

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

ANNUAL FINANCIAL REPORT

2010

CASS COUNTY, INDIANA



FILED

06/15/2011

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
Financial Statement(s): Statement(s) of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	8-9
Notes to Financial Statement(s).....	10-15
Supplementary Information: Combining Schedule(s) of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	18-39
Schedule of Capital Assets.....	40
Schedule of Long-Term Debt	41
Other Report(s)	42
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.....	44-45
Schedule of Expenditures of Federal Awards	46
Note(s) to Schedule of Expenditures of Federal Awards	47
Schedule of Findings and Questioned Costs	48
Auditee Prepared Schedule(s): Summary Schedule of Prior Audit Findings	49
Exit Conference.....	50

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Vaneen M. Ide	01-01-09 to 12-31-12
Treasurer	Dawn Conner-Kraud	01-01-09 to 12-31-12
Clerk	Beth Liming	01-01-09 to 12-31-12
Sheriff	Gene Isaacs Randy Pryor	01-01-07 to 12-31-10 01-01-11 to 12-31-14
Recorder	Patricia Williams	01-01-08 to 12-31-14
President of the Board of County Commissioners	David Arnold	01-01-10 to 12-31-11
President of the County Council	Ralph Anderson	01-01-10 to 12-31-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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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 statement(s) of Cass County (County), for the year ended December 31, 2010. This financial statement(s) is the responsibility of the County's management. Our responsibility is to express opinions on this financial statement(s) 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 statement(s) are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement(s). An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion(s).

As discussed in Note 1, the County prepares its financial statement(s) on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting noted above is a different basis than that used in the prior year.

In our opinion, the financial statement(s) referred to above presents fairly, in all material respects, the financial position and results of operations of the County for the year ended December 31, 2010, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated April 26, 2011, 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, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

Our audit was conducted for the purpose of forming an opinion on the County's financial statement(s). 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 financial statement(s). Such information has been subjected to the auditing procedures applied in the audit of the financial statement(s) and, in our opinion, is fairly stated, in all material respects, in relation to the financial statement(s) taken as a whole.

Included in the financial statement(s) are the receipts and disbursements activity from emergency telephone system fees (IC 36-8-16) and enhanced wireless emergency telephone fees (IC 36-8-16.5). In accordance with Indiana Code 36-8-16-14 and Indiana Code 36-8-16.5-41 these fees have been subject to an annual audit performed by the State Board of Accounts and, in our opinion, are fairly stated, in all material respects, in relation to the financial statement(s) taken as a whole.

Our audit was conducted for the purpose of forming an opinion on the financial statement(s) that collectively comprises the County's financial statement(s). The Combining Schedule(s) of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Capital Assets, and Schedule of Long-Term Debt are presented for additional analysis and are not required parts of the financial statement(s). The Combining Schedule(s), 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 financial statement(s) and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the County's management, County Commissioners, County Council 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

April 26, 2011



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

TO: THE OFFICIALS OF CASS COUNTY, INDIANA

We have audited the financial statement(s) of Cass County (County), for the year ended December 31, 2010, and have issued our report thereon dated April 26, 2011. 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 opinion(s) on the financial statement(s), 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 deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement(s) will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined 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 statement(s) is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the County's management, County Commissioners, County Council 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

April 26, 2011

FINANCIAL STATEMENT(S)

CASS COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2010

	Cash and		Cash and	
	Investments	Receipts	Disbursements	Investments
	01-01-10			12-31-10
General	\$ 463,330	\$ 10,726,415	\$ 10,804,614	\$ 385,131
Local Road And Street	69,134	331,900	137,262	263,772
Accident Report	10,545	1,235	745	11,035
Firearms Training	8,367	9,667	14,064	3,970
Park Nonreverting Operating	89,908	93,154	29,900	153,162
Health	66,484	389,834	392,921	63,397
Economic Development Operating	3,061,945	1,180,351	1,203,689	3,038,607
Health/Bioterrorism	2,999	-	-	2,999
Law Enforcement Continuing Ed	1,372	-	1,370	2
Motor Vehicle Inspection	4,510	692	-	5,202
Clerk's Records Perpetuation	17,856	8,308	1,025	25,139
Election And Registration	301,050	-	95,817	205,233
Unsafe Building	9,960	-	2,854	7,106
Law Enforcement Grant	2,826	-	-	2,826
Emergency Telephone System	261,685	590,985	798,969	53,701
Drug Free Community	46,936	34,222	27,481	53,677
Drainage Maintenance	696,384	275,700	203,090	768,994
Emergency Planning/Right To Know	3,370	-	-	3,370
Highway	2,090,180	3,106,218	2,465,774	2,730,624
Parks And Recreation	182,295	308,673	332,981	157,987
Prosecutor Title Iv-D	24,611	41,174	25,054	40,731
Extradition	79,188	838	10,450	69,576
Juvenile Probation Service	45,207	12,805	9,205	48,807
Adult Probation Services	144,716	152,491	161,129	136,078
Recorder's Records Perpetuation	121,578	43,930	50,566	114,942
User Fee	458,475	251,172	212,050	497,597
Health Maintenance	13,476	33,207	30,432	16,251
Guardian Ad Litem/Court	17,260	16,902	27,625	6,537
Plat Book	14,217	6,755	-	20,972
Clerk Title Iv-D	40,807	-	19,563	21,244
Surveyor's Corner Perpetuation	95,754	7,255	85,000	18,009
Prisoner Reimbursement	4,421	6,663	4,837	6,247
Park Donation	1,206	100	597	709
Memorial Home Donation	5,838	7,170	2,500	10,508
Ema Nonreverting Operating	303	-	-	303
Stop Violence Against Women	1,107	27,257	26,479	1,885
Transit Authority Grant	-	933,279	933,279	-
Victim Advocacy Grant	10,634	27,230	29,767	8,097
Superior Court Interpreter	4,598	7,749	7,616	4,731
Emergency Gas Award	550	-	-	550
Hoosier Safety Foundation	-	-	1,209	(1,209)
Section 102 Hava	18,767	5,000	128	23,639
Arson Investigation	226	-	-	226
Ema Grant	348	-	-	348
Nonreverting High Street Rentals	11,224	83,041	67,364	26,901
Rainy Day	1,490,050	219,753	260,860	1,448,943
Work Crew	2,885	6,600	3,406	6,079
Project Income	16,734	86,505	27,013	76,226
Alternative School	12,732	-	5,040	7,692
Bulletproof Vest Grant	1,262	-	-	1,262
Cumulative Reassessment	85,379	161,000	181,377	65,002
Dissolution Education Workshop	6,568	5,640	5,408	6,800
State Deputy Project	119	2,150	2,868	(599)
Sheriff's Commissary	35,884	126,723	131,145	31,462
County Corrections	253	27,817	27,628	442
Memorial #2	-	50,000	50,000	-
France Park Planning Grant	194	-	-	194
Inhome Detention	150,249	288,746	193,700	245,295
Tobacco Settlement	98,308	23,826	16,784	105,350
Casa Grant	986	2,553	350	3,189
Hava Title Iii	-	108,898	-	108,898
Adult Protective Services	13,962	109,942	121,475	2,429
Care Of Juveniles	77,274	-	-	77,274
Walmart K9 Grant	50	-	42	8
Walmart Ema Grant	572	-	-	572
Re-Dact	39,343	12,403	606	51,140
Scaap Grant	15,808	16,643	19,526	12,925

The notes to the financial statement(s) are an integral part of this statement.

CASS COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2010
(Continued)

	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
Public Defender	157,077	35,130	51,159	141,048
Bail Bond Administration	8,211	-	-	8,211
Dui Task Force	4,746	10,001	12,238	2,509
Redevelopment Commission	87,027	95,305	55,281	127,051
Community Transition Program	19,682	61,960	69,987	11,655
Police Pension	23,515	32,905	-	56,420
Community Corrections Grant A	607,361	670,620	1,102,496	175,485
E-911 Wireless	61,781	165,195	121,941	105,035
County Sales Disclosure	13,867	3,468	5,000	12,335
Sheriff's Photo Operating	3,382	625	-	4,007
Pher/H1N1	8,448	20,892	22,151	7,189
Capta	13,496	3,200	4,213	12,483
Gis Web Feature Grant	-	14,894	12,794	2,100
Arra Prosecutor Incentive	-	953	-	953
Arra Clerk Incentive	-	10,262	-	10,262
Immunization Grant	-	7,994	-	7,994
Property Replacement	1	1,726,217	1,726,217	1
Capital Nonreverting	1,041,434	289,567	165,011	1,165,990
Lease Rental Payment	488,635	1,113,589	1,227,000	375,224
Cumulative Bridge	971,439	310,693	244,783	1,037,349
Corrections Grant Bldg Renov	42,815	-	42,815	-
General Drain Improvement	33,632	101,435	49,527	85,540
Nonreverting Capital Project	1,906	-	-	1,906
Capital Development	353,916	242,722	218,639	377,999
Self-Insurance	1,445,544	2,966,904	2,050,983	2,361,465
Sheriff's Pension	3,636,911	358,738	310,802	3,684,847
Sheriff's Benefit	214,545	7,401	6,848	215,098
Congressional School Principal	32,921	-	-	32,921
Court Costs	118,723	12,093	-	130,816
Congressional School Interest	2,382	596	-	2,978
Surplus Tax Sale	714	197,462	19,265	178,911
Tax Sale Redemption	-	2,380	2,380	-
Surplus Tax	17,709	31,208	35,466	13,451
Surplus Dog	26	-	-	26
State Fines And Forfeitures	16,443	56,763	27,717	45,489
Overweight Vehicle Fines	2,600	2,342	4,942	-
Infraction Judgements	15,288	91,187	94,643	11,832
Inheritance Tax	148,926	1,232,631	753,745	627,812
Surplus Tax Replacement Credit	-	4,955	4,955	-
Payroll	-	7,338,695	7,338,695	-
Special Death Benefit	1,010	5,435	5,680	765
Delinquent Pp Tax Collection	1,308	-	-	1,308
Cagit Agency	1	5,178,650	5,178,650	1
Cedit Hsc	37,249	1,581,683	1,583,785	35,147
Tax Sale	16,030	25,350	29,940	11,440
Cass Tourism Promotion Fund	27,974	83,363	100,655	10,682
Wheel Tax	27,554	1,014,278	1,110,449	(68,617)
Mortgage Fees-State Share	228	3,383	2,963	648
Child Restraint Violations Fines	150	600	700	50
Interstate Compact	-	451	413	38
Riverboat Tax Distribution	-	256,141	256,141	-
Sheriff	2,974	159,190	159,320	2,844
Beacon Savings	25	-	-	25
Tax Distribution	22,755	26,462,006	26,456,430	28,331
Surplus Homestead Credit	-	86	86	-
Co. Economic Development Income Tax	10,765	1,881,128	1,880,099	11,794
Treasurer-Supplemental	2,195,900	35,818,372	35,779,276	2,234,996
Coroner Training Non Reverting	336	2,982	3,010	308
Certificate Tax Sale	6,146	-	6,146	-
Sales Disclosure Fee	333	3,468	3,428	373
Clerk-Supplemental	349,172	3,969,093	3,947,814	370,451
Inmate Trust-Supplemental	12,036	533,673	533,804	11,905
Recorder-Supplemental	25	134,935	134,935	25
Community Corrections-Supplemental	8,950	366,395	350,035	25,310
Totals	<u>\$ 22,870,283</u>	<u>\$ 114,672,215</u>	<u>\$ 112,570,086</u>	<u>\$ 24,972,412</u>

The notes to the financial statement(s) are an integral part of this statement.

CASS COUNTY
NOTES TO FINANCIAL STATEMENT(S)

Note 1. 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 some or all of 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 accompanying financial statement(s) present(s) the financial information for the County (primary government), and does not include financial information for any of the County's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial information of the County (primary government).

B. Basis of Accounting

The financial statement are reported on a regulatory basis of accounting prescribed by the State Board of Accounts in accordance with state statute (IC 5-11-1-6), 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 regulatory 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.

C. Cash and Investments

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

D. Receipts

Receipts are presented in the aggregate on the face of the financial statements. The aggregate receipts may include, but are not limited to, the following sources:

Taxes which can include one or more of the following: property taxes, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeepers tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the County.

Licenses and permits which include amounts received from businesses, occupations, or nonbusinesses that must be licensed before doing business within the government's jurisdiction or permits levied according to the benefits presumably conferred by the permit. Examples of licenses and permits include: peddler licenses, dog tax licenses, auctioneer license, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

CASS COUNTY
NOTES TO FINANCIAL STATEMENT(S)
(Continued)

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state, local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

Charges for services which can include, but are not limited to the following: planning commission charges, building department charges, copies of public records, copy machine charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable tv receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

Fines and forfeits which include receipts derived from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations (fines), and for the neglect of official duty and monies derived from confiscating deposits held as performance guarantees (forfeitures).

Utility fees which are comprised mostly of charges for current services.

Other receipts which include amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution or court order; internal service receipts; and fiduciary receipts.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statements. The aggregate disbursements may include, but are not limited to, the following uses:

Personal services include outflows for salaries, wages, and related employee benefits provided for all persons employed. In those units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

Supplies which include articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges which include, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Debt service principal and interest which include fixed obligations resulting from financial transactions previously entered into by the County. It includes all expenditures for the reduction of the principal and interest of the County's general obligation indebtedness.

CASS COUNTY
NOTES TO FINANCIAL STATEMENT(S)
(Continued)

Capital outlay which include all outflows for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Utility operating expenses which include all outflows for operating the utilities.

Other disbursements which include, but are not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

F. Interfund Transfers

The County may, from time to time, transfer money from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

G. Fund Accounting

Separate funds are established, maintained, and reported by the County. Each fund is used to account for money received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the County. The money accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the County in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

Note 2. Budgets

The operating budget is initially prepared and approved at the local level. The fiscal officer of the County submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

CASS COUNTY
NOTES TO FINANCIAL STATEMENT(S)
(Continued)

Note 3. *Property Taxes*

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the County in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

Note 4. *Deposits and Investments*

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana at year end should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statutes authorize the County to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 5. *Risk Management*

The County may be 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; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the County to set aside money for claim settlements. The self-insurance fund would be included in the financial statements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks. These risks may also be mitigated by the County by recording as a disbursement and replacement items purchased.

CASS COUNTY
NOTES TO FINANCIAL STATEMENT(S)
(Continued)

Note 6. Pension Plan(s)

A. Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is 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 this 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 members' contributions, set by state statute at 3 percent 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. That 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

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

B. County Police Retirement Plan

Plan Description

The County Police Retirement Plan 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.

CASS COUNTY
NOTES TO FINANCIAL STATEMENT(S)
(Continued)

Funding Policy

The contribution requirements of plan members for the County Police Retirement Plan are established by state statute.

C. *County Police Benefit Plan*

Plan Description

The County Police Benefit Plan 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

The contribution requirements of plan members for the County Police Benefit Plan are established by state statute.

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SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Cass County's Annual Report(s) can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/.

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010

	General	Local Road And Street	Accident Report	Firearms Training	Park Nonreverting Operating	Health
Cash and investments - beginning	\$ 463,330	\$ 69,134	\$ 10,545	\$ 8,367	\$ 89,908	\$ 66,484
Receipts:						
Taxes	8,670,265	-	-	-	-	287,324
Intergovernmental	671,239	331,900	-	-	-	27,359
Charges for services	477,230	-	1,235	9,667	93,154	74,974
Fines and forfeits	122,739	-	-	-	-	-
Other receipts	784,942	-	-	-	-	177
Total receipts	<u>10,726,415</u>	<u>331,900</u>	<u>1,235</u>	<u>9,667</u>	<u>93,154</u>	<u>389,834</u>
Disbursements:						
Personal services	7,531,219	-	-	-	-	352,545
Supplies	572,745	136,425	-	-	-	16,795
Other services and charges	2,267,316	837	-	-	-	23,581
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	193,906	-	-	-	-	-
Other disbursements	239,428	-	745	14,064	29,900	-
Total disbursements	<u>10,804,614</u>	<u>137,262</u>	<u>745</u>	<u>14,064</u>	<u>29,900</u>	<u>392,921</u>
Excess (deficiency) of receipts over disbursements	<u>(78,199)</u>	<u>194,638</u>	<u>490</u>	<u>(4,397)</u>	<u>63,254</u>	<u>(3,087)</u>
Cash and investments - ending	<u>\$ 385,131</u>	<u>\$ 263,772</u>	<u>\$ 11,035</u>	<u>\$ 3,970</u>	<u>\$ 153,162</u>	<u>\$ 63,397</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Economic Development Operating	Health/Bioterrorism	Law Enforcement Continuing Ed	Motor Vehicle Inspection	Clerk's Records Perpetuation	Election And Registration
Cash and investments - beginning	\$ 3,061,945	\$ 2,999	\$ 1,372	\$ 4,510	\$ 17,856	\$ 301,050
Receipts:						
Taxes	1,180,351	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	8,308	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	692	-	-
Total receipts	<u>1,180,351</u>	<u>-</u>	<u>-</u>	<u>692</u>	<u>8,308</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	-	75,946
Supplies	-	-	-	-	-	4,905
Other services and charges	973,097	-	-	-	-	14,966
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	186,420	-	-	-	-	-
Other disbursements	44,172	-	1,370	-	1,025	-
Total disbursements	<u>1,203,689</u>	<u>-</u>	<u>1,370</u>	<u>-</u>	<u>1,025</u>	<u>95,817</u>
Excess (deficiency) of receipts over disbursements	<u>(23,338)</u>	<u>-</u>	<u>(1,370)</u>	<u>692</u>	<u>7,283</u>	<u>(95,817)</u>
Cash and investments - ending	<u>\$ 3,038,607</u>	<u>\$ 2,999</u>	<u>\$ 2</u>	<u>\$ 5,202</u>	<u>\$ 25,139</u>	<u>\$ 205,233</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Unsafe Building	Law Enforcement Grant	Emergency Telephone System	Drug Free Community	Drainage Maintenance	Emergency Planning/Right To Know
Cash and investments - beginning	\$ 9,960	\$ 2,826	\$ 261,685	\$ 46,936	\$ 696,384	\$ 3,370
Receipts:						
Taxes	-	-	-	-	275,700	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	590,985	-	-	-
Fines and forfeits	-	-	-	34,222	-	-
Other receipts	-	-	-	-	-	-
Total receipts	-	-	590,985	34,222	275,700	-
Disbursements:						
Personal services	-	-	655,944	-	-	-
Supplies	-	-	314	-	203,090	-
Other services and charges	-	-	142,711	27,481	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	2,854	-	-	-	-	-
Total disbursements	2,854	-	798,969	27,481	203,090	-
Excess (deficiency) of receipts over disbursements	(2,854)	-	(207,984)	6,741	72,610	-
Cash and investments - ending	<u>\$ 7,106</u>	<u>\$ 2,826</u>	<u>\$ 53,701</u>	<u>\$ 53,677</u>	<u>\$ 768,994</u>	<u>\$ 3,370</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Highway	Parks And Recreation	Prosecutor Title Iv-D	Extradition	Juvenile Probation Service	Adult Probation Services
Cash and investments - beginning	\$ 2,090,180	\$ 182,295	\$ 24,611	\$ 79,188	\$ 45,207	\$ 144,716
Receipts:						
Taxes	887,944	64,592	-	-	-	-
Intergovernmental	2,186,160	6,150	41,174	-	-	-
Charges for services	-	237,896	-	-	12,805	152,491
Fines and forfeits	-	-	-	838	-	-
Other receipts	32,114	35	-	-	-	-
Total receipts	<u>3,106,218</u>	<u>308,673</u>	<u>41,174</u>	<u>838</u>	<u>12,805</u>	<u>152,491</u>
Disbursements:						
Personal services	1,324,992	245,692	1,849	-	-	139,548
Supplies	935,223	14,052	-	-	-	3,391
Other services and charges	123,016	73,237	-	-	9,205	915
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	82,543	-	-	-	-	16,915
Other disbursements	-	-	23,205	10,450	-	360
Total disbursements	<u>2,465,774</u>	<u>332,981</u>	<u>25,054</u>	<u>10,450</u>	<u>9,205</u>	<u>161,129</u>
Excess (deficiency) of receipts over disbursements	<u>640,444</u>	<u>(24,308)</u>	<u>16,120</u>	<u>(9,612)</u>	<u>3,600</u>	<u>(8,638)</u>
Cash and investments - ending	<u>\$ 2,730,624</u>	<u>\$ 157,987</u>	<u>\$ 40,731</u>	<u>\$ 69,576</u>	<u>\$ 48,807</u>	<u>\$ 136,078</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Recorder's Records Perpetuation	User Fee	Health Maintenance	Guardian Ad Litem/Court	Plat Book	Clerk Title lv-D
Cash and investments - beginning	\$ 121,578	\$ 458,475	\$ 13,476	\$ 17,260	\$ 14,217	\$ 40,807
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	33,203	-	-	-
Charges for services	43,930	-	-	-	6,620	-
Fines and forfeits	-	177,039	-	2,260	-	-
Other receipts	-	74,133	4	14,642	135	-
Total receipts	<u>43,930</u>	<u>251,172</u>	<u>33,207</u>	<u>16,902</u>	<u>6,755</u>	<u>-</u>
Disbursements:						
Personal services	-	63,043	25,207	-	-	-
Supplies	-	7,629	1,350	-	-	-
Other services and charges	-	15,240	3,875	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	25,664	-	-	-	-
Other disbursements	50,566	100,474	-	27,625	-	19,563
Total disbursements	<u>50,566</u>	<u>212,050</u>	<u>30,432</u>	<u>27,625</u>	<u>-</u>	<u>19,563</u>
Excess (deficiency) of receipts over disbursements	<u>(6,636)</u>	<u>39,122</u>	<u>2,775</u>	<u>(10,723)</u>	<u>6,755</u>	<u>(19,563)</u>
Cash and investments - ending	<u>\$ 114,942</u>	<u>\$ 497,597</u>	<u>\$ 16,251</u>	<u>\$ 6,537</u>	<u>\$ 20,972</u>	<u>\$ 21,244</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Surveyor's Corner <u>Perpetuation</u>	Prisoner Reimbursement	Park Donation	Memorial Home Donation	Ema Nonreverting Operating	Stop Violence Against Women
Cash and investments - beginning	\$ 95,754	\$ 4,421	\$ 1,206	\$ 5,838	\$ 303	\$ 1,107
Receipts:						
Taxes	-	6,663	-	-	-	-
Intergovernmental	-	-	-	-	-	26,458
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	7,255	-	100	7,170	-	799
Total receipts	<u>7,255</u>	<u>6,663</u>	<u>100</u>	<u>7,170</u>	<u>-</u>	<u>27,257</u>
Disbursements:						
Personal services	-	-	-	-	-	2,167
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	85,000	4,837	597	2,500	-	24,312
Total disbursements	<u>85,000</u>	<u>4,837</u>	<u>597</u>	<u>2,500</u>	<u>-</u>	<u>26,479</u>
Excess (deficiency) of receipts over disbursements	<u>(77,745)</u>	<u>1,826</u>	<u>(497)</u>	<u>4,670</u>	<u>-</u>	<u>778</u>
Cash and investments - ending	<u>\$ 18,009</u>	<u>\$ 6,247</u>	<u>\$ 709</u>	<u>\$ 10,508</u>	<u>\$ 303</u>	<u>\$ 1,885</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Transit Authority Grant	Victim Advocacy Grant	Superior Court Interpreter	Emergency Gas Award	Hoosier Safety Foundation	Section 102 Hava
Cash and investments - beginning	\$ -	\$ 10,634	\$ 4,598	\$ 550	\$ -	\$ 18,767
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	933,279	-	7,749	-	-	5,000
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	27,230	-	-	-	-
Total receipts	<u>933,279</u>	<u>27,230</u>	<u>7,749</u>	<u>-</u>	<u>-</u>	<u>5,000</u>
Disbursements:						
Personal services	-	301	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	933,279	29,466	7,616	-	1,209	128
Total disbursements	<u>933,279</u>	<u>29,767</u>	<u>7,616</u>	<u>-</u>	<u>1,209</u>	<u>128</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(2,537)</u>	<u>133</u>	<u>-</u>	<u>(1,209)</u>	<u>4,872</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 8,097</u>	<u>\$ 4,731</u>	<u>\$ 550</u>	<u>\$ (1,209)</u>	<u>\$ 23,639</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Arson Investigation	Ema Grant	Nonreverting High Street Rentals	Rainy Day	Work Crew	Project Income
Cash and investments - beginning	\$ 226	\$ 348	\$ 11,224	\$ 1,490,050	\$ 2,885	\$ 16,734
Receipts:						
Taxes	-	-	-	4,885	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	6,600	86,505
Other receipts	-	-	83,041	214,868	-	-
Total receipts	-	-	83,041	219,753	6,600	86,505
Disbursements:						
Personal services	-	-	-	200,000	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	60,860	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	67,364	-	3,406	27,013
Total disbursements	-	-	67,364	260,860	3,406	27,013
Excess (deficiency) of receipts over disbursements	-	-	15,677	(41,107)	3,194	59,492
Cash and investments - ending	\$ 226	\$ 348	\$ 26,901	\$ 1,448,943	\$ 6,079	\$ 76,226

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Alternative School	Bulletproof Vest Grant	Cumulative Reassessment	Dissolution Education Workshop	State Deputy Project	Sheriff's Commissary
Cash and investments - beginning	\$ 12,732	\$ 1,262	\$ 85,379	\$ 6,568	\$ 119	\$ 35,884
Receipts:						
Taxes	-	-	147,003	-	-	-
Intergovernmental	-	-	13,997	-	2,150	-
Charges for services	-	-	-	5,640	-	126,723
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>-</u>	<u>-</u>	<u>161,000</u>	<u>5,640</u>	<u>2,150</u>	<u>126,723</u>
Disbursements:						
Personal services	-	-	44,687	-	2,868	-
Supplies	-	-	-	-	-	-
Other services and charges	605	-	136,690	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	<u>4,435</u>	<u>-</u>	<u>-</u>	<u>5,408</u>	<u>-</u>	<u>131,145</u>
Total disbursements	<u>5,040</u>	<u>-</u>	<u>181,377</u>	<u>5,408</u>	<u>2,868</u>	<u>131,145</u>
Excess (deficiency) of receipts over disbursements	<u>(5,040)</u>	<u>-</u>	<u>(20,377)</u>	<u>232</u>	<u>(718)</u>	<u>(4,422)</u>
Cash and investments - ending	<u>\$ 7,692</u>	<u>\$ 1,262</u>	<u>\$ 65,002</u>	<u>\$ 6,800</u>	<u>\$ (599)</u>	<u>\$ 31,462</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	County Corrections	Memorial #2	France Park Planning Grant	Inhome Detention	Tobacco Settlement	Casa Grant
Cash and investments - beginning	\$ 253	\$ -	\$ 194	\$ 150,249	\$ 98,308	\$ 986
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	27,817	-	-	-	23,826	-
Charges for services	-	-	-	288,746	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	50,000	-	-	-	2,553
Total receipts	<u>27,817</u>	<u>50,000</u>	<u>-</u>	<u>288,746</u>	<u>23,826</u>	<u>2,553</u>
Disbursements:						
Personal services	27,628	-	-	116,521	13,170	-
Supplies	-	-	-	22,304	3,198	-
Other services and charges	-	-	-	42,213	416	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	11,374	-	-
Other disbursements	-	50,000	-	1,288	-	350
Total disbursements	<u>27,628</u>	<u>50,000</u>	<u>-</u>	<u>193,700</u>	<u>16,784</u>	<u>350</u>
Excess (deficiency) of receipts over disbursements	<u>189</u>	<u>-</u>	<u>-</u>	<u>95,046</u>	<u>7,042</u>	<u>2,203</u>
Cash and investments - ending	<u>\$ 442</u>	<u>\$ -</u>	<u>\$ 194</u>	<u>\$ 245,295</u>	<u>\$ 105,350</u>	<u>\$ 3,189</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Hava Title Iii	Adult Protective Services	Care Of Juveniles	Walmart K9 Grant	Walmart Ema Grant	Re-Dact
Cash and investments - beginning	\$ -	\$ 13,962	\$ 77,274	\$ 50	\$ 572	\$ 39,343
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	108,898	109,942	-	-	-	-
Charges for services	-	-	-	-	-	12,403
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	108,898	109,942	-	-	-	12,403
Disbursements:						
Personal services	-	7,389	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	114,086	-	42	-	606
Total disbursements	-	121,475	-	42	-	606
Excess (deficiency) of receipts over disbursements	108,898	(11,533)	-	(42)	-	11,797
Cash and investments - ending	\$ 108,898	\$ 2,429	\$ 77,274	\$ 8	\$ 572	\$ 51,140

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Scaap Grant	Public Defender	Bail Bond Administration	Dui Task Force	Redevelopment Commission	Community Transition Program
Cash and investments - beginning	\$ 15,808	\$ 157,077	\$ 8,211	\$ 4,746	\$ 87,027	\$ 19,682
Receipts:						
Taxes	-	-	-	-	95,305	-
Intergovernmental	16,643	-	-	10,001	-	61,960
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	35,130	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>16,643</u>	<u>35,130</u>	<u>-</u>	<u>10,001</u>	<u>95,305</u>	<u>61,960</u>
Disbursements:						
Personal services	-	-	-	235	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	<u>19,526</u>	<u>51,159</u>	<u>-</u>	<u>12,003</u>	<u>55,281</u>	<u>69,987</u>
Total disbursements	<u>19,526</u>	<u>51,159</u>	<u>-</u>	<u>12,238</u>	<u>55,281</u>	<u>69,987</u>
Excess (deficiency) of receipts over disbursements	<u>(2,883)</u>	<u>(16,029)</u>	<u>-</u>	<u>(2,237)</u>	<u>40,024</u>	<u>(8,027)</u>
Cash and investments - ending	<u>\$ 12,925</u>	<u>\$ 141,048</u>	<u>\$ 8,211</u>	<u>\$ 2,509</u>	<u>\$ 127,051</u>	<u>\$ 11,655</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Police Pension	Community Corrections Grant A	E-911 Wireless	County Sales Disclosure	Sheriff's Photo Operating	Pher/H1N1
Cash and investments - beginning	\$ 23,515	\$ 607,361	\$ 61,781	\$ 13,867	\$ 3,382	\$ 8,448
Receipts:						
Taxes	-	-	-	3,468	-	-
Intergovernmental	-	670,620	-	-	-	20,892
Charges for services	-	-	-	-	-	-
Fines and forfeits	1,755	-	-	-	-	-
Other receipts	31,150	-	165,195	-	625	-
Total receipts	<u>32,905</u>	<u>670,620</u>	<u>165,195</u>	<u>3,468</u>	<u>625</u>	<u>20,892</u>
Disbursements:						
Personal services	-	467,568	119,165	-	-	14,226
Supplies	-	88,761	-	-	-	-
Other services and charges	-	61,698	2,776	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	17,926	-	-	-	-
Other disbursements	-	466,543	-	5,000	-	7,925
Total disbursements	<u>-</u>	<u>1,102,496</u>	<u>121,941</u>	<u>5,000</u>	<u>-</u>	<u>22,151</u>
Excess (deficiency) of receipts over disbursements	<u>32,905</u>	<u>(431,876)</u>	<u>43,254</u>	<u>(1,532)</u>	<u>625</u>	<u>(1,259)</u>
Cash and investments - ending	<u>\$ 56,420</u>	<u>\$ 175,485</u>	<u>\$ 105,035</u>	<u>\$ 12,335</u>	<u>\$ 4,007</u>	<u>\$ 7,189</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Capta	Gis Web Feature Grant	Arra Prosecutor Incentive	Arra Clerk Incentive	Immunization Grant	Property Replacement
Cash and investments - beginning	\$ 13,496	\$ -	\$ -	\$ -	\$ -	\$ 1
Receipts:						
Taxes	-	14,894	953	10,262	7,994	1,726,217
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	3,200	-	-	-	-	-
Total receipts	<u>3,200</u>	<u>14,894</u>	<u>953</u>	<u>10,262</u>	<u>7,994</u>	<u>1,726,217</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	12,794	-	-	-	-
Other disbursements	4,213	-	-	-	-	1,726,217
Total disbursements	<u>4,213</u>	<u>12,794</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,726,217</u>
Excess (deficiency) of receipts over disbursements	<u>(1,013)</u>	<u>2,100</u>	<u>953</u>	<u>10,262</u>	<u>7,994</u>	<u>-</u>
Cash and investments - ending	<u>\$ 12,483</u>	<u>\$ 2,100</u>	<u>\$ 953</u>	<u>\$ 10,262</u>	<u>\$ 7,994</u>	<u>\$ 1</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Capital Nonreverting	Lease Rental Payment	Cumulative Bridge	Corrections Grant Bldg Renov	General Drain Improvement	Nonreverting Capital Project
Cash and investments - beginning	\$ 1,041,434	\$ 488,635	\$ 971,439	\$ 42,815	\$ 33,632	\$ 1,906
Receipts:						
Taxes	-	1,016,772	275,074	-	-	-
Intergovernmental	-	96,817	26,193	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	289,567	-	9,426	-	101,435	-
Total receipts	<u>289,567</u>	<u>1,113,589</u>	<u>310,693</u>	<u>-</u>	<u>101,435</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	7,202	-	-	-	49,527	-
Other services and charges	128,956	-	244,783	-	-	-
Debt service - principal and interest	-	1,223,000	-	-	-	-
Capital outlay	12,885	-	-	-	-	-
Other disbursements	15,968	4,000	-	42,815	-	-
Total disbursements	<u>165,011</u>	<u>1,227,000</u>	<u>244,783</u>	<u>42,815</u>	<u>49,527</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>124,556</u>	<u>(113,411)</u>	<u>65,910</u>	<u>(42,815)</u>	<u>51,908</u>	<u>-</u>
Cash and investments - ending	<u>\$ 1,165,990</u>	<u>\$ 375,224</u>	<u>\$ 1,037,349</u>	<u>\$ -</u>	<u>\$ 85,540</u>	<u>\$ 1,906</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Capital Development	Self-Insurance	Sheriff's Pension	Sheriff's Benefit	Congressional School Principal	Court Costs
Cash and investments - beginning	\$ 353,916	\$ 1,445,544	\$ 3,636,911	\$ 214,545	\$ 32,921	\$ 118,723
Receipts:						
Taxes	221,619	-	-	7,401	-	-
Intergovernmental	21,103	-	-	-	-	-
Charges for services	-	2,965,648	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	1,256	358,738	-	-	12,093
Total receipts	<u>242,722</u>	<u>2,966,904</u>	<u>358,738</u>	<u>7,401</u>	<u>-</u>	<u>12,093</u>
Disbursements:						
Personal services	-	-	246,998	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	75,000	-	63,804	6,848	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	143,639	-	-	-	-	-
Other disbursements	-	2,050,983	-	-	-	-
Total disbursements	<u>218,639</u>	<u>2,050,983</u>	<u>310,802</u>	<u>6,848</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>24,083</u>	<u>915,921</u>	<u>47,936</u>	<u>553</u>	<u>-</u>	<u>12,093</u>
Cash and investments - ending	<u>\$ 377,999</u>	<u>\$ 2,361,465</u>	<u>\$ 3,684,847</u>	<u>\$ 215,098</u>	<u>\$ 32,921</u>	<u>\$ 130,816</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Congressional School Interest	Surplus Tax Sale	Tax Sale Redemption	Surplus Tax	Surplus Dog	State Fines And Forfeitures
Cash and investments - beginning	\$ 2,382	\$ 714	\$ -	\$ 17,709	\$ 26	\$ 16,443
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	596	197,462	2,380	31,208	-	56,763
Total receipts	596	197,462	2,380	31,208	-	56,763
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	19,265	2,380	35,466	-	27,717
Total disbursements	-	19,265	2,380	35,466	-	27,717
Excess (deficiency) of receipts over disbursements	596	178,197	-	(4,258)	-	29,046
Cash and investments - ending	\$ 2,978	\$ 178,911	\$ -	\$ 13,451	\$ 26	\$ 45,489

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Overweight Vehicle Fines	Infraction Judgements	Inheritance Tax	Surplus Tax Replacement Credit	Payroll	Special Death Benefit
Cash and investments - beginning	\$ 2,600	\$ 15,288	\$ 148,926	\$ -	\$ -	\$ 1,010
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	2,342	91,187	1,232,631	4,955	7,338,695	5,435
Total receipts	<u>2,342</u>	<u>91,187</u>	<u>1,232,631</u>	<u>4,955</u>	<u>7,338,695</u>	<u>5,435</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	4,942	94,643	753,745	4,955	7,338,695	5,680
Total disbursements	<u>4,942</u>	<u>94,643</u>	<u>753,745</u>	<u>4,955</u>	<u>7,338,695</u>	<u>5,680</u>
Excess (deficiency) of receipts over disbursements	<u>(2,600)</u>	<u>(3,456)</u>	<u>478,886</u>	<u>-</u>	<u>-</u>	<u>(245)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 11,832</u>	<u>\$ 627,812</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 765</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Delinquent Pp Tax Collection	Cagit Agency	Cedit Hsc	Tax Sale	Cass Tourism Promotion Fund	Wheel Tax
Cash and investments - beginning	\$ 1,308	\$ 1	\$ 37,249	\$ 16,030	\$ 27,974	\$ 27,554
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	5,178,650	1,581,683	25,350	83,363	1,014,278
Total receipts	-	5,178,650	1,581,683	25,350	83,363	1,014,278
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	5,178,650	1,583,785	29,940	100,655	1,110,449
Total disbursements	-	5,178,650	1,583,785	29,940	100,655	1,110,449
Excess (deficiency) of receipts over disbursements	-	-	(2,102)	(4,590)	(17,292)	(96,171)
Cash and investments - ending	\$ 1,308	\$ 1	\$ 35,147	\$ 11,440	\$ 10,682	\$ (68,617)

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Mortgage Fees-State Share	Child Restraint Violations Fines	Interstate Compact	Riverboat Tax Distribution	Sheriff	Beacon Savings
Cash and investments - beginning	\$ 228	\$ 150	\$ -	\$ -	\$ 2,974	\$ 25
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	3,383	600	451	256,141	159,190	-
Total receipts	<u>3,383</u>	<u>600</u>	<u>451</u>	<u>256,141</u>	<u>159,190</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	2,963	700	413	256,141	159,320	-
Total disbursements	<u>2,963</u>	<u>700</u>	<u>413</u>	<u>256,141</u>	<u>159,320</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>420</u>	<u>(100)</u>	<u>38</u>	<u>-</u>	<u>(130)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 648</u>	<u>\$ 50</u>	<u>\$ 38</u>	<u>\$ -</u>	<u>\$ 2,844</u>	<u>\$ 25</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Tax Distribution	Surplus Homestead Credit	Co. Economic Development Income Tax	Insurer-Supplementer	Coroner Training Non Reverting	Certificate Tax Sale
Cash and investments - beginning	\$ 22,755	\$ -	\$ 10,765	\$ 2,195,900	\$ 336	\$ 6,146
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	26,462,006	86	1,881,128	35,818,372	2,982	-
Total receipts	26,462,006	86	1,881,128	35,818,372	2,982	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	26,456,430	86	1,880,099	35,779,276	3,010	6,146
Total disbursements	26,456,430	86	1,880,099	35,779,276	3,010	6,146
Excess (deficiency) of receipts over disbursements	5,576	-	1,029	39,096	(28)	(6,146)
Cash and investments - ending	\$ 28,331	\$ -	\$ 11,794	\$ 2,234,996	\$ 308	\$ -

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Sales Disclosure Fee	Clerk-Supplemental	Inmate Trust-Supplemental	Recorder-Supplemental	Community Corrections-Supplemental	Totals
Cash and investments - beginning	\$ 333	\$ 349,172	\$ 12,036	\$ 25	\$ 8,950	\$ 22,870,283
Receipts:						
Taxes	-	-	-	-	-	14,904,686
Intergovernmental	-	-	-	-	-	5,480,530
Charges for services	-	-	-	-	-	5,108,455
Fines and forfeits	-	-	-	-	-	467,088
Other receipts	3,468	3,969,093	533,673	134,935	366,395	88,711,456
Total receipts	3,468	3,969,093	533,673	134,935	366,395	114,672,215
Disbursements:						
Personal services	-	-	-	-	-	11,678,908
Supplies	-	-	-	-	-	2,066,911
Other services and charges	-	-	-	-	-	4,500,126
Debt service - principal and interest	-	-	-	-	-	1,223,000
Capital outlay	-	-	-	-	-	704,066
Other disbursements	3,428	3,947,814	533,804	134,935	350,035	92,397,075
Total disbursements	3,428	3,947,814	533,804	134,935	350,035	112,570,086
Excess (deficiency) of receipts over disbursements	40	21,279	(131)	-	16,360	2,102,129
Cash and investments - ending	\$ 373	\$ 370,451	\$ 11,905	\$ 25	\$ 25,310	\$ 24,972,412

CASS COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2010

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.

Retroactive reporting of general infrastructure assets as of December 31, 2010, has not been completed.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 3,753,133
Infrastructure	5,662,452
Buildings	15,954,074
Improvements other than buildings	326,607
Machinery and equipment	<u>7,748,467</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 33,444,733</u>

CASS COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2010

The County has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Capital leases:		
Jail Improvement	\$ 37,850,000	\$ 1,229,000
Claims and judgments	400,000	200,000
Notes and loans payable	<u>865,350</u>	<u>143,860</u>
Total governmental activities debt	<u>\$ 39,115,350</u>	<u>\$ 1,572,860</u>

CASS COUNTY
OTHER REPORT(S)

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

County Auditor
County Clerk

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, 2010. 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, 2010.

Internal Control Over Compliance

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 and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of 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)

A deficiency in 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 and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

This report is intended solely for the information and use of the County's management, County Council, County Commissioners, others within the entity, 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

April 26, 2011

CASS COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2010

Federal Grantor Agency/Pass-Through Entity Cluster Title/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 Office of Community and Rural Affairs Community Development Block Grants/States Program and Non-Entitlement Grants in Hawaii	14.228	PL-09-024	\$ 50,000
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Pass Through-Indiana Family and Social Services Victims of Child Abuse	16.547		6,765
Pass Through-Indiana Criminal Justice Institute Crime Victim Assistance	16.575	10VA019	16,864
Violence Against Women Formula Grants	16.588		15,436
Total for federal grantor agency			39,065
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass Through-Indiana Department of Transportation Formula Grants for other than Urbanized Areas	20.509	180027	594,525
Pass Through-Indiana Criminal Justice Institute Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	K8-2010-03-03-04 OP-09-01-01-20	8,228 1,505
Total for program			9,733
Total for federal grantor agency			604,258
<u>U.S. ELECTION ASSISTANCE COMMISSION</u>			
Help America Vote Act Requirements Payments	90.401	09-VIT-2	108,898
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass Through-Indiana Department of Health Public Health Emergency Preparedness	93.069	108-67	21,466
Pass Through-Indiana Division of Family Resources Child Support Enforcement	93.563		216,741
Child Support Enforcement-ARRA	93.563		19,424
Total for program			236,165
Community Services Block Grant	93.569		70,983
Pass Through-Secretary of State Voting Access for Individuals with Disabilities-Grants to States	93.617		5,000
Total for federal grantor agency			333,614
Total federal awards expended			\$ 1,135,835

The accompanying note(s) are an integral part of the Schedule of Expenditures of Federal Awards.

CASS COUNTY
NOTE(S) TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. 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 cash and investment basis of accounting used in the preparation of the financial statements. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

Note 2. Subrecipients

Of the federal expenditures presented in the schedule, the County provided federal awards to subrecipients as follows for the year ended December 31, 2010:

Program Title	Federal CFDA Number	2010
Formula Grants for Other than Urbanized Areas	20.509	\$ 594,525

CASS COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Noncompliance material to financial statements noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiencies identified?	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?	no

Identification of Major Programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
20.509	Formula Grants for Other than Urbanized Areas

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.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

CASS COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2009-1, 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: 180026
Pass-Through Agency: Indiana Department of Transportation

The County did not properly monitor Cass County Council on Aging, Inc., the County's sub-recipient for this grant. County officials did not maintain checklists or calendars with reminders to ensure that the County is aware of subrecipient reporting and audit deadlines. As of January 28, 2010, the Cass County Auditor had not received the third or fourth quarter reports for 2009 from the subrecipient, this has been a problem over the course of the last five audits.

The County received the subrecipient's audit report for 2008, dated September 22, 2009. The transportation grant was a major program for Cass County Council on Aging, Inc., in 2008. The auditors' opinion in their "Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133" to the Board of Directors of Cass County Council on Aging, Inc., was qualified due to findings of noncompliance and material weaknesses in internal control over compliance with this major program. County officials were unaware of these findings, and there was no evidence of any communication between the County and its subrecipient addressing these findings.

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 . . ."

Corrective action has been taken.

CASS COUNTY
EXIT CONFERENCE

The contents of this report were discussed on April 26, 2011, with Dave Arnold, President of the Board of County Commissioners; Ralph Anderson, President of the County Council; and Vaneen M. Ide, Auditor. Our audit disclosed no material items that warrant comment at this time.