



NICOLE GALLOWAY, CPA
Missouri State Auditor

To the County Commission
and
Officeholders of Bollinger County, Missouri

The Office of the State Auditor is responsible under Section 29.230, RSMo, for auditing certain operations of Bollinger 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 Daniel Jones & Associates, Certified Public Accountants, is attached.

Nicole R. Galloway, CPA
State Auditor

September 2017
Report No. 2017-095

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORTS
AND SUPPLEMENTARY INFORMATION
DECEMBER 31, 2016 AND 2015

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
TABLE OF CONTENTS

	PAGE
<u>FINANCIAL SECTION</u>	
Independent Auditor's Report.....	1-2
<u>FINANCIAL STATEMENTS</u>	
Statement of Receipts, Disbursements and Changes in Cash Balances– All Governmental Funds- Regulatory Basis	
Year Ended December 31, 2016.....	3
Year Ended December 31, 2015.....	4
Comparative Statements of Receipts, Disbursements and Changes in Cash Balances – Budget and Actual – All Governmental Funds – Regulatory Basis	
Years Ended December 31, 2016 and 2015.....	5-16
<i>Fiduciary Funds:</i>	
Statements of Assets and Liabilities Arising From Cash Transactions – Agency Funds - Regulatory Basis	
As of December 31, 2016.....	17
As of December 31, 2015.....	18
Notes to the Financial Statements.....	19-29
<u>SUPPLEMENTARY SCHEDULES AND AUDITOR'S REPORT</u>	
<u>STATE COMPLIANCE SECTION</u>	
Schedule of State Findings.....	30
<u>INTERNAL CONTROL AND COMPLIANCE SECTION</u>	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	31-32
Schedule of Findings and Responses Years Ended December 31, 2016 and 2015.....	33-34
Summary Schedule of Prior Year Findings and Responses.....	35

FINANCIAL SECTION



**Daniel Jones
& Associates**
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF
MISSOURI SOCIETY OF CPA'S
AMERICAN INSTITUTE OF CPA'S

INDEPENDENT AUDITOR'S REPORT

To the County Commission
The County of Bollinger, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of the County of Bollinger, Missouri, which comprise cash and unencumbered cash for each fund as of December 31, 2016, and 2015, and the related statements of cash receipts and disbursements and disbursements-budget and actual for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the regulatory basis of accounting, a financial reporting framework prescribed or permitted by Missouri law as described in Note I of the accompanying financial statements. This includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. 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 fraud or error.

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 I of the financial statements, the financial statements are prepared on the basis of the financial reporting provisions prescribed or permitted by Missouri law, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Missouri.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note I 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 above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the County as of December 31, 2016, and 2015, or changes in financial position or cash flows thereof 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 and unencumbered cash of each fund of the County as of December 31, 2016, and 2015, and their respective cash receipts and disbursements, and budgetary results for the years then ended in accordance with the financial reporting provisions prescribed or permitted by Missouri law described in Note I.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2017, on our consideration of the County of Bollinger’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 County of Bollinger’s internal control over financial reporting and compliance.

Daniel Jones & Associates

DANIEL JONES & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

June 30, 2017

FINANCIAL STATEMENTS

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2016

FUND	CASH BALANCES JANUARY 1, 2016	RECEIPTS 2016	DISBURSEMENTS 2016	CASH BALANCES DECEMBER 31, 2016
General Revenue Fund	\$ 22,044.94	\$ 1,851,575.27	\$ 1,790,317.32	\$ 83,302.89
Special Road and Bridge Fund	39,947.30	1,420,719.33	1,056,215.57	404,451.06
Assessment Fund	19,938.70	180,760.67	188,211.93	12,487.44
Bad Check Fund	16,574.74	4,200.00	1,565.00	19,209.74
Law Enforcement Training Fund	167.96	1,300.00	1,237.45	230.51
Prosecuting Attorney Training Fund	290.82	202.72	267.00	226.54
Recorder User Fee Fund	7,726.00	5,122.36	6,144.76	6,703.60
Sheriff Civil Fund	31.18	7,320.00	6,965.34	385.84
Sheriff Restitution Fund	3,048.85	4,333.50	5,977.96	1,404.39
Deputy Sheriff Fund	-	3,675.00	3,675.00	-
Sheriff Concealed Carry Weapon Fund	511.02	25,778.75	26,271.37	18.40
Election Service Fund	3,848.07	1,390.33	496.75	4,741.65
Prosecuting Attorney Delinquent Tax Fund	1,155.41	-	-	1,155.41
Recorder Technology Fund	6,924.48	3,519.75	2,712.90	7,731.33
Domestic Relations Fund	1,176.00	1,134.00	2,310.00	-
Collector's Tax Maintenance Fund	25,891.07	16,469.20	6,734.52	35,625.75
Archive Fund	3,792.93	479.78	3,341.58	931.13
Inmate Security Fund	1,152.09	2,010.21	2,176.79	985.51
CDBG MODOT Fund	3,786.34	19,127.41	22,908.75	5.00
Narcotic Grant Fund	-	5,000.00	567.08	4,432.92
Senior Citizens Service Board Fund	-	92,729.98	92,729.98	-
Senate Bill 40 Board Fund	226,989.25	126,246.00	103,879.42	249,355.83
TOTAL	<u>\$ 384,997.15</u>	<u>\$ 3,773,094.26</u>	<u>\$ 3,324,706.47</u>	<u>\$ 833,384.94</u>

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

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

FUND	CASH BALANCES JANUARY 1, 2015	RECEIPTS 2015	DISBURSEMENTS 2015	CASH BALANCES DECEMBER 31, 2015
General Revenue Fund	\$ 80,642.02	\$ 1,780,270.22	\$ 1,838,867.30	\$ 22,044.94
Special Road and Bridge Fund	62,896.91	1,262,775.52	1,285,725.13	39,947.30
Assessment Fund	11,210.81	180,378.56	171,650.67	19,938.70
Bad Check Fund	12,358.74	7,276.00	3,060.00	16,574.74
Law Enforcement Training Fund	478.22	1,275.00	1,585.26	167.96
Prosecuting Attorney Training Fund	97.94	192.88	-	290.82
Recorder User Fee Fund	8,245.19	4,461.00	4,980.19	7,726.00
Sheriff Civil Fund	91.11	8,420.00	8,479.93	31.18
Sheriff Restitution Fund	6,942.64	3,870.00	7,763.79	3,048.85
Deputy Sheriff Fund	-	4,115.00	4,115.00	-
Sheriff Concealed Carry Weapon Fund	505.07	17,626.66	17,620.71	511.02
Election Service Fund	2,669.75	1,294.29	115.97	3,848.07
Prosecuting Attorney Delinquent Tax Fund	1,155.41	-	-	1,155.41
Recorder Technology Fund	6,190.48	2,749.25	2,015.25	6,924.48
Domestic Relations Fund	1,244.00	1,176.00	1,244.00	1,176.00
Collector's Tax Maintenance Fund	19,789.66	15,994.95	9,893.54	25,891.07
Archive Fund	6,287.66	572.41	3,067.14	3,792.93
Inmate Security Fund	465.86	1,690.00	1,003.77	1,152.09
CDBG MODOT Fund	-	10,963.64	7,177.30	3,786.34
Narcotic Grant Fund	-	-	-	-
Senior Citizens Service Board Fund	-	90,324.86	90,324.86	-
Senate Bill 40 Board Fund	204,363.59	122,692.00	100,066.34	226,989.25
TOTAL	\$ 425,635.06	\$ 3,518,118.24	\$ 3,558,756.15	\$ 384,997.15

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

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2016 AND 2015

	GENERAL REVENUE FUND			
	2016		2015	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Property Taxes	\$ 276,500.00	\$ 298,855.69	\$ 272,500.00	\$ 264,660.97
Sales Taxes	1,090,000.00	1,112,766.47	1,018,000.00	1,083,994.91
Intergovernmental	145,455.00	93,879.02	132,006.00	106,814.51
Charges for Services	179,000.00	185,842.45	179,050.00	177,543.82
Interest	7.00	-	7.00	7.54
Other	130,960.00	133,231.64	131,860.00	147,248.47
Transfers In	27,000.00	27,000.00	-	-
TOTAL RECEIPTS	1,848,922.00	1,851,575.27	1,733,423.00	1,780,270.22
DISBURSEMENTS				
County Commission	80,440.00	79,742.78	80,440.00	79,655.68
County Clerk	71,000.00	70,963.36	71,000.00	70,951.62
Elections	83,172.00	83,069.91	24,350.00	22,955.43
Buildings and Grounds	168,709.00	167,278.13	146,178.95	160,449.29
Employee Fringe Benefits	98,277.41	97,077.37	91,983.00	93,618.95
County Treasurer	42,400.00	42,124.87	42,400.00	42,278.63
County Collector	92,000.00	87,667.89	92,000.00	90,863.69
Recorder of Deeds	63,470.00	62,173.90	62,670.00	62,427.26
Circuit Clerk	15,000.00	11,290.01	15,000.00	8,600.19
Court Administration	7,650.00	3,744.44	7,650.00	6,772.92
Public Administrator	29,641.00	29,640.58	29,108.00	29,107.69
Sheriff	540,000.00	562,916.63	532,405.27	545,653.51
Jail	169,500.00	162,364.16	165,500.00	160,119.18
Prosecuting Attorney	90,000.00	89,977.22	91,257.80	88,550.86
Juvenile Officer	52,000.00	62,683.17	52,000.00	55,175.61
County Coroner	28,910.00	26,623.70	30,760.00	29,130.83
Landfill	1,200.00	335.00	700.00	670.00
County Archive	3,940.00	5,063.55	6,640.00	5,127.75
General County Government	175,350.00	97,580.65	211,200.00	137,208.21
Debt Service	-	-	-	102,300.00
Other	-	-	-	-
Transfers Out	48,000.00	48,000.00	47,250.00	47,250.00
Emergency Fund	10,000.00	-	10,000.00	-
TOTAL DISBURSEMENTS	1,870,659.41	1,790,317.32	1,810,493.02	1,838,867.30
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	(21,737.41)	61,257.95	(77,070.02)	(58,597.08)
CASH BALANCES, JANUARY 1	22,044.94	22,044.94	80,642.02	80,642.02
CASH BALANCES, DECEMBER 31	\$ 307.53	\$ 83,302.89	\$ 3,572.00	\$ 22,044.94

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

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2016 AND 2015

	SPECIAL ROAD AND BRIDGE FUND			
	2016		2015	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Property Taxes	\$ 329,300.00	\$ 353,311.17	\$ 323,605.00	\$ 311,980.00
Sales Taxes	-	-	-	-
Intergovernmental	843,600.00	854,924.36	568,600.00	869,654.20
Interest	4.00	-	4.00	3.38
Other	215,536.00	212,483.80	30,555.00	81,137.94
Transfers In	-	-	-	-
TOTAL RECEIPTS	1,388,440.00	1,420,719.33	922,764.00	1,262,775.52
DISBURSEMENTS				
Salaries	366,080.00	347,988.00	353,600.00	363,622.00
Employee Fringe Benefits	75,794.00	56,991.54	49,743.00	48,024.56
Supplies	162,000.00	113,395.94	201,500.00	160,248.98
Insurance	22,820.55	24,162.55	20,400.00	20,535.05
Road and Bridge Materials	115,000.00	80,924.87	47,250.00	132,530.82
Equipment Repairs	70,000.00	61,609.85	92,500.00	65,698.09
Equipment Purchases	100,000.00	93,347.75	26,000.00	926.04
Road and Bridge Construction	165,000.00	174,057.76	68,750.00	347,613.24
Other	48,360.00	41,344.53	22,550.00	27,793.02
Debt Service	35,000.00	35,392.78	100,000.00	118,733.33
Transfers Out	27,000.00	27,000.00	-	-
TOTAL DISBURSEMENTS	1,187,054.55	1,056,215.57	982,293.00	1,285,725.13
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	201,385.45	364,503.76	(59,529.00)	(22,949.61)
CASH BALANCES, JANUARY 1	39,947.30	39,947.30	62,896.91	62,896.91
CASH BALANCES, DECEMBER 31	\$ 241,332.75	\$ 404,451.06	\$ 3,367.91	\$ 39,947.30

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

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2016 AND 2015

	ASSESSMENT FUND				BAD CHECK FUND			
	2016		2015		2016		2015	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	131,404.55	120,219.49	122,250.00	124,375.17	-	-	-	-
Charges for Services	-	-	-	-	9,000.00	4,200.00	12,500.00	7,276.00
Interest	-	-	-	-	-	-	-	-
Other	12,000.00	12,541.18	5,800.00	8,753.39	-	-	-	-
Transfers In	48,000.00	48,000.00	47,250.00	47,250.00	-	-	-	-
TOTAL RECEIPTS	191,404.55	180,760.67	175,300.00	180,378.56	9,000.00	4,200.00	12,500.00	7,276.00
DISBURSEMENTS								
Salaries	120,506.00	118,073.60	112,933.00	113,199.64	-	-	-	-
Employee Fringe Benefits	14,975.00	14,656.09	15,900.00	12,553.48	-	-	-	-
Office Supplies	-	973.89	3,000.00	7,512.79	14,500.00	1,565.00	10,000.00	3,060.00
Equipment	-	290.89	2,500.00	125.33	11,074.74	-	14,858.74	-
Mileage and Training	10,000.00	10,488.00	8,500.00	5,121.85	-	-	-	-
Computer Maintenance	16,400.00	74.49	3,500.00	240.00	-	-	-	-
Postage	3,100.00	2,827.43	1,000.00	612.00	-	-	-	-
Utilities	1,000.00	821.64	1,000.00	449.99	-	-	-	-
Mapping Maintenance	-	6,750.00	5,400.00	5,400.00	-	-	-	-
Publications	600.00	233.20	500.00	331.40	-	-	-	-
Software	-	16,157.75	12,400.00	11,200.00	-	-	-	-
Car Expense	-	1,017.57	-	1,253.92	-	-	-	-
Equipment Maintenance	2,500.00	-	-	-	-	-	-	-
Appraisal Guides	7,500.00	-	6,600.00	-	-	-	-	-
Appraiser Fee	8,150.00	5,375.00	2,500.00	4,046.89	-	-	-	-
Other	6,000.00	10,472.38	100.00	9,603.38	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
TOTAL DISBURSEMENTS	190,731.00	188,211.93	175,833.00	171,650.67	25,574.74	1,565.00	24,858.74	3,060.00
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	673.55	(7,451.26)	(533.00)	8,727.89	(16,574.74)	2,635.00	(12,358.74)	4,216.00
CASH BALANCES, JANUARY 1	19,938.70	19,938.70	11,210.81	11,210.81	16,574.74	16,574.74	12,358.74	12,358.74
CASH BALANCES, DECEMBER 31	\$ 20,612.25	\$ 12,487.44	\$ 10,677.81	\$ 19,938.70	\$ -	\$ 19,209.74	\$ -	\$ 16,574.74

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

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2016 AND 2015

	LAW ENFORCEMENT TRAINING FUND				PROSECUTING ATTORNEY TRAINING FUND			
	2016		2015		2016		2015	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Sales Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	1,300.00	1,300.00	1,200.00	1,275.00	200.00	202.72	165.00	192.88
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	1,300.00	1,300.00	1,200.00	1,275.00	200.00	202.72	165.00	192.88
DISBURSEMENTS								
Training	1,467.96	1,237.45	1,678.22	1,585.26	490.82	267.00	262.94	-
Other	-	-	-	-	-	-	-	-
TOTAL DISBURSEMENTS	1,467.96	1,237.45	1,678.22	1,585.26	490.82	267.00	262.94	-
RECEIPTS OVER (UNDER) DISBURSEMENTS	(167.96)	62.55	(478.22)	(310.26)	(290.82)	(64.28)	(97.94)	192.88
CASH BALANCES, JANUARY 1	167.96	167.96	478.22	478.22	290.82	290.82	97.94	97.94
CASH BALANCES, DECEMBER 31	\$ -	\$ 230.51	\$ -	\$ 167.96	\$ -	\$ 226.54	\$ -	\$ 290.82

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

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2016 AND 2015

	RECORDER USER FEE FUND				SHERIFF CIVIL FUND			
	2016		2015		2016		2015	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	4,500.00	5,122.36	4,500.00	4,461.00	10,000.00	7,320.00	12,000.00	8,420.00
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	4,500.00	5,122.36	4,500.00	4,461.00	10,000.00	7,320.00	12,000.00	8,420.00
DISBURSEMENTS								
Office Equipment Maintenance	12,226.00	6,144.76	12,745.19	4,980.19	-	-	-	-
Office	-	-	-	-	10,031.18	6,965.34	12,091.11	8,479.93
Other	-	-	-	-	-	-	-	-
TOTAL DISBURSEMENTS	12,226.00	6,144.76	12,745.19	4,980.19	10,031.18	6,965.34	12,091.11	8,479.93
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	(7,726.00)	(1,022.40)	(8,245.19)	(519.19)	(31.18)	354.66	(91.11)	(59.93)
CASH BALANCES, JANUARY 1	7,726.00	7,726.00	8,245.19	8,245.19	31.18	31.18	91.11	91.11
CASH BALANCES, DECEMBER 31	\$ -	\$ 6,703.60	\$ -	\$ 7,726.00	\$ -	\$ 385.84	\$ -	\$ 31.18

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

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2016 AND 2015

	SHERIFF RESTITUTION FUND				DEPUTY SHERIFF FUND			
	2016		2015		2016		2015	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	5,000.00	4,333.50	4,700.00	3,870.00	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	-	5,500.00	3,675.00	5,100.00	4,115.00
Transfers In	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	5,000.00	4,333.50	4,700.00	3,870.00	5,500.00	3,675.00	5,100.00	4,115.00
DISBURSEMENTS								
Law Enforcement Equipment	8,048.85	5,977.96	11,642.64	7,763.79	-	-	-	-
Deputies	-	-	-	-	5,500.00	3,675.00	5,100.00	4,115.00
Other	-	-	-	-	-	-	-	-
TOTAL DISBURSEMENTS	8,048.85	5,977.96	11,642.64	7,763.79	5,500.00	3,675.00	5,100.00	4,115.00
RECEIPTS OVER (UNDER) DISBURSEMENTS	(3,048.85)	(1,644.46)	(6,942.64)	(3,893.79)	-	-	-	-
CASH BALANCES, JANUARY 1	3,048.85	3,048.85	6,942.64	6,942.64	-	-	-	-
CASH BALANCES, DECEMBER 31	\$ -	\$ 1,404.39	\$ -	\$ 3,048.85	\$ -	\$ -	\$ -	\$ -

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

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2016 AND 2015

	SHERIFF CONCEALED CARRY WEAPON FUND				ELECTION SERVICE FUND			
	2016		2015		2016		2015	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Sales Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	1,400.00	1,390.33	950.00	1,294.29
Charges for Services	18,000.00	25,778.75	10,000.00	17,626.66	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	18,000.00	25,778.75	10,000.00	17,626.66	1,400.00	1,390.33	950.00	1,294.29
DISBURSEMENTS								
Equipment and Training	18,511.02	26,271.37	10,505.07	17,620.71	-	-	-	-
Office	-	-	-	-	5,248.07	496.75	2,500.00	115.97
Other	-	-	-	-	-	-	-	-
TOTAL DISBURSEMENTS	18,511.02	26,271.37	10,505.07	17,620.71	5,248.07	496.75	2,500.00	115.97
RECEIPTS OVER (UNDER) DISBURSEMENTS	(511.02)	(492.62)	(505.07)	5.95	(3,848.07)	893.58	(1,550.00)	1,178.32
CASH BALANCES, JANUARY 1	511.02	511.02	505.07	505.07	3,848.07	3,848.07	2,669.75	2,669.75
CASH BALANCES, DECEMBER 31	\$ -	\$ 18.40	\$ -	\$ 511.02	\$ -	\$ 4,741.65	\$ 1,119.75	\$ 3,848.07

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

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2016 AND 2015

	PROSECUTING ATTORNEY DELINQUENT TAX FUND				RECORDER TECHNOLOGY FUND			
	2016		2015		2016		2015	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Sales Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	2,500.00	3,519.75	2,500.00	2,749.25
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	-	-	-	-	2,500.00	3,519.75	2,500.00	2,749.25
DISBURSEMENTS								
Office	-	-	-	-	9,424.48	2,712.90	8,690.48	2,015.25
Other	1,155.41	-	1,155.41	-	-	-	-	-
TOTAL DISBURSEMENTS	1,155.41	-	1,155.41	-	9,424.48	2,712.90	8,690.48	2,015.25
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,155.41)	-	(1,155.41)	-	(6,924.48)	806.85	(6,190.48)	734.00
CASH BALANCES, JANUARY 1	1,155.41	1,155.41	1,155.41	1,155.41	6,924.48	6,924.48	6,190.48	6,190.48
CASH BALANCES, DECEMBER 31	\$ -	\$ 1,155.41	\$ -	\$ 1,155.41	\$ -	\$ 7,731.33	\$ -	\$ 6,924.48

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

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2016 AND 2015

	DOMESTIC RELATIONS FUND				COLLECTOR'S TAX MAINTENANCE FUND			
	2016		2015		2016		2015	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	1,200.00	1,134.00	1,500.00	1,176.00	15,000.00	16,469.20	17,000.00	15,994.95
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	1,200.00	1,134.00	1,500.00	1,176.00	15,000.00	16,469.20	17,000.00	15,994.95
DISBURSEMENTS								
Safe House for Women	2,376.00	2,310.00	2,744.00	1,244.00	-	-	-	-
Office Equipment	-	-	-	-	-	-	36,789.66	9,893.54
Software	-	-	-	-	12,000.00	-	-	-
Check Readers/Scanners	-	-	-	-	6,000.00	6,000.00	-	-
Other	-	-	-	-	3,000.00	734.52	-	-
TOTAL DISBURSEMENTS	2,376.00	2,310.00	2,744.00	1,244.00	21,000.00	6,734.52	36,789.66	9,893.54
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,176.00)	(1,176.00)	(1,244.00)	(68.00)	(6,000.00)	9,734.68	(19,789.66)	6,101.41
CASH BALANCES, JANUARY 1	1,176.00	1,176.00	1,244.00	1,244.00	25,891.07	25,891.07	19,789.66	19,789.66
CASH BALANCES, DECEMBER 31	\$ -	\$ -	\$ -	\$ 1,176.00	\$ 19,891.07	\$ 35,625.75	\$ -	\$ 25,891.07

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

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2016 AND 2015

	ARCHIVE FUND				INMATE SECURITY FUND			
	2016		2015		2016		2015	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	600.00	-	400.00	572.41	2,000.00	2,010.21	1,500.00	1,690.00
Interest	-	-	-	-	-	-	-	-
Other	-	479.78	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	600.00	479.78	400.00	572.41	2,000.00	2,010.21	1,500.00	1,690.00
DISBURSEMENTS								
Office	4,392.93	3,341.58	4,700.00	3,067.14	-	-	-	-
Prisoner Services	-	-	-	-	3,152.09	2,176.79	1,965.86	1,003.77
Other	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
TOTAL DISBURSEMENTS	4,392.93	3,341.58	4,700.00	3,067.14	3,152.09	2,176.79	1,965.86	1,003.77
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	(3,792.93)	(2,861.80)	(4,300.00)	(2,494.73)	(1,152.09)	(166.58)	(465.86)	686.23
CASH BALANCES, JANUARY 1	3,792.93	3,792.93	6,287.66	6,287.66	1,152.09	1,152.09	465.86	465.86
CASH BALANCES, DECEMBER 31	\$ -	\$ 931.13	\$ 1,987.66	\$ 3,792.93	\$ -	\$ 985.51	\$ -	\$ 1,152.09

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

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2016 AND 2015

	CDBG MODOT FUND				NARCOTIC GRANT FUND			
	2016		2015		2016		2015	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Intergovernmental	\$ 6,000,000.00	\$ 19,127.41	\$ -	\$ 7,182.30	\$ 5,000.00	\$ 5,000.00	\$ -	\$ -
Charges for Services	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	3,781.34	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	6,000,000.00	19,127.41	-	10,963.64	5,000.00	5,000.00	-	-
DISBURSEMENTS								
Office	-	-	-	7,177.30	-	-	-	-
Highways and Roads	6,000,000.00	22,908.75	-	-	-	-	-	-
Other	-	-	-	-	5,000.00	567.08	-	-
Transfers Out	-	-	-	-	-	-	-	-
TOTAL DISBURSEMENTS	6,000,000.00	22,908.75	-	7,177.30	5,000.00	567.08	-	-
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	-	(3,781.34)	-	3,786.34	-	4,432.92	-	-
CASH BALANCES, JANUARY 1	3,786.34	3,786.34	-	-	-	-	-	-
CASH BALANCES, DECEMBER 31	\$ 3,786.34	\$ 5.00	\$ -	\$ 3,786.34	\$ -	\$ 4,432.92	\$ -	\$ -

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

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2016 AND 2015

	SENIOR CITIZENS SERVICE BOARD FUND				SENATE BILL 40 BOARD FUND			
	2016		2015		2016		2015	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 124,000.00	\$ 125,979.00	\$ 109,950.00	\$ 122,381.00
Sales Taxes	95,000.00	92,729.98	85,000.00	90,324.86	-	-	-	-
Intergovernmental	-	-	-	-	-	-	50,000.00	-
Charges for Services	-	-	-	-	-	-	-	-
Interest	-	-	-	-	350.00	267.00	300.00	311.00
Other	-	-	-	-	-	-	100.00	-
Transfers In	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	95,000.00	92,729.98	85,000.00	90,324.86	124,350.00	126,246.00	160,350.00	122,692.00
DISBURSEMENTS								
Services and Other	95,000.00	92,729.98	85,000.00	90,324.86	124,350.00	103,879.42	159,550.00	100,066.34
TOTAL DISBURSEMENTS	95,000.00	92,729.98	85,000.00	90,324.86	124,350.00	103,879.42	159,550.00	100,066.34
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	-	-	-	-	-	22,366.58	800.00	22,625.66
CASH BALANCES, JANUARY 1	-	-	-	-	226,989.25	226,989.25	204,363.59	204,363.59
CASH BALANCES, DECEMBER 31	\$ -	\$ -	\$ -	\$ -	\$ 226,989.25	\$ 249,355.83	\$ 205,163.59	\$ 226,989.25

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

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
STATEMENTS OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS
AGENCY FUNDS - REGULATORY BASIS
AS OF DECEMBER 31, 2016

	<u>Collector</u>	<u>Recorder</u>	<u>Prosecuting Attorney Retirement</u>	<u>Sheriff Accounts</u>	<u>Fines</u>
ASSETS					
Cash and Cash Equivalents	\$ 3,642,691.67	\$ -	\$ 2,075.15	\$ 18,396.12	\$ 52,037.26
Total Assets	3,642,691.67	-	2,075.15	18,396.12	52,037.26
LIABILITIES AND FUND BALANCES					
TOTAL LIABILITIES	3,642,691.67	-	2,075.15	18,396.12	52,037.26
UNRESERVED FUND BALANCES	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,642,691.67</u>	<u>\$ -</u>	<u>\$ 2,075.15</u>	<u>\$ 18,396.12</u>	<u>\$ 52,037.26</u>
	<u>Financial Institution</u>	<u>Over Surplus Fees</u>	<u>School Fund</u>	<u>Total Agency Funds</u>	
ASSETS					
Cash and Cash Equivalents	\$ 7.97	\$ 4,633.62	\$ 15.90	\$ 3,719,857.69	
Total Assets	7.97	4,633.62	15.90	3,719,857.69	
LIABILITIES AND FUND BALANCES					
TOTAL LIABILITIES	7.97	4,633.62	15.90	3,719,857.69	
UNRESERVED FUND BALANCES	-	-	-	-	
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 7.97</u>	<u>\$ 4,633.62</u>	<u>\$ 15.90</u>	<u>\$ 3,719,857.69</u>	

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

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
STATEMENTS OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS
AGENCY FUNDS - REGULATORY BASIS
AS OF DECEMBER 31, 2015

	<u>Collector</u>	<u>Recorder</u>	<u>Prosecuting Attorney Retirement</u>	<u>Sheriff Accounts</u>	<u>Fines</u>
ASSETS					
Cash and Cash Equivalents	\$ 4,058,589.97	\$ -	\$ 955.00	\$ 14,990.58	\$ 55,347.36
Total Assets	4,058,589.97	-	955.00	14,990.58	55,347.36
LIABILITIES AND FUND BALANCES					
TOTAL LIABILITIES	4,058,589.97	-	955.00	14,990.58	55,347.36
UNRESERVED FUND BALANCES	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 4,058,589.97</u>	<u>\$ -</u>	<u>\$ 955.00</u>	<u>\$ 14,990.58</u>	<u>\$ 55,347.36</u>
	<u>Financial Institution</u>	<u>Over Surplus Fees</u>	<u>School Fund</u>	<u>Total Agency Funds</u>	
ASSETS					
Cash and Cash Equivalents	\$ 2.41	\$ 12,974.00	\$ 9.17	\$ 4,142,868.49	
Total Assets	2.41	12,974.00	9.17	4,142,868.49	
LIABILITIES AND FUND BALANCES					
TOTAL LIABILITIES	2.41	12,974.00	9.17	4,142,868.49	
UNRESERVED FUND BALANCES	-	-	-	-	
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2.41</u>	<u>\$ 12,974.00</u>	<u>\$ 9.17</u>	<u>\$ 4,142,868.49</u>	

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

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Bollinger, Missouri ("County"), which is governed by a three-member board of commissioners, was established in 1851 by an Act of the Missouri Territory. In addition to the three commissioners, there are ten elected Constitutional Officers: Assessor, County Clerk, Collector of Revenue, Coroner, Circuit Clerk, Recorder of Deeds, Prosecuting Attorney, Public Administrator, Sheriff, and Treasurer.

As discussed further in Note I, 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).

A. Reporting Entity

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

The 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 Bollinger County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the County's legal entity.

B. Basis of Presentation

The financial statements are presented using accounting practices prescribed or permitted by Missouri Law, which include a Statement of Receipts, Disbursements and Changes in Cash Balances – All Governmental Funds, a Comparative Statement of Receipts, Disbursements and Changes in Cash Balances – Budget and Actual – All Governmental Funds, and a Statement of Assets and Liabilities Arising from Cash Transactions – Agency Funds.

Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. A fund is considered a separate accounting entity with self-balancing accounts. The following fund types are used by the County:

Governmental Fund Types

Governmental funds are those through which most governmental functions are financed. The County's expendable financial resources are accounted for through governmental funds. The measurement focus is upon determination of and changes in financial position rather than upon net income.

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation (concluded)

Fiduciary Fund Types

Agency – Agency funds are used to account for assets held by the County in a trustee capacity as an agent of individuals, private organizations, other funds or other governmental units. Agency funds are accounted for and reported similar to the governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. These funds account for activities of collections for other taxing units by the Collector of Revenue and other agency operations.

C. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements.

The financial statements are prepared on the regulatory basis of accounting. This basis of accounting recognizes amounts when received or disbursed in cash and differs from accounting principles generally accepted in the United States of America.

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

D. Budget and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

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

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Budget and Budgetary Accounting (concluded)

2. 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.
3. 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.
4. 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.
5. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
6. 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 information in the financial statements.

Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year. Individual amendments were not material in relation to the original appropriations which were adopted.

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

E. Property 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 COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

E. Property Taxes (concluded)

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

	<u>2016</u>	<u>2015</u>
Real Estate	\$ 87,821,630	\$ 86,150,950
Personal Property	33,879,656	32,084,103
Railroad and Utilities	<u>6,614,362</u>	<u>7,138,502</u>
	<u>\$ 128,315,648</u>	<u>\$ 125,373,555</u>

During 2016 and 2015, the County Commission approved a \$0.5837 and \$0.5817 tax levy, respectively, per \$100 of assessed valuation of tangible taxable property, for purpose of County taxation, as follows:

	<u>2016</u>	<u>2015</u>
General Revenue Fund	\$ 0.2200	\$ 0.2200
Special Road and Bridge Fund	0.2637	0.2617
Senate Bill 40 Board Fund	<u>0.1000</u>	<u>0.1000</u>
	<u>\$ 0.5837</u>	<u>\$ 0.5817</u>

F. Cash Deposits and Investments

Deposits and investments are stated at cost, which approximates market. Cash balances for all the County Treasurer 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 investment 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 the County's name at third-party banking institutions. Details of these cash balances are presented in Note II.

G. Interfund Transactions

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables, if applicable, are eliminated due to reporting the financial statements on the regulatory basis of accounting. Legally required transfers are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund.

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

II. DEPOSITS

The 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 as "Cash and Investments" under each fund's caption.

Deposits - Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2016, and 2015, the carrying amount of the County's deposits and investments was \$833,384.94 and \$384,997.15, and the bank balance was \$3,902,453.53 and \$3,933,074.89, respectively. The total bank balance as of December 31, 2016, and December 31, 2015, was insured through the Federal Deposit Insurance Corporation and securities set by the County's financial institutions.

SUMMARY OF CARRYING VALUES

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

Statements of Receipts, Disbursements and Changes in Cash Balances

Deposits and cash equivalents	\$ 833,384.94
Total Governmental Funds	<u>833,384.94</u>

Statement of Assets and Liabilities Arising from Cash Transactions –

Agency Funds:

Deposits	3,719,857.69
Total Agency Funds	<u>3,719,857.69</u>
Total Deposits as of December 31, 2016	\$ <u><u>4,553,242.63</u></u>

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

Statements of Receipts, Disbursements and Changes in Cash Balances

Deposits and cash equivalents	\$ 384,997.15
Total Governmental Funds	<u>384,997.15</u>

Statement of Assets and Liabilities Arising from Cash Transactions –

Agency Funds:

Deposits	4,142,868.49
Total Agency Funds	<u>4,142,868.49</u>
Total Deposits as of December 31, 2015	\$ <u><u>4,527,865.64</u></u>

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

II. DEPOSITS (concluded)

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. The County's investment policy does not include custodial credit risk requirements. The County's deposits were not exposed to custodial credit risk for the years ended December 31, 2016, and 2015.

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 who sold the security to the County or its agent but not in the government's name. The County does not have a policy for custodial credit risk relating to investments.

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. The 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 the 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). The 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 County's deposits were not exposed to concentration of investment credit risk for the years ended December 31, 2016, and 2015.

III. LONG-TERM DEBT

Capital Leases

In October 2016, the Commission entered into two three-year leases with Caterpillar Financial Services Corporation for two 12M3 AWD Caterpillar Motor Graders. The annual lease payments for each are \$27,883.09 and \$21,990.66. Payments are made from the Special Road and Bridge Fund.

In August 2014, the Recorder entered into a five-year lease with Ricoh for a copier. The monthly payments are \$151.27. Payments are made from the General Revenue Fund.

In April 2016, the Recorder entered into a five-year lease with U.S. Bank Equipment Finance for a wide Ricoh copier. The monthly payments are \$165. Payments are made from the Recorder Technology Fund.

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

III. LONG-TERM DEBT (continued)

Capital Leases (continued)

In October 2016, the Sheriff entered into a five-year lease with Marlin Business Bank for two-way radios. The monthly payments are \$263.20. Payments are made from the General Revenue Fund.

In October 2016, the Sheriff entered into a five-year lease with Taser International for Tasers. The annual payments are \$3,168. Payments are made from the Sheriff Restitution Fund.

In February 2013, the Sheriff entered into a four-year lease with U.S. Bank Equipment Finance for camera equipment. The monthly payments are \$258. Payments are made from the General Revenue Fund.

In March 2014, the Sheriff entered into a five-year lease with U.S. Bank Finance for a 2010 dodge charger. The monthly payments are \$119.23. Payments are made by the Sheriff's office.

In February 2016, the Sheriff entered into a three-year lease with Premier RTO LLC for utility storage. The monthly payments are \$59.59. Payments are made by the Sheriff's office.

In February 2016, the Sheriff entered into a five-year lease with U.S. Bank Equipment Finance for four 2013 dodge chargers and one 2013 Ford F-150 Supercrew XLT. Payments are made from the General Revenue Fund.

In January 2015, the Prosecuting Attorney entered into a four-year lease with Canon Financial Services, Inc. for a copier. The monthly payments are \$106.65. Payments are made from the General Revenue Fund.

As of December 31, 2016, the payment for the capital leases of the County is as follows:

	Balance			Balance	2016
	12/31/2015	Additions	Payments	12/31/2016	Interest
Caterpillar Motor Grader	\$ -	\$ 83,649.27	\$ 27,883.09	\$ 55,766.18	\$ -
Caterpillar Motor Grader	-	65,971.98	21,990.66	43,981.32	-
Ricoh Copier MP2553SP	6,655.88	-	1,815.24	4,840.64	-
Ricoh Copier MP W3601	-	9,900.00	1,298.00	8,602.00	-
Hytera Two-Way Radio	-	15,792.00	263.20	15,528.80	-
Tasers	-	15,429.96	2,757.96	12,672.00	-
Camera Equipment	3,612.00	-	3,612.00	-	-
2010 Dodge Charger	4,781.12	-	1,311.53	3,469.59	-
10X24 Utility	-	3,153.50	3,153.50	-	-
Fleet of 4 Dodge Chargers	-	98,518.00	-	98,518.00	-
Canon Copier	3,946.05	-	1,173.15	2,772.90	-
	<u>\$ 18,995.05</u>	<u>\$ 292,414.71</u>	<u>\$ 65,258.33</u>	<u>\$ 246,151.43</u>	<u>\$ -</u>

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

III. LONG-TERM DEBT (concluded)

Capital Leases (concluded)

The future payment for the capital leases as of December 31, 2016, are as follows:

Year Ending December 31,	Interest	Principal	Total
2017	\$ -	\$ 81,410.69	\$ 81,410.69
2018	-	81,841.06	81,841.06
2019	-	29,918.92	29,918.92
2020	-	28,562.53	28,562.53
2021	-	24,418.23	24,418.23
	<u>\$ -</u>	<u>\$246,151.43</u>	<u>\$ 246,151.43</u>

As of December 31, 2015, the payment for the capital leases of the County is as follows:

	Balance 12/31/2014	Additions	Payments	Balance 12/31/2015	2015 Interest
Ricoh Copier MP2553SP	\$ 8,471.12	\$ -	\$ 1,815.24	\$ 6,655.88	\$ -
Camera Equipment	6,708.00	-	3,096.00	3,612.00	-
2010 Dodge Charger	6,211.88	-	1,430.76	4,781.12	-
Canon Copier	-	5,119.20	1,173.15	3,946.05	-
	<u>\$ 21,391.00</u>	<u>\$ 5,119.20</u>	<u>\$ 7,515.15</u>	<u>\$ 18,995.05</u>	<u>\$ -</u>

The future payments for the capital leases as of December 31, 2015, are as follows:

Year Ending December 31,	Interest	Principal	Total
2016	\$ -	\$ 7,515.15	\$ 7,515.15
2017	-	5,148.45	5,148.45
2018	-	4,525.80	4,525.80
2019	-	1,805.65	1,805.65
	<u>\$ -</u>	<u>\$ 18,995.05</u>	<u>\$ 18,995.05</u>

Tax Anticipation Note

In October 2015, the County of Bollinger entered into a tax anticipation note with U.S. Bank in the amount of \$35,000 with a fixed rate interest rate of 4.00% per annum. The note was paid off during 2016 and paid interest of \$392.78 in 2016.

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

IV. INTERFUND TRANSFERS

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

	2016		2015	
	TRANSFERS IN	TRANSFERS OUT	TRANSFERS IN	TRANSFERS OUT
General Revenue Fund	\$ 27,000.00	\$ 48,000.00	\$ -	\$ 47,250.00
Special Road and Bridge Fund	-	27,000.00	-	-
Assessment Fund	48,000.00	-	47,250.00	-
TOTAL	<u>\$ 75,000.00</u>	<u>\$ 75,000.00</u>	<u>\$ 47,250.00</u>	<u>\$ 47,250.00</u>

Transfers are used to (1) move receipts from the fund that statute or budget requires to collect them to the fund that statute or budget requires to disburse them, and (2) use unrestricted receipts in the General Revenue Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

V. COUNTY EMPLOYEES' RETIREMENT FUND (CERF)

A. Plan Description

CERF was established by an act of the Missouri General Assembly effective August 28, 1994. Laws governing the retirement fund are found in Sections 50.1000-50.1300 of the Missouri Revised Statutes (RSMo). The Board of Directors consists of eleven members, nine of whom are county employee participants. Two members, who have no beneficiary interest in CERF, are appointed by the Governor of Missouri. The Board of Directors has the authority to adopt rules and regulations for administering the system.

CERF is a mandatory cost-sharing multiple employer retirement system for each county in the state of Missouri, except any city not within a county (which excludes the City of St. Louis) and counties of the first classification with a charter form of government. CERF covers county elective or appointive officers or employees whose position requires the actual performance of duties not less than 1,000 hours per year; including employees of circuit courts located in a first class, non-charter county which is not participating in the Local Government Employees Retirement System (LAGERS); and does not cover circuit clerks, deputy circuit clerks, county prosecuting attorneys, and county sheriffs.

Until January 1, 2000, employees hired before January 1, 2000, could opt out of the system. 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 and 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

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

V. COUNTY EMPLOYEES' RETIREMENT FUND (CERF) (concluded)

A. Plan Description (concluded)

statute and may be amended only by action of the Missouri Legislature. Administrative expenses for the operation of CERF are paid out of the funds of the system.

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65101, or by calling 1-573-632-9203.

B. 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. During 2016 and 2015, the County collected and remitted to CERF, employee contributions of \$141,365.51 and \$157,284.89, respectively, for the years then ended.

VI. PROSECUTING ATTORNEY RETIREMENT FUND

In accordance with state statute Section 56.807 RSMo, the 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. The County has contributed \$2,681 and \$2,244, respectively, for the years ended December 31, 2016, and 2015.

VII. POST-EMPLOYMENT BENEFITS

The 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 County. There were no participants at December 31, 2016, and no participants at December 31, 2015.

VIII. CLAIMS COMMITMENTS AND CONTINGENCIES

A. Litigation

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

B. Compensated Absences (Vacation and Sick Time)

Bollinger County provides employees with up to 15 days of paid vacation based upon the number of years of continuous service.

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

VIII. CLAIMS COMMITMENTS AND CONTINGENCIES (concluded)

B. Compensated Absences (Vacation and Sick Time) (concluded)

Regular full-time employees who have worked beyond their probationary period with the County who either retire or leave by some other separation shall receive compensation for all unused vacation time earned in that year. The County does not pay employees for any accrued sick leave.

C. 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 grant monies.

IX. 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 a member participant in a public entity risk pool which is a corporate and political body created pursuant to state statute (Section 537.700 RSMo.). The purpose of the risk pool is to provide liability protection to participating public entities, their officials, and employees. Annual contributions are collected based on actuarial projections to produce sufficient funds to pay losses and expenses. Should contributions not produce sufficient funds to meet its obligations, the risk pool is empowered with the ability to make special assessments. Members are jointly and severally liable for all claims against the risk pool.

The County is also a member of the Missouri Association of Counties Self-Insured 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 \$2,000,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

X. SUBSEQUENT EVENTS

In April 24, 2017, the County entered into a lease purchase of a 12M3 AWD Motor Grader. The lease is for 3 years with annual payments of \$33,360.11.

**SUPPLEMENTARY SCHEDULES
AND
AUDITOR'S REPORT**

STATE COMPLIANCE SECTION

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
SCHEDULE OF STATE FINDINGS
DECEMBER 31, 2016 AND 2015

SCHEDULE OF STATE FINDINGS

- I. For the year ended December 31, 2016, actual expenses exceeded budgeted expenses for the Sheriff Concealed Carry Weapon Fund.
- II. For the year ended December 31, 2015, actual expenses exceeded budgeted expenses for the General Revenue Fund, Special Road and Bridge Fund, Sheriff Concealed Carry Weapon Fund, Senior Citizens Service Board Fund.
- III. For the year ended December 31, 2015, there was no budget prepared for the CDBG MODOT Fund.

INTERNAL CONTROL AND COMPLIANCE SECTION



**Daniel Jones
& Associates**
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF
MISSOURI SOCIETY OF CPA'S
AMERICAN INSTITUTE OF CPA'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*

Independent Auditor's Report

To the County Commission
The County of Bollinger, 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 financial statements of the County of Bollinger ("County") as of and for the years ended December 31, 2016, and 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 30, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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 have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses that we consider to be significant deficiencies. (2016-001, 2016-002 and 2016-003)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County'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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The County's Response to Findings

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The County's responses were 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 result 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.

Daniel Jones & Associates

DANIEL JONES & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

June 30, 2017

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
SCHEDULE OF FINDINGS AND RESPONSES
YEARS ENDED DECEMBER 31, 2016 AND 2015

II. FINANCIAL STATEMENT FINDINGS

2016-001 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, by the Collector, Prosecuting Attorney and Sheriff.

Context: During discussions with management, we noted that internal control documentation has not been prepared by the Collector, Prosecuting Attorney and Sheriff's offices.

Effect: SAS 122 considers inadequate documentation of the components of internal control to be at least a significant deficiency. Without documented internal controls, the County may not be able to ensure that controls are in place, communicated and operating effectively.

Cause: The Collector, Prosecuting Attorney and Sheriff's offices did not prepare the required documentation in accordance with COSO.

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.

Views of responsible officials and planned corrective actions: The Collector has started the process of documenting internal controls and will work on getting the documentation in accordance with COSO. The Collector is Sonya Fulton and her office phone number is 573-238-1900. The Sheriff is Darin Shell and his office number is 573-238-3275. The Prosecuting Attorney is Heath Robins and his office number 573-886-4100.

2016-002 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 is no formal fraud risk assessment in place, in the Collector, Prosecuting Attorney and Sheriff's offices.

Context: During discussions with management, we noted there were no formal fraud risk assessments implemented in the Collector, Prosecuting Attorney and Sheriff's offices.

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
SCHEDULE OF FINDINGS AND RESPONSES
YEARS ENDED DECEMBER 31, 2016 AND 2015

II. FINANCIAL STATEMENT FINDINGS (concluded)

2016-002 Effect: Lack of an appropriate 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 identified risks and mitigating controls in Collector, Prosecuting Attorney and Sheriff's offices.

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.

Views of responsible officials and planned corrective actions: The Collector is in the process of completing the required risk assessment. The Collector is Sonya Fulton and her office phone number is 573-238-1900. The Sheriff is Darin Shell and his office number is 573-238-3275. The Prosecuting Attorney is Heath Robins and his office number 573-886-4100.

2016-003 Criteria: SAS No. 55, *Consideration of Internal Control in a Financial Statement Audit*, as amended by SAS No. 78, *Consideration of Internal Control in a Financial Statement Audit*: An Amendment to SAS No. 55.

Condition: Lack of sufficient segregation of duties within the following offices of the County: Sheriff, Prosecuting Attorney and Recorder.

Context: During the engagement, we noted that an individual is allowed to receive, record, deposit, as well as write, approve, sign and reconcile expenditures and receipts to the bank statement.

Effect: The design of the internal control over financial reporting could adversely affect the ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

Cause: Size and budget constraints limiting the number of personnel within each of the corresponding departments.

Recommendation: These areas should be reviewed periodically and consideration should be given to improving the segregation of duties.

Views of responsible officials and planned corrective actions: Due to budget constraints with hiring additional staff the County will have to implement new procedures to safeguard the County's assets. The Sheriff is Darin Shell and his office number is 573-238-3275. The Prosecuting Attorney is Heath Robins and his office number 573-886-4100. The Recorder is Dana Fulbright and her office number is 573-238-1900.

THE COUNTY OF BOLLINGER
MARBLE HILL, MISSOURI
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES
YEARS ENDED DECEMBER 31, 2016 AND 2015

I. FOLLOW-UP PRIOR YEAR FINDINGS

There was no audit performed for the fiscal year ending December 31, 2014, therefore we have no prior year audit findings to report.



Daniel Jones & Associates

MEMBERS OF
MISSOURI SOCIETY OF CPA'S
AMERICAN INSTITUTE OF CPA'S

CERTIFIED PUBLIC ACCOUNTANTS

June 30, 2017

To the Board of Commissioners
County of Bollinger

In planning and performing our audit of the regulatory based financial statements of the County of Bollinger (the "County") as of and for the years ended December 31, 2016 and 2015, in accordance with auditing standards generally accepted in the United States of America, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

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. We did not identify any deficiencies in the County's internal control that we consider to be material weaknesses.

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. We consider the following deficiencies in the County's internal control to be significant deficiencies as noted in section I.

Our comments concerning internal control and other significant matters are presented as follows:

- I. Deficiencies Considered to be Significant
- II. Information Required by Professional Standards

The County's management has provided written responses to the findings in this report that were identified in our audit. These responses have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinions on them.

This communication is intended solely for the information and use of the County Commission, County Office Holders, the Missouri State Auditor and federal agencies and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Daniel Jones & Associates

DANIEL JONES & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

I. DEFICIENCIES CONSIDERED TO BE SIGNIFICANT

- 2016-001 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, by the Collector, Prosecuting Attorney and Sheriff.
- Context: During discussions with management, we noted that internal control documentation has not been prepared by the Collector, Prosecuting Attorney and Sheriff's offices.
- Effect: SAS 122 considers inadequate documentation of the components of internal control to be at least a significant deficiency. Without documented internal controls, the County may not be able to ensure that controls are in place, communicated and operating effectively.
- Cause: The Collector, Prosecuting Attorney and Sheriff's offices did not prepare the required documentation in accordance with COSO.
- 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.
- Views of responsible officials and planned corrective actions: The Collector has started the process of documenting internal controls and will work on getting the documentation in accordance with COSO. The Collector is Sonya Fulton and her office phone number is 573-238-1900. The Sheriff is Darin Shell and his office number is 573-238-3275. The Prosecuting Attorney is Heath Robins and his office number 573-886-4100.
- 2016-002 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 is no formal fraud risk assessment in place, in the Collector, Prosecuting Attorney and Sheriff's offices.
- Context: During discussions with management, we noted there were no formal fraud risk assessments implemented in the Collector, Prosecuting Attorney and Sheriff's offices.

I. DEFICIENCIES CONSIDERED TO BE SIGNIFICANT (concluded)

2016-002 Effect: Lack of an appropriate 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 identified risks and mitigating controls in Collector, Prosecuting Attorney and Sheriff's offices.

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.

Views of responsible officials and planned corrective actions: The Collector is in the process of completing the required risk assessment. The Collector is Sonya Fulton and her office phone number is 573-238-1900. The Sheriff is Darin Shell and his office number is 573-238-3275. The Prosecuting Attorney is Heath Robins and his office number 573-886-4100.

2016-003 Criteria: SAS No. 55, *Consideration of Internal Control in a Financial Statement Audit*, as amended by SAS No. 78, *Consideration of Internal Control in a Financial Statement Audit*: An Amendment to SAS No. 55.

Condition: Lack of sufficient segregation of duties within the following offices of the County: Sheriff, Prosecuting Attorney and Recorder.

Context: During the engagement, we noted that an individual is allowed to receive, record, deposit, as well as write, approve, sign and reconcile expenditures and receipts to the bank statement.

Effect: The design of the internal control over financial reporting could adversely affect the ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

Cause: Size and budget constraints limiting the number of personnel within each of the corresponding departments.

Recommendation: These areas should be reviewed periodically and consideration should be given to improving the segregation of duties.

Views of responsible officials and planned corrective actions: Due to budget constraints with hiring additional staff the County will have to implement new procedures to safeguard the County's assets. The Sheriff is Darin Shell and his office number is 573-238-3275. The Prosecuting Attorney is Heath Robins and his office number 573-886-4100. The Recorder is Dana Fulbright and her office number is 573-238-1900.

II. INFORMATION REQUIRED BY PROFESSIONAL STANDARDS

Our Responsibilities under U.S. Generally Accepted Auditing Standards and *Government Auditing Standards*

Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 23, 2017. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the County are described in Note I to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the 2016 and 2015 fiscal years. We noted no transactions entered into by the County during the years for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period. Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Due to the County applying the regulatory basis of accounting, no estimates are made during the preparation of financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 30, 2017.

III. INFORMATION REQUIRED BY PROFESSIONAL STANDARDS (Concluded)

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the County’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the County’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We noted during our audit certain matters that were not considered to be significant deficiencies or material weaknesses. Several county offices have limited numbers of staff which inherently increases the risk of misstatement. Office holders appear to have mitigating controls in place to lower these risks to an acceptable level but the commission does need to be aware of these risks and offices need to remain vigilant in deterring the potential for erroneous or fraudulent activity.