

# CASS COUNTY GOVERNMENT



## COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2007  
Fargo, North Dakota

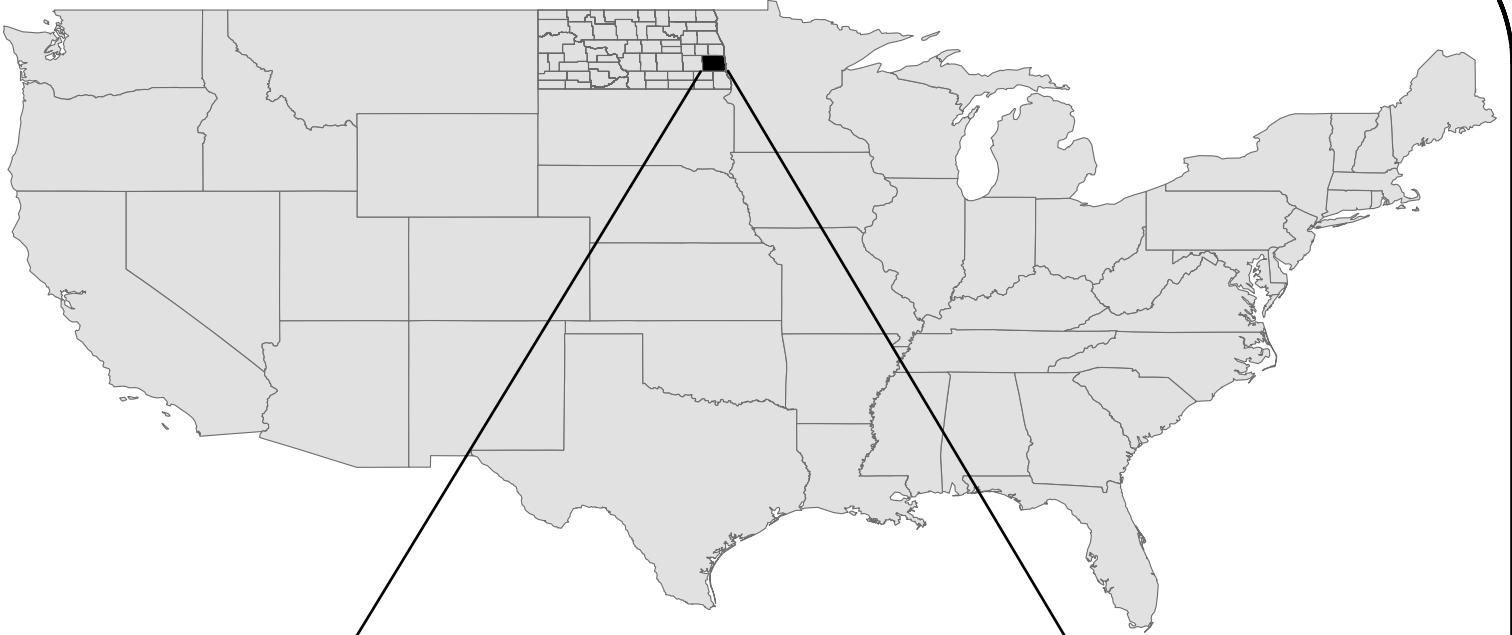
**CASS COUNTY, NORTH DAKOTA**

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ANNUAL  
FINANCIAL  
REPORT**

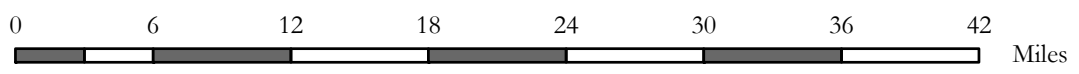
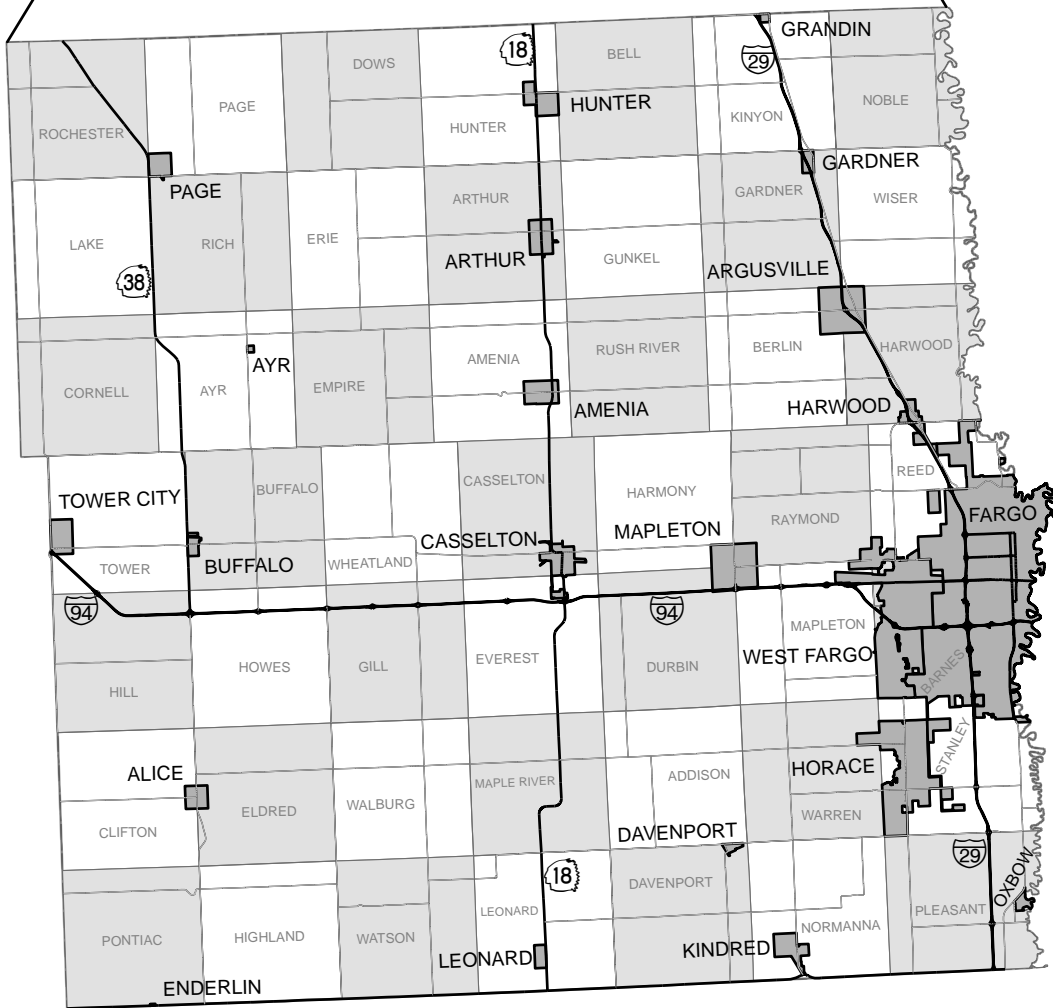
For the Year Ended December 31,  
**2007**

Prepared by the County Auditor's Office

# North Dakota



# Cass County



**CASS COUNTY GOVERNMENT  
Comprehensive Annual Financial Report  
For the Year Ended December 31, 2007**

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<b>INTRODUCTORY SECTION</b>





May 31, 2008

## **Auditor**

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

Michael Montplaisir, CPA  
701-241-5601

The Comprehensive Annual Financial Report of Cass County is hereby submitted for the fiscal year ended December 31, 2007.

## **Treasurer**

Charlotte Sandvik  
701-241-5611

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 of the County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

## **Director of Equalization**

Frank Klein  
701-241-5616

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.

The Office of the State Auditor has audited the County's financial statements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County's financial statements for the year ended December 31, 2007, are fairly presented in conformity with GAAP. 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-133. 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. The results of this examination for the fiscal year ended December 31, 2007 are incorporated in a separate report.

Box 2806  
211 Ninth Street South  
Fargo, North Dakota 58103

Fax 701-241-5728

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

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

### **Profile of the Government**

Cass County is located on the eastern edge of North Dakota, bordering along the Red River, the boundary between North Dakota and Minnesota. The Red River Valley is one of the most fertile agricultural areas in the world. The economic condition and outlook of the County have remained strong; the County population grew almost twenty percent from 1990 to 2000, according to the latest census figures, while the overall increase in statewide population was less than one percent. Two of the fastest growing cities in North Dakota are located in Cass County, including the City of Fargo, home of the County Courthouse and administrative offices.

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

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

The County is 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.

## **Local Economy**

Cass County is home to the state's second largest university, North Dakota State University, with a student body of over 10,500. 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, Dakota Clinic and the affiliated Innovis Hospital, and Meritcare Health System. Dakota Clinic and Innovis Hospital were recently purchased by Essential Health who has plans for major additions to the facilities. 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 that draws from eastern North Dakota, western Minnesota, and central Canada. Taxable sales and purchases through the fourth quarter of 2007 were \$2.3 billion, which represents a 4.9 percent increase from 2006. Sales have increased by an average 4 percent over the last ten years.

## **Long-Term Financial Planning**

Over the past ten years, the taxable valuation of the County has been growing at an average rate of over 7.0 percent, and the population, as noted above, has been growing at an average rate of 2.0 percent. The taxable valuation growth has occurred mainly in the service industry and in new home construction. These growth trends are expected to continue. The county continues to manage resources through budgeting policies.

The County Commission is required to adopt an annual budget on or before October 1 of each year. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the County Commission and to give County departments definite guidelines for operations. The County is legally required to maintain budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) at the fund level. The County's budgetary policy includes provisions for maintaining reserves at an adequate level (7% to 10% of budgeted expenditures) for each separate fund. The County also requires officials to maintain budgetary control at the department level.

With the continued growth through out the county many departments are experiencing case load increases which has resulted in need for increased staff. The county has hired consultants to review statistical information on work loads and to help with long-term growth and planning for the future. The results of this study will be used in the preparation of the planning process to build an addition to the courthouse.

## **Relevant Financial Policies**

### **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, and certificates of deposit. These amounts must be deposited in a financial institution situated and doing business within the state. 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, 2007 are considered adequate by management to cover the ultimate cost to defend or settle claims arising from these risks.

### **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Cass County for its comprehensive annual financial report for the fiscal year ended December 31, 2006. This was the fourteenth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

### **Acknowledgments**

The preparation of this report could not have been completed if it had not been for the commitment of the County Commission in improving the accounting, budgeting, and financial operation of the County. The Commission has provided the support and fiscal resources necessary to make this report possible. I would also like to acknowledge the professional expertise of Mary Matheson and Alicia Ulberg, Accountants, and DeAnn Buckhouse, principal 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, 2006

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.



*Oliver S. Cox*

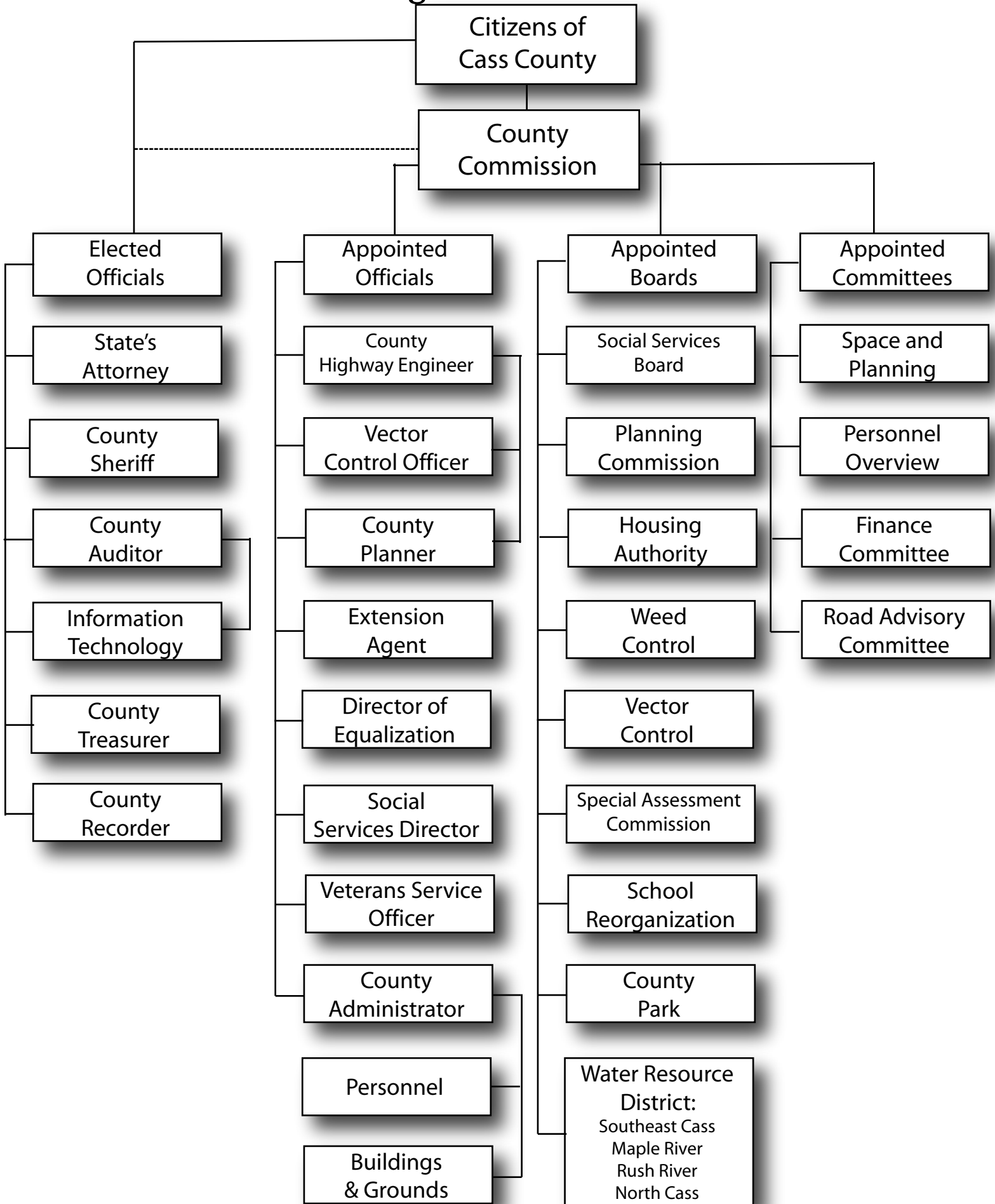
President

*Jeffrey R. Emer*

Executive Director

The Government Finance Officers of the United State and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Cass County Government for its comprehensive annual financial report for the fiscal year ending December 31, 2006. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and acceptable legal requirements.

# Cass County Government Organizational Chart



**CASS COUNTY GOVERNMENT  
COUNTY OFFICIALS**

**Current Officials**

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

**2007 Officials**

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

**THIS PAGE HAS BEEN RESERVED FOR NOTES**



**FINANCIAL SECTION**

STATE AUDITOR  
ROBERT R. PETERSON  
PHONE  
(701) 328-2241  
FAX  
(701) 328-1406



LOCAL GOVERNMENT DIVISION:  
FARGO OFFICE  
MANAGER - DAVID MIX  
(701) 239-7252  
FAX (701) 239-7251

STATE OF NORTH DAKOTA  
**OFFICE OF THE STATE AUDITOR**  
600 E. BOULEVARD AVENUE - DEPT. 117  
BISMARCK, ND 58505

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## INDEPENDENT AUDITOR'S REPORT

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To the Governing Board of Cass County  
Fargo, North Dakota

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Cass County, Fargo, North Dakota, as of and for the year ended December 31, 2007, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Cass County, Fargo, North Dakota management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Cass County, Fargo, North Dakota, as of December 31, 2007, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund, the human service fund, and the county road and bridge fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued under separate cover, our report dated April 11, 2008 on our consideration of Cass County, Fargo, North Dakota internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 11 through 18 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Cass County, Fargo, North Dakota basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, combining schedules of revenues, expenditures, and changes in fund balance – budget and actual, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements, combining schedules of revenues, expenditures, and changes in fund balance – budget and actual have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



Robert R. Peterson  
State Auditor

April 11, 2008

**CASS COUNTY GOVERNMENT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

The County's management discussion and analysis offers readers of the County's financial statements a narrative overview and analysis of the County's financial activities for the fiscal year ended December 31, 2007. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, and in the financial statements and notes to the financial statements.

**FINANCIAL HIGHLIGHTS**

- At December 31, 2007, the net assets of Cass County Government exceeded liabilities by \$113,750,562. Net assets invested in capital assets (net of depreciation and related debt) accounted for nearly 85% of this amount, with a value of \$96,422,671. Of the remaining net assets, \$3,918,740 is restricted for special purposes, \$9,617,858 is restricted for capital projects, and \$3,791,292 is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors, without legal restriction.
- At December 31, 2007, the County's governmental funds reported combined ending fund balances of \$17,115,931, a decrease of \$595,785 over the previous year.
- At December 31, 2007, the unreserved fund balance for the General Fund was \$2,240,570 or 11% of total general fund expenditures.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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

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

The Statement of Activities presents information showing how the government's net assets changed during fiscal year 2007. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. Items such as uncollected taxes and earned but unused vacation leave will be included in the Statement of Activities as revenues and expenses, even though the cash associated with these items will not be received or distributed in 2007.

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

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

The government-wide financial statements can be found on pages 19-21 of this report.

## **FUND FINANCIAL STATEMENTS**

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

### **Governmental Funds**

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide statements. By doing so,

readers may better understand the long-term impact of the government's near-term financing decisions. The Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains thirty individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance for the General, Human Services, County Road and Bridge, Future Building and Jail Construction Funds, which are considered to be major funds. Data from the other twenty-five governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in the supplementary information section of this report.

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

The basic governmental fund financial statements can be found on pages 24-37 of this report. Combining component unit statements can be found on pages 38-41.

### **Proprietary Funds**

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

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

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

### **Fiduciary Funds**

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

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

## NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 42-66 of this report.

## OTHER INFORMATION

The combining statements referred to on page 13 in connection with non-major governmental funds and internal service funds are presented in the supplementary information section of this report. Combining and individual fund schedules can be found on pages 67-112 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

### STATEMENT OF NET ASSETS

As noted earlier, net assets may serve, over time, as a useful indicator of a government's financial position. At the close of the fiscal year ended December 31, 2007, Cass County's assets exceeded liabilities by \$113,750,562.

#### Statement of Net Assets December 31, 2007 and 2006

	Governmental Activities	
	2007	2006
Current and Other Assets	\$ 29,923,155	\$ 29,392,633
Capital Assets	97,115,550	90,548,328
Total Assets	\$ 127,038,705	\$ 119,940,961
Long-Term Liabilities	\$ 1,403,594	\$ 1,236,515
Other Liabilities	11,884,549	10,966,716
Total Liabilities	\$ 13,288,143	\$ 12,203,231
Net Assets:		
Invested in Capital Assets Net of Related Debt	\$ 96,422,671	\$ 89,756,013
Restricted	13,536,598	14,875,029
Unrestricted	3,791,292	3,106,687
Total Net Assets	\$ 113,750,562	\$ 107,737,729

The largest portion of the County's net assets (84.7 %), reflects its investment in capital assets (e.g. land, buildings, and equipment), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net assets (11.9 %) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$3,791,291) may be used to meet the government's ongoing obligations to its citizens and creditors. Total Net Assets increased by over 6 million. The main reason for the increase was the result of various county road improvement projects that were funded by capital grants and private sources.

## STATEMENT OF CHANGES IN NET ASSETS

Governmental activities increased the County's net assets by \$6,012,830. Key elements in changes in net assets are shown in the following table.

	Governmental Activities	
	2007	2006
<b>Revenues:</b>		
Program Revenues:		
Charges for Services	\$ 6,225,796	\$ 4,723,970
Operating Grants and Contributions	11,424,686	13,620,308
Capital Grants and Contributions	1,365,000	3,628,725
General Revenues:		
Property Taxes	22,794,242	20,913,355
Sales Tax	9,060	2,412
Estate Tax	93,929	313,134
State Share Revenues	3,101,960	2,727,366
Other	1,800,899	1,625,620
<b>Total Revenues</b>	<b>\$ 46,815,572</b>	<b>\$ 47,554,890</b>
<b>Expenses:</b>		
General Government	\$ 5,725,081	\$ 8,337,708
Public Safety	14,649,223	14,801,716
Highways and Streets	7,680,829	5,722,810
Relief and Charities	10,349,353	9,526,530
Conservation Economic Development	1,648,980	1,591,068
Culture & Recreation	691,406	627,911
Interest on Long-Term Debt	57,868	70,884
<b>Total Expenses</b>	<b>\$ 40,802,741</b>	<b>\$ 40,678,626</b>
Increase in Net Assets	\$ 6,012,830	\$ 6,876,263
Net Assets – January 1	107,737,729	100,861,464
Net Assets – December 31	<b>\$ 113,750,562</b>	<b>\$ 107,737,729</b>

Total revenues for 2007 were \$46,815,572. Property tax revenue accounted for 49% of total revenues. Other taxes accounted for less than 1%, operating grants accounted for 24%, capital grants accounted for 3%, and the remaining 24% came from charges for services, state shared revenues and interest income.

## FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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



## **GOVERNMENTAL FUNDS**

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

As of the end of fiscal year 2007, the County's governmental funds reported combined ending fund balances of \$17,115,931, a decrease of \$595,785 compared with the previous year. The General, Human Services, County Road and Bridge, Future Building and Jail Construction Funds are reported as major funds.

The General Fund is the chief operating fund of the County. At the end of the fiscal year 2007, unreserved fund balance of the General Fund was \$2,240,570, while total fund balance was \$2,518,027. As a measure of the General Fund's liquidity, it may be useful to compare unreserved fund balance to total fund expenditures. Unreserved fund balance represents 11% of total General Fund expenditures.

The County's General Fund balance increased by \$87,374 during 2007 as a result of the county's governing board efforts to closely match revenues with expenses each year. The County Commission has a policy of maintaining a cash reserve of approximately 10% of budgeted expenditures. When the reserve is greater than 10% the County Commission adjusts tax rates to decrease revenue and bring the reserve closer to the 10% goal.

The Human Service Fund balance at December 31, 2007 was \$1,686,637 – a decrease of \$348,697 over December 2006. The decrease was primarily due to salary increases and reducing the property tax mill levy.

The fund balance of the County Road and Bridge Fund at December 31, 2007 was \$1,720,445. This was a decrease of \$360,270 over 2006. The decrease was the result of an increase in construction projects.

The Future Building Fund is funded by estate tax collections and as such the revenue is extremely unpredictable. The fund is used for building renovations and minor construction projects. The fund balance at December 31, 2007 was \$8,488,533; an increase of \$992,378 over December 2006. The increase in fund balance was due to increased interest income and a \$500,000 transfer from the general fund to reserve for a budgeted capital project.

The fund balance of the Jail Construction Fund was \$847,463 at December 31, 2007; a decrease of \$1,361,322. This fund was established to provide for the construction, maintenance, operation, and future expansion of the county jail. During the 2007 year the county completed the construction of an addition to the jail.

### General Fund Budgetary Highlights

Differences between the General Fund's original budget and the final amended budget were \$506,209 in revenues and \$537,388 in expenditures. The budgeted revenues and expenditures increased due to a homeland security grant awarded to the county.

The General Fund's actual revenue was \$482,017 over the final budget and the actual expenditures were \$902,419 less than the final budget. The variance is a result of the departments under spending their budgets.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### CAPITAL ASSETS

As of December 31, 2007, the County's investment in capital assets for its governmental activities, net of accumulated depreciation, amounts to \$97,115,550. This investment in capital assets includes, land, construction in progress, buildings, improvement other than buildings, machinery and equipment, and infrastructure. The total increase in the County's investment in capital assets for the current fiscal year was \$6,567,222.

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

- Construction for the jail addition project.
- Construction of road and bridge infrastructure.
- Replacement of sheriff vehicles and heavy equipment for the road department.

The following is a schedule of capital assets net of accumulated depreciation as of December 31, 2007 and 2006:

	Governmental Activities	
	2007	2006
Land	\$ 9,096,329	\$ 8,974,094
Construction in Progress	1,157,436	3,178,089
Buildings	23,064,807	18,944,524
Improvement Other than Buildings	2,081,981	1,911,590
Machinery and Equipment	3,406,087	3,432,018
Infrastructure	58,308,910	54,108,013
Total	\$ <u>97,115,550</u>	\$ <u>90,548,328</u>

Additional information on the County's capital assets can be found in Note 5 on page 53-56 of this report.

## LONG-TERM DEBT

At the end of fiscal year 2007, the County had total debt outstanding of \$2,835,250. Of this amount, \$894,076 is special assessment debt for which the government is liable in the event of default by the property owners subject to the assessment. The remainder of the County's debt consists of special assessments payable, leases payable, and compensated absences.

The following is a schedule of the outstanding long-term debt as of December 31, 2007 and 2006:

	Governmental Activities	
	2007	2006
Special Assessment Bonds	\$ 894,076	\$ 608,481
Special Assessments Payable	3,970	3,970
Leases Payable	692,879	792,315
Compensated Absences	1,244,325	1,19,679
Total	\$ <u>2,835,250</u>	\$ <u>2,524,444</u>

Additional information on the County's debt can be found in Note 7 on pages 57-63 of this report.

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

- The unemployment rate for the County at December 31, 2007 was 2.6%.
- The taxable value of all property located in the county has increased by over 6% in each year for the last five years.
- The taxable sales in the county increased by 4.9% from the prior fiscal year.

## REQUESTS FOR INFORMATION

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

**BASIC FINANCIAL  
STATEMENTS**

**CASS COUNTY GOVERNMENT**  
**Statement of Net Assets**  
**December 31, 2007**

	Primary Government	
	Governmental Activities	Component Units
<b>ASSETS</b>		
Cash and cash equivalents	\$ 25,573,316	\$ 4,834,809
Receivables (net of allowance for uncollectibles):		
Accounts	71,372	11,891
Due From Primary Government	-	13,937
Delinquent Tax	455,940	74,210
Due From Other Governments	2,588,277	310,075
Special Assessments	-	14,966
Inventories	223,098	75,536
Prepays	233,822	10,783
Uncertified Special Assessments Receivable	777,330	7,405,094
Capital Assets Not Being Depreciated:		
Land	9,096,329	10,264,870
Construction in progress	1,157,436	1,967,000
Capital assets (net of accumulated depreciation):		
Buildings	23,064,807	23,812
Improvements other than buildings	2,081,981	-
Machinery and equipment	3,406,087	200,554
Infrastructure	58,308,910	86,117,176
Total assets	\$ 127,038,705	\$ 111,324,712
<b>LIABILITIES</b>		
Accounts payable	\$ 1,723,041	\$ 248,273
Retainages Payable	127,721	108,802
Interest Payable	32,316	52,135
Deposits	225,114	-
IBNR Claims	318,563	-
Due to Inmates	11,627	-
Unearned Revenue	8,014,511	250,272
Noncurrent liabilities:		
Due within one year	1,431,656	660,802
Due in more than one year	1,403,594	7,266,551
Total liabilities	\$ 13,288,143	\$ 8,586,835
<b>NET ASSETS</b>		
Invested in capital assets net of related debt	\$ 96,422,671	\$ 96,114,624
Restricted for:		
General Government	541,279	-
Public Safety	251,503	-
Highway and Streets	1,663,403	-
Relief and Charities	1,380,202	-
Culture and Recreation	75,525	-
Conservation and Economic Development	-	-
Conservation of Natural Resources	-	3,589,589
Debt Service	6,828	8,619,326
Capital Projects	9,617,858	-
Unrestricted	3,791,292	(5,585,659)
Total Net assets	\$ 113,750,562	\$ 102,737,878

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

**CASS COUNTY GOVERNMENT**  
**Statement of Activities**  
**For the Year Ended December 31, 2007**

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Functions/Programs</b>				
<b>Primary government:</b>				
Governmental activities:				
General government	\$ 5,725,081	\$ 1,511,975	\$ -	\$ 365,000
Public safety	14,649,223	2,138,361	2,340,639	-
Highways and streets	7,680,829	2,404,760	6,254,799	1,000,000
Relief and charities	10,349,353	132,749	2,505,044	-
Conservation & economic development	1,648,980	37,057	85,685	-
Culture and recreation	691,406	895	238,517	-
Interest on long-term debt	57,868	-	-	-
Total primary government	<u>\$ 40,802,741</u>	<u>\$ 6,225,796</u>	<u>\$ 11,424,686</u>	<u>\$ 1,365,000</u>
<b>Component units:</b>				
Water resource districts	\$ 5,446,108	\$ 2,195,794	\$ 1,820,358	\$ 880,000
Noxious weed	352,277	13,312	39,656	-
Vector control	877,609	376,623	1,575	-
Total component units	<u>\$ 6,675,994</u>	<u>\$ 2,585,729</u>	<u>\$ 1,861,589</u>	<u>\$ 880,000</u>

General revenues:  
 Property taxes  
 Sales taxes  
 Estate Taxes  
 Unrestricted State Shared Revenues  
 Gain on Sale of Capital Assets  
 Unrestricted investment earnings  
 Miscellaneous Revenue

Total general revenues  
 Changes in net assets  
 Net assets - beginning  
 Prior Period Adjustment  
 Net assets - ending

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

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

<b>Primary Government</b>		
<b>Governmental Activities</b>		<b>Component Units</b>
\$ (3,848,106)	\$ -	
(10,170,222)	-	
1,978,730	-	
(7,711,560)	-	
(1,526,238)	-	
(451,994)	-	
(57,868)	-	
<u>\$ (21,787,259)</u>	<u>\$ -</u>	
\$ -	\$ (549,955)	
-	(299,310)	
-	(499,410)	
<u>\$ -</u>	<u>\$ (1,348,675)</u>	
\$ 22,794,242	\$ 2,078,153	
9,060	-	
93,929	-	
3,101,960	27,664	
	3,102	
1,604,059	310,742	
196,840	207,674	
<u>\$ 27,800,089</u>	<u>\$ 2,627,335</u>	
6,012,830	1,278,660	
107,737,729	101,452,229	
	6,990	
<u>\$ 113,750,562</u>	<u>\$ 102,737,878</u>	

**THIS PAGE HAS BEEN RESERVED FOR NOTES**



**FUND FINANCIAL  
STATEMENTS**

**THIS PAGE HAS BEEN RESERVED FOR NOTES**

**CASS COUNTY GOVERNMENT**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2007**

<u>ASSETS</u>	<u>General</u>	<u>Human Services</u>	<u>County Road and Bridge</u>
<u>Assets:</u>			
Cash and Cash Equivalents	\$ 5,919,300	\$ 3,959,409	\$ 2,525,468
Receivables:			
Taxes	242,243	137,305	63,915
Accounts	34,786	5,789	2,021
Due From Other Governments	1,062,605	195,525	1,130,545
Due From Other Funds	-	7,044	-
Inventory	5,151	-	143,905
Inventory of supplies, at cost	74,043	-	-
Prepaid Items	198,263	12,390	22,992
<b>TOTAL ASSETS</b>	<b><u>7,536,391</u></b>	<b><u>4,317,462</u></b>	<b><u>3,888,846</u></b>
 <u>LIABILITIES AND FUND BALANCES</u>			
<u>Liabilities:</u>			
Accounts Payable	439,131	143,635	844,898
Retainages Payable	-	-	114,642
Deferred Revenues	4,579,233	2,487,190	1,208,860
Due to Inmates	-	-	-
Due to Other Funds	-	-	-
<b>Total Liabilities</b>	<b><u>5,018,364</u></b>	<b><u>2,630,825</u></b>	<b><u>2,168,400</u></b>
 <u>Fund Balances:</u>			
Reserved for Inventory	79,194	-	143,905
Reserved for Prepaid Items	198,263	12,390	22,992
Reserved for Debt Service	-	-	-
Unreserved, reported in:			
General Fund	2,240,570	-	-
Special Revenue Funds	-	1,674,247	1,553,548
Capital Projects Funds	-	-	-
<b>Total Fund Balances</b>	<b><u>2,518,027</u></b>	<b><u>1,686,637</u></b>	<b><u>1,720,445</u></b>
 <b>TOTAL LIABILITIES AND FUND BALANCES</b>	 <b><u>\$ 7,536,391</u></b>	 <b><u>\$ 4,317,462</u></b>	 <b><u>\$ 3,888,846</u></b>

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

Future Building	Jail Construction	Other Governmental Funds	Total Governmental Funds
\$ 8,409,038	\$ 978,176	\$ 2,066,175	\$ 23,857,565
-	-	12,477	455,940
-	-	19,043	61,639
87,401	-	112,200	2,588,277
-	-	-	7,044
-	-	-	149,055
-	-	-	74,043
-	-	177	233,822
<u>8,496,439</u>	<u>978,176</u>	<u>2,210,071</u>	<u>27,427,385</u>
7,906	130,713	128,326	1,694,610
-	-	13,079	127,721
-	-	195,169	8,470,451
-	-	11,627	11,627
-	-	7,044	7,044
<u>7,906</u>	<u>130,713</u>	<u>355,245</u>	<u>10,311,453</u>
-	-	-	223,099
-	-	177	233,822
-	-	154,205	154,205
-	-	-	2,240,570
-	-	1,418,581	4,646,377
8,488,533	847,463	281,862	9,617,858
<u>8,488,533</u>	<u>847,463</u>	<u>1,854,825</u>	<u>17,115,931</u>
<u>\$ 8,496,439</u>	<u>\$ 978,176</u>	<u>\$ 2,210,071</u>	<u>\$ 27,427,384</u>

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**CASS COUNTY GOVERNMENT**  
**Reconciliation of Fund Balances on the Balance Sheet**  
**for Governmental Funds to Net Assets of**  
**Governmental Activities on the Statement of Net Assets**  
**December 31, 2007**

Fund balance - total governmental funds		\$ 17,115,931
Amounts reported for governmental activities in the statement of net assets are different because:		
Add - Capital Assets	\$ 156,603,957	
Deduct - accumulated depreciation	(59,623,290)	
Net Assets		96,980,666
Property taxes and special assessments receivable will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are reported as deferred revenues in the funds		
		455,940
Long-term uncertified special assessments receivable are not reported in the funds because they are unavailable to pay the current period's expenditures.		
		777,330
Internal service funds are used by management to charge the costs of certain equipment usage and self-insurance to individual governmental funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		
Add - net assets of governmental activities accounted for in the internal service funds		1,288,259
Certain liabilities, such as bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Compensated absences payable	(1,244,325)	
Leases payable	(692,879)	
Special assessments payable	(3,970)	
Special assessments bonds payable	(918,864)	
Unamortized Bond Discount	10,117	
Unamortized Bond Issuance Costs	14,671	
Interest Payable	(32,316)	
Total long term liabilities		<u>(2,867,566)</u>
Net assets of governmental activities		<u>\$ 113,750,562</u>

The accompanying notes are an integral part of these financial statements

**CASS COUNTY GOVERNMENT**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Fiscal Year Ended December 31, 2007**

	General Fund	Human Services	County Road and Bridge
<b><u>REVENUES</u></b>			
Taxes:			
Property	\$ 12,050,869	\$ 6,941,960	\$ 3,264,767
Sales	-	-	-
Licenses, permits and fees	43,109	78,334	73,355
Intergovernmental revenues	5,383,463	2,505,044	5,828,579
Charges for services	2,584,373	54,294	2,734,895
Miscellaneous revenues	626,628	286,612	228,582
	<u>20,688,441</u>	<u>9,866,244</u>	<u>12,130,179</u>
<b><u>EXPENDITURES</u></b>			
Current:			
General government	5,046,605	-	-
Public Safety	13,185,154	-	-
Highways and streets	-	-	12,521,918
Relief and charities	-	10,214,941	-
Culture and recreation	-	-	-
Conservation & economic development	1,647,005	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	79,548	-	19,887
Interest	27,192	-	6,798
Fiscal charges	-	-	-
	<u>19,985,504</u>	<u>10,214,941</u>	<u>12,548,603</u>
Excess (deficiency) of revenues over (under) expenditures	<u>702,938</u>	<u>(348,697)</u>	<u>(418,424)</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Transfers in	45,227	-	20,766
Transfers out	(680,000)	-	-
Sale of capital assets	19,209	-	37,388
Bond Discount	-	-	-
Issuance of Bond/Lease	-	-	-
Total of other financing sources and uses	<u>(615,564)</u>	<u>-</u>	<u>58,154</u>
Net change in fund balances	<u>87,374</u>	<u>(348,697)</u>	<u>(360,270)</u>
Fund balances - beginning	<u>2,430,654</u>	<u>2,035,333</u>	<u>2,080,715</u>
Fund balances - ending	<u>\$ 2,518,027</u>	<u>\$ 1,686,637</u>	<u>\$ 1,720,445</u>

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

Future Building	Jail Construction	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 686,088	\$ 22,943,683
-	9,060	-	9,060
-	-	59,618	254,416
93,929	-	390,604	14,201,619
-	-	981,297	6,354,859
463,020	97,226	103,438	1,805,506
<u>556,949</u>	<u>106,285</u>	<u>2,221,045</u>	<u>45,569,143</u>
-	-	354,584	5,401,189
-	-	957,061	14,142,215
-	-	-	12,521,918
-	-	-	10,214,941
-	-	684,903	684,903
-	-	2	1,647,007
64,571	1,467,607	204,802	1,736,980
-	-	69,958	169,393
-	-	26,509	60,499
-	-	2,004	2,004
<u>64,571</u>	<u>1,467,607</u>	<u>2,299,823</u>	<u>46,581,049</u>
<u>492,378</u>	<u>(1,361,322)</u>	<u>(78,778)</u>	<u>(1,011,906)</u>
500,000	-	180,376	746,369
-	-	(66,370)	(746,370)
-	-	-	56,597
-	-	(5,475)	(5,475)
-	-	365,000	365,000
<u>500,000</u>	<u>-</u>	<u>473,532</u>	<u>416,121</u>
<u>992,378</u>	<u>(1,361,322)</u>	<u>394,754</u>	<u>(595,785)</u>
<u>7,496,155</u>	<u>2,208,785</u>	<u>1,460,068</u>	<u>17,711,710</u>
<u>\$ 8,488,533</u>	<u>\$ 847,463</u>	<u>\$ 1,854,825</u>	<u>\$ 17,115,931</u>



**CASS COUNTY GOVERNMENT**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures, and Changes in Fund Balances of Governmental Funds**  
**To the Statement of Activities**  
**For the Year Ended December 31, 2007**

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

Net change in fund balances - total governmental funds \$ (595,785)

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

Capital asset additions	\$ 14,056,712	
Current year depreciation expense	<u>(4,201,489)</u>	9,855,223

The effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets:

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

Retired assets	(3,547,677)	
Accumulated depreciation on retired assets	<u>299,522</u>	(3,248,155)

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

Increase in Taxes Receivable	(64,860)	
Decrease in Uncertified Special Assessments	<u>310,485</u>	245,625

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

Repayment of bonds	69,958	
Repayment of leases	<u>99,435</u>	169,394

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

Net increase in interest payable	663	
Proceeds from Special Assessment Bonds	(365,000)	
Bond Discounts	5,475	
Issuance Costs	5,264	
Amorization of Bond Discounts	(456)	
Amorization of Bond Issuance Costs	(837)	
Net increase in compensated absences	<u>(124,646)</u>	(479,537)

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

66,060

Change in net assets of governmental activities \$ 6,012,830

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

**CASS COUNTY GOVERNMENT**  
**General Fund**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**For the Fiscal Year Ended December 31, 2007**

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$ 12,090,373	\$ 12,090,373	\$ 12,050,869	\$ (39,504)
Licenses, Permits and Fees	43,250	43,250	43,109	(141)
Intergovernmental Revenues	4,682,301	5,188,510	5,383,463	194,953
Charges for Services	2,576,262	2,576,262	2,584,373	8,111
Miscellaneous Revenues	308,030	308,030	626,628	318,598
<b>Total Revenues</b>	<b>19,700,216</b>	<b>20,206,425</b>	<b>20,688,441</b>	<b>482,017</b>
<u>Expenditures:</u>				
Current:				
General Government:				
County Commission	614,677	615,427	556,738	58,689
County Administrator	1,837,539	1,898,385	1,662,906	235,479
Information Technology	957,257	957,257	923,684	33,573
Auditor	819,880	819,880	738,466	81,414
Treasurer	311,284	311,284	303,096	8,188
County Recorder	494,955	494,955	465,653	29,302
Director of Tax Equalization	164,484	164,484	152,730	11,754
Veterans Service	201,291	201,291	199,499	1,792
County Planning	69,698	69,698	43,833	25,865
<b>Total General Government</b>	<b>5,471,065</b>	<b>5,532,661</b>	<b>5,046,605</b>	<b>486,056</b>
Public Safety:				
Emergency Management	151,656	517,200	353,651	163,549
County Sheriff	9,713,297	9,793,116	9,610,275	182,841
States Attorney	3,346,175	3,346,175	3,214,644	131,531
Cemetery	7,127	7,127	6,583	544
<b>Total Public Safety</b>	<b>13,218,255</b>	<b>13,663,618</b>	<b>13,185,154</b>	<b>478,464</b>
Conservation & Econ. Development:				
County Extension Agent	431,667	462,096	417,673	44,423
Public Service Agencies	1,229,548	1,229,548	1,229,332	216
<b>Total Conservation &amp; Econ Dev</b>	<b>1,661,215</b>	<b>1,691,644</b>	<b>1,647,005</b>	<b>44,639</b>
Debt Service:				
Principal	-	-	79,548	(79,548)
Interest	-	-	27,192	(27,192)
<b>Total Debt Service</b>	<b>-</b>	<b>-</b>	<b>106,740</b>	<b>(106,740)</b>
<b>Total Expenditures</b>	<b>20,350,535</b>	<b>20,887,923</b>	<b>19,985,504</b>	<b>902,419</b>
Excess (deficiency) of revenues over (Under) expenditures	(650,319)	(681,498)	702,938	1,384,436
<u>Other Financing Sources (Uses):</u>				
Transfers In	45,227	45,227	45,227	-
Sale of Property	15,000	15,000	19,209	4,209
Operating Transfers Out	(615,000)	(680,000)	(680,000)	-
<b>Total Other Financing Sources and (Uses)</b>	<b>(554,773)</b>	<b>(619,773)</b>	<b>(615,564)</b>	<b>4,209</b>
<b>Net change in fund balances</b>	<b>(1,205,092)</b>	<b>(1,301,271)</b>	<b>87,374</b>	<b>1,388,645</b>
Fund Balance - Beginning	2,430,654	2,430,654	2,430,654	-
<b>Fund Balance - Ending</b>	<b>\$ 1,225,562</b>	<b>\$ 1,129,383</b>	<b>\$ 2,518,027</b>	<b>\$ 1,388,645</b>

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

**CASS COUNTY GOVERNMENT**  
**Human Service**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**For the Fiscal Year Ended December 31, 2007**

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$ 6,970,694	\$ 6,970,694	\$ 6,941,960	\$ (28,734)
Licenses, Permits and Fees	79,650	79,650	78,334	(1,316)
Intergovernmental Revenues	2,152,619	2,152,619	2,505,044	352,425
Charges for Services	50,100	50,100	54,294	4,194
Miscellaneous Revenues	180,000	180,000	286,612	106,612
Total Revenues	<u>9,433,063</u>	<u>9,433,063</u>	<u>9,866,244</u>	<u>433,181</u>
<u>Expenditures:</u>				
Current:				
Relief and Charities	10,121,080	10,179,080	10,214,941	(35,861)
Total Expenditures	<u>10,121,080</u>	<u>10,179,080</u>	<u>10,214,941</u>	<u>(35,861)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(688,017)</u>	<u>(746,017)</u>	<u>(348,697)</u>	<u>397,321</u>
Fund Balance - Beginning	<u>2,035,333</u>	<u>2,035,333</u>	<u>2,035,333</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 1,347,316</u>	<u>\$ 1,289,316</u>	<u>\$ 1,686,637</u>	<u>\$ 397,321</u>

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

**CASS COUNTY GOVERNMENT**  
**County Road and Bridge**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**For the Fiscal Year Ended December 31, 2007**

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$ 3,304,628	\$ 3,304,628	\$ 3,264,767	\$ (39,861)
Licenses, Permits and Fees	25,500	25,500	73,355	47,855
Intergovernmental Revenues	5,337,563	5,337,563	5,828,579	491,016
Charges for Services	259,500	2,509,079	2,734,895	225,816
Miscellaneous Revenues	75,000	75,000	228,582	153,582
<b>Total Revenues</b>	<b>9,002,191</b>	<b>11,251,770</b>	<b>12,130,179</b>	<b>878,408</b>
<u>Expenditures:</u>				
Current:				
Highways and Streets	9,954,873	12,554,873	12,521,918	32,955
Debt Service :				
Principal	19,887	19,887	19,887	-
Interest	6,798	6,798	6,798	-
<b>Total Expenditures</b>	<b>9,981,558</b>	<b>12,581,558</b>	<b>12,548,603</b>	<b>32,955</b>
Excess (deficiency) of revenues over (under) expenditures	(979,367)	(1,329,788)	(418,424)	911,364
<u>Other Financing Sources (Uses):</u>				
Transfers In	-	-	20,766	20,766
Sale of Property	25,000	25,000	37,388	12,388
<b>Total Other Financing Sources and (Uses)</b>	<b>25,000</b>	<b>25,000</b>	<b>58,154</b>	<b>33,154</b>
<b>Net change in fund balances</b>	<b>(954,367)</b>	<b>(1,304,788)</b>	<b>(360,270)</b>	<b>944,518</b>
Fund Balance - Beginning	2,080,715	2,080,715	2,080,715	-
<b>Fund Balance - Ending</b>	<b>\$ 1,126,348</b>	<b>\$ 775,927</b>	<b>\$ 1,720,445</b>	<b>\$ 944,518</b>

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

**CASS COUNTY GOVERNMENT**  
**Proprietary Funds**  
**Statement of Net Assets**  
**December 31, 2007**

Governmental  
Activities  
Internal  
Service Funds

ASSETS

Current Assets:	
Cash and Investments	\$ 1,715,751
Due From Other Funds	33,516
Accounts Receivable	<u>9,733</u>
 Total Current Assets	 <u>1,759,000</u>
Noncurrent Assets:	
Capital Assets	406,198
Less: Accumulated Depreciation	<u>(271,314)</u>
 Total Noncurrent Assets	 <u>134,884</u>
 Total Assets	 <u>\$ 1,893,884</u>

LIABILITIES

<u>Current Liabilities</u>	
Accounts Payable	\$ 28,431
Deposits	225,114
IBNR Claims	318,563
Due to Other Funds	<u>33,516</u>
 Total Liabilities	 <u>\$ 605,624</u>
 <u>Net Assets</u>	
Invested in Capital Assets	\$ 134,883
Unrestricted	<u>1,153,377</u>
 Total Net Assets	 <u>\$ 1,288,259</u>

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

**CASS COUNTY GOVERNMENT**  
**Statement of Revenues, Expenses and**  
**Changes in Net Assets**  
**All Proprietary Fund Types**  
**For the Year Ended December 31, 2007**

	Governmental Activities
	Internal Service Funds
<u>Operating Revenues:</u>	
Premiums	\$ 2,645,200
Charges for Services	181,893
Miscellaneous	31,540
Total Operating Revenues	2,858,633
<u>Operating Expenses:</u>	
Premiums	257,506
Medical Services	6,270
Telephone Service	56,915
Maintenance Agreements	26,722
Administrative Fees	224,506
Collision Repair/Replacement	44,119
Benefit Payments	1,908,853
IBNR Claims	318,563
Depreciation Expense	44,165
Total Operating Expenses	2,887,619
Operating Income	(28,986)
<u>Nonoperating Revenues (Expenses):</u>	
Interest Income	96,916
Loss on Disposal of Capital Assets	(1,870)
Total Nonoperating Revenues (Expenses)	95,046
Change in Net Assets	66,060
Total Net Assets Beginning	1,222,199
Total Net Assets Ending	\$ 1,288,259

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

**CASS COUNTY GOVERNMENT**  
**Statement of Cash Flows**  
**All Proprietary Fund Types**  
**For the Year Ended December 31, 2007**

	Governmental Activities
	Internal Service Funds
<u>Cash Flows From Operating Activities:</u>	
Receipts from customers	\$ 2,824,537
Payments to suppliers	(599,371)
Claims paid	(2,097,453)
Other receipts	31,540
	159,254
<u>Cash Flows From Capital and Related Financing Activities:</u>	
Purchase of capital assets	(6,189)
Proceeds on Sale of Capital Assets	-
	(6,189)
<u>Cash Flows From Investing Activities:</u>	
Interest income	96,916
	249,981
Net Increase in cash and cash equivalents	249,981
Cash and cash equivalents -beginning of the year	1,465,770
	1,715,751
	1,715,751
<u>Reconciliation of Operating Income to net cash provided by operating activities:</u>	
Operating income	(28,986)
Adjustments to reconcile operating income to net cash flows from operating activities:	
Depreciation	44,165
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	(2,556)
Increase (decrease) in accounts payable	16,668
Increase (decrease) in premium deposit funds	3,366
Increase (decrease) in IBNR claims	126,597
	126,597
Net cash provided by operating activities	\$ 159,254

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

**CASS COUNTY GOVERNMENT**  
**Statement of Fiduciary Assets and Liabilities**  
**Fiduciary Funds**  
**December 31, 2007**

<u>ASSETS</u>	<u>Agency Funds</u>
Cash and Investments	<u>\$ 59,224,694</u>
Total Assets	<u><u>\$ 59,224,694</u></u>
<u>LIABILITIES</u>	
Accounts Payable	63,501
Due to Component Units	13,937
Deposits	<u>59,147,256</u>
Total Liabilities	<u><u>\$ 59,224,694</u></u>

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



**CASS COUNTY GOVERNMENT**  
**Statement of Net Assets**  
**Component Units**  
**December 31, 2007**

	Southeast Cass WRD	North Cass WRD
<u>ASSETS</u>		
<u>Assets:</u>		
Cash and Cash Equivalents	\$ 3,899,502	\$ 163,528
Receivables:		
Accounts Receivable	-	-
Taxes Receivable	49,766	2,818
Intergovernmental Receivable	193,030	762
Special Assessments	12,350	-
Due From Primary Government	9,854	760
Inventory	-	-
Prepays	-	-
Long-Term Receivables:		
Uncertified Special Assessments Receivable	6,224,931	156,739
Capital Assets Not Being Depreciated:		
Land	6,035,220	1,015,784
Construction in Progress	1,967,000	-
Capital Assets (Net of Accumulated Depreciation)		
Buildings	-	-
Equipment	-	-
Infrastructure	70,149,169	3,906,495
<b>TOTAL ASSETS</b>	<b>88,540,822</b>	<b>5,246,886</b>
<u>LIABILITIES</u>		
<u>Liabilities:</u>		
Accounts Payable	61,201	12,688
Retainages Payable	102,331	-
Deferred Revenues	-	-
Interest Payable	42,723	1,508
Noncurrent Liabilities:		
Due within one year	567,670	16,061
Due in more than one year	6,038,620	208,250
<b>Total Liabilities</b>	<b>6,812,545</b>	<b>238,507</b>
<u>Net Assets</u>		
Investment in Capital Assets, Net of Related Debt	77,003,700	4,699,029
Restricted For:		
Conservation of Natural Resources	3,297,965	106,249
Debt Service	7,266,364	201,825
Unrestricted	(5,839,752)	1,276
<b>Total Net Assets</b>	<b>\$ 81,728,277</b>	<b>\$ 5,008,379</b>

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

Maple River WRD	Rush River WRD	Weed Control	Vector Control	Totals
\$ 313,578	\$ 97,710	\$ 310,431	\$ 50,059	\$ 4,834,809
-	-	6,285	5,606	11,891
5,443	2,299	6,462	7,423	74,210
115,543	740	-	-	310,075
1,249	1,368	-	-	14,966
1,727	1,596	-	-	13,937
-	-	-	75,536	75,536
-	-	1,102	9,681	10,783
320,147	703,276	-	-	7,405,094
1,344,508	1,869,357	-	-	10,264,870
-	-	-	-	1,967,000
-	-	23,812	-	23,812
-	-	49,349	151,205	200,554
6,654,600	5,406,912	-	-	86,117,176
<u>8,756,795</u>	<u>8,083,258</u>	<u>397,440</u>	<u>299,511</u>	<u>111,324,712</u>
136,818	18,410	4,005	15,151	248,273
6,471	-	-	-	108,802
-	-	115,990	134,282	250,272
3,209	4,694	-	-	52,135
31,688	38,964	716	5,703	660,802
350,000	669,681	-	-	7,266,551
<u>528,186</u>	<u>731,749</u>	<u>120,711</u>	<u>155,136</u>	<u>8,586,835</u>
7,619,108	6,568,421	73,161	151,205	96,114,624
168,303	17,072	-	-	3,589,589
369,203	781,933	-	-	8,619,326
71,995	(15,917)	203,568	(6,830)	(5,585,659)
<u>\$ 8,228,609</u>	<u>\$ 7,351,509</u>	<u>\$ 276,729</u>	<u>\$ 144,375</u>	<u>\$ 102,737,878</u>

**CASS COUNTY GOVERNMENT**  
**Statement of Activities**  
**Component Units**  
**For the Year Ended December 31, 2007**

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	
<b>Functions/Programs</b>				
<b>Component units:</b>				
Southeast Cass Water Resource District	\$ 3,752,044	\$ 1,513,791	\$ 1,629,218	\$ 880,000
Maple River Water Resource District	864,253	325,353	150,969	-
North Cass Water Resource District	381,426	228,248	5,287	-
Rush River Water Resource District	448,385	128,402	34,884	-
Noxious weed	352,277	13,312	39,656	-
Vector control	877,609	376,623	1,575	-
Total component units	<u>\$ 6,675,994</u>	<u>\$ 2,585,729</u>	<u>\$ 1,861,589</u>	<u>\$ 880,000</u>

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

Total general revenues  
Changes in net assets  
Net assets - beginning  
Prior period adjustment  
Net assets - ending

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

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

<u>Southeast Cass WRD</u>	<u>North Cass WRD</u>	<u>Maple River WRD</u>	<u>Rush River WRD</u>	<u>Weed Control</u>	<u>Vector Control</u>	<u>Total</u>
\$ 270,965	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 270,965
-	-	(387,931)	-	-	-	(387,931)
-	(147,891)	-	-	-	-	(147,891)
-	-	-	(285,099)	-	-	(285,099)
-	-	-	-	(299,310)	-	(299,310)
-	-	-	-	-	(499,410)	(499,410)
<u>\$ 270,965</u>	<u>\$ (147,891)</u>	<u>\$ (387,931)</u>	<u>\$ (285,099)</u>	<u>\$ (299,310)</u>	<u>\$ (499,410)</u>	<u>\$ (1,348,675)</u>
\$ 1,216,680	\$ 37,318	\$ 105,610	\$ 38,564	\$ 295,776	\$ 384,206	\$ 2,078,153
-	-	-	-	8,655	19,008	27,664
-	-	-	-	3,102	-	3,102
232,873	14,241	30,260	7,939	20,971	4,457	310,742
89,378	-	118,296	-	-	-	207,674
<u>\$ 1,538,931</u>	<u>\$ 51,559</u>	<u>\$ 254,166</u>	<u>\$ 46,503</u>	<u>\$ 328,505</u>	<u>\$ 407,671</u>	<u>\$ 2,627,335</u>
1,809,896	(96,332)	(133,765)	(238,596)	29,195	(91,739)	1,278,660
79,918,381	5,104,711	8,362,374	7,583,115	247,534	236,114	101,452,229
-	-	-	6,990	-	-	6,990
<u>\$ 81,728,277</u>	<u>\$ 5,008,379</u>	<u>\$ 8,228,609</u>	<u>\$ 7,351,509</u>	<u>\$ 276,729</u>	<u>\$ 144,375</u>	<u>\$ 102,737,878</u>

**CASS COUNTY GOVERNMENT  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2007**

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

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

**A. The Financial Reporting Entity**

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

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

**B. Individual Component Unit Disclosures**

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

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

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

Complete financial statements of the individual Water Resource Districts can

be obtained at Water Resource Districts, 1201 Main Avenue West, West Fargo, North Dakota 58078.

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

### C. Joint Ventures

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

The following is summary financial information on the joint venture as of and for the year ended December 31, 2006, which is the most current audited information available:

Total Assets	\$ 2,225,282
Total Liabilities	<u>82,064</u>
Total Equity	<u>2,143,218</u>
Revenues	831,663
Expenses	<u>3,659,243</u>
Change in Net Assets	<u>\$ (2,827,580)</u>

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

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

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. As a general

rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule include interfund services provided and used between governmental functions. Elimination of these would distort the direct costs and program revenues reported for the various functions concerned. Governmental activities are supported by taxes and intergovernmental revenues.

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

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

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

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

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

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

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

under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

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

The County reports the following major governmental funds:

- The **General Fund** is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- **Human Service Fund** – This fund is used to account for the County Social Service operations; this department is designated by law to provide relief to the poor and related services to the citizens of the County. The majority of the services/programs offered by the County are done in conjunction with state and federal agencies, mainly the North Dakota Department of Human Services.
- **County Road and Bridge Fund** – This fund is used for the normal maintenance of county roads and the operation of the road shops. Most of the revenues for this fund are derived from the highway tax distribution fund.
- **Future Building Fund** – This fund is used to provide for the future construction of county buildings and major remodeling projects.
- **Jail Construction Fund** – This fund is used to provide for the construction of the new county jail. Revenues are derived from sales tax.

Additionally, the county reports the following fund types:

## PROPRIETARY FUNDS

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



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

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

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

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

## **FIDUCIARY FUNDS**

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

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

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

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

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

F. Budgets

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

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

G. Cash and Cash Equivalents

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

H. Receivables

Receivables in the County's governmental funds consist primarily of tax revenues. Receivables in all other funds include amounts due for services to individuals performed by the County and not received by December 31, 2007.

I. Due from Other Governments

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

J. 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.

K. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2007, are recorded as prepaid items.

L. Uncertified Special Assessments

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

M. Capital Assets

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

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

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

Interest incurred during construction of capital assets is included as part of the capitalized value of the assets constructed.

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

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

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, 2007.

O. Retainages Payable

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

P. Interest Payable

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

Q. Compensated Absences

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

R. Deferred Revenues

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

S. IBNR Claims - Self Insurance

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

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

## Reconciliation of Claims Liability:

Employee Health	2007	2006
Balance January 1	\$ 181,169	\$ 215,938
Incurred Claims Including IBNR's and Changes in Estimates	2,115,001	1,713,587
Less Claims Payments	1,990,259	1,748,356
Balance December 31	\$ 305,911	\$ 181,169

Employee Dental	2007	2006
Balance January 1	\$ 10,797	\$ -
Incurred Claims Including IBNR's and Changes in Estimates	239,012	255,942
Less Claims Payments	237,157	245,145
Balance December 31	\$ 12,652	\$ 10,797

T. Long-Term Obligations

In the government-wide financial statements, the long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net assets. For new bond issuance after the implementation of GASB Statement No. 34, bond premiums and discounts, as well as issuance

costs, are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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

#### U. Fund Balances

In the governmental fund financial statements, fund balances consist of reserved and unreserved amounts. Reservations of fund balance represent that portion which is not appropriable for expenditure or is legally segregated for a specific future use. Fund balance reservation includes inventories, prepaid items, and debt service.

#### V. Interfund Transactions

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

### **NOTE 2: LEGAL COMPLIANCE - BUDGETS**

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

Each department completes its budget and delivers it to the county auditor who then files it with the board of county commissioners. The county auditor prepares a preliminary county budget for the general, special revenue, and debt service funds on the modified accrual basis of accounting. The preliminary budget includes proposed expenditures and the means of financing them. The board of county commissioners holds a public hearing where any taxpayer may testify in favor of or against any proposed expenditure or tax levy. The board of county commissioners may not approve the budget until after the public budget hearing, but must adopt the final budget on or before October 1<sup>st</sup>. For the year ending December 31, 2007, the County complied with the applicable budget laws except as noted below:

The disaster assistance funds administered by the Lake Agassiz Regional Council are included on the Combining Statement of Revenues, Expenditures, and Changes in Fund Balance-nonmajor funds. The County did not budget

for these funds. Also these funds are not recorded on the County's general ledger. Therefore, these funds are not included on the Budget to Actual Statement. The differences are as follows:

	Combined Statement	Adjustments	Budget to Actual
Balance, 1/1/2007	\$ 1,183,568	\$ (20,760)	\$ 1,162,808
Receipts	2,117,730	(8)	2,117,722
Disbursements	1,996,549	(2)	1,996,547
Other Financing Sources (Uses)	114,007	20,766	134,773
Balance, 12/31/2007	\$ 1,418,758	\$ -	\$ 1,418,758

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

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

During 2007 expenditures exceed appropriations in the following funds:

Special Revenue Funds:

Human Service	\$35,861
Jail Commissary	7,116

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

### **NOTE 3: DEPOSITS AND INVESTMENTS**

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

Deposits must be deposited either with the Bank of North Dakota or in other financial institutions situated and doing business within the state. Deposits, other than with the Bank of North Dakota, must be fully insured or secured

with pledges of securities equal to 110% of the uninsured balance.

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

At year-end, the County's deposits were entirely covered by federal depository insurance or by collateral held by the pledging financial institution's agent in the county's name.

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.

Concentration of Credit Risk:

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

Component Units

Deposits: At December 31, 2007, the deposits of the Water Resource Districts were entirely covered by federal depository insurance or by collateral held by the district's custodial bank in the district's name. For the purpose of risk analysis, certificates of deposits are classified as deposits.

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

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

The taxes and special assessments receivable represent the past four years

of delinquent uncollected tax levies and billings. No allowance has been established for uncollectible taxes and assessments receivable.

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

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

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

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

#### **NOTE 5: CAPITAL ASSETS**

The following is a summary of changes in the capital assets during the year ended December 31, 2007:



**Primary Governments Capital Assets**

	Balance 1/1/2007	Increases	Decreases	Balance 12/31/2007
Capital Assets, not being depreciated:				
Land	\$ 8,974,094	\$ 122,235	\$ -	\$ 9,096,329
Construction in Progress	3,178,089	1,157,436	3,178,089	1,157,436
<b>Total capital assets not being depreciated</b>	<b>\$ 12,152,183</b>	<b>\$ 1,279,671</b>	<b>\$ 3,178,089</b>	<b>\$ 10,253,765</b>
Capital Assets, being depreciated:				
Buildings	\$ 27,129,397	\$ 4,699,563	\$ -	\$ 31,828,960
Improvements other than buildings	2,354,760	210,487	-	2,565,247
Machinery and Equipment	7,808,129	799,089	371,920	8,235,298
Infrastructure	97,052,793	7,074,092	-	104,126,885
<b>Total Capital Assets, being depreciated</b>	<b>\$ 134,345,079</b>	<b>\$ 12,783,231</b>	<b>\$ 371,920</b>	<b>\$ 146,756,389</b>
Less accumulated depreciation for:				
Buildings	\$ 8,184,874	\$ 579,279	\$ -	\$ 8,764,153
Improvements other than buildings	443,170	40,095	-	483,265
Machinery and Equipment	4,376,111	753,085	299,984	4,829,212
Infrastructure	42,944,779	2,873,195	-	45,817,974
<b>Total Accumulated Depreciation</b>	<b>\$ 55,948,934</b>	<b>\$ 4,245,654</b>	<b>\$ 299,984</b>	<b>\$ 59,894,604</b>
<b>Net Capital Assets, being Depreciated</b>	<b>\$ 78,396,145</b>	<b>\$ 8,537,577</b>	<b>\$ 71,936</b>	<b>\$ 86,861,785</b>
<b>Net Governmental activities capital assets</b>	<b>\$ 90,548,328</b>	<b>\$ 9,817,248</b>	<b>\$ 3,250,025</b>	<b>\$ 97,115,550</b>

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

<u>Governmental Activities:</u>	
General Government	\$ 182,954
Public Safety	729,017
Highways and Streets	3,168,608
Relief and Charities	108,953
Culture and Recreation	6,503
Conservation and Econ. Development	5,454
<b>Total depreciation expense - Governmental activities</b>	<b>\$ 4,201,489</b>
Depreciation of Internal Service Funds	44,165
<b>Total Depreciation Expense</b>	<b>\$ 4,245,654</b>

**Component Units**

During the year ended December 31, 2007, the following changes occurred in the capital assets of:

## Southeast Cass Water Resource District

	Balance 1/1/2007	Increases	Decreases	Balance 12/31/2007
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 6,035,220	\$ -	\$ -	\$ 6,035,220
Construction in Progress	24,059,160	1,967,000	24,059,160	1,967,000
<b>Total Capital Assets Not Being Depreciated</b>	<b>\$ 30,094,380</b>	<b>\$ 1,967,000</b>	<b>\$ 24,059,160</b>	<b>\$ 8,002,220</b>
Facilities	\$ 47,472,142	\$ 22,676,858	\$ -	\$ 70,149,000
Projects	13,909,170	2,568,900	-	16,478,070
Equipment	40,000	-	-	40,000
<b>Total Capital Assets, Being Depreciated</b>	<b>\$ 61,421,312</b>	<b>\$ 25,245,758</b>	<b>\$ -</b>	<b>\$ 86,667,070</b>
Less Accumulated Depreciation for:				
Facilities	\$ 12,970,860	\$ 1,400,980	\$ -	\$ 14,371,840
Projects	1,803,860	302,201	-	2,106,061
Equipment	40,000	-	-	40,000
<b>Total Accumulated Depreciation</b>	<b>\$ 14,814,720</b>	<b>\$ 1,703,181</b>	<b>\$ -</b>	<b>\$ 16,517,901</b>
<b>Total Capital Assets Being Depreciated, Net</b>	<b>\$ 46,606,592</b>	<b>\$ 23,542,577</b>	<b>\$ -</b>	<b>\$ 70,149,169</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 76,700,972</b>	<b>\$ 25,509,577</b>	<b>\$ 24,059,160</b>	<b>\$ 78,151,389</b>

## Maple River Water Resource District

	Balance 1/1/2007	Increases	Decreases	Balance 12/31/2007
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 1,342,838	\$ 1,670	\$ -	\$ 1,344,508
<b>Total Capital Assets not being Depreciated</b>	<b>\$ 1,342,838</b>	<b>\$ 1,670</b>	<b>\$ -</b>	<b>\$ 1,344,508</b>
Capital assets being depreciated:				
Facilities	\$ 10,535,000	\$ -	\$ -	\$ 10,535,000
Projects	2,152,000	17,000	-	2,169,000
<b>Total Capital Assets, Being Depreciated</b>	<b>\$ 12,687,000</b>	<b>\$ 17,000</b>	<b>\$ -</b>	<b>\$ 12,704,000</b>
Less Accumulated Depreciation for:				
Facilities	\$ 5,652,720	\$ 204,340	\$ -	\$ 5,857,060
Projects	159,560	32,780	-	192,340
<b>Total Accumulated Depreciation</b>	<b>\$ 5,812,280</b>	<b>\$ 237,120</b>	<b>\$ -</b>	<b>\$ 6,049,400</b>
<b>Total Capital Assets Being Depreciated, Net</b>	<b>\$ 6,874,720</b>	<b>\$ (220,120)</b>	<b>\$ -</b>	<b>\$ 6,654,600</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 8,217,558</b>	<b>\$ (218,450)</b>	<b>\$ -</b>	<b>\$ 7,999,108</b>

## North Cass Water Resource District

	Balance 1/1/2007	Increases	Decreases	Balance 12/31/2007
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 1,015,784	\$ -	\$ -	\$ 1,015,784
Capital assets being depreciated:				
Facilities	\$ 3,768,900	\$ -	\$ -	\$ 3,768,900
Projects	2,505,290	-	-	2,505,290
<b>Total Capital Assets, Being Depreciated</b>	<b>\$ 6,274,190</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,274,190</b>
Less Accumulated Depreciation for:				
Facilities	\$ 1,949,516	\$ 75,378	\$ -	\$ 2,024,894
Projects	292,695	50,106	-	342,801
<b>Total Accumulated Depreciation</b>	<b>\$ 2,242,211</b>	<b>\$ 125,484</b>	<b>\$ -</b>	<b>\$ 2,367,695</b>
<b>Total Capital Assets Being Depreciated, Net</b>	<b>\$ 4,031,979</b>	<b>\$ (125,484)</b>	<b>\$ -</b>	<b>\$ 3,906,495</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 5,047,763</b>	<b>\$ (125,484)</b>	<b>\$ -</b>	<b>\$ 4,922,279</b>

<b>Rush River Water Resource District</b>				
	Balance 1/1/2007	Increases	Decreases	Balance 12/31/2007
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 1,869,357	\$ -	\$ -	\$ 1,869,357
Total Capital Assets Not Being Depreciated	\$ 1,869,357	\$ -	\$ -	\$ 1,869,357
Capital assets being depreciated:				
Facilities	\$ 21,610,000	\$ -	\$ -	\$ 21,610,000
Projects	314,486	57,100		371,586
Total Capital Assets, Being Depreciated	\$ 21,924,486	\$ 57,100	\$ -	\$ 21,981,586
Less Accumulated Depreciation for:				
Facilities	\$ 16,271,240	\$ 258,200	\$ -	\$ 16,529,440
Projects	38,943	6,290		45,233
Total Accumulated Depreciation	\$ 16,310,183	\$ 264,490	\$ -	\$ 16,574,673
Total Capital Assets Being Depreciated, Net	\$ 5,614,302	\$ (207,390)	\$ -	\$ 5,406,912
Governmental Activities Capital Assets, Net	\$ 7,483,659	\$ (207,390)	\$ -	\$ 7,276,269

<b>Noxious Weed Control</b>				
	Balance 1/1/2007	Increases	Decreases	Balance 12/31/2007
Capital Assets, being depreciated:				
Buildings	\$ 41,054	\$ -	\$ -	\$ 41,054
Machinery & Equipment	100,518	-	9,818	90,700
Total capital assets, being depreciated	\$ 141,572	\$ -	\$ 9,818	\$ 131,754
Less Accumulated Depreciation:				
Buildings	\$ (16,421)	\$ (821)	\$ -	\$ (17,242)
Machinery & Equipment	(36,508)	(8,770)	(3,927)	(41,351)
Total Accumulated Depreciation	\$ (52,930)	\$ (9,591)	\$ (3,927)	\$ (58,594)
Total Capital Assets Net of Depreciation	\$ 88,643	\$ (9,591)	\$ 5,891	\$ 73,161

<b>Vector Control</b>				
	Balance 1/1/2007	Increases	Decreases	Balance 12/31/2007
Capital Assets, being depreciated:				
Machinery & Equipment	\$ 296,500	\$ 13,767	\$ 8,451	\$ 301,816
Less Accumulated Depreciation				
Machinery & Equipment	(130,700)	(27,362)	7,451	(150,611)
Total Capital Assets Net of Depreciation	\$ 165,800	\$ (13,595)	\$ 1,000	\$ 151,205

**NOTE 6: LEASES**

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

The assets acquired through the capital leases are as follows:

Asset	Capital Asset
Building	\$ 900,000
Less: Accumulated Depreciation	(54,000)
Total	\$ 846,000

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2007, were as follows:

Year Ending December 31	Long-Term Debt
2008	\$ 133,425
2009	133,425
2010	133,425
2011	133,425
2012	133,425
2013	133,426
Total minimum lease payments	\$ 800,553
Less: Amount representing Interest	(107,674)
Present value of minimum lease payments	\$ 692,879

#### **NOTE 7: LONG-TERM DEBT**

##### Special Assessment Bonds

Cass County issues special assessment bonds for construction in various subdivisions. The original amount of special assessment bonds issued in prior years was \$865,000. During the Year Ended December 31, 2007 \$365,000 was issued in special assessment bonds for Refunding Improvement District 2007-1. These bonds will be repaid from the debt service funds by amounts levied against the property owners benefited by this construction. As of December 31, 2007, the County had funds of \$154,205 available for payment on the special assessment bonds. In the event that a deficiency exists because of unpaid or delinquent special assessments at the time a debt service payment is due, the government must provide resources to cover the deficiency until other resources, for example, foreclosure proceeds are received. The County may levy general taxes to make up deficiencies in special assessment funds. Special assessments on property must be paid at the same time property taxes are paid.

Special assessment bonds at December 31, 2007, are comprised of the following individual issues:

##### Special Assessment Bonds:

\$95,000 Refunding Improvement Bonds of 1995 for construction in the Borderud's Subdivision due in annual installments of \$10,000 through 2010 with interest at 5.6%.

\$ 30,000

\$305,000 Refunding Improvement Bonds of 1997 for construction in the Round Hill Subdivision due in annual installments of \$25,000 through 2012 with interest at 5.2%.	125,000
\$380,000 Refunding Improvement Bonds of 2005 for construction in the Greyhawks Estates Subdivision due in annual installments of \$25,000 to \$30,000 through 2020 with interest at 3.4% to 4.40%.	340,000
\$365,000 Refunding Improvement Bonds of 2007 due in annual installments of \$15,000 to \$25,000 through 2022 with interest at 3.65% to 4.45%.	365,000
\$85,000 Refunding Improvement Bonds of 2001 for construction in the Holmen's 3 <sup>rd</sup> Subdivision due in annual installments of \$5,231 to \$8,024 through 2016 with interest at 5.42%.	<u>58,864</u>
Total Special Assessment Bonds	<u>\$ 918,864</u>

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

<b>Governmental Activities</b>		
Year Ending December 31	Principal	Interest
2008	\$ 85,231	\$ 38,762
2009	95,518	34,202
2010	95,821	30,054
2011	81,141	26,179
2012	81,478	22,629
2013-2017	279,674	73,957
2018-2022	200,000	18,825
Total	\$ 918,864	\$ 244,608

#### Special Assessments Payable

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

Special Assessments payable at December 31, 2007, are comprised of the following individual issues:

Special Assessments:

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

\$ 3,970

Total Special Assessments Payable \$ 3,970

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

<b>Governmental Activities</b>		
Year Ending December 31	Principal	Interest
2008	\$ 259	\$ 225
2009	98	206
2010	103	201
2011	109	195
2012	115	189
2013-2017	677	841
2018-2022	887	631
2023-2027	1,162	356
2028-2029	560	47
<b>Total</b>	<b>\$ 3,970</b>	<b>\$ 2,890</b>

During the year ended December 31, 2007, the following changes occurred in liabilities reported in long-term debt.

	Balance 1/1/07	Additions	Reductions	Balance 12/31/07	Due Within One Year
Special Assessment Bonds	\$ 623,822	\$ 365,000	\$ (69,958)	\$ 918,864	\$ 85,231
Less Deferred:					
Bond Discount	\$ 5,098	\$ 5,475	\$ (456)	\$ 10,117	\$ 745
Issuance Costs	10,243	5,264	(837)	14,671	1,114
Total Deferred	\$ 15,341	\$ 10,739	\$ (1,293)	\$ 24,788	\$ 1,859
Total Special Assessment Bonds	\$ 608,481	\$ 354,261	\$ (68,665)	\$ 894,076	\$ 83,371
Lease Payable	792,315	-	(99,435)	\$ 692,879	103,701
Special Assessments	3,970	-	-	3,970	259
Compensated Absences	1,119,678	1,330,076	(1,205,429)	1,244,325	1,244,325
<b>Total</b>	<b>\$ 2,524,444</b>	<b>\$ 1,684,337</b>	<b>\$ (1,373,529)</b>	<b>\$ 2,835,250</b>	<b>\$ 1,431,656</b>

The County is subject to a statutory limitation by the State of North Dakota for indebtedness payable principally from property taxes. At December 31, 2007, the statutory limit for the County was \$206,316,021. The County has leases payable that is subject to this limitation. The leases payable at December 31, 2007 were \$692,879. The legal debt margin at December 31, 2007 is \$205,623,142. The compensated absences are generally liquidated as follows: 55% from the General fund, 35% from Human Service fund, and 10% from County Road and Bridge fund.

During the year ended December 31, 2007, the following changes occurred in the long-term debt of the Water Resource Districts:

<b>Southeast Cass Water Resource District</b>					
	<b>Balance</b>			<b>Balance</b>	<b>Due Within</b>
	<b>1-1-07</b>	<b>Increases</b>	<b>Decreases</b>	<b>12-31-07</b>	<b>One Year</b>
Bonds Payable	\$ 6,754,000	\$ -	\$ (740,000)	\$ 6,014,000	\$ 530,000
Less Deferred Amounts:					
Bond Discount	23,652	-	(1,785)	21,867	1,785
Bond Issuance Costs	12,632	-	(953)	11,679	953
Total Bonds Payable	\$ 6,717,716	\$ -	\$ (737,262)	\$ 5,980,454	\$ 527,262
Loans Payable	655,427	-	(35,000)	620,427	35,000
Compensated Absences	4,028	5,607	(4,226)	5,409	5,409
<b>TOTAL</b>	\$ 7,377,171	\$ 5,607	\$ (776,488)	\$ 6,606,290	\$ 567,671

<b>Maple River Water Resource District</b>					
	<b>Balance</b>			<b>Balance</b>	<b>Due Within</b>
	<b>1-1-07</b>	<b>Increases</b>	<b>Decreases</b>	<b>12-31-07</b>	<b>One Year</b>
Bonds Payable	\$ 215,000	\$ -	\$ (30,000)	\$ 185,000	\$ 15,000
Loan Payable	210,000	-	(15,000)	195,000	15,000
Compensated Absences	1,150	2,186	(1,648)	1,688	1,688
<b>TOTAL</b>	\$ 426,150	\$ 2,186	\$ (46,648)	\$ 381,688	\$ 31,688

<b>North Cass Water Resource District</b>					
	<b>Balance</b>			<b>Balance</b>	<b>Due Within</b>
	<b>1-1-07</b>	<b>Increases</b>	<b>Decreases</b>	<b>12-31-07</b>	<b>One Year</b>
Bonds Payable	\$ 244,250	\$ -	\$ (21,000)	\$ 223,250	\$ 15,000
Compensated Absences	851	855	(645)	1,061	1,061
<b>TOTAL</b>	\$ 245,101	\$ 855	\$ (21,645)	\$ 224,311	\$ 16,061

<b>Rush River Water Resource District</b>					
	<b>Balance</b>			<b>Balance</b>	<b>Due Within</b>
	<b>1-1-07</b>	<b>Increases</b>	<b>Decreases</b>	<b>12-31-07</b>	<b>One Year</b>
Bonds Payable	\$ 770,000	\$ -	\$ (40,000)	\$ 730,000	\$ 40,000
Less Deferred Amounts:					
Bond Discount	10,467	-	(800)	9,667	800
Bond Issuance Costs	13,519	-	(1,033)	12,486	1,033
Total Bonds Payable	\$ 746,014	\$ -	\$ (38,167)	\$ 707,847	\$ 38,167
Compensated Absences	586	855	(645)	797	797
<b>TOTAL</b>	\$ 746,600	\$ 855	\$ (38,811)	\$ 708,644	\$ 38,964

Long-term debt of the Water Resource Districts at December 31, 2007, is comprised of the following special assessment bonds:

Southeast Cass Water Resource District:

2001 \$3,900,000 Refunding Improvement Bonds, due in annual installments of \$275,000 to \$280,000 through 2016; with interest at 4.125% to 4.5%.

\$2,500,000

2002 \$1,235,000 Improvement bonds due in annual installments of \$80,000 to \$85,000 through 2018; interest at 3.0% to 4.75%.	895,000
--	---------

\$2,800,000 2005 Improvement Bonds due in annual installments of \$155,000 to \$240,000 through 2020; interest at 3.0% to 4.0%.	2,495,000
---	-----------

1998 \$214,000 State Revolving Loan Fund Municipal Bond Bank, due in annual installments of \$10,000 to \$15,000 through 2018; with interest at 2.50%.	124,000
--	---------

Total Southeast Cass Special Assessment Bonds and Warrants Payable	<u>\$6,014,000</u>
--	--------------------

Loans Payable:

\$655,427 State Revolving Loan Fund drawdown. Maximum drawdown amount is up to \$850,000. There is no current set payment schedule until all monies have been drawn.	<u>\$ 620,427</u>
--	-------------------

Total Southeast Cass Long-term Debt (excluding Compensated Absences)	<u><u>\$6,634,427</u></u>
--	---------------------------

Maple River District Bonds and Warrants Payable:

\$228,000 Improvement Bonds of 2005, due in annual installments of \$15,000 to \$16,000 through 2019; interest at 4.9%.	<u>\$ 185,000</u>
---	-------------------

Total Maple River Special Assessment Bonds and Warrants Payable	<u>\$ 185,000</u>
---	-------------------

Loans Payable:

\$225,000 2005 State Bank & Trust Loan, due in annual installments of \$15,000 through 2020; interest at 5.25%.	<u>\$ 195,000</u>
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Total Maple River Long-Term Debt (excluding Compensated Absences)	<u><u>\$ 380,000</u></u>
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Rush River District Bonds and Warrants Payable:

2005 \$800,000 Improvement Bonds, due in annual installments of \$40,000 to \$70,000 through 2020, with interest at 2.6% to 4.35%.	<u><u>\$ 730,000</u></u>
--	--------------------------



North Cass District Bonds Payable:

2003 \$215,000 Improvement Bonds, due in annual installments of \$15,000 through 2018, with interest at 4.0% to 5.0% \$ 165,000

\$85,000 2005 Improvement Bonds, due in one annual installment of \$64,250 in 2013; interest at 4.8% 58,250

Total North Cass Special Assessment Bonds and Warrants Payable \$ 223,250

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

Southeast Cass Water Resource Districts Bonds Payable:

GOVERNMENTAL ACTIVITIES					
Year Ending December 31	SA Bonds Payable		Loan Payable		
	Principal	Interest	Principal	Interest	
2008	\$ 530,000	\$ 231,116	\$ 35,000	\$ 15,511	
2009	535,000	210,924	35,000	14,636	
2010	540,000	189,857	35,000	13,761	
2011	540,000	168,445	35,000	12,886	
2012	545,000	146,863	40,000	12,011	
2013 - 2017	2,540,000	400,338	200,000	45,053	
2018 - 2023	784,000	44,285	240,427	19,064	
Total	\$ 6,014,000	\$ 1,391,828	\$ 620,427	\$ 132,920	

Maple River Water Resource Districts Bonds Payable:

GOVERNMENTAL ACTIVITIES					
Year Ending December 31	SA Bonds Payable		Loan Payable		
	Principal	Interest	Principal	Interest	
2008	\$ 15,000	\$ 8,698	\$ 15,000	\$ 9,846	
2009	15,000	7,963	15,000	9,049	
2010	15,000	7,228	15,000	8,266	
2011	15,000	6,493	15,000	7,478	
2012	15,000	5,758	15,000	6,695	
2013 - 2017	78,000	17,542	75,000	21,639	
2018 - 2021	32,000	1,568	45,000	3,535	
Total	\$ 185,000	\$ 55,248	\$ 195,000	\$ 66,507	

North Cass Water Resource Districts Bonds Payable:

<b>GOVERNMENTAL ACTIVITIES</b>			
<b>Year Ending December 31</b>	<b>SA Bonds Payable</b>		
	<b>Principal</b>	<b>Interest</b>	
2008	\$ 15,000	\$	10,146
2009	15,000		9,546
2010	15,000		8,946
2011	15,000		8,346
2012	15,000		7,671
2013 - 2017	133,250		14,523
2018 - 2019	15,000		375
<b>Total</b>	<b>\$ 223,250</b>	<b>\$</b>	<b>59,553</b>

Rush River Water Resource Districts Bonds Payable:

<b>GOVERNMENTAL ACTIVITIES</b>			
<b>Year Ending December 31</b>	<b>Spec. Assess. Bonds Payable</b>		
	<b>Principal</b>	<b>Interest</b>	
2008	\$ 40,000	\$	27,645
2009	45,000		26,371
2010	45,000		24,864
2011	50,000		23,273
2012	50,000		21,510
2013 - 2017	290,000		75,875
2018 - 2020	210,000		13,703
<b>Total</b>	<b>\$ 730,000</b>	<b>\$</b>	<b>213,240</b>

The County is secondarily liable for the payment of principal and interest on water resource district bonds. These special assessment bonds are paid from the debt service funds that are funded by annual payments made by property owners directly benefiting from each project. As of December 31, 2007, the water resource districts had funds of \$1,318,192 available for payment on the special assessment bonds. The water resource district may reassess properties in the improvement district or may use general tax levies to cover deficiencies. In the event the water resource district is not able to generate funds to meet principal and interest payments, the County is also obligated to levy general tax levies to fund the deficiencies.

**NOTE 8: CONDUIT DEBT OBLIGATIONS**

From time to time, the County has issued Industrial Revenue Bonds and Community Development Block Grants to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the county, nor state, nor any political subdivision thereof is obligated in any manner for repayment of the bonds.

Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2007, there were 22 series of Industrial Revenue Bonds outstanding with an aggregate principal amount payable of \$49,707,258.

#### **NOTE 9: 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, 2007, 2006, and 2005 were 1,384,565, \$1,313,460, and \$1,236,551, respectively, equal to the required contributions for the year.

##### **Three-Year Trend Information**

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2007	\$ 1,384,565	100%	
12/31/2006	1,313,460	100%	-
12/31/2005	1,236,551	100%	-

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

losses of two million dollars per occurrence.

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

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

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

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

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

#### **NOTE 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: CONSTRUCTION COMMITMENTS**

The County has the following open construction contracts with balances owing at December 31, 2007:

Project	Amount	Completed	Retainage	Balance
Granberg Acres Paving	\$ 261,580	\$ 172,956	\$ 13,079	\$ 101,703
Highway 16 Deck Rehab	\$ 121,278	\$ 121,278	\$ 6,064	\$ 6,064
Highway 18 Deck Rehab	121,971	121,971	6,099	6,099
Perley Bridge	2,496,804	684,074	36,004	1,848,734
Highway 26 Bit Overlay	2,347,608	2,065,646	41,313	323,275
Highway 23 Grading	2,540,941	2,516,296	25,163	49,808
Total Construction Commitments	\$ 7,890,182	\$ 5,682,220	\$ 127,721	\$ 2,335,683

**SUPPLEMENTARY  
INFORMATION**

## **CASS COUNTY GOVERNMENT Nonmajor Special Revenue Funds**

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

### **Sheriff Asset Forfeiture**

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

### **JAIBG**

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

### **Sheriff Block Grant**

This is a fund for the accounting of various grants received by the Sheriff's Department. Currently, it accounts a public health emergency preparedness and response grant. This was a grant through the Fargo Cass Public Health Department to reimburse various cities for time expended for the development of security plans.

### **Jail Commissary**

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

### **Hazardous Plan/Response**

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

### **Valley Water Rescue**

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

### **State's Attorney Asset Forfeiture**

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

### **Senior Citizens**

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

**CASS COUNTY GOVERNMENT  
Nonmajor Special Revenue Funds**

**911 Service**

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

**County Emergency Fund**

This is a contingency fund, authorized by state law and used to provide funds for unexpected events.

**NDRIN-County Recorders**

This fund provides for the management of the North Dakota Recorders Information Network Fund (NDRIN).

NDRIN provides for the operation of a central repository for electronic land records from member counties and provides for access to those records by electronic means over the Internet. Funding is provided by electronic access fees and the Document Preservation Fee charged by member counties for recording documents.

**Document Preservation Fund**

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

**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.

**Federal Disaster Aid**

This fund was a temporary fund set up to account for federal aid received to help repair damage caused by the Flood of 2001. These projects are now in the process of being finalized.



**CASS COUNTY GOVERNMENT  
Nonmajor Debt Service Funds**

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

**Borderuds Subdivision  
Windsor Green Subdivision  
Sleepy Hollow Subdivision  
Round Hill Subdivision  
Greyhawk Estates Subdivision  
Street Improvement District 2007-1  
Holmen's 3<sup>rd</sup> 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  
Nonmajor Capital Projects Funds**

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

**Forest River Subdivision**

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

**Greyhawk Estates Subdivision**

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

**Round Hill Subdivision**

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

**Holmen's 3<sup>rd</sup> Subdivision**

This fund is used to provide for the construction of street improvements in Holmen's 3<sup>rd</sup> Subdivision.

**Street Improvement District 2007-1**

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

**THIS PAGE HAS BEEN RESERVED FOR NOTES**

**CASS COUNTY GOVERNMENT**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds - Special Revenue Funds**  
**December 31, 2007**

	Sheriff Asset Forfeiture	JAIBG Fund	Sheriff Block Grant
	<hr/>	<hr/>	<hr/>
<u>ASSETS</u>			
Cash and cash equivalents	\$ -	\$ 40,267	\$ 4,170
Receivables:			
Taxes	-	-	-
Accounts	-	-	-
Prepaid Items	-	-	-
Due From Other Governments	27,603	-	-
	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	27,603	40,267	4,170
	<hr/>	<hr/>	<hr/>
<u>LIABILITIES AND FUND BALANCES</u>			
<u>Liabilities:</u>			
Accounts Payable	44,505	-	-
Due to General Fund	7,044	-	-
Due to Inmates	-	-	-
Deferred Revenues	-	-	-
	<hr/>	<hr/>	<hr/>
Total Liabilities	51,549	-	-
	<hr/>	<hr/>	<hr/>
<u>Fund Balance:</u>			
Fund Balances, Unreserved	(23,946)	40,267	4,170
Fund Balances, Reserved:			
Reserved for Prepaid Items	-	-	-
	<hr/>	<hr/>	<hr/>
Total Fund Balances	(23,946)	40,267	4,170
	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES AND FUND BALANCES	\$ 27,603	\$ 40,267	\$ 4,170
	<hr/>	<hr/>	<hr/>

<u>Jail Commissary</u>	<u>Hazardous Plan/ Response</u>	<u>Valley Water Rescue</u>	<u>St. Att'y Asset Forfeiture</u>	<u>Senior Citizens</u>
\$ 239,359	\$ 27,472	\$ 24,384	\$ 33,510	\$ 138,959
-	-	-	-	7,420
-	-	-	-	-
-	-	-	-	-
11,743	288	-	-	-
<u>251,102</u>	<u>27,760</u>	<u>24,384</u>	<u>33,510</u>	<u>146,379</u>
6,988	-	8,226	-	-
-	-	-	-	-
11,627	-	-	-	-
-	-	-	-	141,702
<u>18,615</u>	<u>-</u>	<u>8,226</u>	<u>-</u>	<u>141,702</u>
232,487	27,760	16,158	33,510	4,677
-	-	-	-	-
<u>232,487</u>	<u>27,760</u>	<u>16,158</u>	<u>33,510</u>	<u>4,677</u>
<u>\$ 251,102</u>	<u>\$ 27,760</u>	<u>\$ 24,384</u>	<u>\$ 33,510</u>	<u>\$ 146,379</u>

Continued on next page

**CASS COUNTY GOVERNMENT**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds - Special Revenue Funds**  
**December 31, 2007**

	911 Service	Emergency Fund	NDRIN County Recorder Project
	<u>          </u>	<u>          </u>	<u>          </u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 18,506	\$ 468,628	\$ 415,065
Receivables:			
Taxes	-	2,406	-
Accounts	-	-	19,043
Prepaid Items	-	-	-
Due From Other Governments	48,375	-	22,524
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL ASSETS</b>	<u>66,881</u>	<u>471,034</u>	<u>456,631</u>
<u>LIABILITIES AND FUND BALANCES</u>			
<u>Liabilities:</u>			
Accounts Payable	62,427	-	2,156
Due to General Fund	-	-	-
Due to Inmates	-	-	-
Deferred Revenues	-	2,406	-
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Liabilities</b>	<u>62,427</u>	<u>2,406</u>	<u>2,156</u>
<u>Fund Balances:</u>			
Fund Balances, Unreserved	4,454	468,628	454,475
Fund Balances, Reserved:			
Reserved for Prepaid Items	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Fund Balances</b>	<u>4,454</u>	<u>468,628</u>	<u>454,475</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 66,881</u>	<u>\$ 471,034</u>	<u>\$ 456,631</u>

Continued from previous page

Document Preservation ROD	County Park	Total Nonmajor Special Revenue Funds
\$ 89,285	\$ 79,815	\$ 1,579,420
-	965	10,792
-	-	19,043
-	177	177
<u>1,041</u>	<u>626</u>	<u>112,200</u>
 <u>90,326</u>	 <u>81,582</u>	 <u>1,721,632</u>
 3,522	 -	 127,824
-	-	7,044
-	-	11,627
<u>-</u>	<u>12,270</u>	<u>156,378</u>
 <u>3,522</u>	 <u>12,270</u>	 <u>302,873</u>
 86,804	 69,136	 1,418,581
<u>-</u>	<u>177</u>	<u>177</u>
 <u>86,804</u>	 <u>69,314</u>	 <u>1,418,758</u>
 <u>\$ 90,326</u>	 <u>\$ 81,582</u>	 <u>\$ 1,721,632</u>

**CASS COUNTY GOVERNMENT**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds - All Debt Service Funds**  
**December 31, 2007**

	<u>Round Hill Subdivision</u>	<u>Holmen's Third Subdivision</u>	<u>Borderud's Subdivision</u>	<u>Windsor Green Subdivision</u>
<u>ASSETS</u>				
Cash and Investments	\$ 57,126	\$ 15,839	\$ 33,059	\$ 6,826
Receivables:				
Taxes	-	-	-	-
Due From Other Funds	-	-	-	-
Total Assets	<u>57,126</u>	<u>15,839</u>	<u>33,059</u>	<u>6,826</u>
<u>LIABILITIES AND FUND BALANCES</u>				
<u>Liabilities:</u>				
Deferred Revenues	6,623	4,559	807	-
Due to Other Funds	-	-	-	-
Total Liabilities	<u>6,623</u>	<u>4,559</u>	<u>807</u>	<u>-</u>
<u>Fund Balances:</u>				
Reserved for Debt Service	50,503	11,279	32,252	6,826
Total Fund Balances	<u>50,503</u>	<u>11,279</u>	<u>32,252</u>	<u>6,826</u>
Total Liabilities and Fund Balances	<u>\$ 57,126</u>	<u>\$ 15,839</u>	<u>\$ 33,059</u>	<u>\$ 6,826</u>



<u>Sleepy Hollow Subdivision</u>	<u>Greyhawk Estates Subdivision</u>	<u>St. Imp. District 2007-1</u>	<u>Total Nonmajor Debt Service Funds</u>
\$ 15,517	\$ 45,339	\$ 17,606	\$ 191,311
-	1,685	-	1,685
<u>15,517</u>	<u>47,024</u>	<u>17,606</u>	<u>192,996</u>
-	16,033	10,769	38,791
<u>-</u>	<u>16,033</u>	<u>10,769</u>	<u>38,791</u>
<u>15,517</u>	<u>30,990</u>	<u>6,837</u>	<u>154,205</u>
<u>15,517</u>	<u>30,990</u>	<u>6,837</u>	<u>154,205</u>
<u>\$ 15,517</u>	<u>\$ 47,024</u>	<u>\$ 17,606</u>	<u>\$ 192,996</u>

**CASS COUNTY GOVERNMENT**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds - Capital Projects Funds**  
**December 31, 2007**

	<u>Forest River Subdivision</u>	<u>Round Hill Subdivision</u>	<u>Greyhawks Estates Subdivision</u>	<u>St. Imp. District 2007-1</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b><u>ASSETS</u></b>					
Cash and cash equivalents	\$ 27,386	\$ 35,793	\$ 61,958	\$ 170,306	\$ 295,443
Accounts Receivable	-	-	-	-	-
Total Assets	<u>27,386</u>	<u>35,793</u>	<u>61,958</u>	<u>170,306</u>	<u>295,443</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>					
<b><u>Liabilities:</u></b>					
Accounts Payable	-	-	-	502	502
Retainage Payable	-	-	-	13,079	13,079
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,581</u>	<u>13,581</u>
<b><u>Fund Balances:</u></b>					
Fund Balances, Unreserved	<u>27,386</u>	<u>35,793</u>	<u>61,958</u>	<u>156,725</u>	<u>281,862</u>
Total Fund Balances	<u>27,386</u>	<u>35,793</u>	<u>61,958</u>	<u>156,725</u>	<u>281,862</u>
Total Liabilities and Fund Balances	<u>\$ 27,386</u>	<u>\$ 35,793</u>	<u>\$ 61,958</u>	<u>\$ 170,306</u>	<u>\$ 295,443</u>

**CASS COUNTY GOVERNMENT**  
**Combining Balance Sheet**  
**All Nonmajor Governmental Funds**  
**December 31, 2007**

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
<u>ASSETS</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 1,579,420	\$ 191,311	\$ 295,443	\$ 2,066,175
Receivables:				
Taxes	10,792	1,685	-	12,477
Accounts	19,043	-	-	19,043
Due From Other Governments	112,200	-	-	112,200
Prepaid Items	177	-	-	177
<b>TOTAL ASSETS</b>	<b>1,721,632</b>	<b>192,996</b>	<b>295,443</b>	<b>2,210,071</b>
<u>LIABILITIES AND FUND BALANCES</u>				
<u>Liabilities:</u>				
Accounts Payable	127,824	-	502	128,326
Retainages Payable	-	-	13,079	13,079
Deferred Revenues	156,378	38,791	-	195,169
Due to General Funds	7,044	-	-	7,044
Due To Inmates	11,627	-	-	11,627
<b>Total Liabilities</b>	<b>302,873</b>	<b>38,791</b>	<b>13,581</b>	<b>355,245</b>
<u>Fund Balances:</u>				
Reserved for Prepaid Items	177	-	-	177
Reserved for Debt Service	-	154,205	-	154,205
Unreserved	1,418,581	-	281,862	1,700,443
<b>Total Balances</b>	<b>1,418,758</b>	<b>154,205</b>	<b>281,862</b>	<b>1,854,825</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,721,632</b>	<b>\$ 192,996</b>	<b>\$ 295,443</b>	<b>\$ 2,210,071</b>

**CASS COUNTY GOVERNMENT**  
**Combining Statement of Revenues, Expenditures and Changes in**  
**Fund Balances -- Nonmajor Governmental Funds - Special Revenue Funds**  
**For the Fiscal Year Ended December 31, 2007**

	Sheriff Asset Forfeiture	JAIBG Fund	Sheriff Block Grant
<u>Revenues:</u>			
Property Taxes	\$ -	\$ -	\$ -
License, Permits & Fees	40,863	7,988	-
Intergovernmental Revenues	106,046	-	10,000
Charges for Services	-	-	-
Miscellaneous Revenues	1,948	2,184	188
	<hr/>	<hr/>	<hr/>
Total Revenues	148,857	10,172	10,188
	<hr/>	<hr/>	<hr/>
<u>Expenditures:</u>			
Current:			
General Government	-	-	-
Public Safety	236,267	6,075	6,018
Culture and Recreation	-	-	-
Conservation & Econ. Development	-	-	-
	<hr/>	<hr/>	<hr/>
Total Expenditures	236,267	6,075	6,018
	<hr/>	<hr/>	<hr/>
Excess (deficiency) of Revenues Over (Under) Expenditures	(87,410)	4,097	4,170
	<hr/>	<hr/>	<hr/>
<u>Other Financing Sources (Uses):</u>			
Transfers In	-	-	-
Transfers Out	-	-	-
	<hr/>	<hr/>	<hr/>
Total Other Financing Sources and (Uses)	-	-	-
	<hr/>	<hr/>	<hr/>
Net change in fund balances	(87,410)	4,097	4,170
	<hr/>	<hr/>	<hr/>
Fund Balance - Beginning	63,464	36,169	-
	<hr/>	<hr/>	<hr/>
Fund Balance - Ending	\$ (23,946)	\$ 40,267	\$ 4,170
	<hr/>	<hr/>	<hr/>

Jail Commissary	Hazardous Plan/ Response	Valley Water Rescue	St. Atty Asset Forfeiture	Senior Citizens	911 Service
\$ -	\$ -	\$ -	\$ -	\$ 384,419	\$ -
-	-	-	10,766	-	-
-	5,125	28,364	-	238,517	-
278,623	-	-	-	-	247,861
15,713	1,412	1,666	2,030	3,777	1,369
<u>294,336</u>	<u>6,537</u>	<u>30,030</u>	<u>12,796</u>	<u>626,713</u>	<u>249,230</u>
-	339	-	-	-	-
269,616	-	26,057	2,185	-	410,843
-	-	-	-	653,182	-
-	-	-	-	-	-
<u>269,616</u>	<u>339</u>	<u>26,057</u>	<u>2,185</u>	<u>653,182</u>	<u>410,843</u>
<u>24,720</u>	<u>6,198</u>	<u>3,973</u>	<u>10,611</u>	<u>(26,469)</u>	<u>(161,613)</u>
-	-	-	-	-	180,000
(35,227)	-	-	(10,000)	-	-
(35,227)	-	-	(10,000)	-	180,000
(10,507)	6,198	3,973	611	(26,469)	18,387
<u>242,994</u>	<u>21,562</u>	<u>12,184</u>	<u>32,898</u>	<u>31,146</u>	<u>(13,933)</u>
<u>\$ 232,487</u>	<u>\$ 27,760</u>	<u>\$ 16,158</u>	<u>\$ 33,510</u>	<u>\$ 4,677</u>	<u>\$ 4,454</u>

Continued on next page

**CASS COUNTY GOVERNMENT**  
**Combining Statement of Revenues, Expenditures and Changes in**  
**Fund Balances -- Nonmajor Governmental Funds - Special Revenue Funds**  
**For the Fiscal Year Ended December 31, 2007**

	<u>Emergency Fund</u>	<u>NDRIN - County Recorders</u>	<u>Document Preservation Fund</u>
<u>Revenues:</u>			
Property Taxes	\$ 189,697	\$ -	\$ -
License, Permits & Fees	-	-	-
Intergovernmental Revenues	-	-	-
Charges for Services	-	358,696	95,223
Miscellaneous Revenues	25,436	19,690	4,429
Total Revenues	<u>215,133</u>	<u>378,386</u>	<u>99,652</u>
<u>Expenditures:</u>			
Current:			
General Government	-	281,524	72,721
Public Safety	-	-	-
Culture and Recreation	-	-	-
Conservation & Econ. Development	-	-	-
Total Expenditures	<u>-</u>	<u>281,524</u>	<u>72,721</u>
Excess (deficiency) of Revenues Over (Under) Expenditures	<u>215,133</u>	<u>96,862</u>	<u>26,931</u>
<u>Other Financing Sources (Uses):</u>			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources and (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>215,133</u>	<u>96,862</u>	<u>26,931</u>
Fund Balance - Beginning	<u>253,496</u>	<u>357,613</u>	<u>59,872</u>
Fund Balance - Ending	<u>\$ 468,628</u>	<u>\$ 454,475</u>	<u>\$ 86,804</u>

Continued from previous page

County Park	Federal Disaster Aid	Total Nonmajor Special Revenue Funds
\$ 27,391	\$ -	\$ 601,506
-	-	59,618
2,552	-	390,604
895	-	981,297
<u>4,855</u>	<u>8</u>	<u>84,705</u>
<u>35,692</u>	<u>8</u>	<u>2,117,730</u>
-	-	354,584
-	-	957,061
31,721	-	684,903
<u>-</u>	<u>2</u>	<u>2</u>
<u>31,721</u>	<u>2</u>	<u>1,996,549</u>
<u>3,971</u>	<u>6</u>	<u>121,181</u>
-	-	180,000
<u>-</u>	<u>(20,766)</u>	<u>(65,993)</u>
<u>-</u>	<u>(20,766)</u>	<u>114,007</u>
<u>3,971</u>	<u>(20,760)</u>	<u>235,188</u>
<u>65,343</u>	<u>20,760</u>	<u>1,183,568</u>
<u>\$ 69,314</u>	<u>\$ -</u>	<u>\$ 1,418,758</u>

**CASS COUNTY GOVERNMENT**  
**Combining Statement of Revenues, Expenditures and Changes in**  
**Fund Balances - Nonmajor Governmental Funds - Debt Service Funds**  
**For the Fiscal Year Ended December 31, 2007**

	Round Hill Subdivision	Holmen's Third Subdivision	Borderud's Subdivision
<u>Revenues:</u>			
Property Taxes	\$ 19,882	\$ 8,025	\$ 5,279
Miscellaneous Revenues	3,221	851	1,954
Total Revenues	<u>23,103</u>	<u>8,876</u>	<u>7,233</u>
<u>Expenditures:</u>			
Debt Service:			
Principal	25,000	4,958	10,000
Interest	7,094	3,393	1,960
Fiscal Charges	703	-	502
Total Expenditures	<u>32,797</u>	<u>8,351</u>	<u>12,462</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(9,693)</u>	<u>524</u>	<u>(5,228)</u>
<u>Other Financing Sources (Uses):</u>			
Transfers Out	-	-	-
Total Other Financing Sources and (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(9,693)</u>	<u>524</u>	<u>(5,228)</u>
Fund Balance - Beginning	<u>60,196</u>	<u>10,755</u>	<u>37,480</u>
Fund Balance - Ending	<u>\$ 50,503</u>	<u>\$ 11,279</u>	<u>\$ 32,252</u>



<u>Windsor Green Subdivision</u>	<u>Sleepy Hollow Subdivision</u>	<u>Greyhawk Estates Subdivision</u>	<u>St. Imp. District 2007-1</u>	<u>Forest River Subdivision</u>	<u>Total Nonmajor Debt Service Funds</u>
\$ -	\$ -	\$ 43,098	\$ 6,759	\$ 1,538	\$ 84,582
384	873	2,348	78	-	9,709
<u>384</u>	<u>873</u>	<u>45,446</u>	<u>6,837</u>	<u>1,538</u>	<u>94,290</u>
-	-	30,000	-	-	69,958
-	-	14,063	-	-	26,509
-	-	799	-	-	2,004
<u>-</u>	<u>-</u>	<u>44,862</u>	<u>-</u>	<u>-</u>	<u>98,471</u>
<u>384</u>	<u>873</u>	<u>585</u>	<u>6,837</u>	<u>1,538</u>	<u>(4,181)</u>
-	-	-	-	(376)	(376)
-	-	-	-	(376)	(376)
<u>384</u>	<u>873</u>	<u>585</u>	<u>6,837</u>	<u>1,161</u>	<u>(4,557)</u>
<u>6,442</u>	<u>14,644</u>	<u>30,405</u>	<u>-</u>	<u>(1,161)</u>	<u>158,762</u>
<u>\$ 6,826</u>	<u>\$ 15,517</u>	<u>\$ 30,990</u>	<u>\$ 6,837</u>	<u>\$ -</u>	<u>\$ 154,205</u>

**CASS COUNTY GOVERNMENT**  
**Combining Statement of Revenues , Expenditures and**  
**Changes in Fund Balances**  
**Nonmajor Governmental Funds - Capital Projects Funds**  
**For the Fiscal Year Ended December 31, 2007**

	<u>Forest River Subdivision</u>	<u>Round Hill Subdivision</u>
Revenues:		
Intergovernmental Revenues	-	-
Miscellaneous Revenues	\$ 1,524	\$ 2,014
Total Revenues	<u>1,524</u>	<u>2,014</u>
Expenditures:		
Capital Outlay	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,524</u>	<u>2,014</u>
Other Financing Sources:		
Transfer In	376	-
Bond Discount	-	-
Bond/Lease Proceeds	<u>-</u>	<u>-</u>
Total Other Financing Sources	<u>376</u>	<u>-</u>
Revenues and Other Financing Sources over Expenditures	<u>1,900</u>	<u>2,014</u>
Fund Balance - Beginning	<u>25,486</u>	<u>33,779</u>
Fund Balance - Ending	<u>\$ 27,386</u>	<u>\$ 35,793</u>

<u>Greyhawks Estates Subdivision</u>	<u>St. Imp. Dist. 2007-1</u>	<u>Total Nonmajor Capital Projects Funds</u>
-	-	-
<u>\$ 3,486</u>	<u>\$ 2,002</u>	<u>\$ 9,024</u>
3,486	2,002	9,024
<u>-</u>	<u>204,802</u>	<u>204,802</u>
<u>-</u>	<u>204,802</u>	<u>204,802</u>
<u>3,486</u>	<u>(202,800)</u>	<u>(195,777)</u>
-	-	376
-	(5,475)	(5,475)
<u>-</u>	<u>365,000</u>	<u>365,000</u>
<u>-</u>	<u>359,525</u>	<u>359,901</u>
<u>3,486</u>	<u>156,725</u>	<u>164,124</u>
<u>58,472</u>	<u>-</u>	<u>117,738</u>
<u>\$ 61,958</u>	<u>\$ 156,725</u>	<u>\$ 281,862</u>

**CASS COUNTY GOVERNMENT**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**All Nonmajor Governmental Funds**  
**For the Fiscal Year Ended December 31, 2007**

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
<b><u>REVENUES</u></b>				
Taxes:				
Property	\$ 601,506	\$ 84,582	\$ -	\$ 686,088
Licenses, permits and fees	59,618	-	-	59,618
Intergovernmental revenues	390,604	-	-	390,604
Charges for services	981,297	-	-	981,297
Miscellaneous revenues	84,705	9,709	9,024	103,438
	<u>2,117,730</u>	<u>94,290</u>	<u>9,024</u>	<u>2,221,045</u>
Total Revenues				
<b><u>EXPENDITURES</u></b>				
Current:				
General government	354,584	-	-	354,584
Public Safety	957,061	-	-	957,061
Culture and recreation	684,903	-	-	684,903
Conservation & economic development	2	-	-	2
Capital outlay			204,802	204,802
Debt service:				
Principal retirement	-	69,958	-	69,958
Interest	-	26,509	-	26,509
Fiscal charges	-	2,004	-	2,004
	<u>1,996,549</u>	<u>98,471</u>	<u>204,802</u>	<u>2,299,823</u>
Total Expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>121,181</u>	<u>(4,181)</u>	<u>(195,777)</u>	<u>(78,778)</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	180,000	-	376	180,376
Transfers out	(65,993)	(376)	-	(66,370)
Bond Discounts	-		(5,475)	(5,475)
Proceeds of Bond/Lease	-		365,000	365,000
	<u>114,007</u>	<u>(376)</u>	<u>359,901</u>	<u>473,532</u>
Total of other financing uses				
Net change in fund balances	235,188	(4,557)	164,124	394,754
Fund Balances - Beginning	<u>1,183,568</u>	<u>158,762</u>	<u>117,738</u>	<u>1,460,068</u>
Fund Balances - Ending	<u>\$ 1,418,758</u>	<u>\$ 154,205</u>	<u>\$ 281,862</u>	<u>\$ 1,854,825</u>

**THIS PAGE HAS BEEN RESERVED FOR NOTES**

**CASS COUNTY GOVERNMENT**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Special Revenue Funds**  
**For the Fiscal Year Ended December 31, 2007**

	Sheriff Asset Forfeiture			Variance With Final Budget Positive (Negative)
	Budget		Actual	
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
License, Permits & Fees	25,000	25,000	40,863	15,863
Intergovernmental Revenues	105,259	146,259	106,046	(40,213)
Charges for Services	-	-	-	-
Miscellaneous Revenues	1,600	1,600	1,948	348
<b>Total Revenues</b>	<b>131,859</b>	<b>172,859</b>	<b>148,857</b>	<b>(24,002)</b>
<u>Expenditures:</u>				
Current:				
General Government	-	-	-	-
Public Safety	131,764	241,764	236,267	5,497
Culture and Recreation	-	-	-	-
<b>Total Expenditures</b>	<b>131,764</b>	<b>241,764</b>	<b>236,267</b>	<b>5,497</b>
Excess (deficiency) of revenues over (under) expenditures	95	(68,905)	(87,410)	(18,505)
<u>Other Financing Sources (Uses):</u>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>95</b>	<b>(68,905)</b>	<b>(87,410)</b>	<b>(18,505)</b>
Fund Balance - Beginning	63,464	63,464	63,464	-
<b>Fund Balance - Ending</b>	<b>\$ 63,559</b>	<b>\$ (5,441)</b>	<b>\$ (23,946)</b>	<b>\$ (18,505)</b>

JAIBG Fund				Sheriff Block Grants			
Budget		Actual	Variance With Final Budget Positive (Negative)	Budget		Actual	Variance With Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6,000	6,000	7,988	1,988	-	-	-	-
-	-	-	-	-	10,000	10,000	-
-	-	-	-	-	-	-	-
1,000	1,000	2,184	1,184	-	-	188	188
7,000	7,000	10,172	3,172	-	10,000	10,188	188
-	-	-	-	-	-	-	-
6,000	6,000	6,075	(75)	-	10,000	6,018	3,982
-	-	-	-	-	-	-	-
6,000	6,000	6,075	(75)	-	10,000	6,018	3,982
1,000	1,000	4,097	3,097	-	-	4,170	4,170
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,000	1,000	4,097	3,097	-	-	4,170	4,170
36,169	36,169	36,169	-	-	-	-	-
<u>\$ 37,169</u>	<u>\$ 37,169</u>	<u>\$ 40,267</u>	<u>\$ 3,098</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,170</u>	<u>\$ 4,170</u>

Continued

**CASS COUNTY GOVERNMENT**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Special Revenue Funds**  
**For the Fiscal Year Ended December 31, 2007**

	Jail Commissary			Variance With Final Budget Positive (Negative)
	Budget		Actual	
	Original	Final		
<u>Revenues:</u>				
Taxes	\$ -	\$ -	\$ -	\$ -
License, Permits & Fees	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Charges for Services	300,000	300,000	278,623	(21,377)
Miscellaneous Revenues	10,000	10,000	15,713	5,713
Total Revenues	<u>310,000</u>	<u>310,000</u>	<u>294,336</u>	<u>(15,664)</u>
Current:				
General Government	-	-	-	-
Public Safety	230,000	262,500	269,616	(7,116)
Culture and Recreation	-	-	-	-
Total Expenditures	<u>230,000</u>	<u>262,500</u>	<u>269,616</u>	<u>(7,116)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>80,000</u>	<u>47,500</u>	<u>24,720</u>	<u>(22,780)</u>
<u>Other Financing Sources (Uses):</u>				
Transfers In	-	-	-	-
Transfers Out	(35,227)	(35,227)	(35,227)	-
Total Other Financing Sources (Uses)	<u>(35,227)</u>	<u>(35,227)</u>	<u>(35,227)</u>	<u>-</u>
Net change in fund balances	<u>44,773</u>	<u>12,273</u>	<u>(10,507)</u>	<u>(22,780)</u>
Fund Balance - Beginning	<u>242,994</u>	<u>242,994</u>	<u>242,994</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 287,767</u>	<u>\$ 255,267</u>	<u>\$ 232,487</u>	<u>\$ (22,780)</u>

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Hazardous Plan/Response				Valley Water Rescue			
Budget		Actual	Variance With Final Budget Positive (Negative)	Budget		Actual	Variance With Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
4,000	4,000	5,125	1,125	38,100	38,100	28,364	(9,736)
-	-	-	-	-	-	-	-
1,200	1,200	1,412	212	2,000	2,000	1,666	(334)
5,200	5,200	6,537	1,337	40,100	40,100	30,030	(10,070)
-	-	339	(339)	-	-	-	-
4,000	4,000	-	4,000	38,100	38,100	26,057	12,043
-	-	-	-	-	-	-	-
4,000	4,000	339	3,661	38,100	38,100	26,057	12,043
1,200	1,200	6,198	4,998	2,000	2,000	3,973	1,974
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,200	1,200	6,198	4,998	2,000	2,000	3,973	1,974
21,562	21,562	21,562	-	12,184	12,184	12,184	-
\$ 22,762	\$ 22,762	\$ 27,760	\$ 4,998	\$ 14,184	\$ 14,184	\$ 16,158	\$ 1,974

Continued

**CASS COUNTY GOVERNMENT**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Special Revenue Funds**  
**For the Fiscal Year Ended December 31, 2007**

	States Attorney Asset Forfeiture			Variance With Final Budget Positive (Negative)
	Budget		Actual	
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
License, Permits & Fees	10,000	10,000	10,766	766
Intergovernmental Revenues	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Revenues	500	500	2,030	1,530
<b>Total Revenues</b>	<b>10,500</b>	<b>10,500</b>	<b>12,796</b>	<b>2,296</b>
<u>Expenditures:</u>				
Current:				
General Government	-	-	-	-
Public Safety	2,000	3,500	2,185	1,315
Culture and Recreation	-	-	-	-
<b>Total Expenditures</b>	<b>2,000</b>	<b>3,500</b>	<b>2,185</b>	<b>1,315</b>
Excess (deficiency) of revenues over (under) expenditures	8,500	7,000	10,611	3,612
<u>Other Financing Sources (Uses):</u>				
Transfers In	-	-	-	-
Transfers Out	(10,000)	(10,000)	(10,000)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(10,000)</b>	<b>(10,000)</b>	<b>(10,000)</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(1,500)</b>	<b>(3,000)</b>	<b>611</b>	<b>3,612</b>
Fund Balance - Beginning	32,898	32,898	32,898	-
<b>Fund Balance - Ending</b>	<b>\$ 31,398</b>	<b>\$ 29,898</b>	<b>\$ 33,510</b>	<b>\$ 3,612</b>

Continued from previous page

Senior Citizens				911 Service			
Budget		Actual	Variance With Final Budget Positive (Negative)	Budget		Actual	Variance With Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ 386,948	\$ 386,948	\$ 384,419	\$ (2,529)	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
238,500	238,500	238,517	17	-	-	-	-
-	-	-	-	240,000	240,000	247,861	7,861
3,378	3,378	3,777	399	500	500	1,369	869
628,826	628,826	626,713	(2,113)	240,500	240,500	249,230	8,730
-	-	-	-	-	-	-	-
-	-	-	-	402,117	418,262	410,843	7,419
653,182	653,182	653,182	-	-	-	-	-
653,182	653,182	653,182	-	402,117	418,262	410,843	7,419
(24,356)	(24,356)	(26,469)	(2,113)	(161,617)	(177,762)	(161,613)	16,149
-	-	-	-	115,000	180,000	180,000	-
-	-	-	-	-	-	-	-
-	-	-	-	115,000	180,000	180,000	-
(24,356)	(24,356)	(26,469)	(2,113)	(46,617)	2,238	18,387	16,149
31,146	31,146	31,146	-	(13,933)	(13,933)	(13,933)	-
\$ 6,790	\$ 6,790	\$ 4,677	\$ (2,113)	\$ (60,550)	\$ (11,695)	\$ 4,454	\$ 16,149

Continued

**CASS COUNTY GOVERNMENT**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Special Revenue Funds**  
**For the Fiscal Year Ended December 31, 2007**

	Emergency Fund			Variance With Final Budget Positive (Negative)
	Budget		Actual	
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$ 191,931	\$ 191,931	\$ 189,697	\$ (2,234)
License, Permits & Fees	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Revenues	10,000	10,000	25,436	15,436
Total Revenues	<u>201,931</u>	<u>201,931</u>	<u>215,133</u>	<u>13,201</u>
<u>Expenditures:</u>				
Current:				
General Government	50,000	50,000	-	50,000
Public Safety	-	-	-	-
Culture and Recreation	-	-	-	-
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>151,931</u>	<u>151,931</u>	<u>215,133</u>	<u>63,201</u>
<u>Other Financing Sources (Uses):</u>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>151,931</u>	<u>151,931</u>	<u>215,133</u>	<u>63,201</u>
Fund Balance - Beginning	<u>253,496</u>	<u>253,496</u>	<u>253,496</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 405,427</u>	<u>\$ 405,427</u>	<u>\$ 468,628</u>	<u>\$ 63,201</u>

Continued from previous page

NDRIN - County Recorder Project				Document Preservation - ROD			
Budget		Actual	Variance With Final Budget Positive (Negative)	Budget		Actual	Variance With Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
295,000	295,000	358,696	63,696	80,000	80,000	95,223	15,223
15,000	15,000	19,690	4,690	2,000	2,000	4,429	2,429
310,000	310,000	378,386	68,386	82,000	82,000	99,652	17,652
362,000	362,000	281,524	80,476	65,560	75,560	72,721	2,839
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
362,000	362,000	281,524	80,476	65,560	75,560	72,721	2,839
(52,000)	(52,000)	96,862	148,862	16,440	6,440	26,931	20,492
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(52,000)	(52,000)	96,862	148,862	16,440	6,440	26,931	20,492
357,613	357,613	357,613	-	59,872	59,872	59,872	-
\$ 305,613	\$ 305,613	\$ 454,475	\$ 148,862	\$ 76,312	\$ 66,312	\$ 86,804	\$ 20,492

Continued

**CASS COUNTY GOVERNMENT**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Special Revenue Funds**  
**For the Fiscal Year Ended December 31, 2007**

	County Park			Variance With Final Budget Positive (Negative)
	Budget		Actual	
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$ 26,432	\$ 26,432	\$ 27,391	\$ 959
License, Permits & Fees	-	-	-	-
Intergovernmental Revenues	1,385	1,385	2,552	1,167
Charges for Services	-	-	895	895
Miscellaneous Revenues	3,000	3,000	4,855	1,855
Total Revenues	<u>30,817</u>	<u>30,817</u>	<u>35,692</u>	<u>4,875</u>
<u>Expenditures:</u>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Culture and Recreation	41,703	41,703	31,721	9,982
Total Expenditures	<u>41,703</u>	<u>41,703</u>	<u>31,721</u>	<u>9,982</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,886)</u>	<u>(10,886)</u>	<u>3,971</u>	<u>14,857</u>
<u>Other Financing Sources (Uses):</u>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(10,886)</u>	<u>(10,886)</u>	<u>3,971</u>	<u>14,857</u>
Fund Balance - Beginning	<u>65,343</u>	<u>65,343</u>	<u>65,343</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 54,457</u>	<u>\$ 54,457</u>	<u>\$ 69,314</u>	<u>\$ 14,857</u>

Continued from previous page

Total Nonmajor Budgeted Special Revenue Funds

Budget		Actual	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 605,311	\$ 605,311	\$ 601,506	\$ (3,805)
41,000	41,000	59,618	18,618
387,244	438,244	390,604	(47,640)
915,000	915,000	981,297	66,297
50,178	50,178	84,697	34,519
<u>1,998,733</u>	<u>2,049,733</u>	<u>2,117,722</u>	<u>67,989</u>
477,560	487,560	354,584	132,976
813,981	984,126	957,061	27,065
694,885	694,885	684,903	9,982
<u>1,986,426</u>	<u>2,166,571</u>	<u>1,996,547</u>	<u>170,023</u>
<u>12,307</u>	<u>(116,838)</u>	<u>121,175</u>	<u>238,015</u>
115,000	180,000	180,000	-
(45,227)	(45,227)	(45,227)	-
<u>69,773</u>	<u>134,773</u>	<u>134,773</u>	<u>-</u>
<u>82,080</u>	<u>17,935</u>	<u>255,948</u>	<u>238,015</u>
<u>1,162,808</u>	<u>1,162,808</u>	<u>1,162,808</u>	<u>-</u>
<u>\$ 1,244,888</u>	<u>\$ 1,180,743</u>	<u>\$ 1,418,758</u>	<u>\$ 238,017</u>

**CASS COUNTY GOVERNMENT**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Debt Service Funds**  
**For the Fiscal Year Ended December 31, 2007**

	<b>Round Hill Subdivision</b>			Variance With Final Budget Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Property Taxes	\$ 19,816	\$ 19,816	\$ 19,882	\$ 66
Miscellaneous Revenues	1,000	1,000	3,221	2,221
<b>Total Revenues</b>	<b>20,816</b>	<b>20,816</b>	<b>23,103</b>	<b>2,287</b>
Expenditures:				
Debt Service:				
Principal	25,000	25,000	25,000	-
Interest	7,094	7,094	7,094	-
Fiscal Charges	1,000	1,000	703	297
<b>Total Expenditures</b>	<b>33,094</b>	<b>33,094</b>	<b>32,797</b>	<b>297</b>
Excess (deficiency) of revenues over (under) expenditures	(12,278)	(12,278)	(9,693)	2,585
<u>Other Financing Sources (Uses):</u>				
Transfers Out	-	-	-	-
<b>Total Other Financing Sources and (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund Balance - Beginning	60,196	60,196	60,196	-
<b>Fund Balance - Ending</b>	<b>\$ 47,918</b>	<b>\$ 47,918</b>	<b>\$ 50,503</b>	<b>\$ 2,585</b>



<b>Holmen's Third Subdivision</b>				<b>Borderud's Subdivision</b>			
Budget		Actual	Variance With Final Budget Positive (Negative)	Budget		Actual	Variance With Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ 8,025	\$ 8,025	\$ 8,025	\$ -	\$ 4,267	\$ 4,267	\$ 5,279	\$ 1,012
200	200	851	651	500	500	1,954	1,454
<u>8,225</u>	<u>8,225</u>	<u>8,876</u>	<u>651</u>	<u>4,767</u>	<u>4,767</u>	<u>7,233</u>	<u>2,466</u>
4,959	4,959	4,958	1	10,000	10,000	10,000	-
3,393	3,393	3,393	-	1,960	1,960	1,960	-
-	-	-	-	1,000	1,000	502	498
<u>8,352</u>	<u>8,352</u>	<u>8,351</u>	<u>1</u>	<u>12,960</u>	<u>12,960</u>	<u>12,462</u>	<u>498</u>
<u>(127)</u>	<u>(127)</u>	<u>524</u>	<u>652</u>	<u>(8,193)</u>	<u>(8,193)</u>	<u>(5,228)</u>	<u>2,965</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>10,755</u>	<u>10,755</u>	<u>10,755</u>	<u>-</u>	<u>37,480</u>	<u>37,480</u>	<u>37,480</u>	<u>-</u>
<u>\$ 10,628</u>	<u>\$ 10,628</u>	<u>\$ 11,279</u>	<u>\$ 652</u>	<u>\$ 29,287</u>	<u>\$ 29,287</u>	<u>\$ 32,252</u>	<u>\$ 2,965</u>

Continued

**CASS COUNTY GOVERNMENT**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Debt Service Funds**  
**For the Fiscal Year Ended December 31, 2007**

	<b>Windsor Green Subdivision</b>			Variance With Final Budget Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Miscellaneous Revenues	-	-	384	384
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>384</b>	<b>384</b>
Expenditures:				
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Fiscal Charges	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of revenues over (under) expenditures	-	-	384	384
<u>Other Financing Sources (Uses):</u>				
Transfers Out	-	-	-	-
<b>Total Other Financing Sources and (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund Balance - Beginning	6,442	6,442	6,442	-
Fund Balance - Ending	<u>\$ 6,442</u>	<u>\$ 6,442</u>	<u>\$ 6,826</u>	<u>\$ 384</u>

Continued from previous page

<b>Sleepy Hollow Subdivision</b>				<b>Greyhawks Subdivision</b>			
Budget		Actual	Variance With Final Budget Positive (Negative)	Budget		Actual	Variance With Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ 42,356	\$ 42,356	\$ 43,098	\$ 742
-	-	873	873	500	500	2,348	1,848
-	-	873	873	42,856	42,856	45,446	2,590
-	-	-	-	30,000	30,000	30,000	-
-	-	-	-	14,063	14,063	14,063	1
-	-	-	-	1,000	1,000	799	201
-	-	-	-	45,063	45,063	44,862	202
-	-	873	873	(2,207)	(2,207)	585	2,792
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
14,644	14,644	14,644	-	30,405	30,405	30,405	-
\$ 14,644	\$ 14,644	\$ 15,517	\$ 873	\$ 28,198	\$ 28,198	\$ 30,990	\$ 2,792

Continued

**CASS COUNTY GOVERNMENT**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Debt Service Funds**  
**For the Fiscal Year Ended December 31, 2007**

	<u>St. Improvement 2007-1</u>			Variance With Final Budget Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ 6,759	\$ 6,759
Miscellaneous Revenues	-	-	78	78
Total Revenues	-	-	6,837	6,837
Expenditures:				
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Fiscal Charges	-	-	-	-
Total Expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	6,837	6,837
<u>Other Financing Sources (Uses):</u>				
Transfers Out	-	-	-	-
Total Other Financing Sources and (Uses)	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	\$ -	\$ -	\$ 6,837	\$ 6,837

Continued from previous page

Forest River Subdivision				Total Nonmajor Debt Service Funds			
Budget		Actual	Variance With Final Budget Positive (Negative)	Budget		Actual	Variance With Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ 10,397	\$ 10,397	\$ 1,538	\$ (8,859)	\$ 84,861	\$ 84,861	\$ 84,582	\$ (279)
400	400	-	(400)	2,600	2,600	9,709	7,109
10,797	10,797	1,538	(9,259)	87,461	87,461	94,290	6,829
-	-	-	-	69,959	69,959	69,958	-
-	-	-	-	26,510	26,510	26,509	1
-	-	-	-	3,000	3,000	2,004	996
-	-	-	-	99,469	99,469	98,471	998
10,797	10,797	1,538	(9,259)	(12,008)	(12,008)	(4,181)	7,828
-	-	(376)	(376)	-	-	(376)	(376)
-	-	(376)	(376)	-	-	(376)	(376)
(1,161)	(1,161)	(1,161)	-	128,357	158,762	158,762	-
\$ 9,636	\$ 9,636	\$ -	\$ (9,636)	\$ 116,349	\$ 146,754	\$ 154,205	\$ 7,451

## **CASS COUNTY GOVERNMENT Internal Service Funds**

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

### **Health Insurance Trust**

This fund accounts for a self-funded comprehensive health insurance plan for County employees, administered by an outside firm. Costs are recovered by monthly premiums charged to each department and the plan holder. The portion of the total premium paid by the plan holder for a single, single plus dependent, or family plan is 7.15%, 14.3%, or 21.45%, respectively.

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

### **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.

### **Dental Insurance Trust**

This fund accounts for a self-funded dental insurance plan for County employees, administered by an outside firm. Costs are recovered by monthly premiums charged to each department and the plan holder. The plan holder has a choice of a single or family policy. The county covers only the cost of the single policy.

### **Motor Pool Operating**

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

**CASS COUNTY GOVERNMENT**  
**Combining Statement of Net Assets**  
**Internal Service Funds**  
**December 31, 2007**

	Health Insurance Trust	Dental Insurance Trust	Telephone Trust	Motor Pool Operating	Total
<u>ASSETS</u>					
Current Assets:					
Cash and cash equivalents	\$ 1,513,587	\$ -	\$ 199,198	\$ 2,966	\$ 1,715,751
Due From Other Funds	33,516				33,516
Accounts Receivable	6,499		3,234	-	9,733
<b>Total Current Assets</b>	<b>\$ 1,553,603</b>	<b>\$ -</b>	<b>\$ 202,432</b>	<b>\$ 2,966</b>	<b>\$ 1,759,000</b>
Noncurrent Assets:					
Capital Assets	-	-	321,652	84,546	406,198
Less: Accumulated Depreciation	-	-	(224,906)	(46,408)	(271,314)
<b>Total Noncurrent Assets</b>	<b>-</b>	<b>-</b>	<b>96,746</b>	<b>38,138</b>	<b>134,884</b>
<b>Total Assets</b>	<b>1,553,603</b>	<b>-</b>	<b>299,178</b>	<b>41,103</b>	<b>1,893,884</b>
<u>LIABILITIES</u>					
<u>Current Liabilities:</u>					
Accounts Payable	6,270	-	22,093	68	28,431
Deposits	200,195	24,919	-	-	225,114
IBNR Claims	305,911	12,652	-	-	318,563
Due to Other Funds	-	33,516	-	-	33,516
<b>Total Liabilities</b>	<b>512,376</b>	<b>71,087</b>	<b>22,093</b>	<b>68</b>	<b>605,624</b>
<u>Net Assets:</u>					
Invested in Capital Assets	-	-	96,746	38,138	134,883
Unrestricted	1,041,227	(71,087)	180,339	2,897	1,153,377
<b>Total Net Assets</b>	<b>\$ 1,041,227</b>	<b>\$ (71,087)</b>	<b>\$ 277,085</b>	<b>\$ 41,035</b>	<b>\$ 1,288,259</b>

**CASS COUNTY GOVERNMENT**  
**Combining Statement of Revenues, Expenses and Changes in Net Assets**  
**Internal Service Funds**  
**For the Year Ended December 31, 2007**

	Health Insurance Trust	Dental Insurance Trust	Telephone Trust	Motor Pool	Total
<u>Operating Revenues:</u>					
Premiums	\$ 2,415,356	\$ 229,844	\$ -	\$ -	\$ 2,645,200
Charges for Services			147,145	34,748	181,893
Miscellaneous	28,686		-	2,855	31,540
Total Operating Revenues	<u>2,444,042</u>	<u>229,844</u>	<u>147,145</u>	<u>37,602</u>	<u>2,858,633</u>
<u>Operating Expenses:</u>					
Premiums	257,506				257,506
Medical Services	6,270				6,270
Telephone Service			56,915		56,915
Maintenance Agreements			26,722		26,722
Administrative Fees	201,295	23,210			224,506
Maintenance and Repairs			26,775	17,345	44,119
Benefit Payments	1,684,348	224,505			1,908,853
IBNR Claims	305,911	12,652			318,563
Depreciation Expense			29,596	14,569	44,165
Total Operating Expenses	<u>2,455,330</u>	<u>260,368</u>	<u>140,008</u>	<u>31,913</u>	<u>2,887,619</u>
Operating Income	<u>(11,288)</u>	<u>(30,524)</u>	<u>7,137</u>	<u>5,689</u>	<u>(28,986)</u>
<u>Nonoperating Revenues (Expenses):</u>					
Interest Income	87,467	-	9,440	10	96,916
Loss on Disposal of Capital Assets			(1,870)		(1,870)
Total Nonoperating Revenues (Expenses)	<u>87,467</u>	<u>-</u>	<u>7,571</u>	<u>10</u>	<u>95,046</u>
Change in Net Assets	<u>76,179</u>	<u>(30,524)</u>	<u>14,708</u>	<u>5,699</u>	<u>66,060</u>
Total Net Assets Beginning	<u>965,048</u>	<u>(40,563)</u>	<u>262,377</u>	<u>35,337</u>	<u>1,222,199</u>
Total Net Assets Ending	<u>\$ 1,041,227</u>	<u>\$ (71,087)</u>	<u>\$ 277,085</u>	<u>\$ 41,035</u>	<u>\$ 1,288,259</u>



**CASS COUNTY GOVERNMENT**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended December 31, 2007**

	Health Insurance Trust	Dental Insurance Trust	Telephone Trust	Motor Pool	Total
<u>Cash Flows From Operating Activities:</u>					
Receipts from customers	\$ 2,408,857	\$ 229,844	\$ 151,088	\$ 34,748	\$ 2,824,537
Payments to Suppliers	(463,901)	(23,210)	(94,941)	(17,318)	(599,371)
Claims Paid	(1,867,941)	(229,511)	-	-	(2,097,453)
Other Receipts	28,686	-	-	2,855	31,540
Net Cash provided by operating activities	<u>105,700</u>	<u>(22,878)</u>	<u>56,147</u>	<u>20,284</u>	<u>159,254</u>
<u>Cash Flows From Noncapital Financing Activities:</u>					
Due to/Due From Other Funds	(5,550)	22,878	-	(17,328)	\$ -
<u>Cash Flows From Capital and Related Financing Activities:</u>					
Purchase of Capital Assets	-	-	(6,189)	-	(6,189)
Proceeds on Sale of Capital Assets	-	-	-	-	-
Net Cash Used in Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>(6,189)</u>	<u>-</u>	<u>(6,189)</u>
<u>Cash Flows From Investing Activities:</u>					
Interest Income	87,467	-	9,440	10	96,916
Net Increase in cash and cash equivalents	187,617	-	59,398	2,966	249,981
Balances -Beginning of the Year	1,325,970	-	139,800	-	1,465,770
Balances - End of the Year	<u>1,513,587</u>	<u>-</u>	<u>199,198</u>	<u>2,966</u>	<u>1,715,751</u>
<u>Reconciliation of Operating Income to net cash provided by operating activities:</u>					
Operating Income (Loss)	(11,288)	(30,524)	7,137	5,689	(28,986)
Adjustments to Reconcile Operating Income to Net Cash Flows from Operating Activities:					
Depreciation	-	-	29,596	14,569	44,165
Changes in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	(6,499)	-	3,943	-	(2,556)
Increase (Decrease) in Accounts Payable	1,170	-	15,471	27	16,668
Increase (Decrease) in Premium Deposit Funds	(2,425)	5,791	-	-	3,366
Increase (Decrease) in IBNR Claims	124,742	1,855	-	-	126,597
Net Cash Provided by Operating Activities	<u>\$ 105,700</u>	<u>\$ (22,878)</u>	<u>\$ 56,147</u>	<u>\$ 20,284</u>	<u>\$ 159,254</u>

## **CASS COUNTY GOVERNMENT 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.**

### **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**  
**Statement of Fiduciary Assets and Liabilities**  
**Fiduciary Funds**  
**December 31, 2007**

	Agency Funds			Total Agency Funds
	County Funds	Tax Collection Funds	Funds of Other Governmental Units	
<u>ASSETS</u>				
Cash and cash equivalents	\$ 114,164	\$ 58,506,958	\$ 603,572	\$ 59,224,694
Total Assets	\$ 114,164	\$ 58,506,958	\$ 603,572	\$ 59,224,694
<u>LIABILITIES</u>				
Accounts Payable	63,201	-	300	63,501
Due to Component Units	-	13,937	-	13,937
Deposits	50,963	58,493,021	603,272	59,147,256
Total Liabilities	\$ 114,164	\$ 58,506,958	\$ 603,572	\$ 59,224,694

**CASS COUNTY GOVERNMENT**  
**Statement of Changes in Fiduciary Assets and Liabilities**  
**Agency Funds**  
**For the Year Ended December 31, 2007**

	Balance 1/1/2007	Additions	Deductions	Balance 12/31/07
<b><u>COUNTY FUNDS</u></b>				
<b>Assets</b>				
Cash and Investments	\$ 108,481	\$ 2,698,117	\$ 2,692,435	\$ 114,164
Total Assets	<u>108,481</u>	<u>2,698,117</u>	<u>2,692,435</u>	<u>114,164</u>
<b>Liabilities</b>				
Accounts Payable	60,065	63,201	60,065	63,201
Funds Held for County Departments	48,417	2,634,916	2,632,370	50,963
Total Liabilities	<u>108,482</u>	<u>2,698,117</u>	<u>2,692,435</u>	<u>114,164</u>
<b><u>TAX COLLECTION FUNDS</u></b>				
<b>Assets</b>				
Cash and Investments	54,942,323	187,020,692	183,456,058	58,506,958
Total Assets	<u>54,942,323</u>	<u>187,020,692</u>	<u>183,456,058</u>	<u>58,506,958</u>
<b>Liabilities</b>				
Due to Component Units	33,087	13,937	33,087	13,937
Accounts Payable	-	-	-	-
Tax Collections Due to Other Governmental Units	54,909,236	187,006,755	183,422,971	58,493,021
Total Liabilities	<u>54,942,323</u>	<u>187,020,692</u>	<u>183,456,058</u>	<u>58,506,958</u>
<b><u>FUNDS OF OTHER GOVERNMENTAL UNITS</u></b>				
<b>Assets</b>				
Cash and Investments	583,977	176,618	157,023	603,572
Total Assets	<u>583,977</u>	<u>176,618</u>	<u>157,023</u>	<u>603,572</u>
<b>Liabilities</b>				
Accounts Payable	3,869	300	3,869	300
Funds Held for Other Governmental Units	580,108	176,318	153,154	603,272
Total Liabilities	<u>583,977</u>	<u>176,618</u>	<u>157,023</u>	<u>603,572</u>
<b>TOTALS:</b>				
<b>Assets</b>				
Cash and Investments	55,634,781	189,895,426	186,305,515	59,224,694
Total Assets	<u>55,634,781</u>	<u>189,895,426</u>	<u>186,305,515</u>	<u>59,224,694</u>
<b>Liabilities</b>				
Accounts Payable	63,934	63,501	63,934	63,501
Funds Held for Other Governmental Units	55,489,344	187,183,072	183,576,124	59,096,293
Funds Held for County Government	48,417	2,634,916	2,632,370	50,963
Total Liabilities	<u>\$ 55,634,782</u>	<u>\$ 189,895,427</u>	<u>\$ 186,305,516</u>	<u>\$ 59,224,694</u>

**STATISTICAL SECTION**

# CASS COUNTY GOVERNMENT

## Statistical Section

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

<u>Contents</u>	<u>Page</u>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the county's financial performance and well-being have changed over time.	114-119
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the factors affecting the county's ability to generate its property taxes.	120-125
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the county's current levels of outstanding debt and the county's ability to issue additional debt in the future.	126-128
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the county's financial activities take place and to help make comparisons over time and with other governments.	129-130
<b>Operating Information</b> These schedules contain information about the county's operations and resources to help the reader understand how the county's financial information relates to the services the county provides and the activities it performs	131-135

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The county implemented Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

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

	Fiscal Year				
	2003	2004	2005	2006	2007
Primary Government					
Governmental Activities					
Invested in capital assets, net of related debt	\$ 77,517,018	\$ 76,670,686	\$ 81,491,542	\$ 89,756,013	\$ 96,422,671
Restricted	11,100,279	10,572,401	15,901,640	14,875,029	13,536,598
Unrestricted	<u>6,093,807</u>	<u>7,911,261</u>	<u>3,468,282</u>	<u>3,106,687</u>	<u>3,791,292</u>
Total governmental activities net assets	<u>\$ 94,711,104</u>	<u>\$ 95,154,348</u>	<u>\$ 100,861,464</u>	<u>\$ 107,737,729</u>	<u>\$ 113,750,562</u>

Note: Accrual-basis financial information for the county government as a whole is available back to 2003 only, the year GASB 34 was implemented.

**CASS COUNTY GOVERNMENT**  
**Changes in Net Assets, Last Five Fiscal Years**  
**(accrual basis of accounting)**  
**(unaudited)**

	Fiscal Year				
	2003	2004	2005	2006	2007
<b>Expenses</b>					
<b>Primary Government</b>					
Governmental activities:					
General government	\$ 5,125,526	\$ 5,004,958	\$ 6,938,087	\$ 8,337,708	\$ 5,725,081
Public safety	11,233,154	11,898,296	15,379,112	14,801,716	14,649,223
Highways and streets	6,372,040	7,343,638	6,929,374	5,722,810	7,680,829
Relief and charities	7,959,846	8,442,340	8,974,484	9,526,530	10,349,353
Conservation & economic development	1,578,168	2,025,487	1,529,573	1,591,068	1,648,980
Culture & recreation	474,987	437,164	531,426	627,911	691,406
Interest on long-term debt	39,075	32,142	46,550	70,884	57,868
Total primary government expenses	<u>\$ 32,782,796</u>	<u>\$ 35,184,025</u>	<u>\$ 40,328,605</u>	<u>\$ 40,678,626</u>	<u>\$ 40,802,740</u>
<b>Program Revenues</b>					
Governmental activities:					
Charges for services					
General government	\$ 1,980,065	\$ 1,935,275	\$ 1,590,639	\$ 1,409,888	\$ 1,511,975
Public safety	1,851,844	1,897,377	2,082,383	2,274,642	2,138,361
Highways and streets	383,596	32,354	257,724	796,453	2,404,760
Relief and charities	157,742	186,743	168,687	201,781	132,749
Conservation & economic development	215,236	27,884	110,422	41,206	37,057
Culture and Recreation					895
Operating grants and contributions:					
General government	\$ -	\$ 92,186	\$ 339,058	\$ 55,458	\$ -
Public safety	1,784,681	1,746,966	4,868,055	3,273,421	2,340,639
Highways and streets	4,439,276	4,227,770	5,632,451	7,642,342	6,254,799
Relief and charities	2,159,378	2,165,785	2,520,189	2,369,816	2,505,044
Conservation & economic development	793,005	20,491	18,409	54,979	85,685
Culture & recreation	169,391	172,357	150,068	224,292	238,517
Capital grants and contributions:					
General government			380,000		365,000
Highways and streets	2,515,614		2,529,749	3,628,725	1,000,000
Total primary government program revenues	<u>\$ 16,449,828</u>	<u>\$ 12,505,188</u>	<u>\$ 20,647,834</u>	<u>\$ 21,973,003</u>	<u>\$ 19,015,481</u>
<b>Net (Expense)/Revenue</b>					
Governmental activities	<u>\$ (16,332,968)</u>	<u>\$ (22,678,837)</u>	<u>\$ (19,680,771)</u>	<u>\$ (18,705,623)</u>	<u>\$ (21,787,259)</u>
<b>General Revenues and Other Changes in Net Assets</b>					
General activities:					
Property Taxes	\$ 17,669,197	\$ 18,781,751	\$ 20,010,985	\$ 20,913,355	\$ 22,794,242
Sales Taxes	2,967,611	26,810	40,209	2,412	9,060
Estate Taxes	476,797	1,445,233	1,960,172	313,134	93,929
Unrestricted State Shared Revenues	2,066,262	2,520,002	2,553,626	2,727,366	3,101,960
Gain on Sale of Capital Assets	262,776				
Unrestricted investment earnings	106,094	266,067	731,093	1,409,356	1,604,059
Miscellaneous		78,771	91,804	216,264	196,840
Total primary government	<u>\$ 23,548,734</u>	<u>\$ 23,118,630</u>	<u>\$ 25,387,889</u>	<u>\$ 25,581,887</u>	<u>\$ 27,800,090</u>
Change in Net Assets					
Primary government	<u>\$ 7,215,766</u>	<u>\$ 439,794</u>	<u>\$ 5,707,118</u>	<u>\$ 6,876,263</u>	<u>\$ 6,012,830</u>

Note: Accrual-basis financial information for the county government as a whole is only available back to 2003, the year GASB Statement 34 was implemented.



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

	Fiscal Years			
	1998	1999	2000	2001
General Fund:				
Reserved	\$ 7,140	\$ 13,459	\$ 15,450	\$ 71,082
Unreserved	442,022	1,841,277	1,557,829	2,373,608
Total General Fund	<u>\$ 449,162</u>	<u>\$ 1,854,736</u>	<u>\$ 1,573,279</u>	<u>\$ 2,444,690</u>
All Other Governmental Funds:				
Reserved	\$ 191,717	\$ 1,514,386	\$ 557,824	\$ 597,248
Unreserved	4,580,602	4,813,032	10,869,880	7,370,366
Total all other governmental funds	<u>\$ 4,772,319</u>	<u>\$ 6,327,418</u>	<u>\$ 11,427,704</u>	<u>\$ 7,967,614</u>

Fiscal Years					
2002	2003	2004	2005	2006	2007
\$ 89,501	\$ 126,383	\$ 205,689	\$ 393,362	\$ 231,684	\$ 277,457
1,977,891	2,806,832	2,780,722	2,453,462	2,198,970	2,240,570
<u>\$ 2,067,392</u>	<u>\$ 2,933,215</u>	<u>\$ 2,986,411</u>	<u>\$ 2,846,824</u>	<u>\$ 2,430,654</u>	<u>\$ 2,518,027</u>
\$ 397,555	\$ 455,459	\$ 493,097	\$ 413,651	\$ 347,365	\$ 333,669
10,395,977	13,896,269	14,804,720	15,926,561	14,933,691	14,264,235
<u>\$ 10,793,532</u>	<u>\$ 14,351,728</u>	<u>\$ 15,297,817</u>	<u>\$ 16,340,212</u>	<u>\$ 15,281,056</u>	<u>\$ 14,597,904</u>

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

	Fiscal Year			
	1998	1999	2000	2001
<b>Revenues</b>				
Taxes	\$ 12,950,635	\$ 15,464,625	\$ 21,547,575	\$ 22,801,190
Intergovernmental	11,640,209	14,278,670	12,132,538	12,839,214
Licenses Permits & Fees	13,150	9,532	9,921	83,476
Charges for Services	1,717,635	1,756,552	1,748,851	2,794,182
Miscellaneous	926,558	905,262	1,334,497	1,342,492
Total revenues	<u>\$ 27,248,187</u>	<u>\$ 32,414,641</u>	<u>\$ 36,773,382</u>	<u>\$ 39,860,554</u>
<b>Expenditures</b>				
General Government	\$ 2,854,837	\$ 2,722,164	\$ 3,371,416	\$ 3,432,683
Public Safety	7,080,769	7,193,003	8,032,353	7,894,722
Public Works	8,109,816	6,916,721	7,620,498	8,718,962
Relief & Charities	5,889,859	6,317,407	6,743,414	7,277,875
Culture & Recreation	326,440	325,291	348,016	353,994
Conservation & Economic Development	3,361,886	3,968,128	1,854,005	2,515,423
Capital Outlay	212,864	1,490,840	3,346,741	12,452,426
Debt Service				
Principal	505,000	577,292	614,525	101,876
Interest	96,292	81,937	53,606	36,135
Total expenditures	<u>\$ 28,437,763</u>	<u>\$ 29,592,783</u>	<u>\$ 31,984,574</u>	<u>\$ 42,784,096</u>
Excess of revenues over (under) expenditures	<u>\$ (1,189,576)</u>	<u>\$ 2,821,858</u>	<u>\$ 4,788,808</u>	<u>\$ (2,923,542)</u>
<b>Other Financing Sources (Uses)</b>				
Bonds Issued	\$ -	\$ -	\$ -	\$ 85,264
Lease Proceeds	235,000	-	-	-
Sale of Property	123,361	138,815	30,019	80,178
Transfers In	278,787	6,150	-	-
Transfers Out	(278,787)	(6,150)	-	-
Total other financing sources (uses)	<u>\$ 358,361</u>	<u>\$ 138,815</u>	<u>\$ 30,019</u>	<u>\$ 165,442</u>
Net change in fund balance	\$ (831,215)	\$ 2,960,673	\$ 4,818,827	\$ (2,758,100)
Debt service as a percentage of noncapital expenditures	2.13%	2.35%	2.33%	0.46%

Fiscal Year					
2002	2003	2004	2005	2006	2007
\$ 24,071,826	\$ 20,752,619	\$ 18,848,240	\$ 20,119,716	\$ 20,936,553	\$ 22,952,743
12,363,921	11,945,099	12,398,342	17,464,515	16,680,942	14,201,619
147,139	151,204	135,541	231,789	268,555	254,416
3,245,720	4,095,337	3,921,100	4,514,596	4,362,415	6,354,859
509,299	635,382	329,919	856,042	1,680,156	1,805,506
<u>\$ 40,337,905</u>	<u>\$ 37,579,641</u>	<u>\$ 35,633,142</u>	<u>\$ 43,186,658</u>	<u>\$ 43,928,621</u>	<u>\$ 45,569,143</u>
\$ 4,366,461	\$ 4,453,607	\$ 4,854,347	\$ 5,620,893	\$ 5,442,844	\$ 5,401,189
9,437,503	10,801,885	11,522,810	15,061,699	14,437,318	14,142,215
7,226,360	7,129,641	7,069,254	10,247,603	10,348,744	12,521,918
7,802,578	7,903,898	8,420,107	8,917,652	9,437,985	10,214,941
417,521	468,984	531,719	524,923	621,408	684,903
2,497,721	1,574,123	2,021,770	1,536,733	1,585,220	1,647,007
6,334,131	699,420	125,659	1,551,159	3,257,748	1,736,980
113,146	135,272	138,427	131,717	252,830	169,393
35,323	39,075	32,142	32,864	61,233	62,503
<u>\$ 38,230,744</u>	<u>\$ 33,205,905</u>	<u>\$ 34,716,235</u>	<u>\$ 43,625,243</u>	<u>\$ 45,445,330</u>	<u>\$ 46,581,049</u>
<u>\$ 2,107,161</u>	<u>\$ 4,373,736</u>	<u>\$ 916,907</u>	<u>\$ (438,585)</u>	<u>\$ (1,516,709)</u>	<u>\$ (1,011,906)</u>
\$ -	\$ -	\$ -	\$ 1,274,299	\$ -	\$ 359,525
303,179	-	-	-	-	-
51,412	50,281	78,930	67,095	41,382	56,597
8,500	1,299,997	1,539,688	65,171	260,408	746,370
(8,500)	(1,299,997)	(1,539,688)	(65,171)	(260,408)	(746,370)
<u>\$ 354,591</u>	<u>\$ 50,281</u>	<u>\$ 78,930</u>	<u>\$ 1,341,394</u>	<u>\$ 41,382</u>	<u>\$ 416,121</u>
\$ 2,461,752	\$ 4,424,017	\$ 995,837	\$ 902,809	\$ (1,475,327)	\$ (595,785)
0.47%	0.54%	0.49%	0.39%	0.74%	0.52%

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

Fiscal Year	True and Full Value of Real Property			Total True & Full Value	Total Taxable Value	Total Direct Tax Rate
	Residential Property	Commerical Property	Farmland			
1998	2,173,839,050	1,471,375,820	468,167,800	4,113,382,670	202,940,364	65.00
1999	2,315,269,450	1,564,809,120	485,870,800	4,365,949,370	211,793,044	69.26
2000	2,512,541,650	1,664,507,120	485,250,800	4,662,299,570	225,748,971	67.37
2001	2,693,478,800	1,805,753,070	498,751,700	4,997,983,570	242,295,261	65.37
2002	2,860,436,000	2,016,216,420	515,825,300	5,392,477,720	261,221,097	62.69
2003	3,126,856,600	2,108,226,200	540,408,200	5,775,491,000	278,991,914	65.05
2004	3,407,052,460	2,247,441,920	516,528,200	6,171,022,580	297,734,736	65.00
2005	3,871,135,030	2,373,175,968	515,384,300	6,759,695,298	325,152,068	65.00
2006	4,350,871,760	2,538,581,120	567,002,700	7,456,455,580	357,775,914	62.00
2007	4,832,498,250	2,818,409,200	601,733,400	8,252,640,850	395,777,450	61.00

**Source:** County Auditor's Office

**Notes:**

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

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

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

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

Name	Fiscal Year 2007		Fiscal Year 1998	
	Taxable Value	Percentage of Total Taxable Value	Taxable Value	Percentage of Total Taxable Value
Northern States Power Company	\$ 4,555,853	1.15%	3,117,735	1.47%
West Acres Development Company	3,773,050	0.95%	2,199,400	1.04%
Innovis Health LLC	2,996,950	0.76%		
Inreit Properties LLLP	2,520,680	0.64%		
Meritcare Medical Group	2,321,000	0.59%	790,550	0.37%
Matrix Properties Corp.	2,186,231	0.55%		
Burlington Northern	1,843,268	0.47%	1,187,644	0.56%
Blue Cross of North Dakota	1,553,350	0.39%		
Medical Properties Inc.	1,102,020	0.28%	954,050	0.45%
Case Equipment Corporation	965,875	0.24%	783,205	0.37%
Vanraden Homes Inc.			648,979	0.31%
Paracelsus Healthcare Corporation			2,210,102	1.04%
Wylie Corporation			960,256	0.45%
Super Valu Stores Inc			712,300	0.34%
<b>Total Attributable to Ten Largest Property Taxpayers</b>	<b><u>23,818,277</u></b>	<b><u>6.02%</u></b>	<b><u>13,564,221</u></b>	<b><u>6.40%</u></b>
<b>TOTAL GROSS TAXABLE VALUE</b>	<b><u>\$ 395,777,450</u></b>	<b><u>100.00%</u></b>	<b><u>211,793,044</u></b>	<b><u>100.00%</u></b>

SOURCE: County Auditor's Office

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

	Fiscal Year			
	1998	1999	2000	2001
<b>Direct</b>				
General	29.13	30.94	30.40	30.40
Human Service	18.14	20.94	20.15	19.89
Highway	0.25	0.25	0.25	0.25
Veteran Service Officer	0.38	0.50	0.47	0.58
Senior Citizens	1.00	1.00	1.00	1.00
10 Mill Matching Federal Aid	10.00	10.00	10.00	10.00
Job Development Authority	3.50	3.03	2.75	2.75
Emergency				0.50
County Loan	2.60	2.60	2.35	-
<b>Total Direct</b>	<b>65.00</b>	<b>69.26</b>	<b>67.37</b>	<b>65.37</b>
<b>Overlapping Governments</b>				
<b>Cities</b>				
Fargo	61.53	61.53	60.24	60.31
West Fargo	73.72	73.72	69.63	67.71
Other Cities	18.52-121.42	17.63-119.89	17.04-140.84	15.93-141.59
<b>Park Districts</b>				
Fargo	31.84	32.38	33.07	32.67
West Fargo	27.34	27.79	28.23	26.72
Other Park Districts	4.00-26.09	4.00-27.72	4.00-28.31	3.90-27.29
<b>School Districts</b>				
Fargo	314.21	322.66	320.24	327.40
West Fargo	250.83	249.02	249.02	249.02
Other School District	168.88-239.98	172.10-247.03	176.95-249.37	159.93-251.00
Townships	13.65-41.84	11.61-40.81	11.07-41.42	14.07-38.94
Water Resource Districts	4.60-5.00	4.50-5.00	4.50-5.00	5.00
Fire Districts	2.76-10.00	2.65-10.00	2.28-10.78	2.52-10.00

Source: County Auditor's Office

Fiscal Year					
2002	2003	2004	2005	2006	2007
29.52	30.00	31.20	32.75	31.25	31.25
19.89	21.00	21.00	21.00	19.00	18.00
0.25	1.50	0.25	10.25	10.75	10.25
0.53	0.50	0.50	-	-	-
1.00	1.00	1.00	1.00	1.00	1.00
10.00	10.00	10.00	-	-	-
1.00	0.80	0.80	-	-	-
0.50	0.25	0.25	-	-	0.50
-	-	-	-	-	-
62.69	65.05	65.00	65.00	62.00	61.00
60.13	60.30	60.24	58.73	59.25	57.25
72.99	80.74	84.53	89.61	88.76	88.69
15.53-154.02	14.43-163.66	13.59-184.27	12.30-194.24	11.44-179.29	10.85-210.21
32.67	32.87	32.73	32.46	32.58	32.07
27.19	26.76	26.45	32.08	39.66	36.02
3.99-28.32	3.91-27.90	3.65-27.75	3.59-26.60	3.35-26.17	3.45-26.03
327.88	323.84	320.20	319.55	318.62	309.02
249.02	254.02	254.02	254.02	254.02	254.02
146.98-247.83	140.84-255.88	162.00-265.14	170.09-267.32	174.62-266.66	175.81-253.91
13.63-37.44	12.60-35.50	11.73-36.77	9.70-38.77	8.56-32.88	12.26-30.75
5.00	5.00	5.00	5.00	5.00	4.5-5.0
2.41-10.00	2.29-9.49	2.3-7.79	2.3-9.24	2.12-8.37	1.99-8.06



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

Fiscal Year	Taxes Levied for the Fiscal Year Original Levy	Adjustments	Total Adjusted Levy
1998	13,413,824	24,207	13,438,031
1999	14,736,125	23,262	14,759,387
2000	15,291,547	54,160	15,345,707
2001	15,933,162	33,533	15,966,695
2002	16,475,527	44,219	16,519,746
2003	18,253,671	46,241	18,299,912
2004	19,464,083	(10,075)	19,454,008
2005	20,700,664	42,114	20,742,778
2006	21,664,145	(3,822)	21,660,323
2007	23,559,443	53,315	23,612,757

Source: County Auditor's Office

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

<u>Collected Within the Fiscal Year of the Levy</u>		Collections in Subsequent Years	<u>Total Collections to Date</u>	
<u>Amount</u>	<u>Percentage of Original Levy</u>		<u>Amount</u>	<u>Percentage of Adjusted Levy</u>
12,675,531	94.50%	200,291	12,875,822	95.82%
13,875,135	94.16%	249,888	14,125,024	95.70%
14,382,729	94.06%	305,096	14,687,825	95.71%
14,939,157	93.76%	348,488	15,287,645	95.75%
15,490,489	94.02%	333,568	15,824,057	95.79%
17,218,095	94.33%	300,289	17,518,384	95.73%
18,290,840	93.97%	303,503	18,594,343	95.58%
19,542,247	94.40%	261,403	19,803,650	95.47%
20,417,670	94.25%	205,392	20,623,062	95.21%
22,321,890	94.75%	-	22,321,890	94.53%

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

	1998	1999	2000	2001
Assessed Value of Property	\$ 2,056,691,335	\$ 2,182,974,685	\$ 2,331,149,785	\$ 2,498,991,785
Debt Limit, 5% of Assessed Value	102,834,567	109,148,734	116,557,489	124,949,589
Amount of Debt Applicable to Limit				
General Obligation Bonds	1,005,000	520,000	-	-
Less: Resources Restricted to Paying Principal	154,543	161,747		
Total Net General Obligation Bonds	850,457	358,253	-	-
Capital Leases	235,000	192,708	148,183	113,811
Total net debt applicable to limit	1,085,457	550,961	148,183	113,811
Legal Debt Margin	<u>\$ 101,749,110</u>	<u>\$ 108,597,773</u>	<u>\$ 116,409,306</u>	<u>\$ 124,835,778</u>
Total net debt applicable to the limit as a percentage of debt limit	1.06%	0.50%	0.13%	0.09%

Source: County Auditor's Office

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
\$	2,696,238,860	\$ 2,887,745,500	\$ 3,085,511,290	\$ 3,379,847,649	\$ 3,728,227,790	\$ 4,126,320,425
	134,811,943	144,387,275	154,275,565	168,992,382	186,411,390	206,316,021
	-	-	-	-	-	-
	-	-	-	-	-	-
	<u>355,136</u>	<u>231,911</u>	<u>157,706</u>	<u>980,445</u>	<u>792,315</u>	<u>692,879</u>
	355,136	231,911	157,706	980,445	792,315	692,879
\$	<u><u>134,456,807</u></u>	<u><u>144,155,364</u></u>	<u><u>154,117,859</u></u>	<u><u>168,011,937</u></u>	<u><u>185,619,075</u></u>	<u><u>205,623,142</u></u>
	0.26%	0.16%	0.10%	0.58%	0.43%	0.34%

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

Fiscal Year	General Bonded Debt			Percent of Actual Value of Taxable Property(1)
	General Obligation Bonds	Less: Amounts Restricted to Repaying Principal	Total	
1998	1,005,000	154,543	850,457	0.42%
1999	520,000	161,747	358,253	0.17%
2000	-			
2001	-			
2002	-			
2003	-			
2004	-			
2005	-			
2006	-			
2007	-			

Fiscal Year	Other Governmental Activities Debt				Total Primary Government	Percentage of Personal Income(2)	Per Capita(2)
	Special Assessment Bonds	Special Assessments Payable	Capital Leases				
1998	625,000	213,335	235,000		2,078,335	0.07%	17.32
1999	575,000	244,481	192,708		1,532,189	0.05%	12.57
2000	525,000	165,957	148,183		839,140	0.02%	6.80
2001	555,000	113,811	101,307		770,118	0.02%	6.19
2002	491,205	94,866	355,136		941,207	0.02%	7.52
2003	427,201	64,054	231,911		723,166	0.02%	5.71
2004	362,978	44,360	157,706		565,044	0.01%	4.36
2005	688,522	4,224	980,445		1,673,191	0.04%	12.83
2006	623,822	3,970	792,315		1,420,107	0.03%	10.72
2007	918,864	3,970	692,879		1,615,713	0.03%	11.74

Notes: 2007 percentages calculated using 2006 personal income data, which is the most recent available.

- (1) See Schedule on page 120 for property tax value data
- (2) See Schedule on page 129 for population and personal income data

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

Year	Estimated Population (1)	Personal Income (thousands of dollars) (1)	Per Capita Income (1)	Unemployment Rate (2)
1998	119,973	3,153,915	26,289	1.6%
1999	121,921	3,366,317	27,611	1.8%
2000	123,373	3,646,982	29,561	1.6%
2001	124,336	3,721,579	29,932	1.5%
2002	125,189	3,932,151	31,410	3.5%
2003	126,595	4,068,773	32,140	2.5%
2004	129,583	4,371,119	33,732	2.8%
2005	130,455	4,563,011	34,978	2.7%
2006	132,525	5,024,221	48,917	2.6%
2007	137,582	*	*	2.6%

SOURCES:

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

\* Information is not yet available.

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

Employer	2007		1998	
	Number of Employees	Percentage of Total County Employment	Number of Employees	Percentage of Total County Employment
Meritcare Health Systems	3,051	3.61%	3,800	4.87%
North Dakota State University	3,745	4.43%	1,920	2.46%
Melroe Company	-	-	1,850	2.37%
Dakota Heartland Health System	-	-	1,350	1.73%
Blue Cross Blue Shield of North Dakota			1,300	1.66%
Innovis Health	1,714	2.03%		
Fargo Public School District #1	1,300	1.54%	1,090	1.40%
Microsoft Business Solutions	946	1.12%		
U.S. Bank Service Center	770	0.91%		
Noridian	719	0.85%		
Case New Holland Corporation	672	0.80%	770	0.99%
City of Fargo	702	0.83%		
West Fargo Public Schools	789	0.93%		
Dakota Clinic			1,000	1.28%
Great Plains			737	0.94%
Department of Veterans Affairs	-	-	577	0.74%
	<u>14,408</u>	<u>17.05%</u>	<u>14,394</u>	<u>18.43%</u>

SOURCE: Economic Development Corporation  
<http://www.fedc.com/businessclimate/employers.php>

Job Service of North Dakota  
<http://www.state.nd.us/jsnd/Bin/lmidata.pl>

**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>
1998	31	140	36	114	11	332
1999	31	145	33	114	11	334
2000	38	148	37	115	13	351
2001	38	144	35	116	11	343.7
2002	35.5	160	36	121	10	362.5
2003	35	164	35.5	122	10	366.5
2004	34	169	33	124	10	370
2005	34	172	34	125	10	375
2006	36	174	34	130	10	384
2007	36	160	34	132	10	371

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



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

Function/Program	Fiscal Year			
	1998	1999	2000	2001
<b>General Government</b>				
Deeds Filled	5,498	5,055	4,756	4,268
Tax Statements Issued	45,286	45,939	46,887	47,881
Statements Collected within First Year	43,814	44,563	45,308	46,253
Percent Collected in First Year	96.75%	97.00%	96.63%	96.60%
Marriage License Issued	**	**	**	928
Death Certificates Issued	**	**	**	1,370
<b>Public Safety</b>				
Total Inmates	6,078	5,366	5,399	6,213
Average Daily Population	117	100	99	118
Warrants Served	4,960	3,747	3,617	4,060
Civil Process Served	9,263	8,363	8,962	8,603
Citations Issued	1,421	**	**	**
<b>Highways &amp; Streets</b>				
Miles of paved roads overlaid with asphalt	4.00	8.20	0.00	5.50
Miles of paved roads reconstructed with asphalt	11.40	0.00	0.00	0.00
Miles of paved roads reconstructed with concrete	0.00	0.00	0.00	1.70
Miles of gravel roads paved with asphalt	2.00	2.00	2.40	2.00
Total Miles Surfaced	17.40	10.20	2.40	9.20
Miles of asphalt roads chip sealed	2.00	8.40	11.70	19.10
<b>Relief &amp; Charities</b>				
Child Abuse/Neglect Avg New Cases	121	124	132	147
HCBS (1) Average Caseload Per Year	488	488	495	532

(1) HCBS - Home and Community Based Services

\*\* - Numbers are not available for these years.

Source: Various County Departments

Fiscal Year					
2002	2003	2004	2005	2006	2007
5,543	6,213	6,260	6,123	5,633	5,469
50,776	50,117	52,208	53,772	55,014	56,747
49,309	48,691	50,701	51,971	53,197	55,209
97.11%	97.15%	97.11%	96.65%	96.70%	97.29%
943	1,037	1,031	1,081	1,011	1,050
2,778	1,428	1,321	1,348	1,377	1,426
6,843	7,290	7,807	7,720	7,858	7,555
175	203	198	223	230	210
4,336	4,152	4,672	4,368	4,828	4,639
8,804	9,234	10,400	10,223	10,434	11,234
5,783	6,164	6,102	4,628	6,095	3,274
10.00	31.40	15.80	11.70	6.30	18.30
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	2.00
0.00	0.00	0.00	0.00	4.00	0.00
10.00	31.40	15.80	11.70	10.30	20.30
22.90	18.50	25.00	26.00	24.30	12.00
152	149	160	156	164	164
564	559	540	561	565	576

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

<u>Function/Program</u>	Fiscal Year			
	1998	1999	2000	2001
<b>General Government</b>				
Number of Voting Machines	1	1	2	2
Number of Buildings	4	4	4	4
<b>Public Safety</b>				
Jail Capacity	120	120	120	120
<b>Highways &amp; Streets</b>				
County Road Miles Maintained	650	650	650	650
Number of Bridges	260	260	260	260
Number of Motorgraders	7	7	7	7

Source: Various County Departments

Fiscal Year					
2002	2003	2004	2005	2006	2007
12 4	34 4	68 4	136 4	137 4	137 4
252	252	252	252	252	348
650 260 7	650 260 7	650 246 7	650 246 7	650 246 7	652 246 7