



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

To the County Commission  
and  
Officeholders of Maries County, Missouri

The Office of the State Auditor is responsible under Section 29.230, RSMo, for auditing certain operations of Maries 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. 2017-097

THE COUNTY OF MARIES  
VIENNA, MISSOURI  
FINANCIAL STATEMENTS  
AND INDEPENDENT AUDITOR'S REPORTS  
AND SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2016 AND 2015

THE COUNTY OF MARIES  
VIENNA, MISSOURI  
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## **FINANCIAL SECTION**



**Daniel Jones  
& Associates**  
CERTIFIED PUBLIC ACCOUNTANTS

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

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INDEPENDENT AUDITOR'S REPORT

To the County Commission  
The County of Maries, Missouri

**Report on the Financial Statements**

We have audited the accompanying financial statements of the County of Maries, 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 opinion.

### ***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 Maries’ 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 Maries’ 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 MARIES  
VIENNA, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN  
CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2016

FUND	CASH AND INVESTMENT BALANCES	RECEIPTS	DISBURSEMENTS	CASH AND INVESTMENT BALANCES
	JANUARY 1, 2016	2016	2016	DECEMBER 31, 2016
General Revenue Fund	\$ 88,466	\$ 1,301,262	\$ 1,356,401	\$ 33,327
Special Road and Bridge Fund	79,283	768,096	716,296	131,083
Assessment Fund	53,104	116,053	118,099	51,058
Road #2 Fund	120,668	475,010	465,166	130,512
Law Enforcement Training Fund	802	3,864	4,004	662
Prosecuting Attorney Training Fund	50	-	50	-
P.A. Administrative Cost Handling Fund	10,756	1,263	2,835	9,184
Children's Trust Fund	766	2,441	2,304	903
Record Storage Fund	17,543	9,193	7,891	18,845
911 Fund	33,259	82,564	73,442	42,381
H.A.V.A. Fund	6,399	72,872	66,100	13,171
Special Sheriff Fund	1,004	14,393	12,174	3,223
Election Service Fund	559	1,512	1,155	916
Citizen Safety Fund	(5,618)	713,114	706,244	1,252
Prosecuting Attorney Delinquent Tax Fund	1,145	3	-	1,148
Over Under Fund	565	45	1	609
Inmate Security Fund	2,695	1,968	-	4,663
Sheriff Revolving Fund	6,025	24,292	29,488	829
Law Enforcement Restricted Fund	7,205	2,783	3,522	6,466
Tax Maintenance Fund	60,089	10,954	6,634	64,409
Civil Summons - Deputy Supplement Fund	563	1,788	-	2,351
MMDA Fund	81,392	25,422	75,000	31,814
TOTAL	<u>\$ 566,720</u>	<u>\$ 3,628,892</u>	<u>\$ 3,646,806</u>	<u>\$ 548,806</u>

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



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

FUND	CASH AND INVESTMENT BALANCES JANUARY 1, 2015	RECEIPTS 2015	DISBURSEMENTS 2015	CASH AND INVESTMENT BALANCES DECEMBER 31, 2015
General Revenue Fund	\$ 6,323	\$ 1,245,706	\$ 1,163,563	\$ 88,466
Special Road and Bridge Fund	106,771	629,649	657,137	79,283
Assessment Fund	35,129	137,018	119,043	53,104
Road #2 Fund	44,637	438,498	362,467	120,668
Law Enforcement Training Fund	2,823	4,691	6,712	802
Prosecuting Attorney Training Fund	-	100	50	50
P.A. Administrative Cost Handling Fund	8,218	2,698	160	10,756
Children's Trust Fund	860	2,334	2,428	766
Record Storage Fund	17,225	7,490	7,172	17,543
911 Fund	25,303	85,309	77,353	33,259
H.A.V.A. Fund	5,000	1,399	-	6,399
Special Sheriff Fund	4,955	14,238	18,189	1,004
Election Service Fund	1,347	272	1,060	559
Citizen Safety Fund	16,805	660,712	683,135	(5,618)
Prosecuting Attorney Delinquent Tax Fund	1,143	2	-	1,145
Over Under Fund	532	33	-	565
Inmate Security Fund	630	2,065	-	2,695
Sheriff Revolving Fund	27,498	17,522	38,995	6,025
Law Enforcement Restricted Fund	3,373	3,832	-	7,205
Tax Maintenance Fund	53,781	9,809	3,501	60,089
Civil Summons - Deputy Supplement Fund	3,257	1,806	4,500	563
MMDA Fund	60,971	45,421	25,000	81,392
TOTAL	<u>\$ 426,581</u>	<u>\$ 3,310,604</u>	<u>\$ 3,170,465</u>	<u>\$ 566,720</u>

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

THE COUNTY OF MARIES  
VIENNA, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN  
CASH AND INVESTMENT 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	\$ 443,685	\$ 438,295	\$ 433,885	\$ 463,232
Sales Taxes	436,000	424,962	419,000	422,868
Intergovernmental	138,651	130,714	141,120	115,215
Charges for Services	211,116	212,998	207,335	209,085
Interest	350	298	300	370
Other	2,090	18,945	2,775	9,936
Transfers In	-	75,050	20,000	25,000
TOTAL RECEIPTS	1,231,892	1,301,262	1,224,415	1,245,706
DISBURSEMENTS				
County Commission	82,411	81,699	80,470	84,681
County Clerk	84,066	94,763	80,746	83,778
Elections	100,793	137,922	23,800	27,160
Buildings and Grounds	169,245	182,123	121,315	83,244
Employee Fringe Benefits	67,123	85,726	66,673	74,062
County Treasurer	46,913	45,491	43,470	48,226
County Collector	80,850	76,816	78,046	77,074
Circuit Clerk	38,237	31,253	37,796	30,562
Court Administration	2,672	539	12,518	10,014
Public Administrator	34,826	35,179	34,877	34,845
Sheriff	43,697	43,712	42,840	46,158
Prosecuting Attorney	97,514	89,558	92,983	96,843
Juvenile Officer	26,715	26,891	26,715	33,183
County Coroner	19,564	19,493	19,220	21,238
Trash Patrol	11,429	8,947	11,114	10,729
License Office	60,873	61,580	58,958	60,510
Emergency Management	12,706	13,195	10,746	10,336
Other	88,476	102,213	83,623	91,570
Health and Welfare	16,500	16,477	16,200	16,526
Transfers Out	202,824	202,824	222,824	222,824
Emergency Fund	-	-	34,994	-
TOTAL DISBURSEMENTS	1,287,434	1,356,401	1,199,928	1,163,563
RECEIPTS OVER (UNDER) DISBURSEMENTS	(55,542)	(55,139)	24,487	82,143
CASH AND INVESTMENT BALANCES, JANUARY 1	88,466	88,466	6,323	6,323
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 32,924	\$ 33,327	\$ 30,810	\$ 88,466

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

THE COUNTY OF MARIES  
VIENNA, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN  
CASH AND INVESTMENT 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	\$ 150,429	\$ 141,207	\$ 145,930	\$ 151,658
Sales Taxes	77,000	76,940	75,000	77,359
Intergovernmental	259,032	426,697	265,280	324,373
Interest	300	322	150	454
Other	736,930	122,930	38,500	75,805
Transfers In	-	-	-	-
TOTAL RECEIPTS	1,223,691	768,096	524,860	629,649
DISBURSEMENTS				
Salaries	176,176	150,753	144,560	134,286
Employee Fringe Benefits	38,113	30,844	42,719	25,564
Supplies	95,000	77,305	105,000	80,332
Insurance	7,500	6,723	7,010	7,010
Road and Bridge Materials	100,000	304,352	120,000	270,007
Equipment Repairs	10,000	29,563	11,000	15,770
Rentals	-	-	-	-
Equipment Purchases	800,000	109,867	66,500	116,560
Road and Bridge Construction	-	-	20,000	-
Other	7,000	6,889	7,150	7,608
Transfers Out	-	-	-	-
TOTAL DISBURSEMENTS	1,233,789	716,296	523,939	657,137
RECEIPTS OVER (UNDER) DISBURSEMENTS	(10,098)	51,800	921	(27,488)
CASH AND INVESTMENT BALANCES, JANUARY 1	79,283	79,283	106,771	106,771
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 69,185	\$ 131,083	\$ 107,692	\$ 79,283

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

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

	ASSESSMENT FUND				ROAD #2 FUND			
	2016		2015		2016		2015	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 132,430	\$ 127,884	\$ 124,399	\$ 129,301
Sales Taxes	-	-	-	-	61,000	62,951	60,000	63,294
Intergovernmental	118,118	110,424	116,928	126,773	707,005	219,272	634,330	231,044
Charges for Services	763	4,268	50	763	-	-	-	-
Interest	100	177	110	149	300	432	170	332
Other	300	1,184	1,000	1,833	433,829	64,471	39,690	14,527
Transfers In	-	-	7,500	7,500	-	-	-	-
TOTAL RECEIPTS	119,281	116,053	125,588	137,018	1,334,564	475,010	858,589	438,498
DISBURSEMENTS								
Salaries	103,053	82,746	97,794	85,190	117,184	110,338	116,000	113,186
Employee Fringe Benefits	14,776	11,202	14,350	12,855	24,396	23,206	22,755	19,652
Insurance	4,017	4,017	4,000	3,921	5,500	5,887	5,478	5,478
Office Expense	6,650	7,763	9,200	5,997	-	-	-	-
Equipment and Furniture	500	-	400	-	-	-	-	-
Computer Maintenance	750	380	750	415	-	-	-	-
Software Maintenance	8,500	8,421	8,500	7,614	-	-	-	-
Computer Program	-	-	13,000	-	-	-	-	-
Travel	2,750	1,715	4,600	2,052	-	-	-	-
Registration Fees	500	1,795	1,000	965	-	-	-	-
Supplies	-	-	-	-	115,000	155,214	120,000	97,870
Road and Bridge Materials	-	-	-	-	10,000	123,626	100,000	73,977
Equipment Repairs	-	-	-	-	5,000	-	3,000	-
Equipment Purchases	-	-	-	-	456,000	34,500	30,000	29,384
Road and Bridge Construction	-	-	-	-	450,000	8,117	450,000	19,908
Other	100	60	120	34	4,100	4,278	3,400	3,012
Transfers Out	-	-	-	-	-	-	-	-
TOTAL DISBURSEMENTS	141,596	118,099	153,714	119,043	1,187,180	465,166	850,633	362,467
RECEIPTS OVER (UNDER) DISBURSEMENTS	(22,315)	(2,046)	(28,126)	17,975	147,384	9,844	7,956	76,031
CASH AND INVESTMENT BALANCES, JANUARY 1	53,104	53,104	35,129	35,129	120,668	120,668	44,637	44,637
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 30,789	\$ 51,058	\$ 7,003	\$ 53,104	\$ 268,052	\$ 130,512	\$ 52,593	\$ 120,668

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

THE COUNTY OF MARIES  
VIENNA, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN  
CASH AND INVESTMENT 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	971	1,514	940	1,005	-	-	-	-
Interest	6	2	10	2	-	-	-	-
Other	3,006	2,348	500	3,684	-	-	-	100
Transfers In	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	3,983	3,864	1,450	4,691	-	-	-	100
DISBURSEMENTS								
Mileage and Training	4,700	1,261	4,200	4,792	-	-	-	-
Registration Fees	-	2,343	-	-	-	-	-	50
Other	85	400	50	1,920	-	-	-	-
Transfers Out	-	-	-	-	50	50	-	-
TOTAL DISBURSEMENTS	4,785	4,004	4,250	6,712	50	50	-	50
RECEIPTS OVER (UNDER) DISBURSEMENTS	(802)	(140)	(2,800)	(2,021)	(50)	(50)	-	50
CASH AND INVESTMENT BALANCES, JANUARY 1	802	802	2,823	2,823	50	50	-	-
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ -	\$ 662	\$ 23	\$ 802	\$ -	\$ -	\$ -	\$ 50

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

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

	P.A. ADMINISTRATIVE COST HANDLING FUND				CHILDREN'S TRUST FUND			
	2016		2015		2016		2015	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 2,000	\$ 2,439	\$ 1,401	\$ 2,331
Charges for Services	2,500	1,241	2,500	2,675	-	-	-	-
Interest	20	22	15	23	2	2	-	3
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	2,520	1,263	2,515	2,698	2,002	2,441	1,401	2,334
DISBURSEMENTS								
MOPS	150	135	-	160	-	-	-	-
Karpel Service	1,350	2,700	-	-	-	-	-	-
Donations	-	-	-	-	2,000	2,304	1,500	2,428
Transfers Out	-	-	-	-	-	-	-	-
TOTAL DISBURSEMENTS	1,500	2,835	-	160	2,000	2,304	1,500	2,428
RECEIPTS OVER (UNDER) DISBURSEMENTS	1,020	(1,572)	2,515	2,538	2	137	(99)	(94)
CASH AND INVESTMENT BALANCES, JANUARY 1	10,756	10,756	8,218	8,218	766	766	860	860
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 11,776	\$ 9,184	\$ 10,733	\$ 10,756	\$ 768	\$ 903	\$ 761	\$ 766

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

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

	RECORD STORAGE FUND				911 FUND			
	2016		2015		2016		2015	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Intergovernmental	\$ 8,000	\$ 9,152	\$ 7,500	\$ 7,451	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	84,064	82,473	82,900	85,217
Interest	-	41	-	39	96	91	100	92
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	8,000	9,193	7,500	7,490	84,160	82,564	83,000	85,309
DISBURSEMENTS								
Office Expenditures	6,500	7,891	6,000	7,172	1,450	1,229	1,000	696
Equipment Expenditures	-	-	-	-	63,000	46,909	46,600	44,157
Mileage and Training	-	-	-	-	8,600	-	2,000	-
Other	-	-	-	-	500	304	-	-
Transfer Out	-	-	-	-	25,000	25,000	32,500	32,500
TOTAL DISBURSEMENTS	6,500	7,891	6,000	7,172	98,550	73,442	82,100	77,353
RECEIPTS OVER (UNDER) DISBURSEMENTS	1,500	1,302	1,500	318	(14,390)	9,122	900	7,956
CASH AND INVESTMENT BALANCES, JANUARY 1	17,543	17,543	17,225	17,225	33,259	33,259	25,303	25,303
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 19,043	\$ 18,845	\$ 18,725	\$ 17,543	\$ 18,869	\$ 42,381	\$ 26,203	\$ 33,259

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

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

	H.A.V.A. FUND				SPECIAL SHERIFF FUND			
	2016		2015		2016		2015	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Sales Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	5,000	-	3,700	2,914	3,500	3,710
Charges for Services	72,400	72,869	-	1,385	10,550	11,469	745	10,521
Interest	-	3	-	14	-	10	22	7
Transfers In	-	-	12,300	-	-	-	500	-
TOTAL RECEIPTS	72,400	72,872	17,300	1,399	14,250	14,393	4,767	14,238
DISBURSEMENTS								
Equipment	66,100	66,100	22,300	-	10,000	4,876	-	5,830
Salaries	-	-	-	-	-	-	700	3,000
Training	-	-	-	-	-	-	-	-
Other	-	-	-	-	5,200	7,298	9,000	9,359
TOTAL DISBURSEMENTS	66,100	66,100	22,300	-	15,200	12,174	9,700	18,189
RECEIPTS OVER (UNDER) DISBURSEMENTS	6,300	6,772	(5,000)	1,399	(950)	2,219	(4,933)	(3,951)
CASH AND INVESTMENT BALANCES, JANUARY 1	6,399	6,399	5,000	5,000	1,004	1,004	4,955	4,955
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 12,699	\$ 13,171	\$ -	\$ 6,399	\$ 54	\$ 3,223	\$ 22	\$ 1,004

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



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

	ELECTION SERVICE FUND				CITIZEN SAFETY FUND			
	2016		2015		2016		2015	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Sales Taxes	\$ -	\$ -	\$ -	\$ -	\$ 376,000	\$ 372,595	\$ 354,000	\$ 374,644
Intergovernmental	-	-	-	-	39,000	41,420	29,300	33,611
Charges for Services	3,400	1,511	1,025	270	18,200	18,762	22,400	17,985
Interest	8	1	5	2	70	49	80	60
Other	-	-	-	-	54,200	66,464	26,650	31,588
Transfers In	-	-	-	-	202,824	213,824	202,824	202,824
TOTAL RECEIPTS	3,408	1,512	1,030	272	690,294	713,114	635,254	660,712
DISBURSEMENTS								
Salaries	-	-	-	-	332,270	346,039	305,165	318,256
Employee Fringe Benefits	-	-	-	-	54,600	59,124	55,741	51,661
Office	960	960	1,260	1,060	4,400	6,405	3,375	4,479
Equipment	-	-	-	-	165,500	176,832	164,974	195,470
Other	-	195	-	-	123,312	117,844	104,999	113,269
Transfers Out	-	-	-	-	-	-	-	-
TOTAL DISBURSEMENTS	960	1,155	1,260	1,060	680,082	706,244	634,254	683,135
RECEIPTS OVER (UNDER) DISBURSEMENTS	2,448	357	(230)	(788)	10,212	6,870	1,000	(22,423)
CASH AND INVESTMENT BALANCES, JANUARY 1	559	559	1,347	1,347	(5,618)	(5,618)	16,805	16,805
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 3,007	\$ 916	\$ 1,117	\$ 559	\$ 4,594	\$ 1,252	\$ 17,805	\$ (5,618)

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

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

	PROSECUTING ATTORNEY DELINQUENT TAX FUND				OVER UNDER FUND			
	2016		2015		2016		2015	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	35	44	50	32
Interest	-	3	-	2	1	1	-	1
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	-	3	-	2	36	45	50	33
DISBURSEMENTS								
Collector's Office	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	1	-	-
TOTAL DISBURSEMENTS	-	-	-	-	-	1	-	-
RECEIPTS OVER (UNDER) DISBURSEMENTS	-	3	-	2	36	44	50	33
CASH AND INVESTMENT BALANCES, JANUARY 1	1,145	1,145	1,143	1,143	565	565	532	532
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 1,145	\$ 1,148	\$ 1,143	\$ 1,145	\$ 601	\$ 609	\$ 582	\$ 565

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

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

	INMATE SECURITY FUND				SHERIFF REVOLVING FUND			
	2016		2015		2016		2015	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Intergovernmental	\$ 1,900	\$ 1,960	\$ 1,500	\$ 2,061	\$ 18,000	\$ 24,265	\$ 25,000	\$ 17,470
Charges for Services	-	-	-	-	-	-	-	-
Interest	5	8	5	4	50	27	22	52
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	1,905	1,968	1,505	2,065	18,050	24,292	25,022	17,522
DISBURSEMENTS								
Equipment	3,400	-	1,505	-	10,000	9,992	15,000	24,665
Mileage and Training	-	-	-	-	9,000	8,496	10,000	14,330
Other	500	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	11,000	-	-
TOTAL DISBURSEMENTS	3,900	-	1,505	-	19,000	29,488	25,000	38,995
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,995)	1,968	-	2,065	(950)	(5,196)	22	(21,473)
CASH AND INVESTMENT BALANCES, JANUARY 1	2,695	2,695	630	630	6,025	6,025	27,498	27,498
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 700	\$ 4,663	\$ 630	\$ 2,695	\$ 5,075	\$ 829	\$ 27,520	\$ 6,025

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

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

	LAW ENFORCEMENT RESTRICTED FUND				TAX MAINTENANCE FUND			
	2016		2015		2016		2015	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Intergovernmental	\$ 4,000	\$ 2,767	\$ 5,000	\$ 3,820	\$ -	\$ -	\$ -	\$ -
Charges for Services	12	16	25	12	10,000	10,801	10,600	9,692
Interest	-	-	-	-	120	128	100	117
Other	-	-	-	-	-	25	-	-
Transfers In	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	4,012	2,783	5,025	3,832	10,120	10,954	10,700	9,809
DISBURSEMENTS								
Witness Mileage	200	217	-	-	-	-	-	-
Office	-	-	-	-	6,250	1,534	4,860	1,137
Equipment	-	-	-	-	3,000	1,009	8,000	1,228
Mileage and Training	-	-	-	-	200	-	50	50
Other	400	3,305	-	-	6,000	4,091	14,700	1,086
TOTAL DISBURSEMENTS	600	3,522	-	-	15,450	6,634	27,610	3,501
RECEIPTS OVER (UNDER) DISBURSEMENTS	3,412	(739)	5,025	3,832	(5,330)	4,320	(16,910)	6,308
CASH AND INVESTMENT BALANCES, JANUARY 1	7,205	7,205	3,373	3,373	60,089	60,089	53,781	53,781
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u>\$ 10,617</u>	<u>\$ 6,466</u>	<u>\$ 8,398</u>	<u>\$ 7,205</u>	<u>\$ 54,759</u>	<u>\$ 64,409</u>	<u>\$ 36,871</u>	<u>\$ 60,089</u>

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

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

	CIVIL SUMMONS - DEPUTY SUPPLEMENT FUND				MMDA FUND			
	2016		2015		2016		2015	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	1,800	1,788	3,250	1,800	-	-	-	-
Interest	6	-	5	6	422	422	385	421
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	25,000	25,000	45,000	45,000
TOTAL RECEIPTS	1,806	1,788	3,255	1,806	25,422	25,422	45,385	45,421
DISBURSEMENTS								
Salaries	1,800	-	3,254	4,500	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	25,000	75,000	32,300	25,000
TOTAL DISBURSEMENTS	1,800	-	3,254	4,500	25,000	75,000	32,300	25,000
RECEIPTS OVER (UNDER) DISBURSEMENTS	6	1,788	1	(2,694)	422	(49,578)	13,085	20,421
CASH AND INVESTMENT BALANCES, JANUARY 1	563	563	3,257	3,257	81,392	81,392	60,971	60,971
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 569	\$ 2,351	\$ 3,258	\$ 563	\$ 81,814	\$ 31,814	\$ 74,056	\$ 81,392

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

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

	Special Roads	Schools	School Fines	Ambulance	Library
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 7.00	\$ 1.00	\$ 26,810.00	\$ 1.00	\$ -
Total Assets	7.00	1.00	26,810.00	1.00	-
<b>LIABILITIES AND FUND BALANCES</b>					
TOTAL LIABILITIES	7.00	1.00	26,810.00	1.00	-
UNRESERVED FUND BALANCES	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 7.00	\$ 1.00	\$ 26,810.00	\$ 1.00	\$ -

  

	Cities	Criminal Costs	Fire	Overplus Land Sales	Retirement
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ -	\$ 12.00	\$ 1.00	\$ -	\$ -
Total Assets	-	12.00	1.00	-	-
<b>LIABILITIES AND FUND BALANCES</b>					
TOTAL LIABILITIES	-	12.00	1.00	-	-
UNRESERVED FUND BALANCES	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ 12.00	\$ 1.00	\$ -	\$ -

  

	School Revolving	Collector	Prosecuting Attorney	Sheriff	Total Agency Funds
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ -	\$ 4,051,267.00	\$ 6.00	\$ 5,697.00	\$ 4,083,802.00
Total Assets	-	4,051,267.00	6.00	5,697.00	4,083,802.00
<b>LIABILITIES AND FUND BALANCES</b>					
TOTAL LIABILITIES	-	4,051,267.00	6.00	5,697.00	4,083,802.00
UNRESERVED FUND BALANCES	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ 4,051,267.00	\$ 6.00	\$ 5,697.00	\$ 4,083,802.00

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

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

	<u>Special Roads</u>	<u>Schools</u>	<u>School Fines</u>	<u>Ambulance</u>	<u>Library</u>
<b>ASSETS</b>					
Cash and Cash Equivalents	<u>\$ 6.00</u>	<u>\$ 80.00</u>	<u>\$ 21,341.00</u>	<u>\$ 7.00</u>	<u>\$ 4.00</u>
Total Assets	6.00	80.00	21,341.00	7.00	4.00
<b>LIABILITIES AND FUND BALANCES</b>					
TOTAL LIABILITIES	<u>6.00</u>	<u>80.00</u>	<u>21,341.00</u>	<u>7.00</u>	<u>4.00</u>
UNRESERVED FUND BALANCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 6.00</u>	<u>\$ 80.00</u>	<u>\$ 21,341.00</u>	<u>\$ 7.00</u>	<u>\$ 4.00</u>
	<u>Cities</u>	<u>Criminal Costs</u>	<u>Fire</u>	<u>Overplus Land Sales</u>	<u>Retirement</u>
<b>ASSETS</b>					
Cash and Cash Equivalents	<u>\$ 1.00</u>	<u>\$ 12.00</u>	<u>\$ 10.00</u>	<u>\$ 616.00</u>	<u>\$ 2.00</u>
Total Assets	1.00	12.00	10.00	616.00	2.00
<b>LIABILITIES AND FUND BALANCES</b>					
TOTAL LIABILITIES	<u>1.00</u>	<u>12.00</u>	<u>10.00</u>	<u>616.00</u>	<u>2.00</u>
UNRESERVED FUND BALANCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>1.00</u>	<u>12.00</u>	<u>10.00</u>	<u>616.00</u>	<u>2.00</u>
	<u>School Revolving</u>	<u>Collector</u>	<u>Prosecuting Attorney</u>	<u>Sheriff</u>	<u>Total Agency Funds</u>
<b>ASSETS</b>					
Cash and Cash Equivalents	<u>\$ 202.00</u>	<u>\$ 3,589,847.00</u>	<u>\$ 6.00</u>	<u>\$ 7,337.00</u>	<u>\$ 3,619,471.00</u>
Total Assets	202.00	3,589,847.00	6.00	7,337.00	3,619,471.00
<b>LIABILITIES AND FUND BALANCES</b>					
TOTAL LIABILITIES	<u>202.00</u>	<u>3,589,847.00</u>	<u>6.00</u>	<u>7,337.00</u>	<u>3,619,471.00</u>
UNRESERVED FUND BALANCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 202.00</u>	<u>\$ 3,589,847.00</u>	<u>\$ 6.00</u>	<u>\$ 7,337.00</u>	<u>\$ 3,619,471.00</u>

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

THE COUNTY OF MARIES  
VIENNA, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2016 AND 2015

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Maries, Missouri ("County"), which is governed by a three-member board of commissioners, was established in 1855 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 Maries 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 and Investment Balances – All Governmental Funds, a Comparative Statement of Receipts, Disbursements and Changes in Cash and Investment 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 MARIES  
VIENNA, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2016 AND 2015

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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 MARIES  
VIENNA, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2016 AND 2015

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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 MARIES  
VIENNA, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2016 AND 2015

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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	\$ 76,186,330	\$ 74,581,520
Personal Property	40,640,330	37,813,480
Railroad and Utilities	<u>15,970,061</u>	<u>14,924,412</u>
	<u>\$ 132,796,721</u>	<u>\$ 127,319,412</u>

During 2016 and 2015, the County Commission approved a \$0.8731 and \$0.8708, respectively, tax levy per \$100 of assessed valuation of tangible taxable property for purposes of County taxation, as follows:

	<u>2016</u>	<u>2015</u>
General Revenue Fund	\$ 0.3630	\$ 0.3572
Special Road and Bridge Fund	0.2713	0.2748
Road #2 Fund	<u>0.2388</u>	<u>0.2388</u>
	<u>\$ 0.8731</u>	<u>\$ 0.8708</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.

THE COUNTY OF MARIES  
VIENNA, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2016 AND 2015

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

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.

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 \$548,806 and \$566,720, and the bank balance was \$4,710,985 and \$4,241,766, 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:

<u>Statements of Receipts, Disbursements and Changes in Cash</u>	
<u>Balances</u>	
Deposits and cash equivalents	\$ 548,806
Total Governmental Funds	548,806
<u>Statement of Assets and Liabilities Arising from Cash</u>	
<u>Transactions – Agency Funds:</u>	
Deposits	4,083,802
Total Agency Funds	4,083,802
Total Deposits as of December 31, 2016	\$ 4,632,608

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

<u>Statements of Receipts, Disbursements and Changes in Cash</u>	
<u>Balances</u>	
Deposits and cash equivalents	\$ 566,720
Total Governmental Funds	566,720
<u>Statement of Assets and Liabilities Arising from Cash</u>	
<u>Transactions – Agency Funds:</u>	
Deposits	3,619,471
Total Agency Funds	3,619,471
Total Deposits as of December 31, 2015	\$ 4,186,191

THE COUNTY OF MARIES  
VIENNA, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2016 AND 2015

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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

On June 25, 2009, the County of Maries entered into a lease purchase agreement in the amount of \$42,000 with Maries County Bank for computer hardware and software from Tyler Technologies. The financing agreement calls for one payment of \$5,114.55 to be paid in arrears and the balance of the lease payments are payable in 10 successive annual payments in the amount of \$5,114.55. During the audit period, the County made principal payments of \$4,696.85 and \$4,669.21 and interest payments of \$417.70 and \$445.34, respectively, for 2015 and 2016. The interest rate is 3.75% per annum.

THE COUNTY OF MARIES  
VIENNA, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2016 AND 2015

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III. LONG-TERM DEBT (continued)

On December 1, 2011, the County of Maries entered into a lease purchase agreement in the amount of \$241,285.85 with Maries County Bank for new Caterpillar road graders. The financing agreement calls for a total of five annual payments, starting on December 1, 2012. Four of the annual payments are in the amount of \$29,384.31 to be paid in arrears with a balloon payment of \$161,116.67 due on December 1, 2016. During the audit period, the County made principal payments of \$22,709.77 and \$154,766.31 and interest payments of \$6,674.54 and \$1,824.20, respectively, for 2015 and 2016. The interest rate is 3.75% per annum. This lease was prepaid in full during the year ended December 31, 2016.

On March 29, 2012, the County of Maries entered into a lease purchase agreement in the amount of \$449,522.91 with Maries County Bank for three 2012 Caterpillar 140M AWD road graders. The financing agreement calls for a total of five annual payments, starting on March 29, 2013. Four of the annual payments are in the amount of \$48,000 to be paid in arrears with a balloon payment of \$329,712.24 due on March 29, 2017. During the audit period, the County made principal payments of \$33,522.40 and \$352,546.87 and interest payments of \$14,477.60 and \$13,351.14, respectively, for 2015 and 2016. The interest rate is 3.75% per annum. This lease was prepaid in full during the year ended December 31, 2016.

On May 17, 2011, the County of Maries entered into a lease purchase agreement in the amount of \$126,689.92 with Maries County Bank for eight vehicles and twelve computers. The financing agreement calls for a total of nine annual payments, starting on March 29, 2013. The annual payments are in the amount of \$16,824.60 to be paid in arrears. During the audit period, the County made a principal payment of \$28,307.79 and interest payments of \$1,061.54 for 2015, paying the lease in full prior to the end of the term. The interest rate is 3.75% per annum. This lease was prepaid in full during the year ended December 31, 2015.

On January 31, 2013, the County of Maries entered into a lease purchase agreement in the amount of \$104,828 with Maries County Bank for a 2012 Caterpillar 930K 4WD loader. The financing agreement calls for a total of eight annual payments, starting on February 15, 2014. Seven of the annual payments are in the amount of \$9,000.00 to be paid in arrears with a balloon payment of \$67,761.91 due on February 15, 2021. During the audit period, the County made principal payments of \$5,134.00 and \$5,449.96 and interest payments of \$3,866.00 and \$3,550.04, respectively, for 2015 and 2016. The interest rate is 3.75% per annum.

On March 28, 2016, the County of Maries entered into a lease purchase agreement in the amount of \$586,398 with Maries County Bank for three Caterpillar road graders. The financing agreement calls for a total of five annual payments, starting on March 1, 2017. Four of the annual payments are in the amount of \$67,500.00 to be paid in arrears with a balloon payment of \$400,291.80 due on March 1, 2021. The interest rate is 3.50% per annum.

On March 28, 2016, the County of Maries entered into a lease purchase agreement in the amount of \$302,509.51 with Maries County Bank for two Caterpillar road graders. The financing agreement calls for a total of five annual payments, starting on March 1, 2017. Four of the annual payments are in the amount of \$29,500.00 to be paid in arrears with a balloon payment of \$229,814.99 due on March 1, 2021. The interest rate is 3.50% per annum.

THE COUNTY OF MARIES  
VIENNA, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2016 AND 2015

III. LONG-TERM DEBT (continued)

As of December 31, 2016, the payment for the lease purchases of the County is as follows:

	Balance			Balance	2016
	12/31/2015	Additions	Payments	12/31/2016	Interest
Tyler Technologies, Inc.	\$ 12,210.25	\$ -	\$ 4,669.21	\$ 7,541.04	\$ 445.34
Caterpillar	154,766.31	-	154,766.31	-	1,824.20
Caterpillar -3	352,546.87	-	352,546.87	-	13,351.14
2012 Cat 930K 4WD Loader	94,786.60	-	5,449.96	89,336.64	3,550.04
Caterpillar -3	-	586,398.00	-	586,398.00	-
Caterpillar -2	-	302,590.51	-	302,590.51	-
	<u>\$ 614,310.03</u>	<u>\$ 888,988.51</u>	<u>\$ 517,432.35</u>	<u>\$ 985,866.19</u>	<u>\$ 19,170.72</u>

The future payments for the lease purchases as of December 31, 2016, are as follows:

Year Ending December 31,	Interest	Principal	Total
2017	\$ 32,457.91	\$ 78,656.64	\$ 111,114.55
2018	31,870.51	76,854.58	108,725.09
2019	29,252.52	76,747.48	106,000.00
2020	26,616.54	79,383.46	106,000.00
2021	23,763.65	674,224.03	697,987.68
	<u>\$ 143,961.13</u>	<u>\$985,866.19</u>	<u>\$ 1,129,827.32</u>

As of December 31, 2015, the payment for the lease purchases of the County is as follows:

	Balance			Balance	2015
	12/31/2014	Additions	Payments	12/31/2015	Interest
Tyler Technologies, Inc.	\$ 16,907.10	\$ -	\$ 4,696.85	\$ 12,210.25	\$ 417.70
Caterpillar	177,476.08	-	22,709.77	154,766.31	6,674.54
Caterpillar -3	386,069.27	-	33,522.40	352,546.87	14,477.60
Eight Vehicles and 12 Computers	28,307.79	-	28,307.79	-	1,061.54
2008 International Cab & Chassis	-	-	-	-	-
2012 Cat 930K 4WD Loader	99,920.60	-	5,134.00	94,786.60	3,866.00
	<u>\$708,680.84</u>	<u>\$ -</u>	<u>\$ 94,370.81</u>	<u>\$ 614,310.03</u>	<u>\$ 26,497.38</u>

THE COUNTY OF MARIES  
VIENNA, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2016 AND 2015

III. LONG-TERM DEBT (concluded)

The future payments for the lease purchases as of December 31, 2015, are as follows:

Year Ending December 31,	Interest	Principal	Total
2016	\$ 19,170.72	\$517,432.35	\$ 536,603.07
2017	3,644.94	10,469.61	14,114.55
2018	3,142.46	8,582.63	11,725.09
2019	2,913.99	6,086.01	9,000.00
2020	2,685.77	6,314.23	9,000.00
2021	2,455.69	65,425.20	67,880.89
	<u>\$ 34,013.57</u>	<u>\$614,310.03</u>	<u>\$ 648,323.60</u>

Tax Anticipation Note

On November 5, 2015, the County of Maries entered into a tax anticipation note in the amount of \$60,000. The note was paid off on November 1, 2016, and had an interest rate of 2.75%. The county paid interest of \$537.94 in 2016.

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	\$ 75,050	\$ 202,824	\$ 25,000	\$ 222,824
Assessment Fund	-	-	7,500	-
Prosecuting Attorney Training Fund	-	50	-	-
911 Fund	-	25,000	-	32,500
Citizen Safety Fund	213,824	-	202,824	-
Sheriff Revolving Fund	-	11,000	-	-
MMDA Fund	25,000	75,000	45,000	25,000
TOTAL	<u>\$ 313,874</u>	<u>\$ 313,874</u>	<u>\$ 280,324</u>	<u>\$ 280,324</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.



THE COUNTY OF MARIES  
VIENNA, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2016 AND 2015

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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 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 \$47,085.51 and \$44,521.69, respectively, for the years then ended.

THE COUNTY OF MARIES  
VIENNA, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2016 AND 2015

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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 \$4,488, 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)

Maries County provides employees with up to 30 days of paid vacation based upon the number of years of continuous service.

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 of accumulated unused sick time leave up to 30 days total.

Every employee is expected to take at least some vacation time every year. If the maximum has been accrued by an employee, any further days earned will be lost. A cumulative maximum of twenty days (under 10 years) or thirty days (over 10 years) may be accrued. No vacation credits beyond this amount will be earned or accrued.

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.

THE COUNTY OF MARIES  
VIENNA, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2016 AND 2015

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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

There are no subsequent events to report as of the audit report date.

**SUPPLEMENTARY SCHEDULES  
AND  
AUDITOR'S REPORT**

## **STATE COMPLIANCE SECTION**

THE COUNTY OF MARIES  
VIENNA, MISSOURI  
SCHEDULE OF STATE FINDINGS  
DECEMBER 31, 2016 AND 2015

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SCHEDULE OF STATE FINDINGS

- I. For the year ended December 31, 2016, actual expenses exceeded budgeted expenses for the General Revenue Fund, P.A. Administrative Cost Handling Fund, Children's Trust Fund, Record Storage Fund, Election Service Fund, Citizen Safety Fund, Over Under Fund, Sheriff Revolving Fund, Law Enforcement Restricted Fund, and the MMDA Fund.
- II. No budget was prepared for the Prosecuting Attorney Delinquent Tax Fund for December 31, 2016.
- III. For the year ended December 31, 2015, actual expenses exceeded budgeted expenses for the Special Road and Bridge Fund, Law Enforcement Training Fund, P.A. Administrative Cost Handling Fund, Children's Trust Fund, Record Storage Fund, Special Sheriff Fund, Citizen Safety Fund, Sheriff Revolving Fund, and the Civil Summons – Deputy Supplement Fund.
- IV. No budget was prepared for the Prosecuting Attorney Training Fund and Prosecuting Attorney Delinquent Tax Fund for December 31, 2015.
- V. For the year ended December 31, 2015, the Citizen Safety Fund had a negative balance of \$5,618.

## **INTERNAL CONTROL AND COMPLIANCE SECTION**



**Daniel Jones  
& Associates**  
CERTIFIED PUBLIC ACCOUNTANTS

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

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

Independent Auditor's Report

To the County Commission  
The County of Maries, 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 Maries ("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 questioned costs that we consider to be significant deficiencies. (2016-001 and 2016-002)



## **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 questioned costs. 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 MARIES  
VIENNA, MISSOURI  
SCHEDULE OF FINDINGS AND RESPONSES  
YEARS ENDED DECEMBER 31, 2016 AND 2015

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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.

Context: During discussions with management, we noted that internal control documentation has not been prepared.

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 County did not prepare the required documentation.

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 County Clerk's (Rhonda Brewer) office is in the process of preparing the needed documentation to document their internal control structure in conformity with the COSO framework. The expected completion date is the next audit period. The phone number for the Clerk's office is 573-422-3388.

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.

Context: During discussions with management, we noted there were no formal fraud risk assessments implemented.

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.

THE COUNTY OF MARIES  
VIENNA, MISSOURI  
SCHEDULE OF FINDINGS AND RESPONSES  
YEARS ENDED DECEMBER 31, 2016 AND 2015

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II. FINANCIAL STATEMENT FINDINGS (concluded)

2016-002      Cause: Management has not prepared documentation of risk assessments, including identified 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.

Views of responsible officials and planned corrective actions: The County Clerk's (Rhonda Brewer) office is in the process of preparing the required risk assessment documentation. The expected completion date is the next audit period. The phone number for the Clerk's office is 573-422-3388.

THE COUNTY OF MARIES  
VIENNA, MISSOURI  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES  
YEARS ENDED DECEMBER 31, 2016 AND 2015

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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

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June 30, 2017

To the Board of Commissioners  
County of Maries

In planning and performing our audit of the regulatory based financial statements of the County of Maries (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 opinion 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.

Context: During discussions with management, we noted that internal control documentation has not been prepared.

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 County did not prepare the required documentation.

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 County Clerk's (Rhonda Brewer) office is in the process of preparing the needed documentation to document their internal control structure in conformity with the COSO framework. The expected completion date is the next audit period. The phone number for the Clerk's office is 573-422-3388.

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.

Context: During discussions with management, we noted there were no formal fraud risk assessments implemented.

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.

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.

## **I. DEFICIENCIES CONSIDERED TO BE SIGNIFICANT (concluded)**

2016-002      Views of responsible officials and planned corrective actions: The County Clerk's (Rhonda Brewer) office is in the process of preparing the required risk assessment documentation. The expected completion date is the next audit period. The phone number for the Clerk's office is 573-422-3388.

## **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 12, 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.

## **II. INFORMATION REQUIRED BY PROFESSIONAL STANDARDS (Concluded)**

### Management Representations

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

### 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.