Senior Citizens	Job Development	911 Service	St. Atty Asset Forfeiture	Emergency Fund	County Park	Sheriff Block Grant	Federal Disaster Aid	Total
\$90,743	\$173,814	\$53,766	\$31	\$477,349	\$5,197	\$14,915	\$393,674	\$4,200,112 200
4,669	15,353				401			149,971 2,665 248,305 376,609
							181,775	
<u>\$95,412</u>	<u>\$189,167</u>	<u>\$53,766</u>	<u>\$31</u>	<u>\$477,349</u>	<u>\$5,598</u>	<u>\$14,915</u>	<u>\$575,449</u>	<u>\$4,977,862</u>
						14,999	181,775	555,582 15,491 1,809,434
51,039	155,842				10,000 5,350			
51,039	155,842				15,350	14,999	181,775	2,380,507
44,373	33,326	53,766	31	477,349	(9,752)	(84)	393,674	2,597,355
44,373	33,326	53,766	31	477,349	(9,752)	(84)	393,674	2,597,355
<u>\$95,412</u>	<u>\$189,167</u>	<u>\$53,766</u>	<u>\$31</u>	<u>\$477,349</u>	<u>\$5,598</u>	<u>\$14,915</u>	<u>\$575,449</u>	<u>\$4,977,862</u>

CASS COUNTY GOVERNMENT

Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances -- All Special Revenue Funds  
For the Fiscal Year Ended December 31, 1998

	Human Services	County Road and Bridge	Special 10 Mill Road	Veterans Service Officer	Drug Restitution	Senior Citizens
<u>Revenues:</u>						
Taxes	\$3,527,336	\$41,616	\$1,991,961	\$75,784	\$	\$198,940
Intergovernmental Revenues	2,224,970	4,391,708	120,517	4,579		98,580
Charges for Services	96,249	69,726				
Miscellaneous Revenues	182,993	85,978	102,369	3,881	28,450	4,389
<b>Total Revenues</b>	<b>6,031,548</b>	<b>4,589,028</b>	<b>2,214,847</b>	<b>84,244</b>	<b>28,450</b>	<b>301,909</b>
<u>Expenditures:</u>						
Current:						
General Government				93,652		
Public Safety					14,285	
Highway and Streets		5,864,973	2,244,843			
Relief and Charities	5,889,859					
Culture and Recreation						305,000
Conservation & Econ. Development						
<b>Total Expenditures</b>	<b>5,889,859</b>	<b>5,864,973</b>	<b>2,244,843</b>	<b>93,652</b>	<b>14,285</b>	<b>305,000</b>
Excess of Revenues Over (Under) Expenditures	141,689	(1,275,945)	(29,996)	(9,408)	14,165	(3,091)
<u>Other Financing Sources (Uses):</u>						
Transfers Out		(120,000)				
Sale Of Property		108,356				
<b>Total Other Financial Sources (Uses)</b>		<b>(11,644)</b>				
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	141,689	(1,287,589)	(29,996)	(9,408)	14,165	(3,091)
Fund Balance - January 1	939,338	1,623,777	188,325	19,121	5,251	47,464
<b>Fund Balance - December 31</b>	<b>\$1,081,027</b>	<b>\$336,188</b>	<b>\$158,329</b>	<b>\$9,713</b>	<b>\$19,416</b>	<b>\$44,373</b>

Job Development	911 Service	St. Atty Asset Forfeiture	Emergency Fund	County Park	Sheriff Block Grant	Federal Disaster Aid	TOTAL
\$692,608	\$	\$	\$	\$9,318	\$	\$	\$6,537,563
42,113				713	21,882	1,995,575	8,900,637
14,608	3,972	8,818	36,292	613	516		165,975
749,329	3,972	8,818	36,292	10,644	22,398	1,995,575	16,077,054
			25,000				118,652
					22,482		36,767
				21,440			8,109,816
773,058						1,676,397	5,889,859
773,058			25,000	21,440	22,482	1,676,397	326,440
(23,729)	3,972	8,818	11,292	(10,796)	(84)	319,178	2,449,455
		(8,787)					(853,935)
		(8,787)					(128,787)
							108,356
							(20,431)
(23,729)	3,972	31	11,292	(10,796)	(84)	319,178	(874,366)
57,055	49,794		466,057	1,044		74,497	3,471,723
\$33,326	\$53,766	\$31	\$477,349	(\$9,752)	(\$84)	\$393,675	\$2,597,357

CASS COUNTY GOVERNMENT

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual - Special Revenue Funds  
 For the Fiscal Year Ended December 31, 1998

	Human Services			County Road and Bridge		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>						
Taxes	\$3,530,249	\$3,527,336	(\$2,913)	\$40,000	\$41,616	\$1,616
Intergovernmental Revenues	1,739,316	2,224,970	485,654	3,980,000	4,391,708	411,708
Charges for Services	83,000	96,249	13,249	55,000	69,726	14,726
Miscellaneous Revenues	120,000	182,993	62,993	82,000	85,978	3,978
<b>Total Revenues</b>	<b>5,472,565</b>	<b>6,031,548</b>	<b>558,983</b>	<b>4,157,000</b>	<b>4,589,027</b>	<b>432,028</b>
<u>Expenditures:</u>						
Current:						
General Government:						
Public Safety:						
Highways and Streets				5,884,074	5,864,973	19,101
Relief and Charities	6,172,763	5,889,859	282,904			
Culture and Recreation						
Conservation & Econ. Development						
<b>Total Expenditures</b>	<b>6,172,763</b>	<b>5,889,859</b>	<b>282,904</b>	<b>5,884,074</b>	<b>5,864,973</b>	<b>19,101</b>
Revenues Over (Under) Expenditures	(700,198)	141,689	841,887	(1,727,074)	(1,275,946)	451,129
<u>Other Financing Sources (Uses):</u>						
Operating Transfers Out				(120,000)	(120,000)	
Sale Of Property				30,000	108,356	78,356
<b>Total Other Financing Sources (Uses)</b>				<b>(90,000)</b>	<b>(11,644)</b>	<b>78,356</b>
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(700,198)	141,689	841,887	(1,817,074)	(1,287,590)	529,485
Fund Balance - January 1	939,338	939,338		1,623,777	1,623,777	
<b>Fund Balance - December 31</b>	<b>\$239,140</b>	<b>\$1,081,027</b>	<b>\$841,887</b>	<b>(\$193,297)</b>	<b>\$336,187</b>	<b>\$529,485</b>

See Note 14 - Reconciliation of Budget to Actual



Special 10 Mill Road			Veterans Service Officer			Drug Restitution		Variance Favorable (Unfavorable)
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$1,947,077	\$1,991,961	\$44,884	\$74,028	\$75,784	\$1,756	\$	\$	\$
144,334	120,517	(23,817)	5,483	4,579	(904)			
110,000	102,369	(7,631)	2,250	3,881	1,631	31,500	28,450	(3,050)
2,201,411	2,214,847	13,436	81,761	84,244	2,483	31,500	28,450	(3,050)
			93,694	93,652	42			
2,245,000	2,244,843	157				19,000	14,285	4,715
2,245,000	2,244,843	157	93,694	93,652	42	19,000	14,285	4,715
(43,589)	(29,996)	13,593	(11,933)	(9,408)	2,525	12,500	14,165	1,665
(43,589)	(29,996)	13,593	(11,933)	(9,408)	2,525	12,500	14,165	1,665
188,325	188,325		19,121	19,121		5,251	5,251	
\$144,736	\$158,329	\$13,593	\$7,188	\$9,713	\$2,525	\$17,751	\$19,416	\$1,665

Continued

CASS COUNTY GOVERNMENT

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual - Special Revenue Funds  
 For the Fiscal Year Ended December 31, 1998

	Senior Citizens			Job Development		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>						
Taxes	\$194,541	\$198,940	\$4,399	\$680,954	\$692,608	\$11,654
Intergovernmental Revenues	86,396	98,580	12,184	50,579	42,113	(8,466)
Charges for Services						
Miscellaneous Revenues	4,000	4,389	389	2,000	14,608	12,608
<b>Total Revenues</b>	<b>284,937</b>	<b>301,909</b>	<b>16,972</b>	<b>733,533</b>	<b>749,329</b>	<b>15,796</b>
<u>Current:</u>						
General Government:						
Public Safety						
Highways and Streets						
Relief and Charities						
Culture and Recreation	305,000	305,000				
Conservation & Econ. Development				773,058	773,058	
<b>Total Expenditures</b>	<b>305,000</b>	<b>305,000</b>		<b>773,058</b>	<b>773,058</b>	
<b>Revenues Over (Under) Expenditures</b>	<b>(20,063)</b>	<b>(3,091)</b>	<b>16,972</b>	<b>(39,525)</b>	<b>(23,729)</b>	<b>15,796</b>
<u>Other Financing Sources (Uses):</u>						
Operating Transfers Out						
Sale Of Property						
<b>Total Other Financing Sources (Uses)</b>						
<b>Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>(20,063)</b>	<b>(3,091)</b>	<b>16,972</b>	<b>(39,525)</b>	<b>(23,729)</b>	<b>15,796</b>
Fund Balance - January 1	47,464	47,464		57,055	57,055	
<b>Fund Balance - December 31</b>	<b>\$27,401</b>	<b>\$44,373</b>	<b>\$16,972</b>	<b>\$17,530</b>	<b>\$33,326</b>	<b>\$15,796</b>

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911 Service			St. Atty Asset Forfeiture			Emergency Fund		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$	\$	\$	\$	\$	\$	\$	\$	\$
2,000	3,972	1,972	8,787	8,818	31	25,000	36,292	11,292
2,000	3,972	1,972	8,787	8,818	31	25,000	36,292	11,292
			5,000		5,000	50,000	25,000	25,000
50,000		50,000						
50,000		50,000	5,000		5,000	50,000	25,000	25,000
(48,000)	3,972	51,972	3,787	8,818	5,031	(25,000)	11,292	36,292
				(8,787)	(8,787)			
				(8,787)	(8,787)			
(48,000)	3,972	51,972	3,787	31	(3,756)	(25,000)	11,292	36,292
49,794	49,794					466,057	466,057	
\$1,794	\$53,766	\$51,972	\$3,787	\$31	(\$3,756)	\$441,057	\$477,349	\$36,292

CASS COUNTY GOVERNMENT

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual - Special Revenue Funds  
 For the Fiscal Year Ended December 31, 1998

	County Park			Sheriff Block Grant Fund		
	Budget	Actual	(Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>						
Taxes	\$8,895	\$9,318	\$423	\$	\$	\$
Intergovernmental Revenues	3,562	713	(2,849.00)	21,882	21,882	
Charges for Services						
Miscellaneous Revenues	300	613	313		516	516
<b>Total Revenues</b>	<b>12,757</b>	<b>10,644</b>	<b>(2,113)</b>	<b>21,882</b>	<b>22,398</b>	<b>516</b>
<u>Current:</u>						
General Government:						
Public Safety				21,882	22,482	(600)
Highways and Streets						
Relief and Charities						
Culture and Recreation	20,865	21,440	(575)			
Conservation & Econ. Development						
<b>Total Expenditures</b>	<b>20,865</b>	<b>21,440</b>	<b>(575)</b>	<b>21,882</b>	<b>22,482</b>	<b>(600)</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(8,108)</b>	<b>(10,796)</b>	<b>(2,688)</b>		<b>(84)</b>	<b>(84)</b>
<u>Other Financing Sources (Uses):</u>						
Operating Transfers Out						
Sale Of Property						
<b>Total Other Financing Sources (Uses)</b>						
<b>Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>(8,108)</b>	<b>(10,796)</b>	<b>(2,688)</b>		<b>(84)</b>	<b>(84)</b>
<b>Fund Balance - January 1</b>	<b>1,044</b>	<b>1,044</b>				
<b>Fund Balance - December 31</b>	<b>(\$7,064)</b>	<b>(\$9,752)</b>	<b>(\$2,688)</b>		<b>(\$84)</b>	<b>(\$84)</b>

Continued from previous page

CASS COUNTY GOVERNMENT

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual - Special Revenue Funds  
 For the Fiscal Year Ended December 31, 1998

	Total Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$6,475,744	\$6,537,563	\$61,819
Intergovernmental Revenues	6,031,552	6,905,061	873,509
Charges for Services	138,000	165,975	27,975
Miscellaneous Revenues	387,837	472,880	85,043
<b>Total Revenues</b>	<b>13,033,133</b>	<b>14,081,478</b>	<b>1,048,345</b>
<u>Current:</u>			
General Government:	148,694	118,652	30,042
Public Safety	40,882	36,767	4,115
Highways and Streets	8,179,074	8,109,816	69,258
Relief and Charities	6,172,763	5,889,859	282,904
Culture and Recreation	325,865	326,440	(575)
Conservation & Econ. Development	773,058	773,058	
<b>Total Expenditures</b>	<b>15,640,336</b>	<b>15,254,592</b>	<b>385,744</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(2,607,203)</b>	<b>(1,173,114)</b>	<b>1,434,089</b>
<u>Other Financing Sources (Uses):</u>			
Operating Transfers Out	(120,000)	(128,787)	(8,787)
Sale Of Property	30,000	108,356	78,356
<b>Total Other Financing Sources (Uses)</b>	<b>(90,000)</b>	<b>(20,431)</b>	<b>69,569</b>
<b>Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>(2,697,203)</b>	<b>(1,193,545)</b>	<b>1,503,658</b>
<b>Fund Balance - January 1</b>	<b>3,397,226</b>	<b>3,397,226</b>	
<b>Fund Balance - December 31</b>	<b>\$700,023</b>	<b>\$2,203,681</b>	<b>\$1,503,658</b>

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## **CASS COUNTY GOVERNMENT Debt Service Funds**

### **Cass County Loan**

This fund is used to accumulate resources for the payment of principal and interest on the general obligation bonds issued by the County related to the jail remodeling project. Revenues are received primarily through ad valorem taxes on property.

### **Borderuds Subdivision Windsor Green Subdivision Sleepy Hollow Subdivision South Acres Subdivision Forest River Subdivision Round Hill Subdivision**

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

Combining Balance Sheet -- All Debt Service Funds  
December 31, 1998

	Cass County Loan	Borderud's Subdivision	Windsor Green Subdivision	Sleepy Hollow Subdivision
<u>ASSETS</u>				
Cash and Investments	\$154,543	\$38,561	\$11,866	\$36,646
Receivables:				
Taxes	12,237			
Total Assets	<u>166,780</u>	<u>38,561</u>	<u>11,866</u>	<u>36,646</u>
<u>LIABILITIES AND FUND EQUITY</u>				
<u>Liabilities:</u>				
Deferred Revenues	132,790	2,453	2,338	1,863
Total Liabilities	<u>132,790</u>	<u>2,453</u>	<u>2,338</u>	<u>1,863</u>
<u>Fund Equity:</u>				
Fund Balances, Unreserved Designated for Debt Service	33,990	36,108	9,528	34,783
Total Fund Equity	<u>33,990</u>	<u>36,108</u>	<u>9,528</u>	<u>34,783</u>
Total Liabilities and Fund Equity	<u>\$166,780</u>	<u>\$38,561</u>	<u>\$11,866</u>	<u>\$36,646</u>



South Acres Subdivision	Forest River Subdivision	Round Hill Subdivision	Total
(\$2,553)	\$56,774	\$38,806	\$334,643
			12,237
<u>(2,553)</u>	<u>56,774</u>	<u>38,806</u>	<u>346,880</u>
512	8,525	6,681	155,163
<u>512</u>	<u>8,525</u>	<u>6,681</u>	<u>155,163</u>
(3,066)	48,249	32,125	191,717
<u>(3,066)</u>	<u>48,249</u>	<u>32,125</u>	<u>191,717</u>
<u>(\$2,553)</u>	<u>\$56,774</u>	<u>\$38,806</u>	<u>\$346,880</u>

CASS COUNTY GOVERNMENT

Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances -- All Debt Service Funds  
For the Fiscal Year Ended December 31, 1998

	Cass County Loan	Borderud's Subdivision	Windsor Green Subdivision	Sleepy Hollow Subdivision
<u>Revenues:</u>				
Taxes	\$516,829	\$8,277	\$8,355	\$5,905
Intergovernmental Revenues	31,349			
Miscellaneous Revenues	5,686	2,957	719	2,737
Total Revenues	<u>553,865</u>	<u>11,234</u>	<u>9,074</u>	<u>8,641</u>
<u>Expenditures:</u>				
Debt Service:				
Principal	465,000	5,000	5,000	5,000
Interest	57,473	4,620	1,834	2,596
Fiscal Charges	247	416	514	482
Miscellaneous-Township Payment				
Total Expenditures	<u>522,720</u>	<u>10,036</u>	<u>7,347</u>	<u>8,078</u>
Revenues Over (Under) Expenditures	<u>31,145</u>	<u>1,198</u>	<u>1,727</u>	<u>563</u>
Fund Balance - January 1	<u>2,845</u>	<u>34,910</u>	<u>5,696</u>	<u>34,221</u>
Residual Equity Transfers Transfer In			<u>2,105</u>	
Total Residual Equity Transfers			<u>2,105</u>	
Fund Balance - December 31	<u>\$33,990</u>	<u>\$36,108</u>	<u>\$9,529</u>	<u>\$34,784</u>

South Acres Subdivision	Chrisan Subdivision	Forest River Subdivision	Round Hill Subdivision	Total
\$8,020	\$1,289	\$45,929	\$21,050	\$615,653
	52	3,829	2,830	31,349
				18,810
8,020	1,340	49,758	23,880	665,812
		20,000	5,000	505,000
		9,435	15,910	91,867
		705	721	3,085
	1,340			1,340
	1,340	30,140	21,631	601,292
8,020		19,618	2,249	64,520
(11,086)		28,631	29,875	125,092
				2,105
				2,105
<u>(\$3,066)</u>	<u></u>	<u>\$48,249</u>	<u>\$32,124</u>	<u>\$191,717</u>

CASS COUNTY GOVERNMENT

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual - Debt Service Funds  
 For the Fiscal Year Ended December 31, 1998

	Cass County Loan			Borderud's Subdivision		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>						
Taxes	\$504,751	\$516,829	\$12,078	\$8,915	\$8,277	(\$638)
Intergovernmental Revenues	37,586	31,349	(6,237)			
Miscellaneous Revenues	4,388	5,686	1,298	2,000	2,957	957
Total Revenues	<u>546,725</u>	<u>553,865</u>	<u>7,139</u>	<u>10,915</u>	<u>11,234</u>	<u>319</u>
<u>Expenditures:</u>						
Debt Service:						
Principal	465,000	465,000		5,000	5,000	
Interest	57,473	57,473	1	4,620	4,620	
Fiscal Charges	1,000	247	753	1,000	416	584
Miscellaneous-Township Payment						
Total Expenditures	<u>523,473</u>	<u>522,720</u>	<u>754</u>	<u>10,620</u>	<u>10,036</u>	<u>584</u>
Revenues Over (Under) Expenditures	<u>23,252</u>	<u>31,145</u>	<u>7,893</u>	<u>295</u>	<u>1,198</u>	<u>903</u>
Fund Balance - January 1	<u>2,845</u>	<u>2,845</u>		<u>34,910</u>	<u>34,910</u>	
Residual Equity Transfers Transfer In						
Total Residual Equity Transfers						
Fund Balance - December 31	<u>\$26,097</u>	<u>\$33,990</u>	<u>\$7,893</u>	<u>\$35,205</u>	<u>\$36,108</u>	<u>\$903</u>

Windsor Green Subdivision			Sleepy Hollow Subdivision			South Acres Subdivision		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$8,340	\$8,355	\$15	\$5,905	\$5,905		\$5,770	\$8,020	\$2,250
200	719	519	2,000	2,737	737			
8,540	9,074	534	7,905	8,641	737	5,770	8,020	2,250
5,000	5,000		5,000	5,000				
1,834	1,834		2,600	2,596	4			
1,000	514	486	1,000	482	518			
7,834	7,347	486	8,600	8,078	522			
706	1,727	1,020	(695)	563	1,259	5,770	8,020	2,250
5,696	5,696		34,221	34,221		(11,086)	(11,086)	
	2,105							
	2,105							
\$6,402	\$9,529	\$1,020	\$33,526	\$34,784	\$1,259	(\$5,316)	(\$3,066)	\$2,250

Continued

CASS COUNTY GOVERNMENT

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual - Debt Service Funds  
 For the Fiscal Year Ended December 31, 1998

	Chrisan Subdivision			Forest River Subdivision		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>						
Taxes	\$	\$1,289	\$1,288	\$32,590	\$45,929	\$13,339
Intergovernmental Revenues						
Miscellaneous Revenues		52	52	1,000	3,829	2,829
Total Revenues		1,340	1,340	33,590	49,758	16,168
<u>Expenditures:</u>						
Debt Service:						
Principal				20,000	20,000	
Interest				9,435	9,435	
Fiscal Charges				1,000	705	295
Miscellaneous-Township Payment		1,340	(1,340)			
Total Expenditures		1,340	(1,340)	30,435	30,140	295
Revenues Over (Under) Expenditures				3,155	19,618	16,463
Fund Balance - January 1				28,631	28,631	
Residual Equity Transfers Transfer In						
Total Residual Equity Transfers						
Fund Balance - December 31				\$31,786	\$48,249	\$16,463

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	Round Hill Subdivision			Total		Variance Favorable (Unfavorable)
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	
<u>Revenues:</u>						
Taxes	\$22,331	\$21,050	(\$1,281)	\$588,602	\$615,653	\$27,051
Intergovernmental Revenues				\$37,586	31,349	(6,237)
Miscellaneous Revenues	1,000	2,830	1,830	\$10,588	18,810	8,222
Total Revenues	23,331	23,880	549	636,776	665,812	29,036
<u>Expenditures:</u>						
Debt Service:						
Principal	5,000	5,000		505,000	505,000	
Interest	15,910	15,910		91,872	91,867	5
Fiscal Charges	1,000	721	279	6,000	3,085	2,915
Miscellaneous-Township Payment					1,340	(1,340)
Total Expenditures	21,910	21,631	279	602,872	601,292	1,580
Revenues Over (Under) Expenditures	1,421	2,249	828	33,904	64,520	30,616
Fund Balance - January 1	29,875	29,875		125,093	125,092	
Residual Equity Transfers Transfer In					2,105	
Total Residual Equity Transfers					2,105	
Fund Balance - December 31	\$31,296	\$32,124	\$828	\$158,997	\$191,717	\$30,616

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## **CASS COUNTY GOVERNMENT Capital Projects Funds**

### **Future Building**

The County is accumulating funds for the future construction of County buildings and major remodeling projects.

### **Register of Deeds CRIS+**

This fund is for the purchase of a computerized land management system for the County's Register of Deeds.

### **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.

CASS COUNTY GOVERNMENT

Combining Balance Sheet -- All Capital Projects Funds  
December 31, 1998

	Future Building	Forest River Subdivision	Round Hill Subdivision	Register of Deeds CRIS+	Total
<u>ASSETS</u>					
Cash and Investments	\$1,578,270	\$38,249	\$71,840	\$517	\$1,688,876
Cash with Fiscal Agents				124,186	124,186
Due From Other Governments	227,684				227,684
Total Assets	<u>1,805,954</u>	<u>38,249</u>	<u>71,840</u>	<u>124,703</u>	<u>2,040,746</u>
<u>LIABILITIES AND FUND EQUITY</u>					
<u>Liabilities:</u>					
Accounts Payable	25,239		32,260		57,499
Total Liabilities	<u>25,239</u>		<u>32,260</u>		<u>57,499</u>
<u>Fund Equity:</u>					
Fund Balances, Unreserved Undesignated	1,780,715	38,249	39,580	124,703	1,983,247
Total Fund Equity	<u>1,780,715</u>	<u>38,249</u>	<u>39,580</u>	<u>124,703</u>	<u>1,983,247</u>
Total Liabilities and Fund Equity	<u>\$1,805,954</u>	<u>\$38,249</u>	<u>\$71,840</u>	<u>\$124,703</u>	<u>\$2,040,746</u>

CASS COUNTY GOVERNMENT

Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances -- All Capital Projects Funds  
For the Fiscal Year Ended December 31, 1998

	Windsor Green Subdivision	Future Building	Forest River Subdivision	Round Hill Subdivision	Register of Deeds CRIS+	Total
<b>Revenues:</b>						
Intergovernmental Revenues	\$	\$478,830	\$	\$5,926	\$	\$484,755
Miscellaneous Revenues	397	113,786	2,832	5,259	2,638	124,913
<b>Total Revenues</b>	<b>397</b>	<b>592,616</b>	<b>2,832</b>	<b>11,185</b>	<b>2,638</b>	<b>609,668</b>
<b>Expenditures:</b>						
Capital Outlay						
Maintenance/Construction		24,088		32,260	112,935	169,283
Legal Fees			117	549		666
Engineering Fees		8,241		3,264		11,505
Architect Fees		31,410				31,410
Financing Fees						
Debt Service						
Discount on Bond Sale						
<b>Total Expenditures</b>		<b>63,739</b>	<b>117</b>	<b>36,073</b>	<b>112,935</b>	<b>212,864</b>
Revenues Over (Under) Expenditures	397	528,877	2,715	(24,888)	(110,297)	396,804
<b>Other Financing Sources (Uses):</b>						
Proceeds of General Obligation Bonds						
Proceeds of Lease					235,000	235,000
Operating Transfer In (Out)		(150,000)				(150,000)
<b>Total Other Financing Sources</b>		<b>(150,000)</b>			<b>235,000</b>	<b>85,000</b>
Revenues and other financing sources over (under) expenditures and other financing uses	397	378,877	2,715	(24,888)	124,703	481,804
Fund Balance - January 1	1,708	1,401,839	35,534	64,468		1,503,549
Residual Equity Transfer Transfers Out	(2,105)					(2,105)
<b>Total Residual Equity Transfers</b>	<b>(2,105)</b>					<b>(2,105)</b>
Fund Balance - December 31	\$	\$1,780,716	\$38,249	\$39,580	\$124,703	\$1,983,248

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## **CASS COUNTY GOVERNMENT**

### **Internal Service Funds**

#### **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 5%, 10%, or 15%, 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.

#### **Telephone 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.

#### **Motor Pool Operating**

This fund provides for uses and repairs to County owned vehicles which are not covered by outside insurance.

CASS COUNTY GOVERNMENT  
Combining Balance Sheet  
Internal Service Funds  
December 31, 1998

	<u>Health Insurance Trust</u>	<u>Telephone Trust</u>	<u>Motor Pool Operating</u>	<u>Total</u>
<u>ASSETS</u>				
Cash and Investments	\$398,855	\$61,261	\$11,612	471,728
Accounts Receivable			1,234	1,234
Fixed Assets		312,334	47,674	360,008
Less: Accumulated Depreciation		<u>(274,823)</u>	<u>(11,540)</u>	<u>(286,363)</u>
Total Assets	<u>398,855</u>	<u>98,772</u>	<u>48,980</u>	<u>546,607</u>
<u>LIABILITIES AND FUND EQUITY</u>				
<u>Liabilities:</u>				
Accounts Payable	5,177		204	5,382
Deposits	66,673			66,673
IBNR Claims	74,185			74,185
Due to Other Funds			<u>10,000</u>	<u>10,000</u>
Total Liabilities	<u>146,035</u>		<u>10,204</u>	<u>156,240</u>
<u>Fund Equity:</u>				
Contributed Capital				
Retained Earnings, Unreserved	<u>252,820</u>	<u>98,772</u>	<u>38,775</u>	<u>390,367</u>
Total Fund Equity	<u>252,820</u>	<u>98,772</u>	<u>38,775</u>	<u>390,367</u>
Total Liabilities and Fund Equity	<u>\$398,855</u>	<u>\$98,772</u>	<u>\$48,979</u>	<u>\$546,607</u>

CASS COUNTY GOVERNMENT  
Combining Statement of Revenues, Expenses and Changes in Retained Earnings  
Internal Service Funds  
For the Year Ended December 31, 1998

	Health Insurance Trust	Telephone Trust	Motor Pool	Total
<u>Operating Revenues:</u>				
Premiums	\$781,371	\$	\$	\$781,371
Charges for Services		107,344	13,523	120,867
Miscellaneous	1,726			1,726
<b>Total Operating Revenues</b>	<b>783,097</b>	<b>107,344</b>	<b>13,523</b>	<b>903,964</b>
<u>Operating Expenses:</u>				
Premiums	61,616			61,616
Dues		250		250
Education Seminars		1,680		1,680
Telephone Service		57,002		57,002
Maintenance Agreements		25,982		25,982
Equipment Repair		679		679
Uncapitalized Equipment		867		867
Wellness/Health Fair	1,550			1,550
Administrative Fees	52,971			52,971
Maintenance and Repairs			5,467	5,467
Benefit Payments	725,816			725,816
IBNR Claims	66,673			66,673
Depreciation Expense		17,449	6,542	23,991
<b>Total Operating Expenses</b>	<b>908,626</b>	<b>103,909</b>	<b>12,009</b>	<b>1,024,544</b>
Operating Income (Loss)	(125,529)	3,435	1,514	(120,580)
<u>Nonoperating Revenues (Expenses):</u>				
Interest Income	34,216	3,581	497	38,294
Gain (Loss) on Disposal of Fixed Assets				
<b>Total Nonoperating Revenues (Expenses)</b>	<b>34,216</b>	<b>3,581</b>	<b>497</b>	<b>38,294</b>
Net Income (Loss)	(91,313)	7,016	2,011	(82,286)
Retained Earnings - January 1	344,133	91,757	36,764	472,654
Retained Earnings - December 31	<u>\$252,820</u>	<u>\$98,773</u>	<u>\$38,775</u>	<u>\$390,368</u>

CASS COUNTY GOVERNMENT  
Combining Statement of Cash Flows  
Internal Service Funds  
For the Year Ended December 31, 1998

	Health Insurance Trust	Telephone Trust	Motor Pool	Total
<u>Cash Flows from Operating Activities:</u>				
Operating Income	(\$125,529)	\$3,435	\$1,514	(\$120,580)
Adjustments to Reconcile Operating Income to Net Cash Provided (used) by Operating Activities:				
Depreciation		17,449	6,542	23,991
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	201,464		(1,234)	200,231
Increase (Decrease) in Accounts Payable	733		(755)	(21)
Increase (Decrease) in Due to Other Funds				
Increase (Decrease) in Premium Deposit Funds	6,315			6,315
Increase (Decrease) in IBNR Claims	7,301			7,301
Net Cash Provided by Operating Activities	90,284	20,884	6,068	117,237
<u>Cash flows from noncapital financing activities:</u>				
Operating transfers-out to other funds				
<u>Cash Flows from Capital and Related Financing Activities:</u>				
Acquisition of Fixed Assets				
Proceeds on Sale of Fixed Assets				
Net Cash Used in Capital and Related Financing Activities				
<u>Cash Flows from Investing Activities:</u>				
Interest on Investments	34,216	3,581	497	38,294
Net Cash Provided by Investing Activities	34,216	3,581	497	38,294
Net Increase (Decrease) in Cash and Cash Equivalents	124,500	24,465	6,565	155,531
Cash and Cash Equivalents at January 1	274,354	36,796	5,048	316,198
Cash and Cash Equivalents at December 31	<u>\$398,854</u>	<u>\$61,261</u>	<u>\$11,613</u>	<u>\$471,729</u>



## **CASS COUNTY GOVERNMENT Agency Funds**

### **County Funds**

These funds provide clearing facilities for items to be apportioned to other County funds.

### **Tax Collection Funds**

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

### **Funds of Other Governmental Units**

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

CASS COUNTY GOVERNMENT  
Combining Balance Sheet  
Agency Funds  
December 31, 1998

	County Funds	Tax Collection Funds	Funds of Other Governmental Units	Total
<u>ASSETS</u>				
Cash and Investments	\$258,808	\$20,569,015	\$567,608	\$21,395,431
Investments with Fiscal Agents				
Accounts Receivable			225	225
Total Assets	<u>258,808</u>	<u>20,569,015</u>	<u>567,833</u>	<u>21,395,656</u>
<u>LIABILITIES</u>				
Accounts Payable	2,459			2,459
Deposits	256,349	20,569,015	567,833	21,393,197
Total Liabilities	<u>\$258,808</u>	<u>\$20,569,015</u>	<u>\$567,833</u>	<u>\$21,395,656</u>

CASS COUNTY GOVERNMENT  
Combining Statement of Changes in Assets and Liabilities  
Agency Funds  
For the Year Ended December 31, 1998

	Balance 1/1/98	Additions	Deductions	Balance 12/31/98
<b>COUNTY FUNDS</b>				
<b>Assets</b>				
Cash and Investments	\$337,364	\$1,806,181	\$1,884,737	\$258,808
Total Assets	<u>337,364</u>	<u>1,806,181</u>	<u>1,884,737</u>	<u>258,808</u>
<b>Liabilities</b>				
Accounts Payable	7,755	2,459	7,755	2,459
Funds Held for County Departments	329,609	1,803,722	1,876,982	256,349
Total Liabilities	<u>337,364</u>	<u>1,806,181</u>	<u>1,884,737</u>	<u>258,808</u>
<b>TAX COLLECTION FUNDS</b>				
<b>Assets</b>				
Cash and Investments	19,040,187	93,686,651	92,157,824	20,569,014
Total Assets	<u>19,040,187</u>	<u>93,686,651</u>	<u>92,157,824</u>	<u>20,569,014</u>
<b>Liabilities</b>				
Tax Collections Due to Other Governmental Units	19,040,187	93,686,651	92,157,824	20,569,014
Total Liabilities	<u>19,040,187</u>	<u>93,686,651</u>	<u>92,157,824</u>	<u>20,569,014</u>
<b>FUNDS OF OTHER GOVERNMENTAL UNITS</b>				
<b>Assets</b>				
Cash and Investments	582,989	1,660,840	1,675,996	567,833
Total Assets	<u>582,989</u>	<u>1,660,840</u>	<u>1,675,996</u>	<u>567,833</u>
<b>Liabilities</b>				
Accounts Payable				
Funds Held for Other Governmental Units	582,989	1,660,840	1,675,996	567,833
Total Liabilities	<u>\$582,989</u>	<u>\$1,660,840</u>	<u>\$1,675,996</u>	<u>\$567,833</u>
<b>TOTALS:</b>				
<b>Assets</b>				
Cash and Investments	\$19,960,540	\$97,153,672	\$95,718,557	\$21,395,655
Total Assets	<u>19,960,540</u>	<u>97,153,672</u>	<u>95,718,557</u>	<u>21,395,655</u>
<b>Liabilities</b>				
Accounts Payable	7,755	2,459	7,755	2,459
Funds Held for Other Governmental Units	19,623,176	95,347,491	93,833,820	21,136,847
Funds Held for County Government	329,609	1,803,722	1,876,982	256,349
Total Liabilities	<u>\$19,960,540</u>	<u>\$97,153,672</u>	<u>\$95,718,557</u>	<u>\$21,395,655</u>

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CASS COUNTY GOVERNMENT  
Schedule of General Fixed Assets by Source  
December 31, 1998

GENERAL FIXED ASSETS

Land	\$297,562
Buildings	9,275,951
Improvements Other Than Buildings	663,232
Machinery and Equipment	<u>5,915,440</u>
Total General Fixed Assets	<u>\$16,152,185</u>

INVESTMENT IN GENERAL FIXED ASSETS BY SOURCE

Pre-December 31, 1992	\$10,730,399
After December 31, 1992	
General Fund	4,278,024
Special Revenue Funds	1,067,081
State of ND Grants	<u>76,681</u>
Total Investment in General Fixed Assets	<u>\$16,152,185</u>

CASS COUNTY GOVERNMENT  
Schedule of General Fixed Assets  
by Function and Activity  
December 31, 1998

Function and Activity	Land	Buildings	Improvements Other Than Buildings	Machinery and Equipment	Total
<b>General Government</b>					
General Administration	\$297,562	\$7,150,487	\$632,008	\$76,283	\$8,156,340
Finance				425,712	425,712
Other		4,000		288,739	292,739
Total General Government	<u>297,562</u>	<u>7,154,487</u>	<u>632,008</u>	<u>790,734</u>	<u>8,874,791</u>
<b>Public Safety</b>					
Justice				243,061	243,061
Law Enforcement			27,000	1,556,272	1,583,272
County Jail		1,568,011		193,800	1,761,811
Total Public Safety		<u>1,568,011</u>	<u>27,000</u>	<u>1,993,133</u>	<u>3,588,144</u>
<b>Public Works</b>					
Highway Department		514,985		2,457,278	2,972,263
Total Public Works		<u>514,985</u>		<u>2,457,278</u>	<u>2,972,263</u>
<b>Conservation and Economic Development</b>					
Extension Agent				95,536	95,536
Total Conservation & Economic Development				<u>95,536</u>	<u>95,536</u>
<b>Human Services</b>					
Social Services				560,017	560,017
Total Human Services				<u>560,017</u>	<u>560,017</u>
<b>Culture and Recreation</b>					
County Park		38,468	4,224	18,742	61,434
Total Culture and Recreation		<u>38,468</u>	<u>4,224</u>	<u>18,742</u>	<u>61,434</u>
Total General Fixed Assets	<u>\$297,562</u>	<u>\$9,275,951</u>	<u>\$663,232</u>	<u>\$5,915,440</u>	<u>\$16,152,185</u>

**CASS COUNTY GOVERNMENT**  
**Schedule of Changes in General Fixed Assets**  
**by Function and Activity**  
**For the Year Ended December 31, 1998**

Function and Activity	Balance January 1, 1998	Additions	Deductions	Transfers		Balance December 31, 1998
				In	Out	
<b>General Government</b>						
General Administration	\$8,156,926	\$2,600	\$3,186	\$0	\$0	\$8,156,340
Finance	379,805	57,399	11,111	0	380	425,712
Other	254,780	44,042	10,400	4,317	0	292,739
Total General Government	8,791,511	104,041	24,697	4,317	380	8,874,791
<b>Public Safety</b>						
Justice	234,297	10,592	1,828	950	0	244,011
Law Enforcement	1,504,022	162,277	81,085	2,266	5,158	1,582,322
County Jail	1,750,065	19,496	7,800	2,200	2,150	1,761,811
Total Public Safety	3,488,384	192,365	90,713	5,416	7,308	3,588,144
<b>Public Works</b>						
Highway Department	3,187,468	156,203	369,038	380	2,750	2,972,263
Total Public Works	3,187,468	156,203	369,038	380	2,750	2,972,263
<b>Conservation and Economic Development</b>						
Extension Agent	90,076	5,460	0	0	0	95,536
Total Conservation & Economic Development	90,076	5,460	0	0	0	95,536
<b>Human Services</b>						
Social Services	549,718	23,151	13,177	325	0	560,017
Total Human Services	549,718	23,151	13,177	325	0	560,017
<b>Culture and Recreation</b>						
County Park	61,434	0	0	0	0	61,434
Total Culture and Recreation	61,434	0	0	0	0	61,434
<b>Total General Fixed Assets</b>	<b>\$16,168,591</b>	<b>\$481,220</b>	<b>\$497,625</b>	<b>\$10,438</b>	<b>\$10,438</b>	<b>\$16,152,185</b>

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**CASS COUNTY GOVERNMENT**  
Statistical Section Schedules  
That Are Not Applicable

The following schedule is not included in the Statistical Section for the reason stated below:

Revenue Bond Coverage

This schedule relates to revenue bonds. The County has not issued revenue bonds.

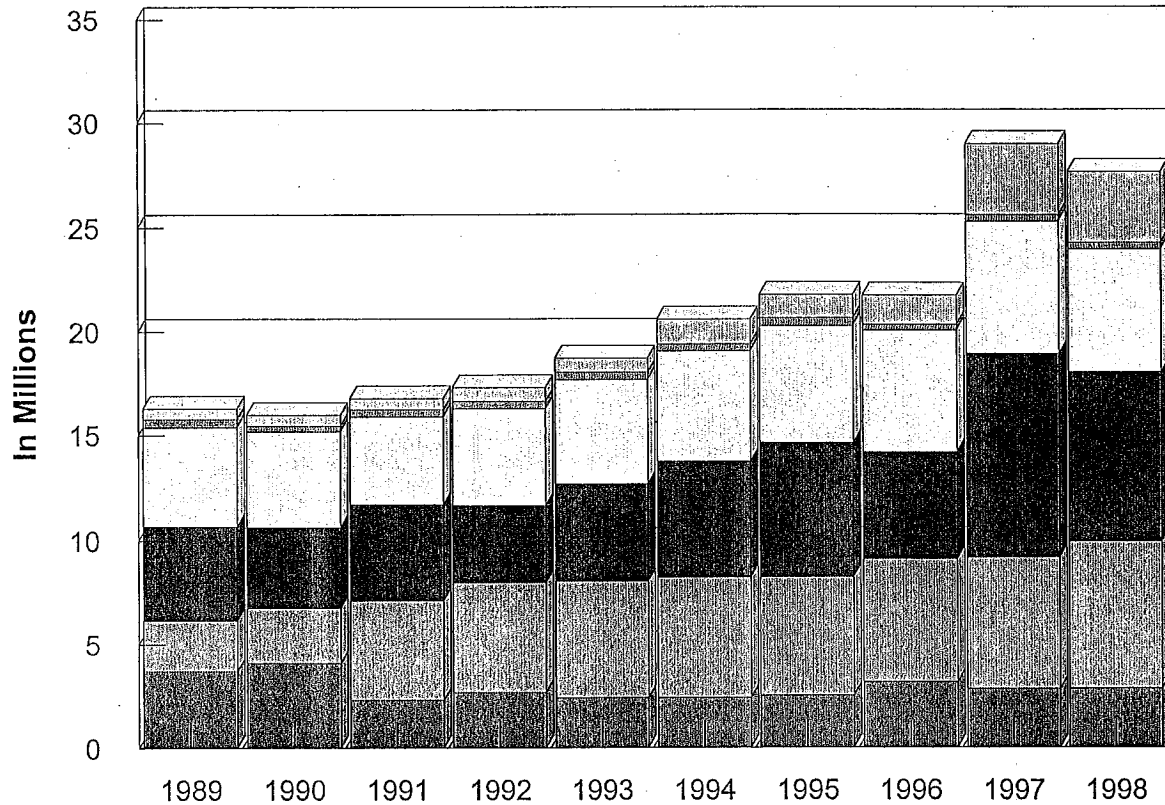
CASS COUNTY GOVERNMENT  
 General Governmental Expenditures by Function  
 Last Ten Fiscal Years  
 (Unaudited)

<u>Year</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Public Works</u>	<u>Human Services</u>	<u>Culture &amp; Recreation</u>	<u>Conservation &amp; Economic Development</u>	<u>Total</u>
1989	3,707,422	2,446,436	4,520,629	4,688,955	399,096	520,284	16,282,822
1990	4,109,743	2,646,398	3,880,717	4,525,129	278,769	527,398	15,968,154
1991	2,311,701	4,801,182	4,582,674	4,178,817	358,628	536,382	16,769,384
1992	2,677,488	5,292,446	3,681,602	4,603,578	383,714	664,100	17,302,928
1993	2,425,339	5,607,261	4,644,126	5,000,191	367,640	674,331	18,718,888
1994	2,419,051	5,801,096	5,521,660	5,302,790	364,126	1,180,217	20,588,940
1995	2,527,518	5,702,165	6,390,355	5,646,151	383,873	1,124,894	21,774,956
1996	3,157,390	5,949,036	5,073,412	5,873,394	283,196	1,405,892	21,742,320
1997	2,843,991	6,339,354	9,743,459	6,355,987	299,284	3,393,069	28,975,144
1998	2,854,837	7,080,769	8,109,816	5,889,859	326,440	3,361,886	27,623,607

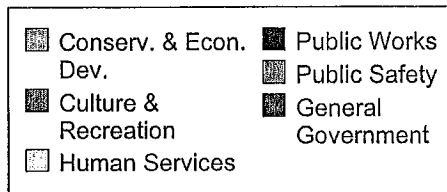
NOTE: Includes General Fund and all Special Revenue Funds.

# CASS COUNTY GOVERNMENT

## General Governmental Expenditures by Function



**Last Ten Years**



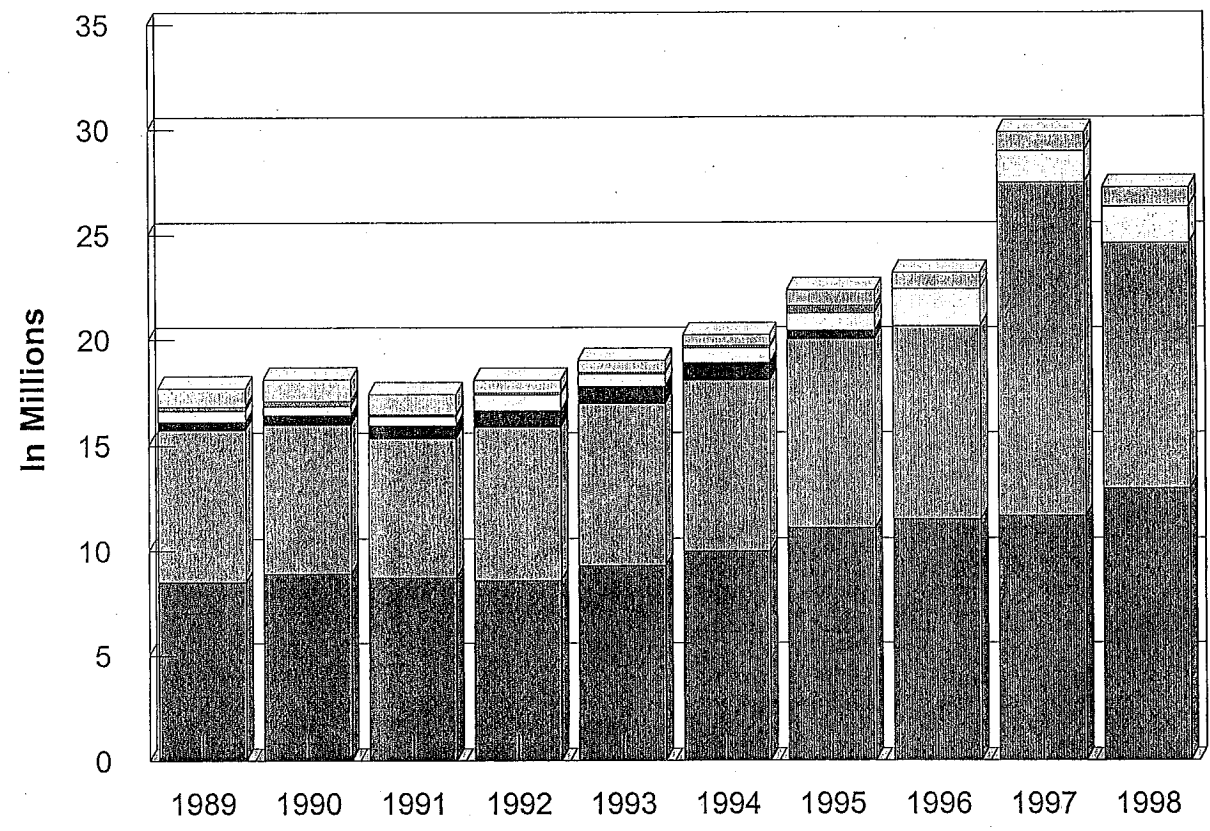
CASS COUNTY GOVERNMENT  
 General Governmental Revenues by Source  
 Last Ten Fiscal Years  
 (Unaudited)

<u>Year</u>	<u>Taxes</u>	<u>Inter- governmental Revenues</u>	<u>Licenses, Permits and Fees</u>	<u>Charges for Services</u>	<u>Fines &amp; Forfeitures</u>	<u>Miscellaneous</u>	<u>Total</u>
1989	8,509,487	7,210,623	388,366	506,264	208,795	870,629	17,694,164
1990	8,896,219	7,059,175	463,771	410,809	251,057	1,017,543	18,098,574
1991	8,707,221	6,604,316	617,982	425,789	95,987	949,958	17,401,253
1992	8,560,506	7,299,075	781,446	730,965	109,185	592,816	18,073,993
1993	9,267,434	7,686,150	827,406	569,102	94,735	560,751	19,005,578
1994	9,961,242	8,084,890	845,999	679,523	120,426	522,089	20,214,169
1995	11,072,602	8,926,019	433,852	809,519	366,980	753,369	22,362,341
1996	11,469,236	9,148,905	30,261	1,759,943	- 0 -	772,514	23,180,859
1997	11,646,909	15,809,754	20,853	1,483,951	- 0 -	904,160	29,865,627
1998	12,950,635	11,640,209	13,150	1,717,635	- 0 -	916,904	27,238,533

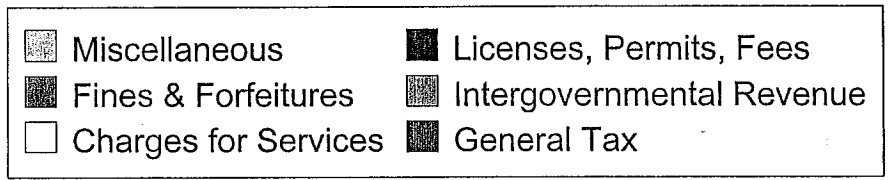
NOTE: Includes General Fund and all Special Revenue, Debt Service, and Capital Project Funds

# CASS COUNTY GOVERNMENT

## General Governmental Revenues by Source



### Last Ten Years



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

<u>Year Ended December 31</u>	<u>Total Tax Levy</u>	<u>Tax Collections</u>	<u>Percent of Levy Collected (1)</u>
1989	47,562,985	45,784,684	96.26%
1990	50,923,381	49,106,986	96.43%
1991	55,026,669	51,553,341	93.69%
1992	57,045,663	54,813,360	96.09%
1993	63,589,024	60,283,582	94.80%
1994	67,519,754	64,662,203	95.77%
1995	73,898,989	70,625,064	95.57%
1996	78,086,674	74,519,939	95.43%
1997	82,816,042	78,892,015	95.26%
1998	90,420,651	85,521,478	94.58%

(1) NOTES ON PROPERTY TAX COLLECTIONS:

Taxpayers receive a 5% discount if taxes are paid before  
February 15, which reduces the Percent of Levy Collected.

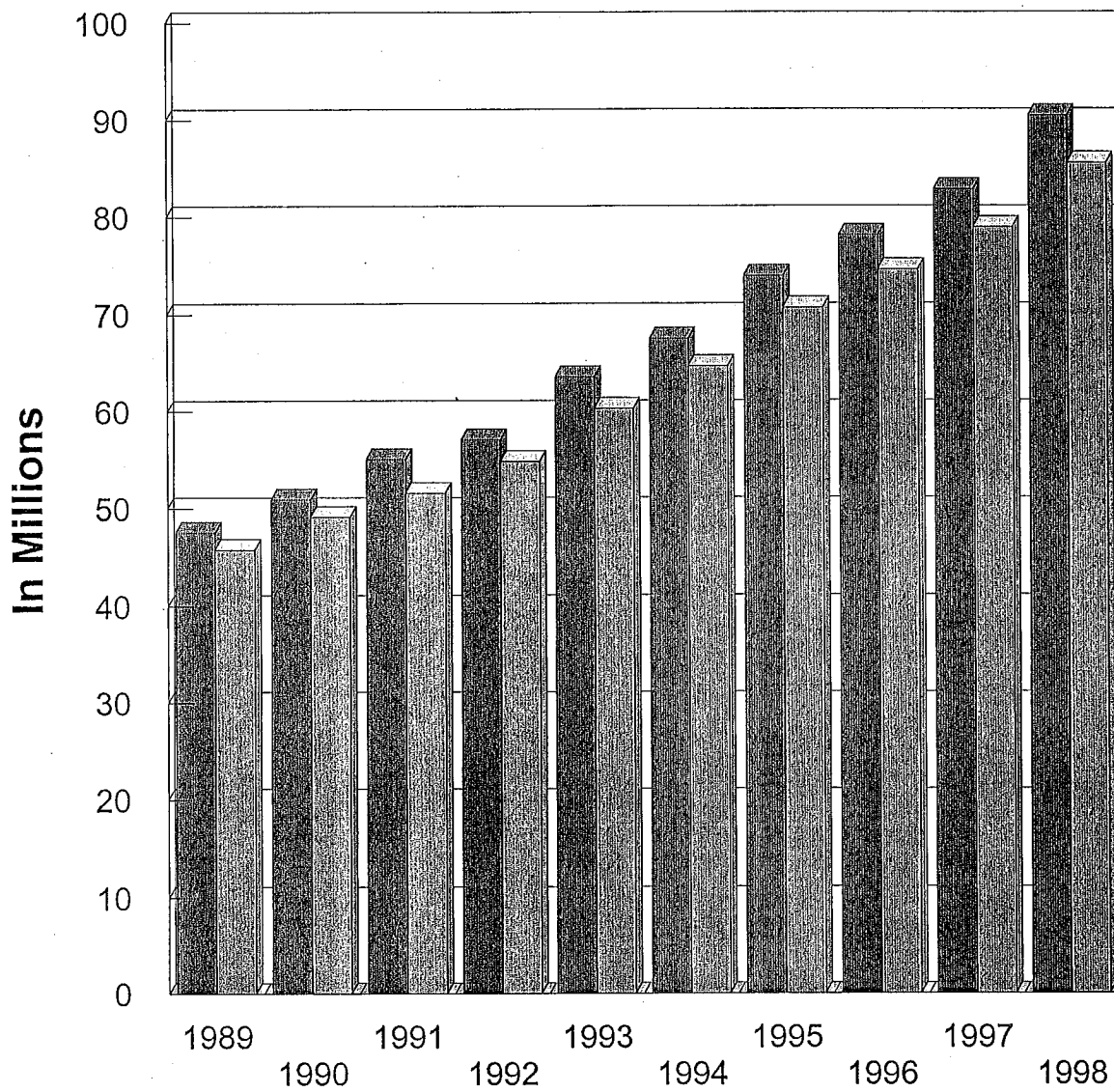
The Percent of Levy Collected is lower for the most recent  
years because taxpayers have five years to pay delinquent  
taxes before their property is redeemed by the County.

SOURCE: County Auditor's Office

\*Year of tax levy is for the following financial year.

# CASS COUNTY GOVERNMENT

## Property Tax Levies and Collections



**Last Ten Years**

■ Tax Levy  
■ Tax Collections

CASS COUNTY GOVERNMENT  
 Estimated Market, Assessed, and Taxable Value of Taxable Property  
 Last Ten Fiscal Years  
 (Unaudited)

Year	Estimated Market Value (True & Full)	Assessed Value (1)	Taxable Value (2)
1989	2,999,590,340	1,499,795,170	143,064,640
1990	3,077,580,691	1,538,790,346	146,835,065
1991	3,101,083,982	1,550,541,991	147,785,310
1992	3,186,469,120	1,593,234,560	151,773,258
1993	3,321,718,493	1,660,859,247	158,128,153 (3)
1994	3,361,321,895	1,680,660,948	167,657,381 (3)
1995	3,612,351,870	1,806,175,935	178,607,480 (3)
1996	3,856,613,420	1,928,306,710	190,872,097 (3)
1997	4,113,383,670	2,056,691,835	202,917,086 (3)
1998	4,365,949,370	2,182,974,685	211,793,044 (3)

(1) Assessed Value is 50% of Market Value

(2) Taxable Value is determined as follows:  
 Commercial Property: 10% of Assessed Value  
 Farmland: 10% of Assessed Value  
 Residential Property: 9% of Assessed Value

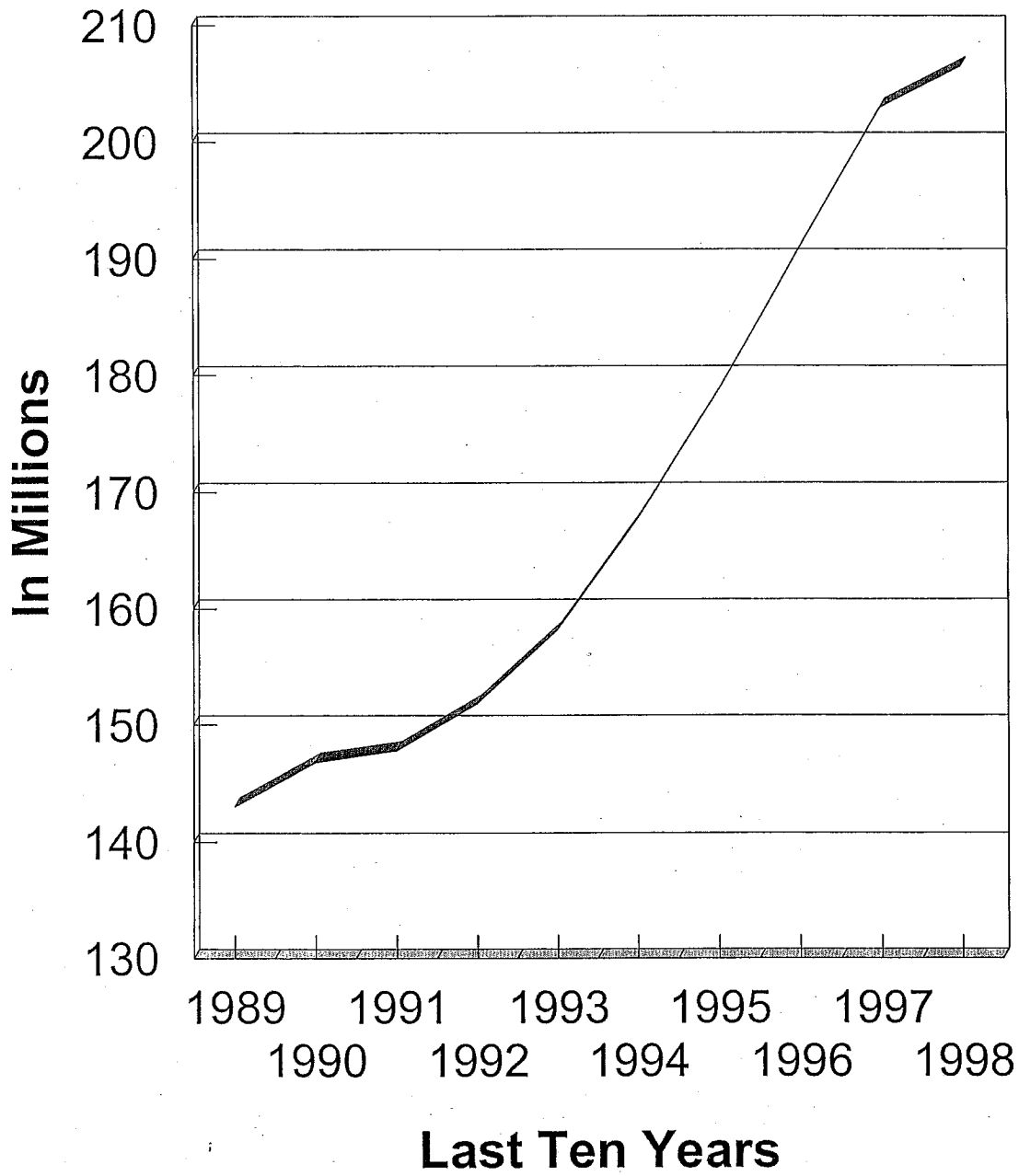
(3) Beginning in 1991, Taxable Value was reduced by tax increment financing.

SOURCE: County Auditor's Office



# CASS COUNTY GOVERNMENT

Taxable Value



CASS COUNTY GOVERNMENT  
Special Assessment Billings and Collections  
Last Ten Fiscal Years  
(Unaudited)

<u>Year Ended December 31</u>	<u>Total Billings</u>	<u>Total Collections</u>	<u>Percent Collected (1)</u>
1989	\$13,003,365	\$12,619,308	97.05%
1990	13,091,322	12,471,031	95.26%
1991	13,764,382	12,428,057	90.29%
1992	14,392,831	14,356,228	99.75%
1993	15,341,715	15,168,818	98.87%
1994	14,788,666	14,589,019	98.65%
1995	15,265,023	15,150,178	99.25%
1996	15,303,833	15,224,616	99.48%
1997	15,696,319	15,576,543	99.24%
1998	16,101,209	15,775,370	97.98%

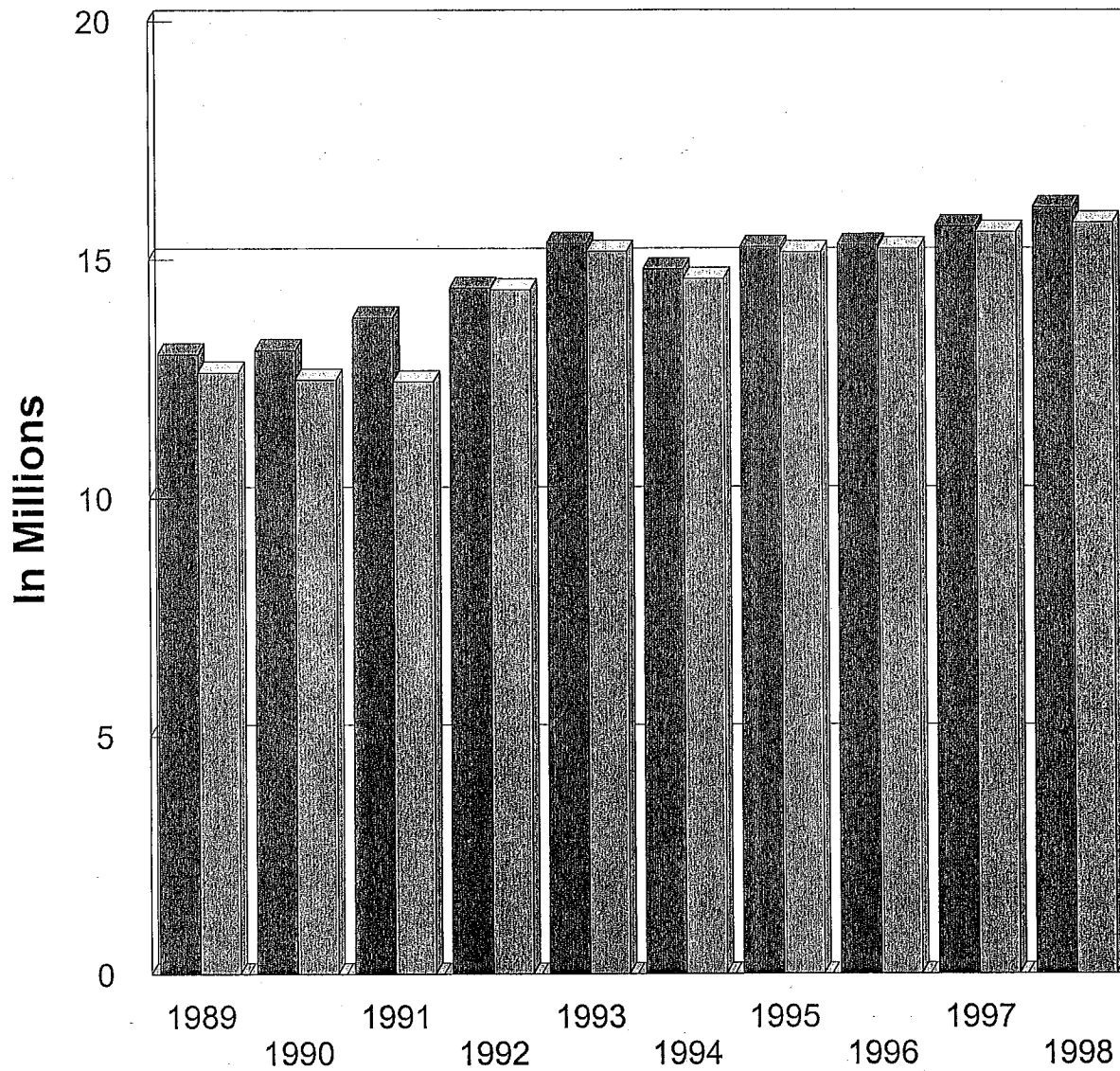
(1) The Percent Collected is lower for the most recent years because property owners have five years to pay delinquent special assessments before their property is redeemed by the County.

SOURCE: County Auditor's Office

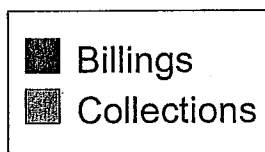
\*Year of tax levy is for the following financial year.

# CASS COUNTY GOVERNMENT

## Special Assessment Billings and Collections



**Last Ten Years**



CASS COUNTY GOVERNMENT  
Property Tax Rates and Distribution of General Levy Property Taxes  
Direct and Overlapping Governments  
Last Ten Years  
(Unaudited)

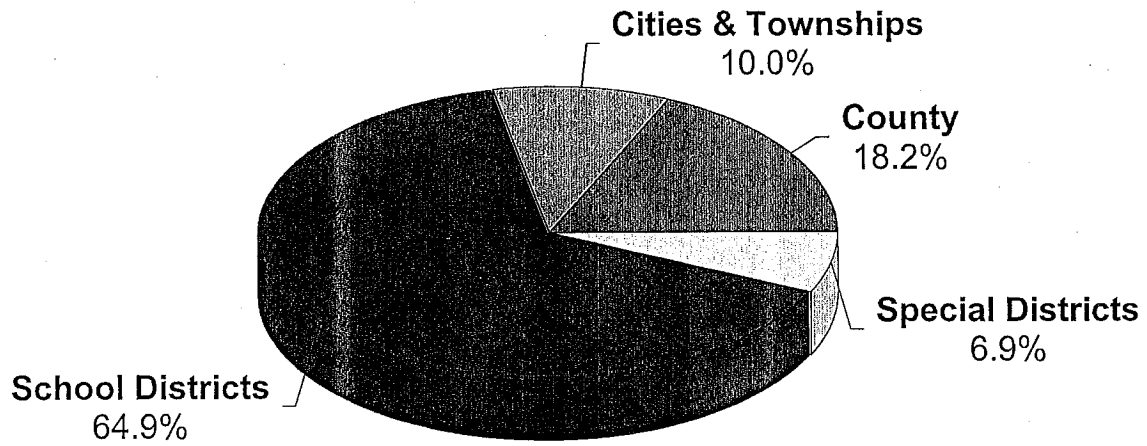
Year Ended December 31	Property Tax Rates Per \$1000 of Taxable Valuation		Distribution of General Levy Property Taxes (1)				
	Low	High	County	Cities & Townships	School Districts	Special Districts	Total
1989	217.22	377.31	21.51%	13.23%	58.15%	7.11%	100%
1990	222.34	395.94	19.56%	13.15%	59.03%	8.25%	100%
1991	231.45	414.92	18.71%	13.03%	60.68%	7.58%	100%
1992	243.49	447.33	18.38%	11.51%	63.36%	6.76%	100%
1993	255.45	456.93	18.07%	11.09%	64.71%	6.13%	100%
1994	255.22	470.44	18.19%	10.68%	64.19%	6.94%	100%
1995	261.64	468.53	17.94%	10.61%	64.80%	6.66%	100%
1996	253.62	469.60	17.28%	10.47%	65.48%	6.77%	100%
1997	259.03	369.48	17.59%	10.17%	65.38%	6.86%	100%
1998	269.15	493.22	18.17%	9.99%	64.90%	6.94%	100%

(1) The average of the high and low taxing districts was used for calculating the percent distribution of general levy property taxes.

SOURCE: County Auditor's Office

# CASS COUNTY GOVERNMENT

## 1998 Property Tax Distribution



CASS COUNTY GOVERNMENT  
 Computation of Legal Debt Margin  
 December 31, 1998  
 (Unaudited)

	Amount	Percent
Assessed Value of all property	\$2,182,974,685	(1)
Debt Limit - 5% of Assessed Value	\$109,148,734	100.0%
 <u>Legal Debt Margin:</u>		
Debt Applicable to Limitation:		
Total general obligation bonded debt	\$1,005,000	
Less: Amount available for repayment of general obligation bonds	(154,543)	
Total debt applicable to limitation	850,457	0.8%
LEGAL DEBT MARGIN	\$108,298,277	99.2%

(1) SOURCE: County Auditor's Office

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

Year	Estimated Population	Total Assessed Valuation	General Bonded Debt	Debt Service Monies Available (1)	Net Bonded Debt	Percent of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
1989	101,759	1,499,795,170	1,275,000	1,317,137	-0-	0.00%	0
1990	102,874	1,538,790,346				*	0
1991	104,612	1,550,541,991	400,000	-0-	400,000	0.03%	4
1992	106,604	1,593,234,560	275,000	47,081	227,919	0.01%	2
1993	108,408	1,660,859,247	140,000	40,732	99,268	0.01%	1
1994	110,355	1,680,660,949	2,210,000	158,780	2,051,220	0.12%	19
1995	111,961	1,806,175,935	2,340,000	170,224	2,169,776	0.12%	19
1996	113,343	1,928,306,710	1,915,000	148,328	1,766,672	0.09%	16
1997	114,580	2,056,691,835	1,470,000	114,844	1,355,156	0.07%	12
1998	116,832	2,182,974,685	1,005,000	154,543	850,457	0.04%	7

(1) Includes all long-term general obligation debt  
\* Additional funds were available to pay interest on bonds.

SOURCE: County Auditor's Office  
[www.sdc.ag.ndsu.nodak.edu](http://www.sdc.ag.ndsu.nodak.edu)

CASS COUNTY GOVERNMENT  
 Percent of Annual Debt Service Expenditures for General  
 Bonded Debt to Total General Governmental Expenditures  
 Last Ten Fiscal Years  
 (Unaudited)

Year	Principal	Interest (1)	Total Debt Service	Total General Governmental Expenditures (2)	Percent of Debt Service to Total General Governmental Expenditures
1989	838,950	209,087	1,048,037	16,282,822	6.4%
1990	1,468,823	548,837	2,017,660	15,968,154	12.6%
1991	200,200	700,581	900,781	16,769,384	5.4%
1992	654,300	729,599	1,383,899	17,302,928	8.0%
1993	195,000	27,354	222,354	18,718,888	1.2%
1994	210,000	20,540	230,540	20,588,940	1.1%
1995	435,000	113,203	548,203	21,774,956	2.5%
1996	450,000	115,012	565,012	21,742,320	2.6%
1997	445,000	77,867	522,867	28,975,144	1.8%
1998	1,005,000	38,205	1,043,205	27,623,607	3.8%

(1) Includes bond issuance and other costs.

(2) Includes General Fund and all Special Revenue Funds.



CASS COUNTY GOVERNMENT  
 Computation of Direct and Overlapping Debt  
 December 31, 1998  
 (Unaudited)

<u>Name of Entity</u>	<u>Percentage Applicable to Cass County</u>	<u>Debt (1) December 31, 1998</u>
Cass County Government	100.0%	\$1,005,000
<u>Cities:</u>		
West Fargo	100.0%	21,623,000
Fargo	100.0%	640,000
Briarwood	100.0%	10,000
Kindred	100.0%	428,602
Oxbow	100.0%	645,000
Prairie Rose	100.0%	175,000
Reile's Acres	100.0%	440,000
Harwood	100.0%	29,861
<u>Public School Districts:</u>		
Fargo PSD	100.0%	53,372,319
West Fargo PSD	100.0%	14,730,000
Kindred PSD	69.7%	2,294,000
Central Cass PSD	100.0%	4,785,000
Northern Cass PSD	89.5%	5,530,000
Total Direct and Overlapping Bonded Debt		<u>\$105,707,781</u>

(1) Excludes revenue bonds, special assessments, and non-bonded capital lease obligations.

SOURCE: County Auditor's Office

CASS COUNTY GOVERNMENT  
 Ten Largest Property Taxpayers Ranked by Taxable Value  
 Year Ended December 31, 1998  
 (Unaudited)

Name	Type of Business	Taxable Value	Percentage of Total Taxable Value
Northern States Power Company	Utilities	\$3,117,735	1.47%
Paracelsus Healthcare Corporation	Health Services	\$2,210,102	1.04%
West Acres Development Company	Shopping Center	2,199,400	1.04%
Burlington Northern Inc	Railroad	1,187,644	0.56%
Wylie Corporation	Transportation	960,256	0.45%
Medical Properties	Health Services	954,050	0.45%
Meritcare Medical Group	Health Services	790,550	0.37%
Case Equipment Corporation	Manufacturer	783,205	0.37%
Super Valu Stores Inc	Wholesale Grocer	712,300	0.34%
VanRaden Homes Inc	Developer	<u>648,979</u>	<u>0.31%</u>
Total Attributable to Ten Largest Property Taxpayers		<u>\$13,564,221</u>	<u>6.40%</u>
TOTAL GROSS TAXABLE VALUE		<u>\$211,793,044</u>	<u>100.00%</u>

SOURCE: County Auditor's Office

CASS COUNTY GOVERNMENT  
 Construction  
 Last Ten Fiscal Years  
 (Unaudited)

Year	Commercial Construction (1)		Residential Construction (1)	
	Value (In Thousands)	Units	Value (In Thousands)	Units
1989	50,294	417	56,483	1,182
1990	58,422	432	52,316	1,141
1991	53,294	524	55,865	1,333
1992	59,814	619	69,688	1,560
1993	61,086	578	83,999	1,784
1994	116,208	721	75,988	1,637
1995	93,208	616	57,487	1,476
1996	75,827	669	80,193	1,532
1997	85,997	668	79,812	1,504
1998	117,144	752	84,867	2,416

(1) Construction is for Fargo, West Fargo and the outlying areas of West Fargo. Other construction information is not available, and is considered immaterial to the County, as a whole.

SOURCES: Fargo: City of Fargo  
 West Fargo & outlying area: Moore Engineering

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

Year	Estimated Population (1)	Per Capita Income (1)	School Enrollment K-12 (2)	Unemployment Rate (3)
1989	101,759	15,799	17,777	2.3%
1990	102,874	17,353	18,297	3.4%
1991	104,612	17,928	18,676	3.9%
1992	106,604	19,175	19,023	3.9%
1993	108,408	19,700	19,976	3.3%
1994	110,355	21,061	19,651	2.8%
1995	111,961	22,275	20,327	2.8%
1996	113,343	23,513	*	2.3%
1997	114,580	24,394	**	1.4%
1998	116,832	*	**	1.6%

SOURCES:

- (1) NDSU State Census Data Center
- (2) Cass County Auditor's Office
- (3) North Dakota Job Service

- \* Information is not yet available.
- \*\* Data gathered every two years

CASS COUNTY GOVERNMENT  
1990 Census Data  
(Unaudited)

Cass County Population 102,874

CITIES		TOWNSHIPS	
ALICE	62	ADDISON	95
AMENIA	82	AMENIA	132
ARGUSVILLE	161	ARTHUR	71
ARTHUR	400	AYR	78
AYR	19	BARNES	291
BRIARWOOD	88	BELL	52
BUFFALO	204	BERLIN	133
CASSELTON	1,601	BUFFALO	77
DAVENPORT	218	CASSELTON	111
ENDERLIN	17	CLIFTON	78
FARGO	74,111	CORNELL	90
FRONTIER	218	DAVENPORT	131
GARDNER	85	DOWS	76
GRANDIN	213	DURBIN	106
HARWOOD	590	ELDRED	115
HORACE	662	EMPIRE	124
HUNTER	341	ERIE	135
KINDRED	569	EVEREST	126
LEONARD	310	FARGO	0
MAPLETON	682	GARDNER	115
NORTH RIVER	68	GILL	115
OXBOW	100	GUNKEL	72
PAGE	266	HARMONY	93
PRAIRIE ROSE	49	HARWOOD	322
REILE'S ACRES	210	HIGHLAND	144
TOWER CITY	233	HILL	64
WEST FARGO	12,287	HOWES	99
		HUNTER	95
		KINYON	100
		LAKE	59
		LEONARD	121
		MAPLE RIVER	125
		MAPLETON	269
		NOBLE	99
		NORMANNA	340
		PAGE	59
		PLEASANT	354
		PONTIAC	108
		RAYMOND	284
		REED	1,046
		RICH	81
		ROCHESTER	46
		RUSH RIVER	107
		STANLEY	1,933
		TOWER	66
		WALBURG	189
		WARREN	133
		WATSON	123
		WHEATLAND	153
		WISER	93
		Total Townships	9,028
Total Cities	93,846	Percent of Total	9%
Percent of Total	91%		

NOTE: 1990 is the most current data available.

SOURCE: US Department of Commerce,  
Bureau of the Census

CASS COUNTY GOVERNMENT  
 Demographic and Miscellaneous Statistical Data  
 December 31, 1998  
 (Unaudited)

In 1873, the Territorial Legislature approved the formation of Cass County. The County was named for George W. Cass, president of the Northern Pacific Railway Company.

Cass County is located in the Red River Valley, a fertile level plain, formerly the bottom of a glacial lake. The County is approximately 42 miles square, bounded on the east by the Red River of the North which divides North Dakota and Minnesota; on the north by Traill and Steele Counties; on the west by Barnes County; and on the south by Ransom and Richland Counties.

<p>Form of Government: Home Rule Charter passed by the voters in 1994.</p> <p>Board Meetings: First and Third Mondays</p> <p>County Seat: Fargo, North Dakota          Population, 1990 Census: 74,111          Largest city in North Dakota</p> <p>Area of County: 1,848 Square Miles</p> <p><u>Temperature:</u>          Average Daily Max: 51.2 F          Average Daily Min: 29.8 F</p> <p>Mean Precipitation: 19.59 Inches</p> <p>Fiscal Year: January 1 - December 31</p>	<p><u>Employment Distribution*</u></p> <p>Agriculture 0.5%</p> <p>Mining &amp; Construction 6.0%</p> <p>Manufacturing 9.2%</p> <p>Trans/Communication/Utilities 5.9%</p> <p>Wholesale Trade 9.8%</p> <p>Retail Trade 19.7%</p> <p>Financial/Insurance/Real Estate 7.2%</p> <p>Services 30.1%</p> <p>Government 11.6%</p> <p>(Source: Job Service of North Dakota,  <a href="http://www.state.nd.us/jsnd">www.state.nd.us/jsnd</a>)</p> <p>* Includes only employees for which unemployment insurance is paid.</p> <p><u>Number of:</u></p> <p>Cities 27</p> <p>Townships 50</p> <p>School Districts 11</p> <p>Fire Districts 13</p> <p>Water Districts 4</p>
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CASS COUNTY GOVERNMENT  
 Ten Largest Employers  
 December 31, 1998  
 (Unaudited)

Employer	Type of Business	Number of Employees
Meritcare Health Systems	Health Services	3,800
North Dakota State University	Educational Services	1,920
Melroe Company	Manufacturing	1,850
Dakota Heartland Health System	Medical	1350
Blue Cross Blue Shield of North Dakota	Insurance	1,300
Fargo Public School District #1	Educational Services	1,090
Dakota Clinic, Ltd	Health Services	1000
Case Corporation	Manufacturer	770
Great Plains	Computers-Software	737
Department of Veterans Affairs	Health Services	577

SOURCE: Fargo Chamber of Commerce

CASS COUNTY GOVERNMENT  
 Elected Officials and Full-Time Employees by Function (1)  
 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>
1989	*	*	*	*	14	*
1990	*	*	*	*	14	*
1991	*	*	*	*	14	*
1992	38	115	29	89	14	285
1993	35	117	31	89	13	285
1994	36	128	29	99	13	305
1995	33	139	28	99	11	310
1996	29	137	26	91	11	294
1997	26	136	32	114	11	319
1998	31	140	36	114	11	332

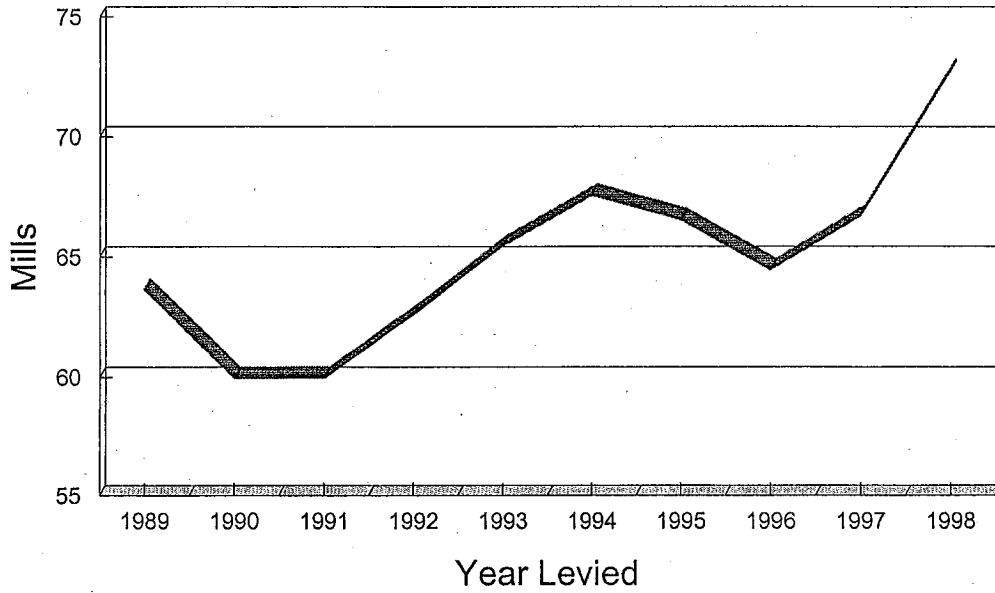
(1) For this schedule, full-time is 30 hours per week (75% FTE) or more.

\* Information not available.



CASS COUNTY GOVERNMENT  
 County Mill Levies  
 Last Ten Years

<u>Year</u>	<u>Total General and Special Mill Levies</u>
1989	63.64
1990	59.98
1991	59.99
1992	62.63
1993	65.49
1994	67.59
1995	66.56
1996	64.47
1997	66.74
1998	72.77



CASS COUNTY GOVERNMENT  
 Taxable Sales and Purchases  
 Last Ten Fiscal Years  
 (Unaudited)

Year	Taxable Sales and Purchases (In Thousands)	Percent Increase
1989	813,440	6.4%
1990	908,335	11.7%
1991	995,553	9.6%
1992	1,071,436	7.6%
1993	1,147,051	7.1%
1994	1,257,762	9.7%
1995	1,359,232	8.1%
1996	1,447,373	6.5%
1997	1,550,705	7.1%
1998	1,610,533	3.9%

SOURCE: North Dakota State Tax Commissioner

