



**NICOLE GALLOWAY, CPA**  
**Missouri State Auditor**

To the County Commission  
and  
Officeholders of Dade County, Missouri

The Office of the State Auditor is responsible under Section 29.230, RSMo, for auditing certain operations of Dade County, and issues a separate report on that audit. In addition, the Office of the State Auditor has contracted for an audit of the county's financial statements for the 2 years ended December 31, 2016, through the state Office of Administration, Division of Purchasing and Materials Management. A copy of this audit, performed by Stopp & VanHoy, Certified Public Accountants, and Business Advisors, LLC, is attached.

A handwritten signature in black ink that reads "Nicole R. Galloway".

Nicole R. Galloway, CPA  
State Auditor

August 2017  
Report No. 2017-081

**The County of Dade  
Greenfield, Missouri  
Financial Statements, Independent Auditor's Reports and Supplementary Information  
December 31, 2016 & 2015**



**The County of Dade  
Greenfield, Missouri  
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## **INDEPENDENT AUDITOR'S REPORT**

To the County Commission and  
Officeholders of Dade County, Missouri

We have audited the accompanying financial statements of Dade County, Missouri, as of and for the years ended December 31, 2016 and 2015, which collectively comprise the County's basic financial statements and the related notes to the financial statements as identified in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting practices prescribed or permitted by Missouri law, which practices differ from accounting principles generally accepted in the United States of America. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

### **Auditor's Responsibility**

Our responsibility is to express an opinion 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note 1, the financial statements are prepared by Dade County, Missouri, using accounting practices prescribed or permitted by Missouri law, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Dade County, Missouri, as of December 31, 2016 and 2015, or the changes in its financial position for the years then ended.

### **Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of the funds of Dade County, Missouri, as of December 31, 2016 and 2015, and their respective cash receipts and disbursements, and budgetary results of these funds for the years then ended, on the basis of accounting described in Note 1.

### ***Other Matters***

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Dade County, Missouri’s basic financial statements. The other supplemental information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The other supplemental information and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information and schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2017, on our consideration of Dade County, Missouri’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Dade County, Missouri’s internal control over financial reporting and compliance.



Creve Coeur, Missouri  
June 27, 2017

**The County of Dade  
Greenfield, Missouri  
Statement of Receipts, Disbursements, and Changes in Cash  
All Governmental Funds: Regulatory Basis  
For the year ended December 31, 2016**

<u>Fund</u>	Cash and Equivalents January 1, 2016	Receipts 2016	Disbursements 2016	Cash and Equivalents December 31, 2016
General Revenue	\$ 845,679	\$ 1,020,732	\$ 836,010	\$ 1,030,401
Special Road & Bridge	437,793	2,215,743	2,091,975	561,561
Law Enforcement	45,299	569,913	586,448	28,764
Assessment	47,302	122,365	129,138	40,529
Recorder User	7,010	5,019	2,795	9,234
Law Enforcement Training	1,088	1,241	2,189	140
Sheriff Revolving	850	16,647	6,563	10,934
Prosecuting Attorney Bad Check	17,166	2,022	4,977	14,211
Prosecuting Attorney Training	1,645	183	408	1,420
Prosecuting Attorney Delinquent Tax	3,744	-	-	3,744
Tax Maintenance	38,709	29,058	29,999	37,768
Election Services	2,281	2,769	2,204	2,846
Special Elections	184	31,621	31,615	190
Domestic Violence	30	55	55	30
Total	<u>\$ 1,448,780</u>	<u>\$ 4,017,368</u>	<u>\$ 3,724,376</u>	<u>\$ 1,741,772</u>

See Notes to the Financial Statements

**The County of Dade  
Greenfield, Missouri  
Statement of Receipts, Disbursements, and Changes in Cash  
All Governmental Funds: Regulatory Basis  
For the year ended December 31, 2015**

<u>Fund</u>	Cash and Equivalents January 1, 2015	Receipts 2015	Disbursements 2015	Cash and Equivalents December 31, 2015
General Revenue	\$ 714,029	\$ 903,977	\$ 772,327	\$ 845,679
Special Road & Bridge	326,902	919,972	809,081	437,793
Law Enforcement	46,367	554,747	555,815	45,299
Assessment	38,156	129,258	120,112	47,302
Recorder User	3,959	4,774	1,723	7,010
Law Enforcement Training	928	1,007	847	1,088
Sheriff Revolving	1,676	12,865	13,691	850
Prosecuting Attorney Bad Check	16,633	2,209	1,676	17,166
Prosecuting Attorney Training	1,439	206	-	1,645
Prosecuting Attorney Delinquent Tax	4,837	500	1,593	3,744
Tax Maintenance	29,916	22,673	13,880	38,709
Election Services	2,647	3,635	4,001	2,281
Special Elections	135	12,682	12,633	184
Domestic Violence	45	65	80	30
Total	<u>\$ 1,187,669</u>	<u>\$ 2,568,570</u>	<u>\$ 2,307,459</u>	<u>\$ 1,448,780</u>

See Notes to the Financial Statements

**The County of Dade  
Greenfield, Missouri**  
**Comparative Statement of Receipts, Disbursements, and Changes in Cash**  
**Budget and Actual, All Governmental Funds: Regulatory Basis**  
**For the years ended December 31, 2016 & 2015**

	General Revenue Fund			
	2016		2015	
	Budget	Actual	Budget	Actual
<b>Receipts</b>				
Property Taxes	\$ 145,000	\$ 156,331	\$ 150,000	\$ 146,755
Sales Taxes	305,000	356,164	270,000	318,985
Intergovernmental	93,650	106,874	74,500	75,678
Charges for Services	240,700	282,577	223,200	254,767
Interest	2,000	4,549	2,000	3,952
Other	80,632	79,237	62,128	78,840
Transfers In	25,000	35,000	45,000	25,000
<b>Total Receipts</b>	<b>\$ 891,982</b>	<b>\$ 1,020,732</b>	<b>\$ 826,828</b>	<b>\$ 903,977</b>
<b>Disbursements</b>				
County Commission	\$ 86,311	\$ 85,238	\$ 82,690	\$ 79,499
County Clerk	62,903	60,437	61,513	59,086
Elections	78,537	67,700	41,437	38,797
Building and Grounds	152,700	98,502	143,500	163,701
Employee Fringe Benefits	55,500	52,072	52,000	41,450
County Treasurer	94,083	90,407	90,263	89,898
Recorder of Deeds	47,350	46,197	47,500	47,007
Circuit Clerk	28,930	17,086	22,050	12,994
Public Administrator	25,583	24,261	26,200	24,253
Insurance	25,000	18,401	25,000	14,936
University Extension	15,000	15,000	12,500	12,500
Emergency Management	27,300	27,022	27,000	24,054
Other	116,167	51,595	101,367	32,060
Transfers Out	192,092	182,092	212,092	132,092
Emergency Fund	40,000	-	40,000	-
<b>Total Disbursements</b>	<b>\$ 1,047,456</b>	<b>\$ 836,010</b>	<b>\$ 985,112</b>	<b>\$ 772,327</b>
Receipts Over (Under) Disbursements	\$ (155,474)	\$ 184,722	\$ (158,284)	\$ 131,650
Cash and Cash Equivalents January 1	845,679	845,679	714,029	714,029
Cash and Cash Equivalents December 31	<b>\$ 690,205</b>	<b>\$ 1,030,401</b>	<b>\$ 555,745</b>	<b>\$ 845,679</b>

See Notes to the Financial Statements

**The County of Dade  
Greenfield, Missouri  
Comparative Statement of Receipts, Disbursements, and Changes in Cash  
Budget and Actual, All Governmental Funds: Regulatory Basis  
For the years ended December 31, 2016 & 2015**

	Special Road and Bridge Fund			
	2016		2015	
	Budget	Actual	Budget	Actual
<b>Receipts</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	1,372,150	2,214,034	1,490,250	917,885
Charges for Services	-	-	-	-
Interest	750	1,709	-	2,087
Other	-	-	-	-
Transfers In	-	-	-	-
<b>Total Receipts</b>	<b>\$ 1,372,900</b>	<b>\$ 2,215,743</b>	<b>\$ 1,490,250</b>	<b>\$ 919,972</b>
<b>Disbursements</b>				
Salaries	\$ 4,023	\$ 3,125	\$ 3,936	\$ 3,936
Employee Fringe Benefits	1,000	649	925	828
Supplies	3,000	-	3,000	5,615
Insurance	-	-	-	-
Road and Bridge Materials	81,000	23,772	80,000	18,581
Equipment Repairs	-	-	-	-
Rentals	-	-	-	-
Equipment Purchases	-	-	-	-
Road and Bridge Construction	1,295,000	2,039,429	1,370,000	755,121
Other	1,000	-	1,000	-
Transfers Out	25,000	25,000	25,000	25,000
<b>Total Disbursements</b>	<b>\$ 1,410,023</b>	<b>\$ 2,091,975</b>	<b>\$ 1,483,861</b>	<b>\$ 809,081</b>
Receipts Over (Under) Disbursements	\$ (37,123)	\$ 123,768	\$ 6,389	\$ 110,891
Cash and Cash Equivalents January 1	437,793	437,793	326,902	326,902
Cash and Cash Equivalents December 31	<b>\$ 400,670</b>	<b>\$ 561,561</b>	<b>\$ 333,291</b>	<b>\$ 437,793</b>

See Notes to the Financial Statements

**The County of Dade  
Greenfield, Missouri  
Comparative Statement of Receipts, Disbursements, and Changes in Cash  
Budget and Actual, All Governmental Funds: Regulatory Basis  
For the years ended December 31, 2016 & 2015**

	Law Enforcement Fund			
	2016		2015	
	Budget	Actual	Budget	Actual
<b>Receipts</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	260,000	253,263	230,000	261,446
Intergovernmental	51,000	69,750	46,969	51,000
Charges for Services	60,000	57,167	50,000	74,404
Interest	700	661	2,500	720
Other	62,396	39,072	31,800	60,177
Transfers In	160,000	150,000	220,000	107,000
<b>Total Receipts</b>	<b>\$ 594,096</b>	<b>\$ 569,913</b>	<b>\$ 581,269</b>	<b>\$ 554,747</b>
<b>Disbursements</b>				
Salaries	\$ 298,169	\$ 304,478	\$ 269,986	\$ 275,393
Employee Fringe Benefits	40,500	37,029	40,500	35,673
Office Expenditures	17,300	12,143	13,100	8,965
Mileage and Training	2,750	460	2,750	1,451
Insurance	42,788	47,904	45,000	42,947
Car Expense	58,000	32,724	44,000	31,083
Jail	53,500	38,033	41,700	57,832
Prosecuting Attorney	73,340	78,829	76,590	71,245
Juvenile Officer	21,387	20,573	21,193	18,300
Coroner	17,325	14,275	17,325	12,926
Transfers Out	-	-	-	-
<b>Total Disbursements</b>	<b>\$ 625,059</b>	<b>\$ 586,448</b>	<b>\$ 572,144</b>	<b>\$ 555,815</b>
Receipts Over (Under) Disbursements	\$ (30,963)	\$ (16,535)	\$ 9,125	\$ (1,068)
Cash and Cash Equivalents January 1	45,299	45,299	46,367	46,367
Cash and Cash Equivalents December 31	<b>\$ 14,336</b>	<b>\$ 28,764</b>	<b>\$ 55,492</b>	<b>\$ 45,299</b>

See Notes to the Financial Statements

**The County of Dade  
Greenfield, Missouri  
Comparative Statement of Receipts, Disbursements, and Changes in Cash  
Budget and Actual, All Governmental Funds: Regulatory Basis  
For the years ended December 31, 2016 & 2015**

	Assessment Fund				Recorder User Fund			
	2016		2015		2016		2015	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	89,468	88,400	86,471	95,519	-	-	-	-
Charges for Services	-	718	650	562	5,000	5,019	4,000	4,774
Interest	-	142	400	164	-	-	20	-
Other	1,050	1,013	875	921	-	-	-	-
Transfers In	32,092	32,092	32,092	32,092	-	-	-	-
Total Receipts	<u>\$ 122,610</u>	<u>\$ 122,365</u>	<u>\$ 120,488</u>	<u>\$ 129,258</u>	<u>\$ 5,000</u>	<u>\$ 5,019</u>	<u>\$ 4,020</u>	<u>\$ 4,774</u>
<u>Disbursements</u>								
Salaries	\$ 84,083	\$ 84,083	\$ 83,043	\$ 83,043	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	21,500	19,192	20,472	18,374	-	163	-	123
Materials and Supplies	4,935	5,923	6,185	4,449	6,500	632	7,500	-
Services and Other	27,085	17,247	20,935	13,023	-	2,000	-	1,600
Capital Outlay	1,400	2,693	-	1,223	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 139,003</u>	<u>\$ 129,138</u>	<u>\$ 130,635</u>	<u>\$ 120,112</u>	<u>\$ 6,500</u>	<u>\$ 2,795</u>	<u>\$ 7,500</u>	<u>\$ 1,723</u>
Receipts Over (Under) Disbursements	\$ (16,393)	\$ (6,773)	\$ (10,147)	\$ 9,146	\$ (1,500)	\$ 2,224	\$ (3,480)	\$ 3,051
Cash and Cash Equivalents January 1	<u>47,302</u>	<u>47,302</u>	<u>38,156</u>	<u>38,156</u>	<u>7,010</u>	<u>7,010</u>	<u>3,959</u>	<u>3,959</u>
Cash and Cash Equivalents December 31	<u>\$ 30,909</u>	<u>\$ 40,529</u>	<u>\$ 28,009</u>	<u>\$ 47,302</u>	<u>\$ 5,510</u>	<u>\$ 9,234</u>	<u>\$ 479</u>	<u>\$ 7,010</u>

See Notes to the Financial Statements

**The County of Dade  
Greenfield, Missouri  
Comparative Statement of Receipts, Disbursements, and Changes in Cash  
Budget and Actual, All Governmental Funds: Regulatory Basis  
For the years ended December 31, 2016 & 2015**

	Law Enforcement Training Fund				Sheriff Revolving Fund			
	2016		2015		2016		2015	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	1,000	1,241	1,000	1,007	5,000	16,647	4,000	12,865
Interest	-	-	-	-	-	-	20	-
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 1,000</u>	<u>\$ 1,241</u>	<u>\$ 1,000</u>	<u>\$ 1,007</u>	<u>\$ 5,000</u>	<u>\$ 16,647</u>	<u>\$ 4,020</u>	<u>\$ 12,865</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	1,000	2,189	1,000	847	5,000	6,563	5,000	6,691
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	7,000
Total Disbursements	<u>\$ 1,000</u>	<u>\$ 2,189</u>	<u>\$ 1,000</u>	<u>\$ 847</u>	<u>\$ 5,000</u>	<u>\$ 6,563</u>	<u>\$ 5,000</u>	<u>\$ 13,691</u>
Receipts Over (Under) Disbursements	\$ -	\$ (948)	\$ -	\$ 160	\$ -	\$ 10,084	\$ (980)	\$ (826)
Cash and Cash Equivalents January 1	<u>1,088</u>	<u>1,088</u>	<u>928</u>	<u>928</u>	<u>850</u>	<u>850</u>	<u>1,676</u>	<u>1,676</u>
Cash and Cash Equivalents December 31	<u><u>\$ 1,088</u></u>	<u><u>\$ 140</u></u>	<u><u>\$ 928</u></u>	<u><u>\$ 1,088</u></u>	<u><u>\$ 850</u></u>	<u><u>\$ 10,934</u></u>	<u><u>\$ 696</u></u>	<u><u>\$ 850</u></u>

See Notes to the Financial Statements

**The County of Dade  
Greenfield, Missouri  
Comparative Statement of Receipts, Disbursements, and Changes in Cash  
Budget and Actual, All Governmental Funds: Regulatory Basis  
For the years ended December 31, 2016 & 2015**

	Prosecuting Attorney Bad Check Fund				Prosecuting Attorney Training Fund			
	2016		2015		2016		2015	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	1,000	2,019	4,000	2,209	-	-	-	-
Interest	-	3	-	-	-	-	-	-
Other	-	-	-	-	175	183	150	206
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 1,000</u>	<u>\$ 2,022</u>	<u>\$ 4,000</u>	<u>\$ 2,209</u>	<u>\$ 175</u>	<u>\$ 183</u>	<u>\$ 150</u>	<u>\$ 206</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	2,018	-	245	-	-	-	-
Services and Other	4,600	2,959	4,000	1,431	1,820	408	1,000	-
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 4,600</u>	<u>\$ 4,977</u>	<u>\$ 4,000</u>	<u>\$ 1,676</u>	<u>\$ 1,820</u>	<u>\$ 408</u>	<u>\$ 1,000</u>	<u>\$ -</u>
Receipts Over (Under)								
Disbursements	\$ (3,600)	\$ (2,955)	\$ -	\$ 533	\$ (1,645)	\$ (225)	\$ (850)	\$ 206
Cash and Cash Equivalents								
January 1	<u>17,166</u>	<u>17,166</u>	<u>16,633</u>	<u>16,633</u>	<u>1,645</u>	<u>1,645</u>	<u>1,439</u>	<u>1,439</u>
Cash and Cash Equivalents								
December 31	<u>\$ 13,566</u>	<u>\$ 14,211</u>	<u>\$ 16,633</u>	<u>\$ 17,166</u>	<u>\$ -</u>	<u>\$ 1,420</u>	<u>\$ 589</u>	<u>\$ 1,645</u>

See Notes to the Financial Statements

**The County of Dade  
Greenfield, Missouri  
Comparative Statement of Receipts, Disbursements, and Changes in Cash  
Budget and Actual, All Governmental Funds: Regulatory Basis  
For the years ended December 31, 2016 & 2015**

	Prosecuting Attorney Delinquent Tax Fund				Tax Maintenance Fund			
	2016		2015		2016		2015	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	28,953	-	22,571
Interest	-	-	-	-	-	105	-	102
Other	500	-	-	500	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 500</u>	<u>\$ -</u>	<u>\$ 29,058</u>	<u>\$ -</u>	<u>\$ 22,673</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	889	-	2,450
Services and Other	-	-	-	-	-	19,110	-	11,430
Capital Outlay	1,500	-	1,593	1,593	-	-	-	-
Transfers Out	-	-	-	-	-	10,000	-	-
Total Disbursements	<u>\$ 1,500</u>	<u>\$ -</u>	<u>\$ 1,593</u>	<u>\$ 1,593</u>	<u>\$ -</u>	<u>\$ 29,999</u>	<u>\$ -</u>	<u>\$ 13,880</u>
Receipts Over (Under)								
Disbursements	\$ (1,000)	\$ -	\$ (1,593)	\$ (1,093)	\$ -	\$ (941)	\$ -	\$ 8,793
Cash and Cash Equivalents								
January 1	<u>3,744</u>	<u>3,744</u>	<u>4,837</u>	<u>4,837</u>	<u>38,709</u>	<u>38,709</u>	<u>29,916</u>	<u>29,916</u>
Cash and Cash Equivalents								
December 31	<u>\$ 2,744</u>	<u>\$ 3,744</u>	<u>\$ 3,244</u>	<u>\$ 3,744</u>	<u>\$ 38,709</u>	<u>\$ 37,768</u>	<u>\$ 29,916</u>	<u>\$ 38,709</u>

See Notes to the Financial Statements

**The County of Dade  
Greenfield, Missouri  
Comparative Statement of Receipts, Disbursements, and Changes in Cash  
Budget and Actual, All Governmental Funds: Regulatory Basis  
For the years ended December 31, 2016 & 2015**

	Election Services Fund				Special Elections Fund			
	2016		2015		2016		2015	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	2,762	-	3,628	-	31,616	-	12,680
Charges for Services	-	-	-	-	-	-	-	-
Interest	-	7	-	7	-	5	-	2
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ -</u>	<u>\$ 2,769</u>	<u>\$ -</u>	<u>\$ 3,635</u>	<u>\$ -</u>	<u>\$ 31,621</u>	<u>\$ -</u>	<u>\$ 12,682</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	-	2,204	-	4,001	-	31,615	-	12,633
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ -</u>	<u>\$ 2,204</u>	<u>\$ -</u>	<u>\$ 4,001</u>	<u>\$ -</u>	<u>\$ 31,615</u>	<u>\$ -</u>	<u>\$ 12,633</u>
Receipts Over (Under)								
Disbursements	\$ -	\$ 565	\$ -	\$ (366)	\$ -	\$ 6	\$ -	\$ 49
Cash and Cash Equivalents								
January 1	<u>2,281</u>	<u>2,281</u>	<u>2,647</u>	<u>2,647</u>	<u>184</u>	<u>184</u>	<u>135</u>	<u>135</u>
Cash and Cash Equivalents								
December 31	<u>\$ 2,281</u>	<u>\$ 2,846</u>	<u>\$ 2,647</u>	<u>\$ 2,281</u>	<u>\$ 184</u>	<u>\$ 190</u>	<u>\$ 135</u>	<u>\$ 184</u>

See Notes to the Financial Statements

**The County of Dade  
Greenfield, Missouri**  
**Comparative Statement of Receipts, Disbursements, and Changes in Cash**  
**Budget and Actual, All Governmental Funds: Regulatory Basis**  
**For the years ended December 31, 2016 & 2015**

	Domestic Violence Fund			
	2016		2015	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Interest	-	-	-	-
Other	30	55	40	65
Transfers In	-	-	-	-
Total Receipts	<u>\$ 30</u>	<u>\$ 55</u>	<u>\$ 40</u>	<u>\$ 65</u>
 <u>Disbursements</u>				
Salaries	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services and Other	60	55	85	80
Capital Outlay	-	-	-	-
Transfers Out	-	-	-	-
Total Disbursements	<u>\$ 60</u>	<u>\$ 55</u>	<u>\$ 85</u>	<u>\$ 80</u>
Receipts Over (Under)				
Disbursements	\$ (30)	\$ -	\$ (45)	\$ (15)
Cash and Cash Equivalents				
January 1	<u>30</u>	<u>30</u>	<u>45</u>	<u>45</u>
Cash and Cash Equivalents				
December 31	<u><u>\$ -</u></u>	<u><u>\$ 30</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 30</u></u>

See Notes to the Financial Statements

**The County of Dade  
Greenfield, Missouri  
Notes to the Financial Statements  
For the years ended December 31, 2016 & 2015**

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**Note 1 - Summary of Significant Accounting Policies**

Dade County, Missouri was organized in 1841. Dade County's government is a township-organized, third-class county. The county seat is located in Greenfield, Missouri. Dade County's government is composed of a three-member county commission and the following separately elected Constitutional Officers: County Clerk, Collector/Treasurer, Circuit Clerk, Recorder of Deeds, Sheriff, Assessor, Coroner, Public Administrator and Prosecuting Attorney.

As discussed further in Note 1, these financial statements are presented on the regulatory basis of accounting. This basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP).

Reporting Entity

As required by generally accepted accounting principles, as applicable to the regulatory basis of accounting, these financial statements present financial accountability of Dade County, Missouri.

Dade County's operations include tax assessments and collections, state/county courts, county recorder, police protection, transportation, economic development, social and human services, and cultural and recreation services.

The financial statements referred to above include only the primary government of Dade County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise Dade County's legal entity.

Certain elected County officials, such as the County Collector/Treasurer, and Sheriff, collect and hold monies in a trustee capacity as an agent of an individual, taxing units, or other government. These assets, which are held by these officeholders for the sole benefit of external parties, are not reported on the accompanying financial statements and are unaudited.

Basis of Presentation

The accompanying financial statements present the receipts, disbursements, and changes in cash of all funds of Dade County, Missouri, and the comparisons of such information with the corresponding budgeted information for all funds of the county. The funds presented are established under statutory or administrative authority, and their operations are under the control of the County Commission or an elected county official. The General Revenue Fund is the county's general operation fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

Basis of Accounting

The financial statements were prepared using accounting practices prescribed or permitted by Missouri law, which differ from accounting principles generally accepted in the United States of America. The effects of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

**The County of Dade  
Greenfield, Missouri  
Notes to the Financial Statements  
For the years ended December 31, 2016 & 2015**

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**Note 1 - Summary of Significant Accounting Policies (continued)**

Basis of Accounting (continued)

As a result of the use of this regulatory basis of accounting, certain assets (such as accounts receivable and capital assets), certain revenues (such as revenue for billed or provided services not yet collected), certain liabilities (such as accounts payable, certificates of participation bonds and obligations under capital leases) and certain expenditures (such as expenditures for goods or services received but not yet paid) are not recorded in these financial statements.

If Dade 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, if applicable, would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

Budget and Budgetary Accounting

In accordance with Chapter 50 RSMo, Dade County adopts a budget for each governmental fund.

On or before January 15th, each elected officer and department director will transmit to the County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.

The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget included estimated revenues and proposed expenditures for all budgeted funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year. Budgeting of appropriations is based upon an estimated unencumbered fund balance at the beginning of the year as well as estimated revenues to be received. The budget to actual comparisons in these financial statements, however, do not present encumbered fund balances, but only compare budgeted and actual revenues and expenditures.

A public hearing is conducted to obtain public comment. Prior to its approval by the County Commission, the budget document is available for public inspection.

Prior to February 1, the budget is legally enacted by a vote of the County Commission.

Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by formal vote of the Commission. Adjustments made during the year are reflected in the budget financial statements.

Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year.

Budgets are prepared and adopted on the cash basis of accounting.

During our audit, we noted that the County was not in compliance with Missouri budgetary state statute Chapter 50 RSMo. The following funds had actual expenditures that exceeded the budgeted expenditures in 2016: Special Road and Bridge Fund, Law Enforcement Training Fund, Sheriff Revolving Fund, and Prosecuting Attorney Bad Check Fund. The following funds had actual expenditures that exceeded the budgeted expenditures in 2015: Sheriff Revolving Fund. We noted the following funds without a prepared budget for 2016: Tax Maintenance Fund, Election Services Fund, and Special Elections Fund. We noted the following funds without a prepared budget for 2015: Tax Maintenance Fund, Election Services Fund, and Special Elections Fund.

**The County of Dade  
Greenfield, Missouri  
Notes to the Financial Statements  
For the years ended December 31, 2016 & 2015**

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**Note 1 - Summary of Significant Accounting Policies (continued)**

Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and tax bills are mailed to taxpayers in November, at which time they are payable. All unpaid property taxes become delinquent as of January 1, of the following year.

The assessed valuation of the tangible taxable property, included within Dade County's boundaries for the calendar year 2016 and 2015, for the purposes of taxation was:

	<u>2016</u>	<u>2015</u>
Real Estate	\$ 67,959,910	\$ 66,813,920
Personal Property	29,556,844	27,309,483
Railroad and Utilities	19,672,042	19,087,350
	<u>\$ 117,188,796</u>	<u>\$ 113,210,753</u>

The tax levy per \$100 assessed valuation of tangible taxable property for the calendar year 2016 and 2015, respectively, for the purpose of County taxation, was as follows:

	<u>2016</u>	<u>2015</u>
General Revenue Fund	\$ 0.1400	\$ 0.1300

The County also receives sales tax collected by the State and remitted based on the County's sales tax rate to the total sales tax collected in the County.

Cash Deposits and Investments

Deposits and investments are stated at cost, which approximates market. Cash balances for all the County Treasurer's Funds are pooled and invested to the extent possible. Interest earned from such investments is allocated to each of the funds based on the funds' average daily cash balance. Cash equivalents include repurchase agreements and any other instruments with an original maturity of ninety days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest bearing obligations guaranteed as to both principal and interest by the United States, bonds of the State of Missouri or other government bonds, or time certificates of deposit, provided, however, that no such investments shall be purchased at a price in excess of par. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investments held in Dade County's name at third-party banking institutions. Details of these cash balances are presented in Note 2.

Interfund Transactions

During the course of operations, interfund activity occurs for purposes of providing supplemental funding, reimbursements for goods provided or services rendered, or short and long-term financing.

**The County of Dade  
Greenfield, Missouri  
Notes to the Financial Statements  
For the years ended December 31, 2016 & 2015**

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**Note 1 - Summary of Significant Accounting Policies (continued)**

Interfund Transactions (continued)

Interfund activities are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund. However, interfund reimbursements have been eliminated from the financial statements in order that reimbursed expenditures are reported only in the funds incurring the costs.

**Note 2 - Deposits and Investments**

Dade County maintains a cash and temporary investment pool that is available for use by all funds. Deposits with maturities greater than three months are considered investments. Each fund type's portion of this pool is displayed on the statement of receipts, disbursements, and changes in cash arising from cash transactions as "Cash and Equivalents".

Deposits - Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits.

The carrying values and bank balances of deposits and investments shown above are included in the financial statements at December 31, 2016, as follows:

	<u>Carrying Value</u>	<u>Bank Balance</u>
Deposits	\$ 1,337,745	\$ 1,524,578
Investments	404,027	404,027
	<u>\$ 1,741,772</u>	<u>\$ 1,928,605</u>

The carrying values and bank balances of deposits and investments shown above are included in the financial statements at December 31, 2015, as follows:

	<u>Carrying Value</u>	<u>Bank Balance</u>
Deposits	\$ 1,046,220	\$ 1,454,677
Investments	402,560	402,560
	<u>\$ 1,448,780</u>	<u>\$ 1,857,237</u>

Custodial Credit Risk - Deposits

For a deposit, custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. At December 31, 2016 and 2015, 100% of Dade County's deposits and investments were covered by the Federal Deposit Insurance Company (FDIC) or were collateralized.

**The County of Dade  
Greenfield, Missouri  
Notes to the Financial Statements  
For the years ended December 31, 2016 & 2015**

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**Note 2 - Deposits and Investments (continued)**

Custodial Credit Risk - Investments

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by the party that sold the security to Dade County or its agent but not in the government's name. Dade County does not have a policy for custodial credit risk relating to investments.

All investments, evidenced by individual securities, are registered in the name of Dade County or of a type that are not exposed to custodial credit risk.

Investment Interest Rate Risk

Investment interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Dade County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Investment Credit Risk

Concentration of investment credit risk is required to be disclosed by Dade County for any single investment that represents 5% or more of total investments (excluding investments issued by or explicitly guaranteed by the U. S. Government, investments in mutual funds, investments in external investment pools and investments in other pooled investments). Dade County has no policy in place to minimize the risk of loss resulting from over concentration of assets in specific maturity, specific issuer or specific class of securities.

The following investments represent more than 5%, individually, of total investments:

Issuer	Investment Type	2016 Balance	% of Portfolio	2015 Balance	% of Portfolio
Simmons Bank	Cert. of Deposit	\$ 404,027	100.00%	\$ 402,560	100.00%

**Note 3 - Interfund Transfers**

Transfers between funds for the years ended December 31, 2016 and 2015 are as follows:

Fund	2016		2015	
	Transfers In	Transfers Out	Transfers In	Transfers Out
General Revenue Fund	\$ 35,000	\$ 182,092	\$ 25,000	\$ 132,092
Special Road and Bridge Fund	-	25,000	-	25,000
Law Enforcement Fund	150,000	-	107,000	-
Assessment Fund	32,092	-	32,092	-
Sheriff Revolving Fund	-	-	-	7,000
Tax Maintenance Fund	-	10,000	-	-
Total	<u>\$ 217,092</u>	<u>\$ 217,092</u>	<u>\$ 164,092</u>	<u>\$ 164,092</u>

**The County of Dade  
Greenfield, Missouri  
Notes to the Financial Statements  
For the years ended December 31, 2016 & 2015**

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**Note 4 - State of Missouri County Employees Retirement Fund (CERF)**

Plan Description

Benefit eligible employees of the County are provided with pensions through County Employees' Retirement Fund (CERF) – a mandatory cost-sharing, multiple-employer defined benefit pension plan established in 1994. Laws governing CERF are found in Sections 50.1000-50.1300 of the Missouri Revised Statutes. As such, it is CERF's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and is tax exempt. The responsibility for the operations and administration of CERF is vested in the Board of Directors consisting of eleven members. CERF issues a publicly available Annual Financial Report that can be obtained at [www.mocerf.org](http://www.mocerf.org).

Benefits Provided

CERF is a defined benefit plan providing retirement and death benefits to its members. All benefits vest after 8 years of creditable service. Employees who retire on or after age 62 are entitled to an allowance for life based on the form of payment selected. The normal form of payment is a single life annuity. Optional joint and survivor annuity and 10-year certain and life annuity payments are also offered to members in order to provide benefits to a named survivor annuitant after their death. Employees who have a minimum of 8 years of creditable service may retire with an early retirement benefit and receive a reduced allowance after attaining age 55. Annual cost of living adjustments, not to exceed 1%, are provided for eligible retirees of survivor annuitants, up to a lifetime maximum of 50% of the initial benefit which the member received upon retirement. Benefit provisions are fixed by state statute and may be amended only by action of the Missouri Legislature.

Contributions

Prior to January 1, 2003, participating county employees, except for those who participated in LAGERS, were required to make contributions equal to 2% of gross compensation. Effective January 1, 2003, participating county employees hired on or after February 25, 2002, are required to make contributions of 4% if they are in a LAGERS county and contributions of 6% if they are in a non-LAGERS county. If an employee leaves covered employment before attaining 8 years of creditable service, accumulated employee contributions are refunded to the employee. The contribution rate is set by state statute and may be amended only by action of the Missouri Legislature. Counties may elect to make all or a portion of the required 6% contribution on behalf of employees.

In addition to the above contributions required of employees, the following fees and penalties prescribed under Missouri law are required to be collected and remitted to CERF by counties covered by the plan:

- Late fees on filing of personal property tax declarations,
- Twenty dollars on each merchants and manufacturers license issued,
- Six dollars on each document recorded or filed with county recorders of deeds, with an additional one on each document recorded,
- Three sevenths of the fee on delinquent property taxes, and
- Interest earned on investment of the above collections prior to remittance to CERF.

**The County of Dade  
Greenfield, Missouri  
Notes to the Financial Statements  
For the years ended December 31, 2016 & 2015**

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**Note 4 - State of Missouri County Employees Retirement Fund (CERF) (continued)**

Further information related to required contributions, pension benefits, other plan terms, and investments and related return and financial information can be found in the notes to the financial statements of CERF's Annual Financial Report.

The County's required contribution rate for the year ended December 31, 2016 and 2015, was 6% of annual payroll. Contributions and statutory charges remitted to the pension plan from the County were \$33,578 and \$40,887, respectively, for the year ended December 31, 2016 and \$30,505 and \$39,963, respectively, for the year ended December 31, 2015.

At December 31, 2016, the County had a liability of \$388,529 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2015, and was based on the most recent actuarial valuation by CERF's independent actuary as of December 31, 2014 projected forward to December 31, 2015, and financial information of the Plan as of December 31, 2015.

The County's proportion of the net pension liability was based on the County's actual share of contributions to the pension plan relative to the actual contributions of all participating employers for CERF's plan year ended December 31, 2015. At December 31, 2015, the County's proportion was 0.2009%, which decreased by 0.0071% from the percentage used to allocate the liability as of December 31, 2014.

There were no changes in benefit terms during the CERF plan year ended December 31, 2016, that affected the measurement of total pension liability.

For the year ended December 31, 2016 and 2015, the County recognized pension expense of \$0 and \$0, respectively.

Actuarial Assumptions

The total pension liability in the December 31, 2015, actuarial valuation, which is also the date of measurement, was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Compensation increases	2.5% plus merit
Inflation	2.5%
Investment rate of return	7.5%

Mortality rates were based on the RP-2000 Combined Mortality projected to 2010 using Scale AA.

The following actuarial assumptions and methods were changed for the actuarial valuation used for the reporting period: a) compensation increases were changed from inflation plus an age-graded allowance for merit, promotion, and seniority (total average increases, including inflation, were approximately 5.3% to 2.5%, plus merit, as indicated above; b) inflation was reduced from 3% to 2.5%, as indicated above; c) the investment rate of return was reduced from 8% to 7.5% as indicated above; and mortality rates were changed from the RP-2000 Separate Mortality projected to 2010 to the RP-2000 Combined Mortality projected to 2010, as indicated above.

The actuarial assumptions used in the December 31, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2008 to December 31, 2013.

**The County of Dade  
Greenfield, Missouri  
Notes to the Financial Statements  
For the years ended December 31, 2016 & 2015**

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**Note 4 - State of Missouri County Employees Retirement Fund (CERF) (continued)**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate rates of expected future real rates of return (expected returns, net of pension plan investment expense and tuition) are developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in CERF target asset allocation as of December 31, 2015 are summarized in the following table.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Core Plus	15.00%	2.66%
Absolute Return	15.00%	4.18%
U.S. Large Cap Equity	25.00%	6.38%
U.S. Small Cap Equity	10.00%	6.96%
Non-U.S. Equity	15.00%	6.58%
Long/Short Equity	10.00%	6.85%
Private Equity	5.00%	7.34%
Core Real Estate	5.00%	5.10%

Discount Rate

The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current statutory rates and that contributions from employers will be made based on the Plan's current revenue sources (various fees and penalties collected by the counties). Such revenue was assumed to increase at the rate of 1% per year. This increase assumption has been used by the Plan in prior funding status projections. Historically, revenue increases have averaged more than 1% per year. Based on the assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. The projections covered an 80-year period into the future. The long-term expected rate of return on the Plan's investments was applied to projected benefit payments.

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.5%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5%) or 1-percentage-point higher (8.5%) than the current rate:

	Current Single Discount		
	1% Decrease (6.5%)	Rate Assumption (7.5%)	1% Increase (8.5%)
County's proportionate share of the net pension liability	\$ 552,600	\$ 388,529	\$ 251,857

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CERF Annual Financial Report.

**The County of Dade  
Greenfield, Missouri  
Notes to the Financial Statements  
For the years ended December 31, 2016 & 2015**

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**Note 5 - Prosecuting Attorney Retirement Fund**

In accordance with state statute Section 56.807 RSMo, Dade County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. Dade County has contributed \$2,618 and \$2,244, respectively, for the years ended December 31, 2016 and 2015.

**Note 6 - Post Employment Benefits**

Dade County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the Primary Government.

**Note 7 - Claims, Commitments, and Contingencies**

Litigation

The County is not involved in pending litigation as of the audit report date.

Compensated Absences

The County provides employees with up to 240 hours of paid vacation based upon the number of years of continuous service. Upon termination from county employment, an employee is reimbursed for unused vacation and overtime, if applicable. Unused sick time is not reimbursed. These have not been subjected to auditing procedures.

Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants are required and certain costs may be questioned as inappropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial. No provision has been made in the accompanying financial statements for the potential refund of grand monies.

**Note 8 - Risk Management**

The County is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters, and has established a risk management strategy that attempts to minimize losses and the carrying costs of insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The County is also a member of the Missouri Association of Counties Self-Injured Workers' Compensation and Insurance Fund. The County purchases workers' compensation insurance through this Fund, a non-profit corporation established for the purpose of providing insurance coverage for Missouri counties. The Fund is self-insured up to \$500,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

**The County of Dade  
Greenfield, Missouri  
Notes to the Financial Statements  
For the years ended December 31, 2016 & 2015**

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**Note 9 - Subsequent Events**

The County has evaluated events subsequent to December 31, 2016 to assess the need for potential recognition or disclosure in the financial statements. Such events have been evaluated through June 27, 2017, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

## **Supplementary Information**

**The County of Dade  
Greenfield, Missouri**  
**Schedule of the County's Proportionate Share of the Net Pension Liability - Last 10 Fiscal Years**  
**County Employees' Retirement Fund (CERF)**

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	2016	2015
County's proportion of the net pension liability	0.2009%	0.1938%
County's proportionate share of the net pension liability	\$ 388,529	\$ 226,142
County's covered-employee payroll	\$ 790,946	\$ 719,155
County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	49.12%	31.45%
Plan fiduciary net position as a percentage of the total pension liability	69.11%	78.83%

Notes:

Information is not available for fiscal years prior to 2015.

The amounts noted above are as of the measurement date which is January 1 prior to the end of the fiscal year.

**The County of Dade  
Greenfield, Missouri  
Schedule of Pension Contributions - Last 10 Fiscal Years  
County Employees' Retirement Fund (CERF)**

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	2016	2015
Required contribution	\$ 40,125	\$ 38,333
Contributions in relation to the required contribution	40,125	38,333
Contribution deficiency (excess)	\$ -	\$ -
County's covered employee payroll	\$ 790,946	\$ 719,155
Contributions as a percentage of covered-employee payroll	5.07%	5.33%

Notes:

Information is not available for fiscal years prior to 2015.

The amounts noted above are as of the measurement date which is January 1 prior to the end of the fiscal year.

INDEPENDENT AUDITOR'S 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 County Commission and  
Officeholders of Dade County, Missouri

We have audited, in accordance with the 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, the accompanying financial statements of Dade County, Missouri, as of and for the years ended December 31, 2016 and 2015, and the related notes to the financial statements, which collectively comprise Dade County, Missouri's basic financial statements and have issued our report thereon dated June 27, 2017.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Dade County, Missouri's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Dade County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Dade County, Missouri's internal control.

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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies: 16/15-002, 16/15-003, 16/15-004, 16/15-005, and 16/15-006.

#### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Dade County, Missouri's financial statements are free from 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 an instance of noncompliance and other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 16/15-001.

#### **Dade County, Missouri's Response to Findings**

Dade County, Missouri's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Dade County, Missouri's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

#### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Stopp & VanHoy". The signature is written in a cursive, somewhat stylized font.

Creve Coeur, Missouri  
June 27, 2017

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND  
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the County Commission and  
Officeholders of Dade County, Missouri

**Report on Compliance for Each Major Federal Program**

We have audited Dade County, Missouri's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Dade County, Missouri's major federal programs for the years ended December 31, 2016 and 2015. Dade County, Missouri's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Dade County, Missouri's major federal programs based on our audit of the types of compliance requirements referred to above. 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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 Dade County, Missouri'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 on compliance for each major federal program. However, our audit does not provide a legal determination of Dade County, Missouri's compliance.

***Opinion on Each Major Federal Program***

In our opinion, Dade County, Missouri, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the years ended December 31, 2016 and 2015.

***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 16/15-007. Our opinion on each major federal program is not modified with respect to these matters.

Dade County, Missouri's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Dade County, Missouri's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control Over Compliance**

Management of Dade County, Missouri, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Dade County, Missouri's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 Dade County, Missouri's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance 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. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of 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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We identified a deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 16/15-007, that we consider to be a significant deficiency.

Dade County, Missouri's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Dade County, Missouri's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Creve Coeur, Missouri  
June 27, 2017

**The County of Dade  
Greenfield, Missouri  
Schedule of Expenditures of Federal Awards  
For the years ended December 31, 2016 & 2015**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Number	Federal Expenditures Year Ended December 31,	
			2016	2015
<b>U.S. Department of Transportation</b>				
Passed through state:				
Missouri Highway and Transportation Commission -				
Highway Planning and Construction	20.205	BRO-B029(10)	\$ 801,005	\$ 57,667
Highway Planning and Construction	20.205	BRO-B029(11)	<u>72,867</u>	<u>237,829</u>
Total Highway Planning and Construction			<u>873,872</u>	<u>295,496</u>
<b>U.S. Department of the Interior</b>				
Direct Program:				
Payments in Lieu of Taxes	15.226	NA	67,283	66,070
<b>Election Assistance Commission</b>				
Passed through State:				
Missouri Office of Secretary of State -				
Help America Vote Act Requirements Payments	90.401	NA	3,057	1,092
<b>U.S. Department of Homeland Security</b>				
Passed through State:				
Missouri Emergency Management Agency				
Presidentially Declared Disasters	97.036	FEMA-4250-DR-MO	370,026	-
Presidentially Declared Disasters	97.036	FEMA-4144-DR-MO	78,611	-
Presidentially Declared Disasters	97.036	FEMA-4238-DR-MO	<u>193,562</u>	<u>-</u>
Total Presidentialy Declared Disasters			<u>642,199</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 1,586,411</u>	<u>\$ 362,658</u>

**The County of Dade  
Greenfield, Missouri**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**For the years ended December 31, 2016 & 2015**

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**Note 1 - Summary of Significant Accounting Policies**

Purpose of Schedule and Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards has been prepared to comply with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). This Uniform Guidance requires a schedule that provides total federal awards expended for each federal program and the Catalog of Federal Domestic Assistance (CFDA) number or other identifying number when the CFDA number is not available.

This schedule includes all federal awards administered by Dade County, Missouri.

Basis of Presentation

The *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* includes these definitions, which govern the contents of the schedule:

*Federal financial assistance* means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals.

*Federal award* means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, under grants or contracts, used to buy goods or services from vendors.

Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

Dade County, Missouri has not elected to use the 10% de minimis indirect cost rate.

**Note 2 - Subrecipients**

Dade County, Missouri provided no federal awards to subrecipients during the years ended December 31, 2016 and 2015.

**The County of Dade  
Greenfield, Missouri  
Schedule of Findings and Questioned Costs  
For the years ended December 31, 2016 & 2015**

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**Section 1 - Summary of Auditor's Results**

Financial Statements

Type of auditor's report issued Unmodified Regulatory Basis

Internal control over financial reporting:

Material weakness(es) identified? \_\_\_\_\_ Yes   X   No

Significant deficiencies identified that are not considered to be material weaknesses?   X   Yes \_\_\_\_\_ None Reported

Any noncompliance material to financial statements noted?   X   Yes \_\_\_\_\_ No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? \_\_\_\_\_ Yes   X   No

Significant deficiencies identified not considered to be material weaknesses?   X   Yes \_\_\_\_\_ None Reported

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

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR section 200.516(a)?   X   Yes \_\_\_\_\_ No

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
20.205	Highway Planning and Construction

Dollar threshold used to distinguish between type A and type B programs:   \$750,000  

Auditee qualified as low-risk auditee? \_\_\_\_\_ Yes   X   No

**The County of Dade  
Greenfield, Missouri  
Schedule of Findings and Questioned Cost  
For the years ended December 31, 2016 & 2015**

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**Section 2 - Financial Statement Findings**

16/15-001 **Criteria:** Missouri statutes require Counties to prepare an annual budget and expenditures are not to exceed the budget.

**Condition:** During our audit, we noted that the County was not in compliance with Missouri budgetary state statute Chapter 50 RSMo. The following funds had actual expenditures that exceeded the budgeted expenditures in 2016: Special Road and Bridge Fund, Law Enforcement Training Fund, Sheriff Revolving Fund, and Prosecuting Attorney Bad Check Fund. The following funds had actual expenditures that exceeded the budgeted expenditures in 2015: Sheriff Revolving Fund. We noted the following funds without a prepared budget for 2016: Tax Maintenance Fund, Election Services Fund, and Special Elections Fund. We noted the following funds without a prepared budget for 2015: Tax Maintenance Fund, Election Services Fund, and Special Elections Fund.

**Effect:** Missouri statutes require Counties to prepare an annual balanced budget, and expenditures are not to exceed the budget. Due to exceeding budget and not preparing a budget in certain funds, the County is in violation of Missouri Revised Statutes.

**Cause:** Oversight

**Recommendation:** We recommend that the County adopt a budget for all funds, and periodically review its actual expenditures as compared to budgeted amounts. An amended budget should be prepared and approved as necessary to comply with statutes.

**Management's Response:** The County Clerk will perform a detailed review of budgetary schedules and actual expenditures in order to ensure budgetary compliance, and amendments to the budget will be prepared and approved by the County Commission, if necessary. The phone number for the Clerk's office is (417) 637-2724.

16/15-002 **Criteria:** Statement on Auditing Standards (SAS) No. 115, *Communicating Internal Control Related Matters Identified in an Audit*, which is effective for periods ending on or after December 15, 2009, as amended by SAS No. 122, *Statements on Auditing Standards: Clarification and Recodification*, considers inadequate documentation of the components of internal control to be at least a significant deficiency.

**Condition:** Documentation of the County's internal controls has not been prepared.

**Effect:** Without documented internal controls, the County may not be able to ensure that controls are in place, communicated and operating effectively.

**Cause:** Management has not prepared documentation of internal controls.

**Recommendation:** We recommend that the County develop the required internal control documentation. In addition, we recommend studying the COSO internal control guidance and tools as a means to begin the process. Once this documentation is complete, those charged with governance have a responsibility to understand the controls and ensure they are operating effectively.

**Management's Response:** The County will work to prepare internal control documentation. The phone number for the Clerk's office is (417) 637-2724.

**The County of Dade  
Greenfield, Missouri  
Schedule of Findings and Questioned Cost  
For the years ended December 31, 2016 & 2015**

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**Section 2 - Financial Statement Findings (Continued)**

16/15-003 **Criteria:** Antifraud programs and controls are the policies and procedures put in place by an organization to help ensure that management directives are carried out. They are part of the overall system of internal control established to achieve reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.

**Condition:** During our audit, we noted there was no formal fraud risk assessment in place.

**Effect:** Lack of an appropriate fraud risk assessment process may result in certain risks not being identified by County's management. Opportunities to commit and conceal a fraud or irregularity may go undetected by management without proper assessment procedures.

**Cause:** Management has not prepared documentation of risk assessments, including identifying risks and mitigating controls.

**Recommendation:** We recommend that the County address various risks in the environment, including risk of fraud occurring by performing assessments to identify, analyze, and manage these risks.

**Management's Response:** The County will work to prepare a risk assessment procedure. The phone number for the Clerk's office is (417) 637-2724.

16/15-004 **Criteria:** Management of the County is responsible for establishing and maintaining internal controls in the financial reporting system and for the fair presentation of the financial statements.

**Condition:** During our audit we were required to make several material audit adjustments to cash and revenue to ensure the financial statements of the County were not misstated. The County had not been recording accrued interest on certificate of deposits.

**Effect:** Due to errors reported in cash and revenue, the 2016 and 2015 financial statements of the County were misstated.

**Cause:** Lack of controls over financial reporting.

**Recommendation:** We recommend management of the County develop controls over financial reporting to ensure cash and revenue are be accurately reported.

**Management's Response:** The County Clerk and Treasurer will work together to ensure that end of year transactions all take place in the same year. The phone number for the Clerk's office is (417) 637-2724.

**The County of Dade  
Greenfield, Missouri  
Schedule of Findings and Questioned Cost  
For the years ended December 31, 2016 & 2015**

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**Section 2 - Financial Statement Findings (Continued)**

16/15-005 **Criteria:** Management of the County is responsible for establishing and maintaining internal controls in the financial reporting system and for the fair presentation of the financial statements.

**Condition:** During our audit, we noted the County was not recording all cash receipts, transfers in, and transfers out in the proper period.

**Effect:** If cash receipts, transfers in, and transfers out are not recorded in the proper period, revenue and ending cash/fund balance will be reported inaccurately in the financial statements.

**Cause:** The Treasurer was unaware of the effect on the financial statements of receipting ACH deposits, transfers in, and transfers out in the wrong period.

**Recommendation:** We recommend that the County adopt a monthly and year-end closing process to ensure all revenue and transfers are being recorded in the proper period.

**Management's Response:** The County Clerk and Treasurer will work together to ensure that end of year transactions all take place in the same year. The phone number for the Clerk's office is (417) 637-2724.

16/15-006 **Criteria:** Strong internal control over cash disbursements and payroll require that there be a formal approval process over the approval of cash disbursements and payroll processing.

**Condition:** During our audit, we noted multiple instances where no approval was present on cash disbursements, employee time cards, and payroll reports.

**Effect:** Without a formal approval process over cash disbursements and payroll processing, improper cash disbursements and payroll could be processed and disbursed either due to error or fraud.

**Cause:** The County has not developed and implemented formal controls over cash disbursements and payroll processing.

**Recommendation:** We recommend that the County develop and implement a process to ensure cash disbursements and payroll are being reviewed and approved prior to being disbursed.

**Management's Response:** The County will develop and implement a process in writing to ensure all disbursements and payroll are being reviewed, as this is already done, there just is not a procedure in writing. The phone number for the Clerk's office is (417) 637-2724.

**The County of Dade  
Greenfield, Missouri  
Schedule of Findings and Questioned Cost  
For the years ended December 31, 2016 & 2015**

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**Section 3 - Federal Award Findings and Questioned Cost**

16/15-007 Federal Grantor: U.S. Department of the Interior and U.S. Department of Homeland Security  
Pass-Through Grantor: N/A and Missouri Emergency Management Agency  
Federal CFDA Number: 15.226 and 97.036  
Award Year: 2016 and 2015  
Program Title: Payments in Lieu of Taxes and Presidentially Declared Disasters

**Criteria:** Title 2 U.S. Code of Federal Regulations Part 200, requires auditees to prepare an accurate SEFA containing awards expended, CFDA title and number, award number, name of the Federal agency, and name of the pass-through entity.

**Condition:** The Schedule of Expenditures of Federal Awards (SEFA) contained errors in the amount of federal expenditures for both CFDA number 15.226 and 97.036.

**Effect:** Federal expenditures reported in the SEFA were incorrect.

**Cause:** Management did not follow reporting requirements related to the Schedule of Expenditures of Federal Awards.

**Recommendation:** We recommend management develop internal controls over reporting and consult with outside accountants, if possible, to ensure an accurate SEFA is prepared.

**Management's Response:** Title 2 U.S. Code of Federal Regulations Part 200 is being reviewed and training sessions will be initiated by the County Clerk's office. The County Clerk is working towards capturing grant transactions in a manner sufficient to readily report the necessary information required on the SEFA by the next audit period. The County Clerk's office phone number is (417) 637-2724.

**The County of Dade  
Greenfield, Missouri  
Follow-Up to Prior Audit Findings for an Audit of Financial  
Statements Performed in Accordance with Government Auditing Standards**

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In accordance with Government Auditing Standards, this section reports the auditor's follow-up on action taken by Dade County, Missouri, on the applicable findings in the prior audit report issued for the two years ended December 31, 2012 and 2011.

**Prior Year Financial Statement Findings**

12-1 Segregation of Duties

Condition: Because of a limited number of available personnel, it is not always possible to adequately segregate certain incompatible duties so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction.

Criteria: Duties should be segregated so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction.

Effect: Risk is present that errors or irregularities in amounts that would be material to the basic financial statements may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Recommendation: We realize that because of limited resources and personnel, management may not be able to achieve a proper segregation of duties; however, our professional standards require that we bring this lack of segregation of duties to your attention in this report.

Response: The limited number of available personnel prohibits segregation of incompatible duties.

Status: This is no longer considered a significant deficiency.

12-2 Investment Activity

Condition: Certificates of deposit are being held for various funds which are not included in the County's accounting software.

Criteria: The County should include all cash and investment accounts held with banking institutions in the County's accounting software.

Effect: Incomplete financial data is displayed monthly.

Recommendation: The County should account for all investment activity with its banking institutions in the County's software.

Response: The County will include investment activity held with its banking institutions for its various funds within the accounting software.

Status: This issue has been partially corrected, and will be partially repeated in the current year as finding 16/15-004.

**Prior Year Federal Award Findings and Questioned Cost**

None