

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

ANNUAL FINANCIAL REPORT

2006

CASS COUNTY, INDIANA



FILED

11/21/2007

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials.....	2
Independent Auditor's Report on Financial Statements and Supplementary Schedule of Expenditures of Federal Awards	3-4
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards.....	5-6
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Activities and Net Assets – Cash and Investment Basis	7
Fund Financial Statements:	
Governmental Funds:	
Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Governmental Funds.....	8
Proprietary Funds:	
Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Proprietary Fund.....	9
Fiduciary Funds:	
Statement of Additions, Deductions, and Changes in Cash and Investment Balances – Fiduciary Funds	10
Notes to Financial Statements	11-23
Required Supplementary Information:	
Schedules of Funding Progress.....	24
Supplementary Information:	
Combining Schedule of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Other Governmental Funds.....	25-37
Combining Schedule of Additions, Deductions, and Changes in Cash and Investment Balances – Pension Trust Funds.....	38
Combining Schedule of Additions, Deductions, and Changes in Cash and Investment Balances – Agency Funds	39-43
Schedule of Capital Assets.....	44
Schedule of Long-Term Debt.....	45
Other Reports.....	46
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133	48-49
Schedule of Expenditures of Federal Awards.....	50-51
Notes to Schedule of Expenditures of Federal Awards	52
Schedule of Findings and Questioned Costs.....	53-54
Auditee Prepared Schedules:	
Summary Schedule of Prior Audit Findings.....	55-56
Corrective Action Plan.....	57
Exit Conference.....	58

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Dawn R. Conner	01-01-05 to 12-31-08
Treasurer	Shelia K. Thompson	01-01-05 to 12-31-08
Clerk	Linda Crimmins	01-01-05 to 12-31-08
Sheriff	Gene L Isaacs	01-01-03 to 12-31-10
Recorder	Kathy Adair	01-01-05 to 12-31-08
President of the Board of County Commissioners	Richard Eller Steven M. Kain	01-01-06 to 12-31-06 01-01-07 to 12-31-07
President of the County Council	Chod Gibson	01-01-06 to 12-31-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

**INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

TO: THE OFFICIALS OF CASS COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Cass County (County), as of and for the year ended December 31, 2006, which collectively comprise the County's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

As discussed in Note I, the County prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As discussed in Note I, the financial statements referred to above do not include a number of component units of the County which should have been included to fairly present the financial position of the County.

In our opinion, except that the omission of the component units of the County referred to in the preceding paragraph results in incomplete presentation, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of December 31, 2006, and the respective cash receipts and cash disbursements during the year then ended on the basis of accounting described in Note I.

In accordance with Government Auditing Standards, we have also issued a report dated September 20, 2007, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. Our report on compliance and on internal control over financial reporting should be read along with this report.

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)

Our audit was performed for the purpose of forming an opinion on the basic financial statements of the County taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has 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 Schedules of Funding Progress as listed in the Table of Contents, are not required part of the basic financial statements but are 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.

The County has not presented Management's Discussion and Analysis or Budgetary Comparison Schedules that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Combining Schedules, as listed in the Table of Contents, Schedule of Capital Assets, and Schedule of Long-Term Debt are presented for additional analysis and are not required parts of the basic financial statements. The Combining Schedules, as listed in the Table of Contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The Schedule of Capital Assets and Schedule of Long-Term Debt have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

September 20, 2007



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

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

TO: THE OFFICIALS OF CASS COUNTY, INDIANA

We have audited the financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Cass County (County), as of and for the year ended December 31, 2006, which collectively comprise the County's basic financial statements and have issued our report thereon dated September 20, 2007. The opinions to the financial statements were qualified due to omission of significant components units which results in incomplete presentation. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

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

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

Compliance and Other Matters

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

We noted certain matters that we reported to management in a separate letter dated September 20, 2007.

The County's response to the findings identified in our audit is described in the accompanying section of the report entitled Corrective Action Plan. We did not audit the County's response and accordingly, we express no opinion on it.

This report is intended solely for the information and use of the County's management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

September 20, 2007

CASS COUNTY
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For The Year Ended December 31, 2006

Functions/Programs	Disbursements	Program Receipts			Net (Disbursement) Receipt and Changes in Net Assets	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary	Component
					Governmental	Unit
					Governmental	Cass County Hospitality and Tourism Commission
Primary government:						
Governmental activities:						
General government	\$ 8,468,782	\$ 2,801,602	\$ -	\$ -	\$ (5,667,180)	\$ -
Public safety	8,269,084	254,371	-	-	(8,014,713)	-
Highways and streets	3,654,045	-	-	-	(3,654,045)	-
Sanitation	38,525	-	-	-	(38,525)	-
Health and welfare	4,884,827	-	3,079,041	-	(1,805,786)	-
Culture and recreation	404,635	209,763	-	-	(194,872)	-
Debt service	1,211,000	-	-	-	(1,211,000)	-
Capital outlay	3,872,908	-	-	833,258	(3,039,650)	-
Total primary government	<u>\$ 30,803,806</u>	<u>\$ 3,265,736</u>	<u>\$ 3,079,041</u>	<u>\$ 833,258</u>	<u>(23,625,771)</u>	<u>-</u>
Component unit:						
Cass County Hospitality and Tourism Commission	<u>\$ 43,311</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>(43,311)</u>
General receipts:						
Property taxes					10,443,891	-
Other local sources					3,787,577	56,393
Grants and contributions not restricted to specific programs					7,751,541	-
Unrestricted investment earnings					895,602	-
Total general receipts					<u>22,878,611</u>	<u>56,393</u>
Change in net assets					(747,160)	13,082
Net assets - beginning					<u>17,650,098</u>	<u>68,992</u>
Net assets - ending					<u>\$ 16,902,938</u>	<u>\$ 82,074</u>
<u>Assets</u>						
Cash and investments					\$ 1,899,080	\$ 82,074
Restricted assets:						
Cash and investments					<u>15,003,858</u>	<u>-</u>
Total assets					<u>\$ 16,902,938</u>	<u>\$ 82,074</u>
<u>Net Assets</u>						
Restricted for:						
Public safety					\$ 2,206,461	\$ -
Highways and streets					1,097,103	-
Health and welfare					574,078	-
Culture and recreation					3,626,731	-
Urban redevelopment and housing					366,268	-
Debt service					590,865	-
Capital outlay					2,471,027	-
Other purposes					4,071,325	-
Unrestricted					<u>1,899,080</u>	<u>82,074</u>
Total net assets					<u>\$ 16,902,938</u>	<u>\$ 82,074</u>

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

CASS COUNTY
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
GOVERNMENTAL FUNDS
For The Year Ended December 31, 2006

	General	County Highway	County Economic Development Income Tax	Family and Children	Other Governmental Funds	Totals
Receipts:						
Taxes	\$ 7,956,389	\$ -	\$ 855,476	\$ 2,958,099	\$ 2,461,504	\$ 14,231,468
Special assessments	-	-	-	-	303,156	303,156
Licenses and permits	-	-	-	-	83,287	83,287
Intergovernmental	928,004	3,027,702	-	1,263,985	1,768,821	6,988,512
Charges for services	302,268	-	-	-	1,233,274	1,535,542
Fines and forfeits	189,165	-	-	-	683,638	872,803
Other	2,094,170	35,623	-	223,968	609,076	2,962,837
Total receipts	11,469,996	3,063,325	855,476	4,446,052	7,142,756	26,977,605
Disbursements:						
General government	4,051,337	-	579,289	-	884,661	5,515,287
Public safety	6,019,119	-	-	-	2,225,900	8,245,019
Highways and streets	-	2,764,765	-	-	814,281	3,579,046
Sanitation	38,525	-	-	-	-	38,525
Health and welfare	255,804	-	-	3,973,255	655,768	4,884,827
Culture and recreation	41,597	-	-	-	363,038	404,635
Debt service:						
Principal	-	74,999	-	-	813,930	888,929
Interest	-	-	-	-	397,070	397,070
Capital outlay:						
Highways and streets	-	-	-	-	3,633,550	3,633,550
Special assessments	-	-	-	-	74,872	74,872
Total disbursements	10,406,382	2,839,764	579,289	3,973,255	9,863,070	27,661,760
Excess (deficiency) of receipts over (under) disbursements	1,063,614	223,561	276,187	472,797	(2,720,314)	(684,155)
Other financing sources (uses):						
Transfers in	-	-	-	-	35,118	35,118
Transfers out	-	-	-	-	(35,118)	(35,118)
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	1,063,614	223,561	276,187	472,797	(2,720,314)	(684,155)
Cash and investment fund balance - beginning	835,466	873,505	2,162,727	2,281,849	10,779,612	16,933,159
Cash and investment fund balance - ending	\$ 1,899,080	\$ 1,097,066	\$ 2,438,914	\$ 2,754,646	\$ 8,059,298	16,249,004
Amounts reported for governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis are different because:						
Internal services funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.						653,934
Net assets of governmental activities						\$ 16,902,938
Cash and Investment Assets - December 31						
Cash and investments	\$ 1,899,080	\$ -	\$ -	\$ -	\$ -	\$ 1,899,080
Restricted assets:						
Cash and investments	-	1,097,066	2,438,914	2,754,646	8,059,298	14,349,924
Total cash and investment assets - December 31	\$ 1,899,080	\$ 1,097,066	\$ 2,438,914	\$ 2,754,646	\$ 8,059,298	\$ 16,249,004
Cash and Investment Fund Balance - December 31						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ 2,206,461	\$ 2,206,461
Highways and streets	-	1,097,066	-	-	37	1,097,103
Health and welfare	-	-	-	2,754,646	(2,180,568)	574,078
Culture and recreation	-	-	-	-	3,626,731	3,626,731
Urban redevelopment and housing	-	-	2,438,914	-	(2,072,646)	366,268
Debt service	-	-	-	-	590,865	590,865
Capital outlay	-	-	-	-	2,471,027	2,471,027
Other purposes	-	-	-	-	3,417,391	3,417,391
Unrestricted	1,899,080	-	-	-	-	1,899,080
Total cash and investment fund balance - December 31	\$ 1,899,080	\$ 1,097,066	\$ 2,438,914	\$ 2,754,646	\$ 8,059,298	\$ 16,249,004

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

CASS COUNTY
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
PROPRIETARY FUND
As of and for the Year Ended December 31, 2006

	<u>Internal Service Fund</u>
Operating receipts:	
Insurance proceeds	\$ 611,453
Other	<u>2,467,588</u>
Total operating receipts	<u>3,079,041</u>
Operating disbursements:	
Other	<u>3,142,046</u>
Deficiency of operating receipts under operating disbursements	(63,005)
Cash and investment fund balance - beginning	<u>716,939</u>
Cash and investment fund balance - ending	<u><u>\$ 653,934</u></u>
 <u>Cash and Investment Assets - December 31</u>	
Restricted assets:	
Cash and investments	<u><u>\$ 653,934</u></u>
 <u>Cash and Investment Fund Balance - December 31</u>	
Restricted for:	
Other purposes	<u><u>\$ 653,934</u></u>

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

CASS COUNTY
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For The Year Ended December 31, 2006

	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Fund</u>	<u>Agency Funds</u>
Additions:			
Contributions:			
Employer	\$ 303,228	\$ -	\$ -
Investment earnings:			
Interest and dividends	212,598	-	-
Agency fund additions	<u>-</u>	<u>-</u>	<u>115,487,013</u>
Total additions	<u>515,826</u>	<u>-</u>	<u>115,487,013</u>
Deductions:			
Benefits	81,424	-	-
Administrative and general	9,228	-	-
Refund of contributions	-	701	-
Agency fund deductions	<u>-</u>	<u>-</u>	<u>118,559,265</u>
Total deductions	<u>90,652</u>	<u>701</u>	<u>118,559,265</u>
Excess (deficiency) of total additions over (under) total deductions	425,174	(701)	(3,072,252)
Cash and investment fund balance - beginning	<u>2,784,790</u>	<u>33,621</u>	<u>5,444,796</u>
Cash and investment fund balance - ending	<u>\$ 3,209,964</u>	<u>\$ 32,920</u>	<u>\$ 2,372,544</u>

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

CASS COUNTY
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

The County was established under the laws of the State of Indiana. The County operates under a Council-Commissioner form of government and provides the following services: public safety (police), highways and streets, health welfare and social services, culture and recreation, public improvements, planning and zoning, and general administrative services.

The County's financial reporting entity is composed of the following:

Primary Government:	Cass County
Discretely Presented Component Unit:	Cass County Hospitality and Tourism Commission

In determining the financial reporting entity, the County complies with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*.

The Logansport Memorial Hospital and Cass County Solid Waste District, which would be presented as blended component units have been omitted from these financial statements. Accordingly, the financial statements do not include the data of all of the County's component units necessary to fairly present the financial position of the County.

Discretely Presented Component Units

Discretely presented component units are separate legal entities that meet the component unit criteria but do not meet the criteria for blending. The component unit that is discretely presented in the County's report is presented below:

<u>Component Unit</u>	<u>Description/Inclusion Criteria</u>
Cass County Hospitality and Tourism Commission	The Cass County Hospitality and Tourism Commission is a significant discretely presented component unit of the County. The primary government appoints a voting majority of the Commission's board and is able to impose its will.

Related Organizations

The County's officials are also responsible for appointing the members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments. The County appoints the board members of the Cass County Hospital Authority, Royal Center-Boone Township Public Library, Walton-Tipton Township Library, Logansport Library, Cass County Plan Commission, Logansport Plan Commission, and Wabash River Heritage.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis displays information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds.

CASS COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, receipts, and disbursements. 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 and major individual enterprise funds are reported as separate columns in the fund financial statements. However, at this time, the County has not established any enterprise funds.

The County reports the following major governmental funds:

The general fund is the primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The county highway fund accounts for the state motor vehicle highway distributions. Funds may be used for the direct and indirect costs of repairing and maintaining the County's roads.

The county economic development income tax fund accounts for the County's share of the county economic development income tax. Funds may be used to promote economic development in the County.

The family and children fund accounts for the costs of providing various assistance programs administered by the Indiana Family and Social Services Administration and the Indiana Department of Child Services. Financing is provided by property taxes and state and federal reimbursements.

Additionally, the County reports the following fund types:

The internal service fund accounts for employee health benefits provided to other departments on a cost-reimbursement basis.

The pension trust funds account for the activities of the sheriff's pension trust and the sheriff's benefit trust, which accumulate resources for pension benefit payments.

Agency funds account for assets held by the County as an agent for county jail inmates, wards, and various taxing authorities.

C. Measurement Focus and Basis of Accounting

The government-wide, governmental fund, proprietary fund, and fiduciary fund financial statements are reported using the basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The cash and investment basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash rather than when earned and disbursements are recognized when paid rather than when a liability is incurred. Investment transactions are not presented on the financial statements.

CASS COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

If the County utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the internal service fund and other governmental units. Elimination of these charges would distort the direct costs and program receipts reported for the various functions concerned.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are provided to people outside the government (enterprise funds) or other departments or agencies primarily within the government (internal service funds). The County does not have any enterprise funds.

D. Assets and Cash and Investment Balances

1. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as interest receipts in the year of the sale of the investment.

2. Capital Assets

Capital assets arising from cash transactions acquired for use in governmental or proprietary fund operations are accounted for as capital outlay disbursements of the fund upon acquisition.

3. Long-Term Debt

Long-term debt arising from cash basis transactions of governmental and proprietary funds is not reported as liabilities in the basic financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as disbursements.

4. Equity Classification

Government-Wide Statements

Equity is classified as net assets and displayed in two components:

- a. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- b. Unrestricted net assets – All other net assets that do not meet the definition of "restricted."

It is the County's policy to first use restricted net assets prior to the use of unrestricted net assets when a disbursement is incurred for purposes for which both restricted and unrestricted net assets are available.

CASS COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund Financial Statements

Governmental fund equity is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide statements.

E. Receipts and Disbursements

1. Program Receipts

Amounts reported as program receipts include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general receipts rather than as program receipts. Likewise, general receipts include all taxes.

2. Operating Receipts and Disbursements

Operating receipts and disbursements for proprietary funds and the similar discretely presented component unit result from providing services and producing and delivering goods and/or services. They also include all receipts and disbursements not related to capital and related financing, noncapital financing, or investing activities.

F. Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the government-wide Statement of Activities and Net Assets – Cash and Investment Basis, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Fund Financial Statements

1. Interfund services – Sales or purchases of goods and services between funds are reported as receipts and disbursements.
2. Interfund reimbursements – Repayments from funds responsible for certain disbursements to the funds that initially paid for them are not reported as reimbursements but as adjustments to disbursements in the respective funds.
3. Interfund transfers – Flow of assets from one fund to another where repayment is not expected is reported as transfers in and out.

Government-Wide Financial Statements

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

1. Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers – Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities and Net Assets – Cash and Investment Basis.

CASS COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

2. Primary government and component unit activity and balances – Resource flows between the primary government and the discretely-presented component units are reported as if they were external transactions and are classified separately from internal balances and activities within the primary government.

II. Stewardship, Compliance and Accountability

Budgetary Information

Annual budgets are adopted on the cash basis, which is not consistent with accounting principles generally accepted in the United States of America. All annual appropriations lapse at calendar year end.

Prior to the first required publication, the fiscal officer of the County submits to the governing board a proposed operating budget for the year commencing the following January 1. Prior to adoption, the budget is advertised and public hearings are conducted by the governing board to obtain taxpayer comments. In September of each year, the governing board, through the passage of a resolution/ordinance, approves the budget for the next year. Copies of the budget resolution/ordinance and the advertisement for funds for which property taxes are levied or highway use taxes are received are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the fiscal officer of the County receives approval of the Indiana Department of Local Government Finance.

The County's management cannot transfer budgeted appropriations between object classifications of a budget without approval of the governing board. The Indiana Department of Local Government Finance must approve any revisions to the appropriations for any fund or any department of the General Fund. The legal level of budgetary control is by object and department within the fund for the General Fund and by object within the fund for all other budgeted funds.

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. At December 31, 2006, the bank balance held at National City Bank in the amount of \$18,898,000 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor-County's name. The remaining bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

2. Investments

Authorization for investment activity is stated in Indiana Code 5-13. The Sheriff's Merit Board has not established an investment policy for the Sheriff's Retirement and Benefit Pension Plan. As of December 31, 2006, the County had the following investments:

CASS COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Investment Type	Primary Government Market Value	Sheriff's Retirement and Benefit Pension Plans
U.S. treasuries and securities	\$ -	\$ 447,072
U.S. agencies	-	209,087
Corporate debt securities	-	401,135
Repurchase agreements	<u>13,898,000</u>	<u>-</u>
Totals	<u>\$ 13,898,000</u>	<u>\$ 1,057,294</u>

Investment Policies

Indiana Code 5-13-9 authorizes the County to invest in securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States of America and issued by the United States Treasury, a federal agency, a federal instrumentality, or a federal government sponsored enterprise. Indiana Code also authorizes the County to invest in securities fully guaranteed and issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. These investments are required by statute to have a stated final maturity of not more than two years.

Indiana Code also provides for investment in money market mutual funds that are in the form of securities of, or interest in, an open-end, no-load, management-type investment company or investment trust registered under the provision of the federal Investment Company Act of 1940, as amended. Investments in money market mutual funds may not exceed 50% of the funds held by the County and available for investment. The portfolio of an investment company or investment trust used must be limited to direct obligations of the United States of America, obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise or repurchase agreements fully collateralized by direct obligations of the United States of America or obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. The form of securities of, or interest in, an investment company or investment trust must be rated as AAA, or its equivalent by Standard and Poor's Corporation or its successor or Aaa, or its equivalent, by Moody's Investors Service, Inc., or its successor. The form of securities in an investment company or investment trust should have a stated final maturity of one day.

Additionally, the County may enter into repurchase agreements with depositories designated by the State Board of Finance as depositories for state deposits involving the County's purchase and guaranteed resale of any interest-bearing obligations issued or fully insured or guaranteed by the United States of America, a United States of America government agency, an instrumentality of the United States of America, or a federal government sponsored enterprise. The repurchase agreement is considered to have a stated final maturity of one day. This agreement must be fully collateralized by interest-bearing obligations as determined by their current market value.

The Sheriff's Pension Plan is not subject to the same investment laws as the County. The Sheriff's Merit Board has not adopted an investment policy for interest rate and credit risk.

CASS COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Investment Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The County does not have a formal investment policy for custodial credit risk for investments. At December 31, 2006, the County held investments in repurchase agreements in the amount of \$13,898,000. Of these investments \$13,898,000 were held by the counterparty's trust department or agent but not in the County's name.

The Sheriff's Merit Board has not adopted an investment policy for custodial credit risk for investments.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County must follow state statute and limit the stated final maturities of the investments to no more than two years.

The Sheriff's Merit Board has not adopted a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses.

Primary Government:

Investment Type	Investment Maturities (in Years)		
	Less Than 1	1-2	More Than 2
Repurchase agreements	\$ 13,898,000	\$ -	\$ -

Sheriff's Retirement and Benefit Pension Plans:

Investment Type	Investment Maturities (in Years)		
	Less Than 1	1-2	More Than 2
U.S. treasuries and securities	\$ 11,964	\$ 212,868	\$ 222,242
U.S. agencies	-	149,420	59,667
Corporate debt securities	51	22,359	378,723
Totals	\$ 12,015	\$ 384,647	\$ 660,632

CASS COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The distribution of securities with credit ratings is summarized below.

Sheriff's Retirement and Benefit Pension Plans:

<u>Standard and Poor's Rating</u>	<u>Moody's Rating</u>	<u>Corporate Bonds</u>	<u>Government Sponsored Enterprise</u>
AAA	Aaa	\$ 94,910	\$ -
AA	Aa	86,063	-
A	A	113,466	-
BBB	Baa	42,251	-
BB	Ba	10,900	-
B	B	41,305	-
CCC	Caa	<u>12,240</u>	<u>209,087</u>
Totals		<u>\$ 401,135</u>	<u>\$ 209,087</u>

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County does not have a policy in regards to concentration of credit risk. United States of America government and United States of America governmental agency securities are exempt from this policy requirement.

The Sheriff's Merit Board has not adopted a policy for the concentration of credit risk.

Foreign Currency Risk

The County does not have a formal policy in regards to foreign currency risk.

The Sheriff's Merit Board has not adopted a formal policy in regards to foreign currency risk.

B. Interfund Transfers

Interfund transfers for the year ended December 31, 2006, were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>2006</u>
Other governmental	Other governmental	<u>\$ 35,118</u>

The County typically uses transfers for cash flow purposes as provided by various statutory provisions.

CASS COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

IV. Other Information

A. 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; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents (excluding postemployment benefits); and natural disasters.

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

Medical Benefits to Employees

The County has chosen to establish a risk financing fund for risks associated with medical benefits to employees, retirees and dependents. The risk financing fund is accounted for in the Self-Insurance Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$50,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. Interfund premiums are paid into the fund by all affected funds and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums are based upon the number of employees paid from each affected fund and are reported as quasi-external interfund transactions.

Workers' Compensation

During 1991, the County joined with other governmental entities in the Indiana Public Employer's Plan, Inc., a public entity risk pool currently operating as a common risk management and insurance program for member governmental entities. This risk pool was formed in 1989. The purpose of the risk pool is to provide a medium for the funding and administration of workers' compensation coverage. The County pays an annual premium to the risk pool for its workers' compensation coverage. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$1,000,000 per insured event. The risk pool obtains independent coverage for insured events in excess of the \$1,000,000 limit.

B. Holding Corporation

The County has entered into a capital lease with Cass County Indiana Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related party of the County. Lease payments during the year totaled \$1,211,000.

C. Subsequent Events

An Energy Savings Agreement (ESA) was entered into on August 6, 2007, to acquire and lease heating and cooling equipment. Principal and interest payments over the 10 year lease will cost \$1,452,263.

CASS COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

D. Administration of Welfare Programs

The County is required to provide certain funding for administrative costs of welfare programs, the Hospital Care for the Indigent Program, Medical Assistance to Wards and Children with Special Health Care Needs through local property tax levies. The County remits those taxes to the State, which pays the cost.

E. Ethanol Plant Grant Obligation

Ordinance 05-01 passed September 9, 2005, obligates Cass County to pay \$2,000,000 to the Anderson Corporation for the building of an ethanol plant that will create additional employment and tax revenue opportunities in the County. Payments are to be made from 2007 to 2012 based on certain conditions stated in the ordinance from the County Economic Development Income Tax Fund.

F. Pension Plans

Agent Multiple-Employer and Single-Employer Defined Benefit Pension Plans

1. Public Employees' Retirement Fund

Plan Description

The County contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in the defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system and give the County authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. The report may be obtained by contacting:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

CASS COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The County's annual pension cost and related information, as provided by the actuary, is presented in this note.

2. County Police Retirement Plan

Plan Description

The County contributes to the County Police Retirement Plan, which is a single-employer defined benefit pension plan. With the approval of the County's fiscal body, the plan is administered by the sheriff's department and an appointed trustee as authorized by state statute (IC 36-8-10-12) for full-time police officers. The plan provides retirement, death, and disability benefits to plan members and beneficiaries. The trustee issues a publicly available financial report that includes financial statements and required supplementary information of the plan. The report may be obtained by contacting the county sheriff.

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for the County Police Retirement Plan are established by state statute. The County's annual pension cost and related information, as provided by the actuary, is presented in this note.

3. County Police Benefit Plan

Plan Description

The County contributes to the County Police Benefit Plan which is a single-employer defined benefit pension plan. With the approval of the County's fiscal body, the plan is administered by the sheriff's department and an appointed trustee as authorized by state statute (IC 36-8-10-12) for full-time police officers. The plan provides dependent pensions, life insurance, and disability benefits to plan members and beneficiaries. The trustee issues a publicly available financial report that includes financial statements and required supplementary information of the plan. The report may be obtained by contacting the county sheriff.

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for the County Police Benefit Plan are established by state statute. The County's annual pension cost and related information, as provided by the actuary, is presented in this note.

CASS COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Actuarial Information for the Above Plans

	PERF	County Police Retirement Plan	County Police Benefit Plan
Annual required contribution	\$ 263,754	\$ 345,424	\$ 3,228
Interest on net pension obligation	(23,763)	7,029	-
Adjustment to annual required contribution	27,080	(18,526)	-
Annual pension cost	267,071	333,927	3,228
Contributions made	26,484	296,772	3,228
Increase in net pension obligation	240,587	37,155	-
Net pension obligation, beginning of year	(327,769)	100,410	-
Net pension obligation, end of year	\$ (87,182)	\$ 137,565	\$ -

	PERF	County Police Retirement Plan	County Police Benefit Plan
Contribution rates:			
County	5%	63%	0%
Plan members	3%	6%	6%
Actuarial valuation date	07-01-06	01-01-07	01-01-07
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed
Amortization period	40 years	40 years	40 years
Amortization period (from date)	07-01-97	12-31-97	12-31-97
Asset valuation method	4 year smoothed market	4 year smoothed market	4 year smoothed market

Actuarial Assumptions

Investment rate of return	7.25%	7%	7%
Projected future salary increases:			
Total	5%	5%	5%
Attributed to inflation	4%	4%	4%
Attributed to merit/seniority	1%	1%	1%
Cost-of-living adjustments	2%	2%	0%

CASS COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Three Year Trend Information

	<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
PERF	06-30-04	\$ 214,178	113%	\$ (329,932)
	06-30-05	242,401	99%	(327,769)
	06-30-06	267,071	109%	(325,538)
County Police Retirement Plan	12-31-04	267,222	90%	137,565
	12-31-05	315,435	93%	100,410
	12-31-06	333,927	89%	137,565
County Police Benefit Plan	12-31-04	5,740	100%	-
	12-31-05	6,156	100%	-
	12-31-06	3,228	100%	-

CASS COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-03	\$ 3,858,594	\$ 3,721,567	\$ 137,027	104%	\$ 4,834,918	3%
07-01-04	3,951,508	4,070,390	(118,882)	97%	4,900,375	(2%)
07-01-05	4,145,841	4,540,634	(394,793)	91%	4,657,239	(8%)

County Police Retirement Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-01	\$ 1,987,580	\$ 2,570,749	\$ (583,169)	77%	\$ 474,201	(123%)
01-01-02	1,982,190	2,395,229	(413,039)	83%	534,901	(77%)
01-01-03	1,948,820	3,197,927	(1,249,107)	61%	552,561	(226%)
01-01-04	2,098,446	3,312,225	(1,213,779)	63%	611,158	(199%)
01-01-05	2,258,591	3,482,764	(1,224,173)	65%	635,121	(193%)
01-01-06	2,677,080	3,982,393	(1,305,313)	67%	668,525	(195%)

CASS COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2006

	Accident Report	Supplemental Adult Probation Services	Adult Protective Services	Alternative School	Arson Investigation	Auditor's Plat Book Perpetuation	Clerk's Title 4D
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	16,198
Charges for services	2,296	-	-	22,298	-	8,685	-
Fines and forfeits	-	125,971	119,549	-	-	-	-
Other	-	27,484	-	166	-	-	-
Total receipts	2,296	153,455	119,549	22,464	-	8,685	16,198
Disbursements:							
General government	-	-	-	-	-	12,012	1,257
Public safety	-	130,194	94,335	24,756	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Total disbursements	-	130,194	94,335	24,756	-	12,012	1,257
Excess (deficiency) of receipts over (under) disbursements	2,296	23,261	25,214	(2,292)	-	(3,327)	14,941
Other financing sources (uses):							
Transfers in	-	-	1,113	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	1,113	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,296	23,261	26,327	(2,292)	-	(3,327)	14,941
Cash and investment fund balance - beginning	4,110	88,118	6,464	48,160	226	7,821	46,315
Cash and investment fund balance - ending	<u>\$ 6,406</u>	<u>\$ 111,379</u>	<u>\$ 32,791</u>	<u>\$ 45,868</u>	<u>\$ 226</u>	<u>\$ 4,494</u>	<u>\$ 61,256</u>
Cash and Investment Assets - December 31							
Restricted assets:							
Cash and investments	<u>\$ 6,406</u>	<u>\$ 111,379</u>	<u>\$ 32,791</u>	<u>\$ 45,868</u>	<u>\$ 226</u>	<u>\$ 4,494</u>	<u>\$ 61,256</u>
Cash and Investment Fund Balance - December 31							
Restricted for:							
Public safety	\$ 6,406	\$ 111,379	\$ 32,791	\$ 45,868	\$ 226	\$ -	\$ 61,256
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	4,494	-
Total cash and investment fund balance - December 31	<u>\$ 6,406</u>	<u>\$ 111,379</u>	<u>\$ 32,791</u>	<u>\$ 45,868</u>	<u>\$ 226</u>	<u>\$ 4,494</u>	<u>\$ 61,256</u>

CASS COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2006
 (Continued)

	Clerk's Records Perpetuation	Community Corrections Home Detention	Corrections Grant	County Corrections	Cumulative Reassessment	Dissolution Education Workshop	Donation
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 131,316	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	167,316	27,768	14,194	-	-
Charges for services	-	245,791	-	-	-	-	-
Fines and forfeits	8,068	-	-	-	-	3,540	-
Other	-	16,402	-	-	8,659	-	-
Total receipts	8,068	262,193	167,316	27,768	154,169	3,540	-
Disbursements:							
General government	9,773	-	-	-	204,973	4,392	-
Public safety	-	333,292	137,603	39,960	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Total disbursements	9,773	333,292	137,603	39,960	204,973	4,392	-
Excess (deficiency) of receipts over (under) disbursements	(1,705)	(71,099)	29,713	(12,192)	(50,804)	(852)	-
Other financing sources (uses):							
Transfers in	-	21,200	-	-	-	-	-
Transfers out	-	(605)	(21,020)	-	-	-	-
Total other financing sources (uses)	-	20,595	(21,020)	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,705)	(50,504)	8,693	(12,192)	(50,804)	(852)	-
Cash and investment fund balance - beginning	15,591	91,536	54,934	37,634	373,353	10,261	87
Cash and investment fund balance - ending	<u>\$ 13,886</u>	<u>\$ 41,032</u>	<u>\$ 63,627</u>	<u>\$ 25,442</u>	<u>\$ 322,549</u>	<u>\$ 9,409</u>	<u>\$ 87</u>
Cash and Investment Assets - December 31							
Restricted assets:							
Cash and investments	<u>\$ 13,886</u>	<u>\$ 41,032</u>	<u>\$ 63,627</u>	<u>\$ 25,442</u>	<u>\$ 322,549</u>	<u>\$ 9,409</u>	<u>\$ 87</u>
Cash and Investment Fund Balance - December 31							
Restricted for:							
Public safety	\$ -	\$ 41,032	\$ 63,627	\$ 25,442	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other purposes	13,886	-	-	-	322,549	9,409	87
Total cash and investment fund balance - December 31	<u>\$ 13,886</u>	<u>\$ 41,032</u>	<u>\$ 63,627</u>	<u>\$ 25,442</u>	<u>\$ 322,549</u>	<u>\$ 9,409</u>	<u>\$ 87</u>

CASS COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2006
 (Continued)

	Cass County Memorial Home Donation	Drainage Maintenance	Drug Free Community	Emergency Planning and Right to Know	Emergency Telephone	Extradition	Stop Grant
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	203,513	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	15,753
Charges for services	-	-	-	450	492,739	-	-
Fines and forfeits	-	-	26,573	2,729	-	22,400	-
Other	-	-	-	-	19,213	3,279	1,691
Total receipts	-	203,513	26,573	3,179	511,952	25,679	17,444
Disbursements:							
General government	-	228,806	-	-	-	-	-
Public safety	-	-	19,126	2,823	556,547	9,767	19,319
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Total disbursements	-	228,806	19,126	2,823	556,547	9,767	19,319
Excess (deficiency) of receipts over (under) disbursements	-	(25,293)	7,447	356	(44,595)	15,912	(1,875)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	790
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	790
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(25,293)	7,447	356	(44,595)	15,912	(1,085)
Cash and investment fund balance - beginning	5,838	599,371	20,139	6,674	146,094	44,266	1,085
Cash and investment fund balance - ending	<u>\$ 5,838</u>	<u>\$ 574,078</u>	<u>\$ 27,586</u>	<u>\$ 7,030</u>	<u>\$ 101,499</u>	<u>\$ 60,178</u>	<u>\$ -</u>
Cash and Investment Assets - December 31							
Restricted assets:							
Cash and investments	<u>\$ 5,838</u>	<u>\$ 574,078</u>	<u>\$ 27,586</u>	<u>\$ 7,030</u>	<u>\$ 101,499</u>	<u>\$ 60,178</u>	<u>\$ -</u>
Cash and Investment Fund Balance - December 31							
Restricted for:							
Public safety	\$ -	\$ -	\$ 27,586	\$ 7,030	\$ 101,499	\$ 60,178	\$ -
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other purposes	5,838	574,078	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 5,838</u>	<u>\$ 574,078</u>	<u>\$ 27,586</u>	<u>\$ 7,030</u>	<u>\$ 101,499</u>	<u>\$ 60,178</u>	<u>\$ -</u>

CASS COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2006
 (Continued)

	Transit Authority Grant	Victim Advocacy Grant	Byrne Grant	Bulletproof Vest Grant	Local Law Enforcement Block Grant	Homeland Security Grant	Law Enforcement Terror Prevention Program
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	616,843	13,540	216,415	5,733	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	-	124	5,830	-	-	-	-
Total receipts	616,843	13,664	222,245	5,733	-	-	-
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	-	13,249	218,777	5,063	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	616,843	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Total disbursements	616,843	13,249	218,777	5,063	-	-	-
Excess (deficiency) of receipts over (under) disbursements	-	415	3,468	670	-	-	-
Other financing sources (uses):							
Transfers in	-	420	3,581	-	-	2,405	-
Transfers out	-	-	(1,390)	-	-	-	(3,664)
Total other financing sources (uses)	-	420	2,191	-	-	2,405	(3,664)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	835	5,659	670	-	2,405	(3,664)
Cash and investment fund balance - beginning	-	4,735	2,796	592	17,328	(2,405)	4,242
Cash and investment fund balance - ending	\$ -	\$ 5,570	\$ 8,455	\$ 1,262	\$ 17,328	\$ -	\$ 578
Cash and Investment Assets - December 31							
Restricted assets:							
Cash and investments	\$ -	\$ 5,570	\$ 8,455	\$ 1,262	\$ 17,328	\$ -	\$ 578
Cash and Investment Fund Balance - December 31							
Restricted for:							
Public safety	\$ -	\$ 5,570	\$ 8,455	\$ 1,262	\$ 17,328	\$ -	\$ 578
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Total cash and investment fund balance - December 31	\$ -	\$ 5,570	\$ 8,455	\$ 1,262	\$ 17,328	\$ -	\$ 578

CASS COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2006
 (Continued)

	Emmaus Grant	Firearms Training	Cass County Emergency Management Agency Grant	Wal-Mart K-9 Grant	GAL/CASA	County Health	Health Grant
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (18,447)	\$ -
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	8,940	-	-	-	74,347	-
Intergovernmental	87,417	-	31,384	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	14,268	-	-
Other	-	-	-	-	2,599	364	-
Total receipts	87,417	8,940	31,384	-	16,867	56,264	-
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	-	-	22,488	-	13,500	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	87,417	-	-	-	-	369,102	3,673
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Total disbursements	87,417	-	22,488	-	13,500	369,102	3,673
Excess (deficiency) of receipts over (under) disbursements	-	8,940	8,896	-	3,367	(312,838)	(3,673)
Other financing sources (uses):							
Transfers in	-	-	3,664	-	-	-	-
Transfers out	-	-	(2,405)	-	-	-	-
Total other financing sources (uses)	-	-	1,259	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	8,940	10,155	-	3,367	(312,838)	(3,673)
Cash and investment fund balance - beginning	-	2,263	(5,357)	50	41,433	545,523	3,763
Cash and investment fund balance - ending	\$ -	\$ 11,203	\$ 4,798	\$ 50	\$ 44,800	\$ 232,685	\$ 90
Cash and Investment Assets - December 31							
Restricted assets:							
Cash and investments	\$ -	\$ 11,203	\$ 4,798	\$ 50	\$ 44,800	\$ 232,685	\$ 90
Cash and Investment Fund Balance - December 31							
Restricted for:							
Public safety	\$ -	\$ 11,203	\$ 4,798	\$ 50	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	44,800	232,685	90
Culture and recreation	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Total cash and investment fund balance - December 31	\$ -	\$ 11,203	\$ 4,798	\$ 50	\$ 44,800	\$ 232,685	\$ 90

CASS COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2006
 (Continued)

	Public Health Coordinator Grant	Health Maintenance	Juvenile Incentive Block Grant	Supplemental Juvenile Probation Services	Juvenile Services Treatment	Law Enforcement Continuing Education	Vehicle Inspection
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	51,225	33,139	-	-	-	-	-
Charges for services	-	-	-	80	-	-	-
Fines and forfeits	-	-	-	19,734	-	3,356	774
Other	-	-	-	5,403	-	-	-
Total receipts	<u>51,225</u>	<u>33,139</u>	<u>-</u>	<u>25,217</u>	<u>-</u>	<u>3,356</u>	<u>774</u>
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	-	-	351	30,335	-	5,983	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	57,244	54,855	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Total disbursements	<u>57,244</u>	<u>54,855</u>	<u>351</u>	<u>30,335</u>	<u>-</u>	<u>5,983</u>	<u>-</u>
Excess (deficiency) of receipts over (under) disbursements	<u>(6,019)</u>	<u>(21,716)</u>	<u>(351)</u>	<u>(5,118)</u>	<u>-</u>	<u>(2,627)</u>	<u>774</u>
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(6,019)</u>	<u>(21,716)</u>	<u>(351)</u>	<u>(5,118)</u>	<u>-</u>	<u>(2,627)</u>	<u>774</u>
Cash and investment fund balance - beginning	<u>(4,609)</u>	<u>37,209</u>	<u>351</u>	<u>57,119</u>	<u>77,274</u>	<u>3,786</u>	<u>1,840</u>
Cash and investment fund balance - ending	<u><u>\$ (10,628)</u></u>	<u><u>\$ 15,493</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 52,001</u></u>	<u><u>\$ 77,274</u></u>	<u><u>\$ 1,159</u></u>	<u><u>\$ 2,614</u></u>
Cash and Investment Assets - December 31							
Restricted assets:							
Cash and investments	<u><u>\$ (10,628)</u></u>	<u><u>\$ 15,493</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 52,001</u></u>	<u><u>\$ 77,274</u></u>	<u><u>\$ 1,159</u></u>	<u><u>\$ 2,614</u></u>
Cash and Investment Fund Balance - December 31							
Restricted for:							
Public safety	\$ -	\$ -	\$ -	\$ 52,001	\$ 77,274	\$ 1,159	\$ 2,614
Highways and streets	-	-	-	-	-	-	-
Health and welfare	(10,628)	15,493	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u><u>\$ (10,628)</u></u>	<u><u>\$ 15,493</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 52,001</u></u>	<u><u>\$ 77,274</u></u>	<u><u>\$ 1,159</u></u>	<u><u>\$ 2,614</u></u>

CASS COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2006
 (Continued)

	Park Donation	France Park Planning Grant	Parks Disaster Relief Grant	Park Nonreverting Operating	Park and Recreation	Community Corrections Project Income	Prosecutor's Title 4D
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 115,813	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	24,370
Charges for services	-	-	-	-	194,584	-	-
Fines and forfeits	-	-	-	-	-	86,482	-
Other	-	-	-	15,179	145	3,488	-
Total receipts	-	-	-	15,179	310,542	89,970	24,370
Disbursements:							
General government	-	-	-	-	-	-	24,065
Public safety	-	-	-	-	-	104,240	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	922	362,116	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Total disbursements	-	-	-	922	362,116	104,240	24,065
Excess (deficiency) of receipts over (under) disbursements	-	-	-	14,257	(51,574)	(14,270)	305
Other financing sources (uses):							
Transfers in	-	-	-	-	-	397	-
Transfers out	-	-	-	-	-	(130)	-
Total other financing sources (uses)	-	-	-	-	-	267	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	14,257	(51,574)	(14,003)	305
Cash and investment fund balance - beginning	519	194	224	41,978	293,064	79,820	24,915
Cash and investment fund balance - ending	<u>\$ 519</u>	<u>\$ 194</u>	<u>\$ 224</u>	<u>\$ 56,235</u>	<u>\$ 241,490</u>	<u>\$ 65,817</u>	<u>\$ 25,220</u>
Cash and Investment Assets - December 31							
Restricted assets:							
Cash and investments	<u>\$ 519</u>	<u>\$ 194</u>	<u>\$ 224</u>	<u>\$ 56,235</u>	<u>\$ 241,490</u>	<u>\$ 65,817</u>	<u>\$ 25,220</u>
Cash and Investment Fund Balance - December 31							
Restricted for:							
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,817	\$ 25,220
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	519	194	224	56,235	241,490	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 519</u>	<u>\$ 194</u>	<u>\$ 224</u>	<u>\$ 56,235</u>	<u>\$ 241,490</u>	<u>\$ 65,817</u>	<u>\$ 25,220</u>

CASS COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2006
 (Continued)

	Rainy Day	Recorder's Records Perpetuation	Section II Help America Vote Act	Help America Vote Act Title III	Sales Disclosure	Election and Registration	State Deputy Project
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 163,568	\$ -
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	4,500
Charges for services	-	43,182	-	-	2,372	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	-	-	-	-	-	10	-
Total receipts	-	43,182	-	-	2,372	163,578	4,500
Disbursements:							
General government	-	29,367	-	76,429	-	103,898	-
Public safety	-	-	-	-	-	-	4,577
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Total disbursements	-	29,367	-	76,429	-	103,898	4,577
Excess (deficiency) of receipts over (under) disbursements	-	13,815	-	(76,429)	2,372	59,680	(77)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	13,815	-	(76,429)	2,372	59,680	(77)
Cash and investment fund balance - beginning	144,269	104,475	109,635	145,867	2,728	104,212	77
Cash and investment fund balance - ending	\$ 144,269	\$ 118,290	\$ 109,635	\$ 69,438	\$ 5,100	\$ 163,892	\$ -
<u>Cash and Investment Assets - December 31</u>							
Restricted assets:							
Cash and investments	\$ 144,269	\$ 118,290	\$ 109,635	\$ 69,438	\$ 5,100	\$ 163,892	\$ -
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other purposes	144,269	118,290	109,635	69,438	5,100	163,892	-
Total cash and investment fund balance - December 31	\$ 144,269	\$ 118,290	\$ 109,635	\$ 69,438	\$ 5,100	\$ 163,892	\$ -

CASS COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2006
 (Continued)

	Law Enforcement Grant	CPF Grant	WRHC Grant	Brownfield Grant	Superior Courts Interpreter Grant	Emergency Gas Award	Hoosier Safety Foundation
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	12,847	7,000	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	-	-	12,847	7,000	-	-
Disbursements:							
General government	-	-	-	-	7,008	-	-
Public safety	-	-	-	12,848	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Total disbursements	-	-	-	12,848	7,008	-	-
Excess (deficiency) of receipts over (under) disbursements	-	-	-	(1)	(8)	-	-
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	(1)	(8)	-	-
Cash and investment fund balance - beginning	2,826	5,000	523	1	12	1,303	550
Cash and investment fund balance - ending	<u>\$ 2,826</u>	<u>\$ 5,000</u>	<u>\$ 523</u>	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ 1,303</u>	<u>\$ 550</u>
Cash and Investment Assets - December 31							
Restricted assets:							
Cash and investments	<u>\$ 2,826</u>	<u>\$ 5,000</u>	<u>\$ 523</u>	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ 1,303</u>	<u>\$ 550</u>
Cash and Investment Fund Balance - December 31							
Restricted for:							
Public safety	\$ 2,826	\$ -	\$ -	\$ -	\$ -	\$ 1,303	\$ 550
Highways and streets	-	5,000	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	523	-	-	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other purposes	-	-	-	-	4	-	-
Total cash and investment fund balance - December 31	<u>\$ 2,826</u>	<u>\$ 5,000</u>	<u>\$ 523</u>	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ 1,303</u>	<u>\$ 550</u>

CASS COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2006
 (Continued)

	Supplemental Public Defender Services	Surveyor's Corner Perpetuation	Tobacco Settlement	User Fee	Work Crew	Lease Rental Payment
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,181,982
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	22,535	-	-	-
Charges for services	-	8,255	-	-	6,000	-
Fines and forfeits	26,496	-	-	193,862	-	-
Other	-	-	-	2,468	-	-
Total receipts	<u>26,496</u>	<u>8,255</u>	<u>22,535</u>	<u>196,330</u>	<u>6,000</u>	<u>1,181,982</u>
Disbursements:						
General government	7,790	-	-	-	-	-
Public safety	-	-	-	217,910	5,998	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	16,941	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	813,930
Interest	-	-	-	-	-	397,070
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Total disbursements	<u>7,790</u>	<u>-</u>	<u>16,941</u>	<u>217,910</u>	<u>5,998</u>	<u>1,211,000</u>
Excess (deficiency) of receipts over (under) disbursements	<u>18,706</u>	<u>8,255</u>	<u>5,594</u>	<u>(21,580)</u>	<u>2</u>	<u>(29,018)</u>
Other financing sources (uses):						
Transfers in	-	-	-	1,548	-	-
Transfers out	-	-	-	(5,904)	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,356)</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>18,706</u>	<u>8,255</u>	<u>5,594</u>	<u>(25,936)</u>	<u>2</u>	<u>(29,018)</u>
Cash and investment fund balance - beginning	<u>99,429</u>	<u>66,942</u>	<u>76,377</u>	<u>448,141</u>	<u>1</u>	<u>619,883</u>
Cash and investment fund balance - ending	<u>\$ 118,135</u>	<u>\$ 75,197</u>	<u>\$ 81,971</u>	<u>\$ 422,205</u>	<u>\$ 3</u>	<u>\$ 590,865</u>
<u>Cash and Investment Assets - December 31</u>						
Restricted assets:						
Cash and investments	<u>\$ 118,135</u>	<u>\$ 75,197</u>	<u>\$ 81,971</u>	<u>\$ 422,205</u>	<u>\$ 3</u>	<u>\$ 590,865</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Public safety	\$ 118,135	\$ -	\$ -	\$ 422,205	\$ 3	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	81,971	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	590,865
Capital outlay	-	-	-	-	-	-
Other purposes	-	75,197	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 118,135</u>	<u>\$ 75,197</u>	<u>\$ 81,971</u>	<u>\$ 422,205</u>	<u>\$ 3</u>	<u>\$ 590,865</u>

CASS COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2006
 (Continued)

	General Drain Improvement	Emergency Management Nonreverting Capital	Host Agreement Capital	Sheriff Photo	Emergency Management Nonreverting Operating	Sheriff's Commissary
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	99,643	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	159,230
Fines and forfeits	-	-	-	-	-	-
Other	-	-	283,856	283	-	-
Total receipts	99,643	-	283,856	283	-	159,230
Disbursements:						
General government	-	-	164,486	-	-	-
Public safety	-	2,924	-	-	5,214	159,235
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Special assessments	74,872	-	-	-	-	-
Total disbursements	74,872	2,924	164,486	-	5,214	159,235
Excess (deficiency) of receipts over (under) disbursements	24,771	(2,924)	119,370	283	(5,214)	(5)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	24,771	(2,924)	119,370	283	(5,214)	(5)
Cash and investment fund balance - beginning	166,562	4,830	366,872	1,307	7,003	24,762
Cash and investment fund balance - ending	<u>\$ 191,333</u>	<u>\$ 1,906</u>	<u>\$ 486,242</u>	<u>\$ 1,590</u>	<u>\$ 1,789</u>	<u>\$ 24,757</u>
Cash and Investment Assets - December 31						
Restricted assets:						
Cash and investments	<u>\$ 191,333</u>	<u>\$ 1,906</u>	<u>\$ 486,242</u>	<u>\$ 1,590</u>	<u>\$ 1,789</u>	<u>\$ 24,757</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ 1,590	\$ 1,789	\$ 24,757
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	191,333	1,906	486,242	-	-	-
Other purposes	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 191,333</u>	<u>\$ 1,906</u>	<u>\$ 486,242</u>	<u>\$ 1,590</u>	<u>\$ 1,789</u>	<u>\$ 24,757</u>

CASS COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2006
 (Continued)

	Police Pension	Children's Psychiatric Residential Treatment Services	Local Road and Street	Cumulative Capital Development	Homeland Security	Identification Security Protection
Receipts:						
Taxes	\$ -	\$ 251,413	\$ -	\$ 307,288	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	375,252	-	11,250	14,142
Charges for services	-	-	-	-	-	-
Fines and forfeits	29,836	-	-	-	-	-
Other	4,135	-	108,342	17	-	-
Total receipts	33,971	251,413	483,594	307,305	11,250	14,142
Disbursements:						
General government	-	-	-	-	-	-
Public safety	13,086	-	-	-	-	-
Highways and streets	-	-	814,281	-	-	-
Health and welfare	-	66,536	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	2,167,681	-	-
Special assessments	-	-	-	-	-	-
Total disbursements	13,086	66,536	814,281	2,167,681	-	-
Excess (deficiency) of receipts over (under) disbursements	20,885	184,877	(330,687)	(1,860,376)	11,250	14,142
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	20,885	184,877	(330,687)	(1,860,376)	11,250	14,142
Cash and investment fund balance - beginning	11,876	131,464	1,143,911	2,147,299	-	-
Cash and investment fund balance - ending	<u>\$ 32,761</u>	<u>\$ 316,341</u>	<u>\$ 813,224</u>	<u>\$ 286,923</u>	<u>\$ 11,250</u>	<u>\$ 14,142</u>
Cash and Investment Assets - December 31						
Restricted assets:						
Cash and investments	<u>\$ 32,761</u>	<u>\$ 316,341</u>	<u>\$ 813,224</u>	<u>\$ 286,923</u>	<u>\$ 11,250</u>	<u>\$ 14,142</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
Public safety	\$ 32,761	\$ -	\$ -	\$ -	\$ 11,250	\$ 14,142
Highways and streets	-	-	813,224	-	-	-
Health and welfare	-	316,341	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	286,923	-	-
Other purposes	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 32,761</u>	<u>\$ 316,341</u>	<u>\$ 813,224</u>	<u>\$ 286,923</u>	<u>\$ 11,250</u>	<u>\$ 14,142</u>

CASS COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2006
 (Continued)

	Cumulative Bridge	Community Transition Program	Nonreverting High Street Rentals	Bail Bond Administration	Interstate Compact Fees	Totals
Receipts:						
Taxes	\$ 328,571	\$ -	\$ -	\$ -	\$ -	\$ 2,461,504
Special assessments	-	-	-	-	-	303,156
Licenses and permits	-	-	-	-	-	83,287
Intergovernmental	-	-	-	-	-	1,768,821
Charges for services	42,893	-	-	4,232	187	1,233,274
Fines and forfeits	-	-	-	-	-	683,638
Other	40,670	-	59,269	-	-	609,076
Total receipts	412,134	-	59,269	4,232	187	7,142,756
Disbursements:						
General government	-	-	10,405	-	-	884,661
Public safety	-	22,250	-	-	150	2,225,900
Highways and streets	-	-	-	-	-	814,281
Health and welfare	-	-	-	-	-	655,768
Culture and recreation	-	-	-	-	-	363,038
Debt service:						
Principal	-	-	-	-	-	813,930
Interest	-	-	-	-	-	397,070
Capital outlay:						
Highways and streets	849,026	-	-	-	-	3,633,550
Special assessments	-	-	-	-	-	74,872
Total disbursements	849,026	22,250	10,405	-	150	9,863,070
Excess (deficiency) of receipts over (under) disbursements	(436,892)	(22,250)	48,864	4,232	37	(2,720,314)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	35,118
Transfers out	-	-	-	-	-	(35,118)
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(436,892)	(22,250)	48,864	4,232	37	(2,720,314)
Cash and investment fund balance - beginning	1,968,956	35,795	-	-	-	10,779,612
Cash and investment fund balance - ending	\$ 1,532,064	\$ 13,545	\$ 48,864	\$ 4,232	\$ 37	\$ 8,059,298
Cash and Investment Assets - December 31						
Restricted assets:						
Cash and investments	\$ 1,532,064	\$ 13,545	\$ 48,864	\$ 4,232	\$ 37	\$ 8,059,298
Cash and Investment Fund Balance - December 31						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ 4,232	\$ -	\$ 1,493,192
Highways and streets	-	-	-	-	37	818,261
Health and welfare	-	-	-	-	-	680,752
Culture and recreation	-	-	-	-	-	299,185
Debt service	-	-	-	-	-	590,865
Capital outlay	1,532,064	-	-	-	-	2,498,468
Other purposes	-	13,545	48,864	-	-	1,678,575
Total cash and investment fund balance - December 31	\$ 1,532,064	\$ 13,545	\$ 48,864	\$ 4,232	\$ 37	\$ 8,059,298

CASS COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN
 CASH AND INVESTMENT BALANCES - PENSION TRUST FUNDS
 For The Year Ended December 31, 2006

	Sheriff Retirement	Sheriff Benefit	Totals
Additions:			
Contributions:			
Employer	\$ 300,000	\$ 3,228	\$ 303,228
Investment receipts:			
Interest and dividends	193,246	19,352	212,598
Total additions	493,246	22,580	515,826
Deductions:			
Benefits	79,518	1,906	81,424
Administrative and general	6,003	3,225	9,228
Total deductions	85,521	5,131	90,652
Excess of total additions over total deductions	407,725	17,449	425,174
Cash and investment fund balance - beginning	2,578,285	206,505	2,784,790
Cash and investment fund balance - ending	\$ 2,986,010	\$ 223,954	\$ 3,209,964

CASS COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2006

	Coroner's Education	Surplus Dog Tax	Township Assistance	Welfare Trust	Welfare Excise Tax Allocation	CAGIT Agency	CEDIT Agency
Additions:							
Agency fund additions	\$ 2,147	\$ 2,473	\$ 170,459	\$ 71,359	\$ 42,890	\$ 5,942,784	\$ 1,453,516
Deductions:							
Agency fund deductions	<u>2,249</u>	<u>2,471</u>	<u>170,459</u>	<u>59,914</u>	<u>42,890</u>	<u>5,942,784</u>	<u>1,452,894</u>
Excess (deficiency) of total additions over (under) total deductions	(102)	2	-	11,445	-	-	622
Cash and investment fund balance - beginning	<u>267</u>	<u>24</u>	<u>-</u>	<u>26,848</u>	<u>-</u>	<u>1</u>	<u>7,847</u>
Cash and investment fund balance - ending	<u>\$ 165</u>	<u>\$ 26</u>	<u>\$ -</u>	<u>\$ 38,293</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 8,469</u>

CASS COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2006
 (Continued)

	City and Town Court Costs	Congressional School Interest	Infraction Judgment	Inheritance Tax	Mortgage Fee	Overweight Vehicles	Payroll
Additions:							
Agency fund additions	\$ 12,753	\$ 1,774	\$ 105,974	\$ 991,804	\$ 4,056	\$ 10,417	\$ 6,627,506
Deductions:							
Agency fund deductions	-	-	106,324	1,003,926	3,851	8,739	6,627,506
Excess (deficiency) of total additions over (under) total deductions	12,753	1,774	(350)	(12,122)	205	1,678	-
Cash and investment fund balance - beginning	<u>65,941</u>	<u>80,304</u>	<u>17,608</u>	<u>110,053</u>	<u>608</u>	<u>1,086</u>	<u>24</u>
Cash and investment fund balance - ending	<u>\$ 78,694</u>	<u>\$ 82,078</u>	<u>\$ 17,258</u>	<u>\$ 97,931</u>	<u>\$ 813</u>	<u>\$ 2,764</u>	<u>\$ 24</u>

CASS COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2006
 (Continued)

	Property Tax Replacement Homestead Credit	Fines and Forfeitures	Sales Disclosure Fee	Special Death Benefit	Surplus Tax	Tax Sale Surplus	Tax Distribution
Additions:							
Agency fund additions	\$ 350,930	\$ 95,092	\$ 2,373	\$ 4,720	\$ 80,188	\$ 460,408	\$ 39,267,577
Deductions:							
Agency fund deductions	350,930	116,400	2,593	4,685	69,928	838,962	39,267,577
Excess (deficiency) of total additions over (under) total deductions	-	(21,308)	(220)	35	10,260	(378,554)	-
Cash and investment fund balance - beginning	-	31,771	430	595	15,677	857,008	-
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 10,463</u>	<u>\$ 210</u>	<u>\$ 630</u>	<u>\$ 25,937</u>	<u>\$ 478,454</u>	<u>\$ -</u>

CASS COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2006
 (Continued)

	Tax Sale	Tax Sale Redemption	Delinquent Personal Property Tax Collection	Sewage Collections	Riverboat	Innkeeper's Tax	Child Restraint Violations
Additions:							
Agency fund additions	\$ 5,630	\$ 256,014	\$ 6,563	\$ 55,502	\$ 257,564	\$ 56,074	\$ 475
Deductions:							
Agency fund deductions	33,480	255,849	6,560	55,502	257,564	56,393	375
Excess (deficiency) of total additions over (under) total deductions	(27,850)	165	3	-	-	(319)	100
Cash and investment fund balance - beginning	29,000	(165)	-	12	-	888	-
Cash and investment fund balance - ending	<u>\$ 1,150</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 12</u>	<u>\$ -</u>	<u>\$ 569</u>	<u>\$ 100</u>

CASS COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2006
 (Continued)

	CEDIT Special Revenue	County Clerk	County Sheriff	Inmate Trust	County Recorder	County Treasurer	Totals
Additions:							
Agency fund additions	\$ 1,453,516	\$ 4,778,158	\$ 661,894	\$ 219,188	\$ 164,978	\$ 51,870,257	\$ 115,487,013
Deductions:							
Agency fund deductions	<u>1,456,806</u>	<u>4,836,696</u>	<u>663,059</u>	<u>228,564</u>	<u>164,978</u>	<u>54,468,357</u>	<u>118,559,265</u>
Excess (deficiency) of total additions over (under) total deductions	(3,290)	(58,538)	(1,165)	(9,376)	-	(2,598,100)	(3,072,252)
Cash and investment fund balance - beginning	<u>32,601</u>	<u>550,035</u>	<u>3,379</u>	<u>14,901</u>	<u>25</u>	<u>3,598,028</u>	<u>5,444,796</u>
Cash and investment fund balance - ending	<u>\$ 29,311</u>	<u>\$ 491,497</u>	<u>\$ 2,214</u>	<u>\$ 5,525</u>	<u>\$ 25</u>	<u>\$ 999,928</u>	<u>\$ 2,372,544</u>

CASS COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 For The Year Ended December 31, 2006

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

General infrastructure assets completed in the current and prior years have been reported. Retroactive reporting of general infrastructure assets will occur by January 1, 2007.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 3,753,133
Infrastructure	1,355,731
Buildings	16,123,976
Improvements other than buildings	332,007
Machinery and equipment	<u>8,478,226</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 30,043,073</u>

CASS COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 For The Year Ended December 31, 2006

CAPITAL LEASES

The County has entered into the following capital lease:

Description of Debt	Ending Balance	Due Within One Year
Governmental Activities:		
Capital leases:		
Jail improvement	\$ 7,617,215	\$ 853,320
Highway equipment	211,009	63,816
Claims and judgments	2,000,000	1,000,000
 Total governmental activities long-term debt	 \$ 9,828,224	 \$ 1,917,136

CASS COUNTY
OTHER REPORTS

The annual report presented herein was prepared in addition to other official reports prepared for the individual County offices listed below:

Clerk of the Circuit Court
County Auditor
County Treasurer
County Home
County Health
Cass County Hospitality
and Tourism Commission

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

TO: THE OFFICIALS OF CASS COUNTY, INDIANA

Compliance

We have audited the compliance of the Cass County (County) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2006. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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

In our opinion, the County complied in all material respects with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2006. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2006-1.

Internal Control Over Compliance

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(Continued)

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A control deficiency in a County's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in item 2006-1 of the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. Of the significant deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs, we consider item 2006-1, to be material weaknesses.

The County's response to the findings identified in our audit is described in the accompanying section of the report entitled Corrective Action Plan. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the County's management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

September 20, 2007

CASS COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2006

Federal Grantor Agency/Pass-Through Entity Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
Pass-Through Indiana Housing Finance Authority Community Development Block Grants - States Program Emergency Shelter - Rehabilitation	14.228	HD-004-004	\$ 87,417
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Direct Grant Bullet Proof Vest Partnership	16.607	FY2006	5,063
Pass-Through Indiana Criminal Justice Institute Crime Victim Assistance	16.575	05VA019 06VA017	11,870 <u>11,870</u>
Total for program			<u>23,740</u>
Violence Against Women Formula Grants	16.588	05ST008 06ST008	8,576 <u>8,576</u>
Total for program			<u>17,152</u>
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2003-DB-BX-00026 2004-DB-BX-0018	175,499 <u>12,047</u>
Total for program			<u>187,546</u>
Total for federal grantor agency			<u>233,501</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation Highway Planning and Construction	20.205	Des #020028 Des #0301163 Des #030099	176,744 6,470 <u>7,589</u>
Total for program			<u>190,803</u>
Formula Grants for Other Than Urbanized Areas	20.509	#18024210	<u>351,761</u>
Pass-Through Indiana Criminal Justice Institute Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	20.601	OP 06-02-03-15	<u>4,500</u>
Total for federal grantor agency			<u>547,064</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

CASS COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2006
(Continued)

Federal Grantor Agency/Pass-Through Entity Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana Family and Social Services Administration Special Programs for the Aging - Title VII, Chapter 3 - Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	09-06-PV-1192-01 09-06-PV-1192-02	34,549 <u>85,000</u>
Total for program			<u>119,549</u>
Pass-Through Indiana Department of Health Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	U90/CCU517024-06 U90/CCU517024-07	38,251 <u>16,930</u>
Total for program			<u>55,181</u>
Pass-Through Indiana Department of Child Services Child Support Enforcement	93.563		
Clerk Expenditures			21,808
Prosecutor Expenditures			111,687
Incentive Payments			56,766
Indirect Costs			<u>47,695</u>
Total for program			<u>237,956</u>
Pass-Through Indiana Secretary of State Office Voting Access for Individuals with Disabilities - Grants to States	93.617		<u>2,280</u>
Total for federal grantor agency			<u>414,966</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security Homeland Security Grant Program	97.004		<u>22,488</u>
Total federal awards expended			<u>\$ 1,305,436</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

CASS COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Cass County (County) and is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Accordingly, the amount of federal awards expended is based on when the activity related to the award occurs. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

II. Subrecipients

Of the federal expenditures presented in the schedule, the County provided federal awards to subrecipients as follows for the year ended December 31, 2006:

Program Title	Federal CFDA Number	2006
Formula Grants for Other Than Urbanized Areas	20.509	\$ 351,761
Community Development Block Grant	14.228	87,417

CASS COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Qualified

Internal control over financial reporting:

Material weaknesses identified?	no
Reportable conditions identified that are not considered to be material weaknesses?	none reported

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

Material weaknesses identified?	yes
Reportable conditions identified that are not considered to be material weaknesses?	none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? yes

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
14.228	Community Development Block Grants - States Program
20.509	Formula Grants for Other Than Urbanized Areas
93.563	Child Support Enforcement

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

No matters are reportable.

CASS COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III – Federal Award Findings and Questioned Costs

FINDING 2006-1, SUBRECIPIENT MONITORING

Federal Agency: U.S. Department of Transportation
Federal Program: Formula Grants for Other Than Urbanized Areas
CFDA Number: 20.509
Federal Award Number: 18024210
Pass-Through Agency: Indiana Department of Transportation

The County does not properly monitor, "the Council on Aging", which is the subrecipient of this grant. Checklists or calendars with reminders to ensure that the county is aware of subrecipient reporting and audit deadlines are not kept. No documentation is on file at the County to confirm that an A-133 compliance audit has been performed or scheduled for calendar year 2006.

Failure to adequately monitor the subrecipient could allow noncompliance with program requirements by the subrecipient to occur and not be discovered in a timely manner. Noncompliance with program requirements could jeopardize future funding or cause the grantor agencies to request a refund of grant monies already received.

31 USC 7502(f)(2) states in part: "Each pass-through entity shall . . . monitor the subrecipient's use of Federal awards through site visits, limited scope audits, or other means" and "review the audit of a subrecipient as necessary to determine whether prompt and appropriate corrective action has been taken with respect to audit findings, as defined by the Director, pertaining to Federal awards provided to the subrecipient by the pass-through entity . . . "

We recommended that County Officials implement procedures to adequately monitor subrecipients. These procedures should ensure that required reports are filed in a timely manner; that audits of subrecipients, when required, are performed in a timely manner with copies of the audit reports provided to the county; that program funds are properly disbursed; and that the subrecipients are achieving the program goals.

CASS COUNTY AUDITOR

DAWN R. CONNER

200 Court Park #105 Logansport, IN 46947 574-753-7722 Fax 574-753-3512 dawn.conner@co.cass.in.us

September 6, 2007

Re: Summary Schedule of Prior Audit Findings

Finding No 2005-1

Original SBA Audit Report Number: B28222

Auditee Contact Person: Dawn R. Conner

Title of Contact Person: Cass County Auditor

Phone Number: 574-753-7722

Status of Finding: The County has received the subrecipient agreement with Cass County Council on Aging, Inc., d/b/a Cass Area Transit for the year 2005. The County has also received the 2004 and 2005 audit reports for the Cass County Council on Aging, Inc.

*Dawn R. Conner
September 6, 2007*

September 6, 2007

Re: Summary Schedule of Prior Audit Findings

Finding No 2005-1

Original SBA Audit Report Number: B28222

Auditee Contact Person: Dawn R. Conner

Title of Contact Person: Cass County Auditor

Phone Number: 574-753-7722

Status of Finding: The County has received the subrecipient agreement with Cass County Council on Aging, Inc., d/b/a Cass Area Transit for the year 2005. The County has also received the 2004 and 2005 audit reports for the Cass County Council on Aging, Inc.

Dawn R. Conner
September 6, 2007

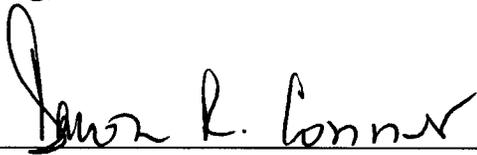
Corrective Action Plan

Finding No. 2006-01

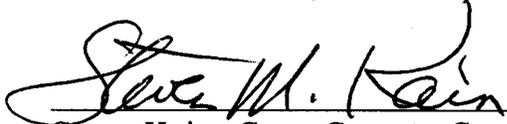
Federal Agency: U.S. Department of Transportation
Federal Program: Formula Grants for Other than Urbanized Areas
CFDA No: 20.509
Federal Award Number: 18024210
Pass-Through Agency: Indiana Department of Transportation

Title of Contact Person: Cass County Auditor
Phone Number: 574-753-7722
Expected Completion Date: December 31, 2007

Corrective Action Planned:
Cass County has requested audit reports for Cass County Council on Aging, Inc. for 2006.



Dawn R. Conner, Cass County Auditor



Steve Kain, Cass County Commissioner

September 20, 2007

CASS COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 20, 2007, with Dawn R. Conner, Auditor; Steven M. Kain, President of the Board of County Commissioners; and Thomas R. Keplar, Vice-President of the County Council. The officials concurred with our audit findings.