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October 28, 2014

Board of Directors
Logansport-Cass County Economic Development Foundation, Inc.
311 South 5th Street
Logansport, IN 46947

We have reviewed the audit report prepared by Chambers & Co., CPA, LLC, for the period January 1, 2011 to December 31, 2011. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountants' opinion, the financial statements included in the report present fairly the financial condition of Logansport-Cass County Economic Development Foundation, Inc., as of December 31, 2011, and the results of its operations for the period then ended, on the basis of accounting described in the report.

The Independent Public Accountants' report is filed with this letter in our office as a matter of public record.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

LOGANSPOUT-CASS COUNTY ECONOMIC
DEVELOPMENT FOUNDATION, INC.

Financial Statements

December 31, 2011 and 2010

CHAMBERS & CO., CPA, LLC
Certified Public Accountants
210 Fifth Street
Logansport, Indiana 46947

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Chambers & Co., CPA, LLC
Certified Public Accountants
210 Fifth Street
Logansport, IN 46947-3167

To the Board of Directors of
Logansport-Cass County Economic Development Foundation, Inc.

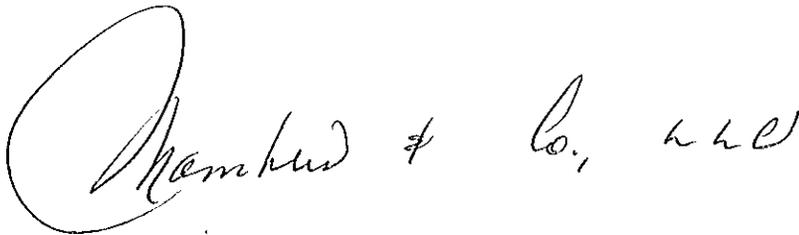
INDEPENDENT AUDITORS' REPORT

We have audited the accompanying statements of financial position of Logansport-Cass County Economic Development Foundation, Inc. (a nonprofit organization) as of December 31, 2011 and 2010 and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statement based on our audit.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Logansport-Cass County Economic Development Foundation, Inc. as of December 31, 2011 and 2010, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Logansport, Indiana
November 27, 2012

A large, stylized handwritten signature in black ink that reads "Chambers & Co., LLC". The signature is written in a cursive, flowing style.

Member of the American Institute of Certified Public
Accountants and the Indiana CPA Society

LOGANSPORT-CASS COUNTY ECONOMIC
DEVELOPMENT FOUNDATION, INC.

STATEMENTS OF FINANCIAL POSITION

December 31, 2011 and 2010

ASSETS

	2011	2010
CURRENT ASSETS		
CASH	\$ 294,766.39	\$ 220,259.19
CERTIFICATES OF DEPOSIT	58,579.58	58,202.75
TOTAL CURRENT ASSETS	353,345.97	278,461.94
PROPERTY & EQUIPMENT (AT COST)		
BUILDING	120,000.00	120,000.00
173 - BUILDING	76,768.80	76,768.80
FURNITURE AND EQUIPMENT	64,967.85	62,289.96
TOTAL PROPERTY & EQUIPMENT	261,736.65	259,058.76
LESS: ACCUMULATED DEPRECIATION	101,870.06	91,221.31
TOTAL PROPERTY & EQUIP. NET	159,866.59	167,837.45
OTHER ASSETS		
TOTAL OTHER ASSETS	.00	.00
TOTAL ASSETS	\$ 513,212.56	\$ 446,299.39

LIABILITIES & NET ASSETS

CURRENT LIABILITIES		
ACCRUED TAXES: SOCIAL SECURITY	\$ 817.87	\$ 817.87
AMOUNTS WITHHELD FROM EMPLOYEE	3,159.22	3,115.46
PASS THROUGH LIABILITY	17,000.00	15,000.00
TOTAL CURRENT LIABILITIES	20,977.09	18,933.33
NET ASSETS		
UNRESTRICTED - UNDESIGNATED	492,235.47	427,366.06
TOTAL NET ASSETS	492,235.47	427,366.06
TOTAL LIABILITIES & NET ASSETS	\$ 513,212.56	\$ 446,299.39

(THE ACCOMPANYING NOTES ARE AN INTERGRAL PART OF THESE FINANCIAL STATEMENTS)

LOGANSFORT-CASS COUNTY ECONOMIC
DEVELOPMENT FOUNDATION, INC.

STATEMENTS OF ACTIVITIES

For the Years ended December 31, 2011 and 2010

	2011 AMOUNT	2011 RATIO	2010 AMOUNT	2010 RATIO
SUPPORT AND REVENUES				
CONTRIBUTIONS - CREDIT	\$ 238,820.00	55.64	\$ 202,710.00	65.05
INTEREST	1,807.04	.42	4,782.59	1.53
OTHER INCOME	.00	.00	5,845.00	1.88
MEMBERSHIP FEES	48,015.00	11.19	48,235.00	15.48
PROGRAM INCOME - CLEAR	140,589.73	32.75	27,531.81	8.84
BUSINESS ATTRACTION & MARKETING	.00	.00	22,500.00	7.22
TOTAL SUPPORT AND REVENUE	429,231.77	100.00	311,604.40	100.00
OPERATING EXPENSES				
SALARIES	118,544.30	27.62	116,623.74	37.43
INSURANCE	4,037.00	.94	3,216.00	1.03
PAYROLL TAXES	9,175.98	2.14	9,073.07	2.91
INTERNET EXPENSE	912.91	.21	1,011.50	.32
UTILITIES	2,896.95	.67	1,989.73	.64
POSTAGE	709.44	.17	649.08	.21
TELEPHONE	2,511.74	.59	2,608.84	.84
DUES & SUBSCRIPTIONS	2,684.33	.63	2,509.09	.81
SUPPLIES	1,459.26	.34	1,306.06	.42
403(b) CONTRIBUTIONS	7,654.14	1.78	7,519.97	2.41
SEMINARS	1,327.91	.31	918.28	.29
TRAVEL	3,737.10	.87	4,481.92	1.44
BUILDING MAINTENANCE	326.10	.08	968.31	.31
EQUIPMENT MAINTENANCE	1,052.69	.25	1,239.54	.40
INSURANCE - DIRECTOR'S LIFE	399.08	.09	399.08	.13
INSURANCE - DISABILITY	1,678.87	.39	1,829.40	.59
CONSULTING EXPENSE	.00	.00	1,716.32	.55
PROGRAM EXPENSES - CLEAR	128,668.05	29.98	30,594.20	9.82
MISCELLANEOUS EXPENSE	.00	.00	2.00	.00
JANITORIAL	710.00	.17	1,104.01	.35
MEALS AND ENTERTAINMENT	.00	.00	4,993.21	1.60
LEGAL AND ACCOUNTING	5,007.14	1.17	5,007.14	1.61
MARKETING	58,414.62	13.61	68,930.05	22.12
BUSINESS ATTRACTION & MARKETIN	.00	.00	17,370.68	5.57
INFRASTRUCTURE FUND	1,806.00	.42	.00	.00
DEPRECIATION EXPENSE	10,648.75	2.48	13,092.36	4.20
TOTAL EXPENSES	364,362.36	84.91	299,153.58	96.00
INCREASE (DECREASE) IN NET ASSETS	\$ 64,869.41	15.09	\$ 12,450.82	4.00

(THE ACCOMPANYING NOTES ARE AN INTERGRAL PART OF THESE FINANCIAL STATEMENTS)

LOGANSPOUT-CASS COUNTY ECONOMIC
DEVELOPMENT FOUNDATION, INC.

STATEMENTS OF CASH FLOWS

For the Years ended December 31, 2011 and 2010

	2011	2010
CASH FLOW FROM OPERATING ACTIVITIES:	\$ 64,869.41	\$ 12,450.82
ADJUSTMENTS TO RECONCILE NET ASSETS TO NET OPERATING CASH:		
DEPRECIATION AND AMORTIZATION	10,648.75	13,092.36
CHANGE IN ASSETS AND LIABILITIES		
(INCR)/DECR IN PREDEVEL COST TO BE REIMBURSED	.00	209.00
INCR/(DECR) IN PASS THROUGH LIABILITY	2,000.00	15,000.00
INCR/(DECR) IN OTHER CURRENT LIABILITIES	43.76	410.29
NET CASH PROVIDED(USED) BY OPER. ACTIVITIES	77,561.92	41,162.47
CASH FLOW FROM INVESTING ACTIVITIES		
CAPITAL EXPENDITURES	(2,677.89)	(319.98)
PROCEEDS FROM MATURITIES OF CERT. OF DEPOSIT	.00	130,444.99
PURCHASE OF CERTIFICATE OF DEPOSIT	(376.83)	.00
NET CASH USED IN INVESTING ACTIVITIES	(3,054.72)	130,125.01
CASH FLOWS FROM FINANCING ACTIVITIES:		
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	.00	.00
NET INCR. (DECR.) IN CASH AND CASH EQUIVALENTS	74,507.20	171,287.48
CASH EQUIVALENTS BEGINNING OF PERIOD	220,259.19	48,971.71
CASH EQUIVALENTS END OF PERIOD	\$ 294,766.39	\$ 220,259.19

(THE ACCOMPANYING NOTES ARE AN INTERGRAL PART OF THESE FINANCIAL STATEMENTS)

LOGANSPOURT-CASS COUNTY ECONOMIC
DEVELOPMENT FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies of Logansport-Cass County Economic Development Foundation, Inc. consistently in the preparation of the accompanying financial statements follows:

- 1) Nature of Organization - The Logansport-Cass County Economic Development Foundation, Inc. (the Foundation) is organized to reduce unemployment and underemployment by assisting and enabling the retention, attraction and expansion of business and industry in the Logansport/Cass County area. The organization serves the Logansport trade area which includes the City of Logansport, Indiana and those portions of Cass County, Indiana, which are economically tied to the City of Logansport.
- 2) Cash and Cash Equivalents - For purpose of the statement of cash flows, the Foundation considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents. The Organization maintains its cash in bank below the FDIC insurance limits.
- 3) Property, Plant and Equipment - Property, plant and equipment owned by the Foundation is carried at cost, less accumulated depreciation.

Depreciation is computed using the straight line and declining balance methods over the estimated useful lives of the assets which range from 5 to 39 years.

Expenditures for maintenance, repairs and certain elements of renewal are charged to operations as incurred. Additions and betterment are capitalized.
- 4) Income Tax Status - The Foundation is a not-for-profit organization exempt from federal and state taxation under Internal Revenue Code Section 501 (c) (3) and incorporated under the Indiana General Not-for-Profit Act.
- 5) Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. This will affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.
- 6) Net Assets - Net assets of the Foundation consist of unrestricted-undesignated funds available for general activities - these net assets are available for general obligations of the Foundation.

LOGANSPOURT-CASS COUNTY ECONOMIC
DEVELOPMENT FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010
(Continued)

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

- 7) Contributions - Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Contributions of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Unconditional promises to give are recognized as revenues or gains in the period received as assets, decreases in liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. The Foundation has not received any promises to give.

NOTE B - RETIREMENT PLAN

The Foundation has established a 403(b) plan. Employees who have worked one year are eligible to participate in the plan. Total expense under this plan was \$7,654 and 7,420 in 2011 and 2010 respectively.

NOTE C - CONTRIBUTIONS

The following is a schedule of contributions/grants the Foundation received:

	<u>2011</u>	<u>2010</u>
Logansport/Cass County CEDIT	\$238,820	\$202,710
Other private contributions/memberships	\$188,605	\$104,111

NOTE D - CEDIT AGREEMENT

The Foundation has entered into a contract with the City of Logansport and Cass County to provide economic development, community development, marketing and administrative services on a 4-year basis at a rate of 11.5% of CEDIT revenues for each year respectively. A new contract was approved in 2010 for the years 2010, 2011, 2012, and 2013. Estimated revenue under this contract is \$184,212 in 2010, \$182,820 in 2011, \$150,635 in 2012, and \$170,000 in 2013.

LOGANSPOURT-CASS COUNTY ECONOMIC
DEVELOPMENT FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010
(Continued)

NOTE E - FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, certificates of deposit, accrued taxes, and amounts withheld from employees. The carrying value for all such instruments, considering the terms, approximates fair value at December 31, 2011 and 2010.

NOTE F - CLEAR PROGRAM

The Company set up a program called CLEAR in the fall of 2010. The program generates the opportunity for individuals to obtain their GED locally. The local CLEAR director submits invoices for expenses to the Company and the Company pays them. In turn, the Company submits vouchers to the Lafayette School Corporation for reimbursement. The expenses paid by the Company were \$128,668 and \$30,594 for 2011 and 2010 respectively. The reimbursements received by the Company were \$140,590 and \$27,532 for 2011 and 2010 respectively. In the fall of 2011 this program was turned over to the Logansport Community School Corporation. The Company will have minimal costs and reimbursements after the fall of 2011 mainly for testing supplies.

NOTE G - SUBSEQUENT EVENTS

Subsequent events were considered through November 27, 2012, which is the date the financial statements were available to be issued.

Supplementary Information

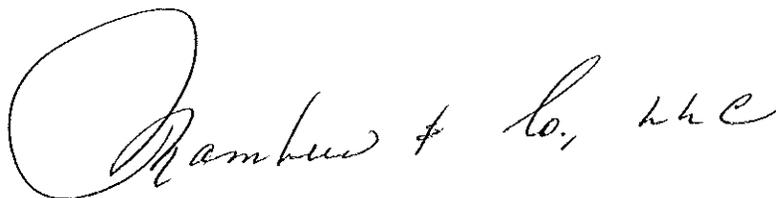
Chambers & Co., CPA, LLC
Certified Public Accountants
210 Fifth Street
Logansport, IN 46947-3167

INDEPENDENT AUDITORS' REPORT
ON SUPPLEMENTARY INFORMATION

To the Board of Directors of
Logansport-Cass County Economic Development Foundation, Inc.

We have audited the financial statements of Logansport-Cass County Economic Development Foundation, Inc. (a nonprofit organization) as of December 31, 2011 and 2010, and have issued our report thereon dated November 27, 2012, which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The schedule of function expenses is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

November 27, 2012

A handwritten signature in cursive script that reads "Chambers & Co., LLC". The signature is written in dark ink and is positioned to the right of the date.

Member of the American Institute of Certified Public
Accountants and the Indiana CPA Society

LOGANSPORT-CASS COUNTY ECONOMIC
DEVELOPMENT FOUNDATION, INC.

SCHEDULE OF OPERATING EXPENSES -
ACTUAL VS. BUDGET

For the Year ended December 31, 2011

	ACTUAL AMOUNT	BUDGET AMOUNT	OVER (UNDER) VARIANCE	% VAR.
OPERATING EXPENSES				
SALARIES	\$ 118,544.30	\$ 115,024.00	\$ 3,520.30	3.06
PAYROLL TAXES	9,175.98	8,799.00	376.98	4.28
INSURANCE	4,037.00	3,530.00	507.00	14.36
DEPRECIATION EXPENSE	10,648.75	11,544.00	(895.25)	(7.76)
INTERNET EXPENSE	912.91	1,000.00	(87.09)	(8.71)
UTILITIES	2,896.95	2,300.00	596.95	25.95
POSTAGE	709.44	1,000.00	(290.56)	(29.06)
TELEPHONE	2,511.74	2,400.00	111.74	4.66
DUES & SUBSCRIPTIONS	2,684.33	2,700.00	(15.67)	(.58)
SUPPLIES	1,459.26	1,800.00	(340.74)	(18.93)
403(b) CONTRIBUTIONS	7,654.14	7,699.00	(44.86)	(.58)
SEMINARS	1,327.91	2,500.00	(1,172.09)	(46.88)
TRAVEL	3,737.10	4,200.00	(462.90)	(11.02)
BUILDING MAINTENANCE	326.10	1,200.00	(873.90)	(72.83)
EQUIPMENT MAINTENANCE	1,052.69	1,400.00	(347.31)	(24.81)
INSURANCE - DIRECTOR'S LIFE	399.08	400.00	(.92)	(.23)
INSURANCE - DISABILITY	1,678.87	1,730.00	(51.13)	(2.96)
CONSULTING EXPENSE	.00	2,000.00	(2,000.00)	(100.00)
MISCELLANEOUS EXPENSE	.00	300.00	(300.00)	(100.00)
JANITORIAL	710.00	900.00	(190.00)	(21.11)
LEGAL AND ACCOUNTING	5,007.14	5,000.00	7.14	.14
PROGRAM EXPENSES - CLEAR	128,668.05	.00	128,668.05	100.00
INFRASTRUCTURE FUND	1,806.00	.00	1,806.00	100.00
MARKETING	58,414.62	95,750.00	(37,335.38)	(38.99)
TOTAL OPERATING EXPENSES	<u>\$ 364,362.36</u>	<u>\$ 273,176.00</u>	<u>\$ 91,186.36</u>	<u>33.38</u>

(SEE ACCOUNTANTS' REPORT ON SUPPLEMENTARY INFORMATION)

LOGANSPOBT-CASS COUNTY ECONOMIC
DEVELOPMENT FOUNDATION, INC.

SCHEDULE OF OPERATING EXPENSES -
ACTUAL VS. BUDGET

For the Year ended December 31, 2010

	ACTUAL AMOUNT	BUDGET AMOUNT	OVER (UNDER) VARIANCE	% VAR.
OPERATING EXPENSES				
SALARIES	\$ 116,623.74	\$ 114,484.00	\$ 2,139.74	1.87
PAYROLL TAXES	9,073.07	8,758.00	315.07	3.60
INSURANCE	3,216.00	1,700.00	1,516.00	89.18
DEPRECIATION EXPENSE	13,092.36	11,544.00	1,548.36	13.41
BUSINESS ATTRACTION & MARKETING	17,370.68	.00	17,370.68	100.00
INTERNET EXPENSE	1,011.50	900.00	111.50	12.39
UTILITIES	1,989.73	2,300.00	(310.27)	(13.49)
POSTAGE	649.08	1,400.00	(750.92)	(53.64)
TELEPHONE	2,608.84	2,400.00	208.84	8.70
DUES & SUBSCRIPTIONS	2,509.09	2,700.00	(190.91)	(7.07)
SUPPLIES	1,306.06	2,200.00	(893.94)	(40.63)
403(b) CONTRIBUTIONS	7,519.97	7,661.00	(141.03)	(1.84)
SEMINARS	918.28	3,500.00	(2,581.72)	(73.76)
TRAVEL	4,481.92	4,200.00	281.92	6.71
BUILDING MAINTENANCE	968.31	1,500.00	(531.69)	(35.45)
EQUIPMENT MAINTENANCE	1,239.54	1,400.00	(160.46)	(11.46)
INSURANCE - DIRECTOR'S LIFE	399.08	400.00	(.92)	(.23)
INSURANCE - OTHER	.00	1,730.00	(1,730.00)	(100.00)
INSURANCE - DISABILITY	1,829.40	.00	1,829.40	100.00
CONSULTING EXPENSE	1,716.32	2,500.00	(783.68)	(31.35)
MISCELLANEOUS EXPENSE	2.00	400.00	(398.00)	(99.50)
JANITORIAL	1,104.01	900.00	204.01	22.67
MEALS AND ENTERTAINMENT	4,993.21	5,000.00	(6.79)	(.14)
LEGAL AND ACCOUNTING	5,007.14	5,000.00	7.14	.14
PROGRAM EXPENSES - CLEAR	30,594.20	.00	30,594.20	100.00
MARKETING	68,930.05	68,950.00	(19.95)	(.03)
TOTAL OPERATING EXPENSES	<u>\$ 299,153.58</u>	<u>\$ 251,527.00</u>	<u>\$ 47,626.58</u>	<u>18.94</u>

(SEE ACCOUNTANTS' REPORT ON SUPPLEMENTARY INFORMATION)

LOGANSPOUT-CASS COUNTY ECONOMIC
DEVELOPMENT FOUNDATION, INC.

SCHEDULE OF PASS THROUGH ACTIVITIES
For the Years ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
PASS THROUGH REVENUE		
BUSINESS ATTRACTION AND MARKETING	\$ 0	\$ 0
COUNTY WIND STUDY FUNDS	0	0
SHOVEL READY GRANT	0	12,000
SUCCEED AWARDS	<u>12,000</u>	<u>15,000</u>
TOTAL PASS THROUGH REVENUE	<u>12,000</u>	<u>27,000</u>
PASS THROUGH EXPENDITURES		
BUSINESS ATTRACTION AND MARKETING	\$ 0	\$ 0
WIND STUDY EXPENSE	0	0
SHOVEL READY	0	12,000
SUCCEED AWARDS AND EXPENSE	<u>10,000</u>	<u>0</u>
TOTAL PASS THOUGH EXPENDITURES	<u>10,000</u>	<u>12,000</u>
PASS THROUGH SURPLUS/(OVERAGE)	<u>\$ 2,000</u>	<u>\$ 15,000</u>

(SEE ACCOUNTANTS' REPORT ON SUPPLEMENTARY INFORMATION)