



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

To the County Commission  
and  
Officeholders of Mercer County, Missouri

The Office of the State Auditor contracted for an audit of Mercer County's financial statements for the 2 years ended December 31, 2020, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by McBride, Lock & Associates, LLC, Certified Public Accountants, is attached.

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

Nicole R. Galloway, CPA  
State Auditor

November 2021  
Report No. 2021-106



**Nicole Galloway, CPA**  
Missouri State Auditor

## RECOMMENDATION SUMMARY

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### **Recommendations in the contracted audit of Mercer County**

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Sheriff's Bank Reconciliations	The Sheriff's office implement a process to timely and properly reconcile the balance per bank to a recorded book balance to ensure all activity in the bank is recorded in the register and vice versa. Additionally, we recommend the Sheriff review the bank statements, reconciliations and the checkbook register on a monthly basis.
Investment Policy	The county adopt an investment policy that meets the requirements of state statutes.

ANNUAL FINANCIAL REPORT

**MERCER COUNTY, MISSOURI**

For the Years Ended  
December 31, 2020 and 2019

MERCER COUNTY, MISSOURI

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## **INTRODUCTORY SECTION**

MERCER COUNTY, MISSOURI  
List of Elected Officials 2019-2020

*County Commission*

Presiding Commissioner – Jerry D. Allen

1<sup>st</sup> District Associate Commissioner – Thomas Shane Grooms

2<sup>nd</sup> District Associate Commissioner – Zachary W. Martin

*Other Elected Officials*

Assessor – Diana J. Blunk

Circuit Clerk/Recorder of Deeds– Tammy Crouse

Collector/Treasurer – Susan Moore

County Clerk – Judy Hamilton

Coroner – Douglas Priest

Prosecuting Attorney – Lauren A. Horsman

Public Administrator – Kelli Judd

Sheriff – Steve Stockman

## **FINANCIAL SECTION**

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## **McBRIDE, LOCK & ASSOCIATES, LLC**

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CERTIFIED PUBLIC ACCOUNTANTS

### INDEPENDENT AUDITOR'S REPORT

To the County Commission and  
Officeholders of Mercer County, Missouri

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of Mercer County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2019 and 2020, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis 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 accounting principles prescribed or permitted by Missouri law, as described in Note 1. 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 1, the financial statements are prepared by Mercer County, Missouri 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.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Mercer County, Missouri, as of December 31, 2019 and 2020, or the changes in financial position thereof for the years then ended.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of each fund of Mercer County, Missouri, as of December 31, 2019 and 2020, 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 as described in Note 1.

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

In accordance with *Government Auditing Standards*, we also have issued our report dated October 11, 2021, on our consideration of Mercer County, Missouri’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Mercer County, Missouri’s 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 the County’s internal control over financial reporting and compliance.

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
October 11, 2021

MERCER COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2019 AND 2020

Fund	Cash and Cash Equivalents			Cash and Cash Equivalents			Cash and Cash Equivalents December 31, 2020
	January 1, 2019	Receipts 2019	Disbursements 2019	December 31, 2019	Receipts 2020	Disbursements 2020	
General Revenue	\$ 1,186,303	\$ 935,506	\$ 878,541	\$ 1,243,268	\$ 991,825	\$ 898,321	\$ 1,336,772
Special Road and Bridge	373,637	1,139,572	1,190,083	323,126	755,246	832,156	246,216
Assessment	8,370	125,486	119,443	14,413	133,047	120,507	26,953
Prosecuting Attorney Training	998	216	-	1,214	382	-	1,596
Law Enforcement Training	151	2,056	1,454	753	1,447	2,200	-
Recorder's Special	3,123	2,410	2,890	2,643	2,836	2,396	3,083
Recorder's Trust	17	167	184	-	169	169	-
Prosecuting Attorney Admin Handling Cost	4,581	2,604	1,828	5,357	855	1,565	4,647
Sheriff's Special	11,366	4,593	5,710	10,249	4,576	5,934	8,891
Federal Emergency Management Agency	-	-	-	-	35,286	35,286	-
Tax Maintenance	8,753	12,733	9,974	11,512	13,906	10,003	15,415
Sheriff's Revolving	17,145	5,434	2,287	20,292	7,571	13,654	14,209
Law Enforcement Sales Tax	35,851	175,900	175,211	36,540	169,007	187,528	18,019
Local Law Enforcement Block Grant	6	-	6	-	-	-	-
Restitution	10,332	4,996	500	14,828	5,943	3,184	17,587
Recreational	167,496	152,786	261,603	58,679	168,173	91,529	135,323
Local Election Authority	16,005	1,944	2,194	15,755	6,569	1,321	21,003
Lindley Township	-	69,836	69,836	-	96,362	94,137	2,225
Local Emergency Planning Committee	20,848	2,368	3,647	19,569	2,451	1,382	20,638
Deputy Sheriff	-	11,472	11,472	-	9,482	9,482	-
Senior Citizens	27,818	35,628	38,663	24,783	36,874	54,496	7,161
Inmate Security	8,654	1,377	6,592	3,439	750	-	4,189
Use Tax	249,230	115,437	192,146	172,521	148,833	30,804	290,550
Jail Commissary	238	1,804	2,042	-	2,260	1,709	551
HAVA CARES	-	-	-	-	20,001	17,356	2,645
Coronavirus Relief	-	-	-	-	424,371	329,457	94,914
Total	<u>\$ 2,150,922</u>	<u>\$ 2,804,325</u>	<u>\$ 2,976,306</u>	<u>\$ 1,978,941</u>	<u>\$ 3,038,222</u>	<u>\$ 2,744,576</u>	<u>\$ 2,272,587</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

MERCER COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

		GENERAL REVENUE FUND			
		Year Ended December 31,			
		2019		2020	
		<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
<b>RECEIPTS</b>					
Property taxes		\$ 164,500	\$ 156,718	\$ 162,500	\$ 171,751
Sales taxes		335,000	348,270	350,000	358,843
Intergovernmental		298,550	285,648	301,650	298,777
Charges for services		97,275	84,872	99,075	96,532
Interest		5,700	4,202	5,500	439
Other		32,425	14,799	33,825	25,856
Transfers in		40,000	40,997	40,000	39,627
Total Receipts		<u>\$ 973,450</u>	<u>\$ 935,506</u>	<u>\$ 992,550</u>	<u>\$ 991,825</u>
<b>DISBURSEMENTS</b>					
County Commission		\$ 87,462	\$ 86,720	\$ 91,682	\$ 90,218
County Clerk		113,762	97,378	114,527	98,483
Elections		17,120	13,219	46,300	43,174
Buildings and grounds		98,472	83,115	99,646	66,604
Employee fringe benefits		208,193	163,837	206,000	159,112
Treasurer		76,569	63,077	80,289	68,826
Circuit Clerk		19,800	10,700	20,300	8,837
Court administration		22,168	8,114	16,668	7,838
Public Administrator		31,655	30,122	32,446	30,500
Sheriff		180,037	159,458	180,067	165,860
Prosecuting Attorney		85,784	81,596	90,125	86,582
Juvenile Officer		20,512	3,814	17,385	3,612
Coroner		12,775	12,270	13,346	12,678
Other County government		90,035	63,501	91,535	52,122
Transfers out		1,620	1,620	-	3,875
Emergency fund		29,204	-	29,777	-
Total Disbursements		<u>\$ 1,095,168</u>	<u>\$ 878,541</u>	<u>\$ 1,130,093</u>	<u>\$ 898,321</u>
RECEIPTS OVER (UNDER)					
DISBURSEMENTS		\$ (121,718)	\$ 56,965	\$ (137,543)	\$ 93,504
CASH AND CASH EQUIVALENTS, JANUARY 1		<u>1,186,303</u>	<u>1,186,303</u>	<u>1,243,268</u>	<u>1,243,268</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31		<u>\$ 1,064,585</u>	<u>\$ 1,243,268</u>	<u>\$ 1,105,725</u>	<u>\$ 1,336,772</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

MERCER COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	SPECIAL ROAD AND BRIDGE FUND				ASSESSMENT FUND			
	Year Ended December 31,				Year Ended December 31,			
	2019		2020		2019		2020	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ 105,500	\$ 106,422	\$ 107,000	\$ 111,855	\$ -	\$ -	\$ -	\$ -
Sales taxes	84,000	87,068	89,000	89,711	-	-	-	-
Intergovernmental	1,047,423	904,430	1,042,961	482,142	16,017	16,251	16,305	16,305
Charges for services	35,005	25,403	35,113	55,068	105,800	109,073	109,500	116,723
Interest	1,750	1,341	1,600	108	200	162	200	19
Other	11,047	14,908	28,297	3,119	-	-	-	-
Transfers in	-	-	12,525	13,243	-	-	-	-
Total Receipts	<u>\$ 1,284,725</u>	<u>\$ 1,139,572</u>	<u>\$ 1,316,496</u>	<u>\$ 755,246</u>	<u>\$ 122,017</u>	<u>\$ 125,486</u>	<u>\$ 126,005</u>	<u>\$ 133,047</u>
<b>DISBURSEMENTS</b>								
Salaries	\$ 127,559	\$ 117,875	\$ 125,346	\$ 122,151	\$ 90,070	\$ 90,134	\$ 94,574	\$ 94,574
Employee fringe benefits	36,500	31,604	39,200	34,701	9,800	9,034	10,000	9,499
Materials and supplies	478,724	489,858	967,951	489,659	3,900	3,836	3,800	579
Services and other	51,462	55,376	52,562	58,969	21,800	16,439	22,100	15,855
Capital outlay	71,000	28,117	127,000	60,421	-	-	-	-
Construction	620,000	427,253	120,000	26,628	-	-	-	-
Transfers out	40,000	40,000	40,000	39,627	-	-	-	-
Total Disbursements	<u>\$ 1,425,245</u>	<u>\$ 1,190,083</u>	<u>\$ 1,472,059</u>	<u>\$ 832,156</u>	<u>\$ 125,570</u>	<u>\$ 119,443</u>	<u>\$ 130,474</u>	<u>\$ 120,507</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (140,520)	\$ (50,511)	\$ (155,563)	\$ (76,910)	\$ (3,553)	\$ 6,043	\$ (4,469)	\$ 12,540
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>373,637</u>	<u>373,637</u>	<u>323,126</u>	<u>323,126</u>	<u>8,370</u>	<u>8,370</u>	<u>14,413</u>	<u>14,413</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 233,117</u>	<u>\$ 323,126</u>	<u>\$ 167,563</u>	<u>\$ 246,216</u>	<u>\$ 4,817</u>	<u>\$ 14,413</u>	<u>\$ 9,944</u>	<u>\$ 26,953</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

MERCER COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	PROSECUTING ATTORNEY TRAINING FUND				LAW ENFORCEMENT TRAINING FUND			
	Year Ended December 31,				Year Ended December 31,			
	2019		2020		2019		2020	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	185	213	220	382	2,550	2,055	3,150	1,447
Interest	5	3	5	-	10	1	10	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 190</u>	<u>\$ 216</u>	<u>\$ 225</u>	<u>\$ 382</u>	<u>\$ 2,560</u>	<u>\$ 2,056</u>	<u>\$ 3,160</u>	<u>\$ 1,447</u>
<b>DISBURSEMENTS</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	1,188	-	1,439	-	2,711	1,454	3,913	2,200
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 1,188</u>	<u>\$ -</u>	<u>\$ 1,439</u>	<u>\$ -</u>	<u>\$ 2,711</u>	<u>\$ 1,454</u>	<u>\$ 3,913</u>	<u>\$ 2,200</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (998)	\$ 216	\$ (1,214)	\$ 382	\$ (151)	\$ 602	\$ (753)	\$ (753)
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>998</u>	<u>998</u>	<u>1,214</u>	<u>1,214</u>	<u>151</u>	<u>151</u>	<u>753</u>	<u>753</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ -</u>	<u>\$ 1,214</u>	<u>\$ -</u>	<u>\$ 1,596</u>	<u>\$ -</u>	<u>\$ 753</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

MERCER COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
 BUDGET AND ACTUAL - REGULATORY BASIS

	RECORDER'S SPECIAL FUND				RECORDER'S TRUST FUND			
	Year Ended December 31,				Year Ended December 31,			
	2019		2020		2019		2020	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	3,000	2,399	3,000	2,835	300	167	300	169
Interest	30	11	30	1	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 3,030</u>	<u>\$ 2,410</u>	<u>\$ 3,030</u>	<u>\$ 2,836</u>	<u>\$ 300</u>	<u>\$ 167</u>	<u>\$ 300</u>	<u>\$ 169</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	500	400	500	-	-	-	-	-
Services and other	4,550	2,490	4,800	2,396	317	184	300	169
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 5,050</u>	<u>\$ 2,890</u>	<u>\$ 5,300</u>	<u>\$ 2,396</u>	<u>\$ 317</u>	<u>\$ 184</u>	<u>\$ 300</u>	<u>\$ 169</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (2,020)	\$ (480)	\$ (2,270)	\$ 440	\$ (17)	\$ (17)	\$ -	\$ -
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>3,123</u>	<u>3,123</u>	<u>2,643</u>	<u>2,643</u>	<u>17</u>	<u>17</u>	<u>-</u>	<u>-</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 1,103</u>	<u>\$ 2,643</u>	<u>\$ 373</u>	<u>\$ 3,083</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

MERCER COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
 BUDGET AND ACTUAL - REGULATORY BASIS

	PROSECUTING ATTORNEY ADMIN HANDLING COST FUND				SHERIFF'S SPECIAL FUND			
	Year Ended December 31,				Year Ended December 31,			
	2019		2020		2019		2020	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	5,890	2,586	5,890	853	8,900	4,557	7,500	4,573
Interest	25	16	25	2	65	36	65	3
Other	75	2	75	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 5,990	\$ 2,604	\$ 5,990	\$ 855	\$ 8,965	\$ 4,593	\$ 7,565	\$ 4,576
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	6,500	2,195	6,500	934
Services and other	10,571	1,828	11,347	1,565	13,831	3,515	11,314	5,000
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 10,571	\$ 1,828	\$ 11,347	\$ 1,565	\$ 20,331	\$ 5,710	\$ 17,814	\$ 5,934
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (4,581)	\$ 776	\$ (5,357)	\$ (710)	\$ (11,366)	\$ (1,117)	\$ (10,249)	\$ (1,358)
CASH AND CASH EQUIVALENTS, JANUARY 1	4,581	4,581	5,357	5,357	11,366	11,366	10,249	10,249
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ -	\$ 5,357	\$ -	\$ 4,647	\$ -	\$ 10,249	\$ -	\$ 8,891

The accompanying Notes to the Financial Statements are an integral part of these statements.

MERCER COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
 BUDGET AND ACTUAL - REGULATORY BASIS

	FEDERAL EMERGENCY MANAGEMENT AGENCY FUND				TAX MAINTENANCE FUND			
	Year Ended December 31,		Year Ended December 31,		Year Ended December 31,		Year Ended December 31,	
	2019	2020	2019	2020	2019	2020	2019	2020
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	502,938	35,286	-	-	-	-
Charges for services	-	-	-	-	15,000	12,591	15,000	13,591
Interest	-	-	-	-	45	42	50	4
Other	-	-	-	-	200	100	200	311
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ -	\$ -	\$ 502,938	\$ 35,286	\$ 15,245	\$ 12,733	\$ 15,250	\$ 13,906
<b>DISBURSEMENTS</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	5,100	2,979	1,200	3,554
Services and other	-	-	-	-	8,200	6,995	12,400	6,449
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	502,938	35,286	-	-	-	-
Total Disbursements	\$ -	\$ -	\$ 502,938	\$ 35,286	\$ 13,300	\$ 9,974	\$ 13,600	\$ 10,003
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ -	\$ -	\$ -	\$ -	\$ 1,945	\$ 2,759	\$ 1,650	\$ 3,903
CASH AND CASH EQUIVALENTS, JANUARY 1	-	-	-	-	8,753	8,753	11,512	11,512
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ -	\$ -	\$ -	\$ -	\$ 10,698	\$ 11,512	\$ 13,162	\$ 15,415

The accompanying Notes to the Financial Statements are an integral part of these statements.

MERCER COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	SHERIFF'S REVOLVING FUND				LAW ENFORCEMENT SALES TAX FUND			
	Year Ended December 31,				Year Ended December 31,			
	2019		2020		2019		2020	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	145,000	149,737	155,000	159,476
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	6,000	5,380	6,000	7,566	45,000	23,879	40,000	3,925
Interest	60	54	60	5	300	105	200	8
Other	150	-	150	-	1,400	559	1,400	1,723
Transfers in	-	-	-	-	21,620	1,620	20,000	3,875
Total Receipts	<u>\$ 6,210</u>	<u>\$ 5,434</u>	<u>\$ 6,210</u>	<u>\$ 7,571</u>	<u>\$ 213,320</u>	<u>\$ 175,900</u>	<u>\$ 216,600</u>	<u>\$ 169,007</u>
<b>DISBURSEMENTS</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 160,076	\$ 145,509	\$ 155,962	\$ 141,734
Employee fringe benefits	-	-	-	-	11,000	10,264	12,000	10,177
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	23,355	2,287	26,502	13,654	74,000	19,438	53,000	35,617
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 23,355</u>	<u>\$ 2,287</u>	<u>\$ 26,502</u>	<u>\$ 13,654</u>	<u>\$ 245,076</u>	<u>\$ 175,211</u>	<u>\$ 220,962</u>	<u>\$ 187,528</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (17,145)	\$ 3,147	\$ (20,292)	\$ (6,083)	\$ (31,756)	\$ 689	\$ (4,362)	\$ (18,521)
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>17,145</u>	<u>17,145</u>	<u>20,292</u>	<u>20,292</u>	<u>35,851</u>	<u>35,851</u>	<u>36,540</u>	<u>36,540</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ -</u>	<u>\$ 20,292</u>	<u>\$ -</u>	<u>\$ 14,209</u>	<u>\$ 4,095</u>	<u>\$ 36,540</u>	<u>\$ 32,178</u>	<u>\$ 18,019</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

MERCER COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	LOCAL LAW ENFORCEMENT BLOCK GRANT FUND				RESTITUTION FUND			
	Year Ended December 31,				Year Ended December 31,			
	2019		2020		2019		2020	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	8,300	3,091	8,300	5,089
Interest	-	-	-	-	45	35	45	4
Other	-	-	-	-	5,000	1,870	5,000	850
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,345</u>	<u>\$ 4,996</u>	<u>\$ 13,345</u>	<u>\$ 5,943</u>
<b>DISBURSEMENTS</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	6	6	-	-	23,677	500	28,173	3,184
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 6</u>	<u>\$ 6</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,677</u>	<u>\$ 500</u>	<u>\$ 28,173</u>	<u>\$ 3,184</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (6)	\$ (6)	\$ -	\$ -	\$ (10,332)	\$ 4,496	\$ (14,828)	\$ 2,759
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>6</u>	<u>6</u>	<u>-</u>	<u>-</u>	<u>10,332</u>	<u>10,332</u>	<u>14,828</u>	<u>14,828</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,828</u>	<u>\$ -</u>	<u>\$ 17,587</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

MERCER COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	RECREATIONAL FUND				LOCAL ELECTION AUTHORITY FUND			
	Year Ended December 31,				Year Ended December 31,			
	2019		2020		2019		2020	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	145,000	149,737	150,000	159,476	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	5,000	1,893	10,000	6,564
Interest	-	-	-	-	70	51	70	5
Other	3,000	3,049	4,000	8,697	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 148,000</u>	<u>\$ 152,786</u>	<u>\$ 154,000</u>	<u>\$ 168,173</u>	<u>\$ 5,070</u>	<u>\$ 1,944</u>	<u>\$ 10,070</u>	<u>\$ 6,569</u>
<b>DISBURSEMENTS</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	9,000	556	9,000	1,321
Services and other	315,496	261,603	212,679	91,529	2,000	1,638	2,000	-
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 315,496</u>	<u>\$ 261,603</u>	<u>\$ 212,679</u>	<u>\$ 91,529</u>	<u>\$ 11,000</u>	<u>\$ 2,194</u>	<u>\$ 11,000</u>	<u>\$ 1,321</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (167,496)	\$ (108,817)	\$ (58,679)	\$ 76,644	\$ (5,930)	\$ (250)	\$ (930)	\$ 5,248
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>167,496</u>	<u>167,496</u>	<u>58,679</u>	<u>58,679</u>	<u>16,005</u>	<u>16,005</u>	<u>15,755</u>	<u>15,755</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ -</u>	<u>\$ 58,679</u>	<u>\$ -</u>	<u>\$ 135,323</u>	<u>\$ 10,075</u>	<u>\$ 15,755</u>	<u>\$ 14,825</u>	<u>\$ 21,003</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

MERCER COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
 BUDGET AND ACTUAL - REGULATORY BASIS

	LINDLEY TOWNSHIP FUND				LOCAL EMERGENCY PLANNING COMMITTEE FUND			
	Year Ended December 31,				Year Ended December 31,			
	2019		2020		2019		2020	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ 35,100	\$ 27,097	\$ 35,100	\$ 33,281	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	42,681	42,681	41,007	41,007	2,500	2,368	2,500	2,451
Charges for services	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Other	505	58	505	31	-	-	-	-
Transfers in	-	-	17,525	22,043	-	-	-	-
Total Receipts	<u>\$ 78,286</u>	<u>\$ 69,836</u>	<u>\$ 94,137</u>	<u>\$ 96,362</u>	<u>\$ 2,500</u>	<u>\$ 2,368</u>	<u>\$ 2,500</u>	<u>\$ 2,451</u>
<b>DISBURSEMENTS</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	78,286	69,836	94,137	94,137	23,348	3,647	22,069	1,382
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 78,286</u>	<u>\$ 69,836</u>	<u>\$ 94,137</u>	<u>\$ 94,137</u>	<u>\$ 23,348</u>	<u>\$ 3,647</u>	<u>\$ 22,069</u>	<u>\$ 1,382</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ -	\$ -	\$ -	\$ 2,225	\$ (20,848)	\$ (1,279)	\$ (19,569)	\$ 1,069
CASH AND CASH EQUIVALENTS, JANUARY 1	-	-	-	-	20,848	20,848	19,569	19,569
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,225</u>	<u>\$ -</u>	<u>\$ 19,569</u>	<u>\$ -</u>	<u>\$ 20,638</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

MERCER COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	DEPUTY SHERIFF FUND				SENIOR CITIZENS FUND			
	Year Ended December 31,				Year Ended December 31,			
	2019		2020		2019		2020	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 34,300	\$ 34,970	\$ 35,200	\$ 36,874
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	13,884	9,792	13,884	7,631	-	-	-	-
Charges for services	3,500	1,680	3,500	1,550	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	301	1,000	658	1,000	-
Transfers in	1,800	-	1,800	-	-	-	-	-
Total Receipts	<u>\$ 19,184</u>	<u>\$ 11,472</u>	<u>\$ 19,184</u>	<u>\$ 9,482</u>	<u>\$ 35,300</u>	<u>\$ 35,628</u>	<u>\$ 36,200</u>	<u>\$ 36,874</u>
DISBURSEMENTS								
Salaries	\$ 12,500	\$ 7,986	\$ 12,500	\$ 7,213	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	1,384	808	1,384	719	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	5,300	1,681	5,300	1,550	63,118	38,663	60,983	54,496
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	997	-	-	-	-	-	-
Total Disbursements	<u>\$ 19,184</u>	<u>\$ 11,472</u>	<u>\$ 19,184</u>	<u>\$ 9,482</u>	<u>\$ 63,118</u>	<u>\$ 38,663</u>	<u>\$ 60,983</u>	<u>\$ 54,496</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ -	\$ -	\$ -	\$ -	\$ (27,818)	\$ (3,035)	\$ (24,783)	\$ (17,622)
CASH AND CASH EQUIVALENTS, JANUARY 1	-	-	-	-	27,818	27,818	24,783	24,783
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,783</u>	<u>\$ -</u>	<u>\$ 7,161</u>

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MERCER COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	INMATE SECURITY FUND				USE TAX FUND			
	Year Ended December 31,				Year Ended December 31,			
	2019		2020		2019		2020	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	113,000	109,412	113,000	148,776
Intergovernmental	4,469	-	5,000	-	-	-	-	-
Charges for services	400	60	340	-	-	-	-	-
Interest	-	-	-	-	900	625	900	57
Other	-	-	-	-	5,400	5,400	-	-
Transfers in	6,000	1,317	4,000	750	-	-	-	-
<b>Total Receipts</b>	<b>\$ 10,869</b>	<b>\$ 1,377</b>	<b>\$ 9,340</b>	<b>\$ 750</b>	<b>\$ 119,300</b>	<b>\$ 115,437</b>	<b>\$ 113,900</b>	<b>\$ 148,833</b>
<b>DISBURSEMENTS</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	19,523	6,592	12,779	-	50,000	42,146	64,617	19,704
Capital outlay	-	-	-	-	153,579	150,000	97,100	11,100
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	20,000	-	20,000	-
<b>Total Disbursements</b>	<b>\$ 19,523</b>	<b>\$ 6,592</b>	<b>\$ 12,779</b>	<b>\$ -</b>	<b>\$ 223,579</b>	<b>\$ 192,146</b>	<b>\$ 181,717</b>	<b>\$ 30,804</b>
<b>RECEIPTS OVER (UNDER)</b>								
<b>DISBURSEMENTS</b>	<b>\$ (8,654)</b>	<b>\$ (5,215)</b>	<b>\$ (3,439)</b>	<b>\$ 750</b>	<b>\$ (104,279)</b>	<b>\$ (76,709)</b>	<b>\$ (67,817)</b>	<b>\$ 118,029</b>
<b>CASH AND CASH EQUIVALENTS,</b>								
<b>JANUARY 1</b>	<b>8,654</b>	<b>8,654</b>	<b>3,439</b>	<b>3,439</b>	<b>249,230</b>	<b>249,230</b>	<b>172,521</b>	<b>172,521</b>
<b>CASH AND CASH EQUIVALENTS,</b>								
<b>DECEMBER 31</b>	<b>\$ -</b>	<b>\$ 3,439</b>	<b>\$ -</b>	<b>\$ 4,189</b>	<b>\$ 144,951</b>	<b>\$ 172,521</b>	<b>\$ 104,704</b>	<b>\$ 290,550</b>

The accompanying Notes to the Financial Statements are an integral part of these statements.

MERCER COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
BUDGET AND ACTUAL - REGULATORY BASIS

	JAIL COMMISSARY FUND				HAVA CARES FUND			
	Year Ended December 31,				Year Ended December 31,			
	2019		2020		2019		2020	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	20,000	20,000
Charges for services	5,500	1,804	5,500	2,260	-	-	-	-
Interest	-	-	-	-	-	-	300	1
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 5,500</u>	<u>\$ 1,804</u>	<u>\$ 5,500</u>	<u>\$ 2,260</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,300</u>	<u>\$ 20,001</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	1,738	725	1,500	959	-	-	20,300	17,356
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	4,000	1,317	4,000	750	-	-	-	-
Total Disbursements	<u>\$ 5,738</u>	<u>\$ 2,042</u>	<u>\$ 5,500</u>	<u>\$ 1,709</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,300</u>	<u>\$ 17,356</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (238)	\$ (238)	\$ -	\$ 551	\$ -	\$ -	\$ -	\$ 2,645
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>238</u>	<u>238</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 551</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,645</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

MERCER COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH -  
 BUDGET AND ACTUAL - REGULATORY BASIS

	CORONAVIRUS RELIEF FUND			
	Year Ended December 31,			
	2019		2020	
	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-
Intergovernmental	-	-	424,346	424,346
Charges for services	-	-	-	-
Interest	-	-	1,000	25
Other	-	-	-	-
Transfers in	-	-	-	-
Total Receipts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 425,346</u>	<u>\$ 424,371</u>
<b>DISBURSEMENTS</b>				
Salaries	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-
Materials and supplies	-	-	-	-
Services and other	-	-	424,346	329,457
Capital outlay	-	-	-	-
Construction	-	-	-	-
Transfers out	-	-	-	-
Total Disbursements	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 424,346</u>	<u>\$ 329,457</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ -	\$ -	\$ 1,000	\$ 94,914
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,000</u></u>	<u><u>\$ 94,914</u></u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

MERCER COUNTY, MISSOURI  
 STATEMENT OF FIDUCIARY RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - REGULATORY BASIS  
 YEARS ENDED DECEMBER 31, 2019 AND 2020

Fund/Account	Cash and Cash Equivalents January 1, 2019	Receipts 2019	Disbursements 2019	Cash and Cash Equivalents December 31, 2019	Receipts 2020	Disbursements 2020	Cash and Cash Equivalents December 31, 2020
Treasurer Juvenile	\$ 2,370	\$ 7	\$ -	\$ 2,377	\$ 1	\$ -	\$ 2,378
Treasurer School Interest	1,371	13,162	14,533	-	15,022	13,625	1,397
Treasurer Surplus Tax	2,791	370	2,794	367	268	-	635
Treasurer State	-	24,183	24,183	-	25,058	25,058	-
Treasurer Unclaimed Funds	764	90	452	402	12	50	364
Treasurer CERF	-	39,894	39,774	120	45,065	45,025	160
Treasurer Criminal Costs	-	17,655	17,655	-	-	-	-
Collector Main	4,830,985	4,850,290	6,287,225	3,394,050	8,067,860	6,744,311	4,717,599
Collector Protested Taxes	9,622	11,462	-	21,084	1	15,906	5,179
Collector Credit/Debit Card	1,659	34,279	35,938	-	52,110	51,514	596
Collector City of Princeton Collector	5,259	76,373	76,083	5,549	81,825	77,748	9,626
Prosecuting Attorney	83	20,574	20,652	5	6,986	6,991	-
Sheriff General	871	21,835	21,621	1,085	30,129	30,470	744
Recorder	-	31,070	31,070	-	35,428	35,428	-
Public Administrator	41,210	313,040	305,223	49,027	629,597	446,112	232,512
Total	<u>\$ 4,896,985</u>	<u>\$ 5,454,284</u>	<u>\$ 6,877,203</u>	<u>\$ 3,474,066</u>	<u>\$ 8,989,362</u>	<u>\$ 7,492,238</u>	<u>\$ 4,971,190</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

MERCER COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2019 and 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Mercer County, Missouri (“County”) is governed by a three-member board of commissioners. In addition to the three board members, there are eight elected Constitutional Officers: Assessor, Circuit Clerk/Recorder of Deeds, Collector/Treasurer, County Clerk, Coroner, Prosecuting Attorney, Public Administrator, and Sheriff.

As discussed further in Note 1, these financial statements are presented using accounting practices prescribed or permitted by Missouri Law, which differ from accounting principles generally accepted in the United States of America, which would include all relevant Government Accounting Standards Board (GASB) pronouncements. The differences include use of a prescribed definition of the reporting entity and the cash basis of accounting.

A. Reporting Entity

The County’s operations include tax assessments and collections, state/county courts, county recorder, public safety, economic development, social and human services, and cultural and recreation services.

The financial statements referred to above include the primary government of Mercer County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that are considered to comprise the County’s legal entity under the regulatory basis of accounting. Financial data of other entities that may be considered to be component units of the County under generally accepted accounting principles is not included.

In accordance with the regulatory basis of accounting, the financial statements of the County do not include the activity of the Circuit Court, which is part of the Missouri court system and is considered to be a state function, including the operations of the Circuit Clerk and all funds under their control.

B. Basis of Presentation

Governmental 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 that comprise its assets, liabilities, net assets, revenues/receipts and expenditures/disbursements. The County’s funds are governmental funds. Governmental funds are those through which most governmental functions are financed. The County’s expendable financial resources are accounted for through governmental funds.

Fiduciary Funds – Fiduciary funds consist of custodial funds. Custodial funds account for assets held by the County, particularly the Collector/Treasurer, as an agent of individuals, private organizations, taxing units, other governments and/or funds. Budgets are not adopted for the County’s custodial funds.

### C. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

### D. Budgets 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's policy is to adopt a budget for each governmental fund.
2. On or before the second Monday in January, each elected officer and department director will transmit to the County Commission and 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 includes estimated revenues and proposed expenditures, on the cash basis of accounting, for all budgeted funds. Budgeting of appropriations is based upon an estimated fund balance at the beginning of the year as well as estimated revenues to be received.
4. State law requires that, at the individual fund level, budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance.
5. A public hearing is conducted to obtain public comment on the budget. Prior to its approval by the County Commission, the budget document is available for public inspection, which usually takes place the third and fourth weeks of January.
6. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
7. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by a formal vote of the Commission. Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year.
8. Budgets are prepared and adopted on the cash basis of accounting.
9. Adoption of a formal budget is required by law.
10. Section 50.740, RSMo prohibits expenditures in excess of the approved budgets.

- E. Property taxes are based on the voter-approved tax levy applied to the real and personal assessed property values. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and tax bills are mailed to taxpayers in November, at which time they are payable. All unpaid property taxes become delinquent as of January 1 of the following year.

The assessed valuations of the tangible taxable property, included within the County's boundaries for the calendar years 2020 and 2019, for purposes of taxation were:

	<u>2020</u>	<u>2019</u>
Real Estate	\$ 42,512,976	\$ 42,151,575
Personal Property	26,631,965	27,986,288
Railroad and Utilities	<u>11,624,570</u>	<u>11,294,892</u>
Total	<u>\$ 80,769,511</u>	<u>\$ 81,432,755</u>

For calendar years 2020 and 2019, the County Commission approved a tax levy per \$100 of assessed valuation of tangible taxable property as follows:

	<u>2020</u>	<u>2019</u>
General Revenue	\$ 0.2482	\$ 0.2606
Special Road and Bridge	0.1362	0.1350
Senior Citizens	0.0454	0.0450

Lindley Township, which is managed by Mercer County, also receives property taxes based on the assessed valuation of the tangible taxable property included within the Township's boundaries.

F. Cash Deposits and Cash Equivalents

Deposits and cash equivalents 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 these balances is allocated to each of the funds based on the funds' average daily cash balance. Cash equivalents may 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, purchased at a price at or below 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 and cash equivalent balances are presented in Note 2.

G. Interfund Activity

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

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

## 2. CASH AND CASH EQUIVALENTS

The County maintains a cash and temporary investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements within the "Cash and Cash Equivalents" caption. Cash and cash equivalents includes deposits and short-term investments with maturities that are less than ninety days.

Custodial Credit Risk - Deposits – Custodial credit risk is the risk that in the event of a bank failure, a government’s deposits may not be returned to it. Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2020, the County had the following cash and cash equivalent balances:

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>FDIC Coverage</u>
Cash and Cash Equivalents - Governmental Funds	\$ 2,272,587	\$ 2,380,873	\$ 2,380,873
Cash and Cash Equivalents - Fiduciary Funds	4,971,190	3,596,262	491,768

At December 31, 2019, the County had the following cash and cash equivalent balances:

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>FDIC Coverage</u>
Cash and Cash Equivalents - Governmental Funds	\$ 1,978,941	\$ 2,023,039	\$ 2,023,039
Cash and Cash Equivalents - Fiduciary Funds	3,474,066	3,489,016	306,651

The remainder of the balances not covered by FDIC deposit insurance at December 31, 2019 and 2020 were covered by collateral held at the Federal Reserve Bank and the County’s safekeeping bank agent in the County’s name or by a line of credit held by the County or by its agent in the County’s name.

## 3. COUNTY EMPLOYEES’ RETIREMENT PLANS

### A. County Employees’ Retirement Fund (CERF)

The County Employees’ Retirement Fund was established by the State of Missouri to provide pension benefits for County officials and employees.

## 1) Plan Description

The Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elective or appointed officer or employee whose performance requires the actual performance of duties during not less than one thousand (1,000) hours per calendar year in each county of the state, except for any city not within a county and any county of the first classification having a charter form of government. It does not include county prosecuting attorneys covered under Sections 56.800 to 56.840, RSMo, circuit clerks and deputy circuit clerks covered under the Missouri State Retirement System, county sheriffs covered under Sections 57.949 to 57.997, RSMo and certain personnel not defined as an employee per Section 50.1000(8), RSMo. The Fund was created by an act of the legislature and was effective August 28, 1994.

The general administration and the responsibility for the proper operation of the Fund and the investment of the Fund are vested in a board of directors of eleven persons.

## 2) Pension Benefits

Beginning January 1, 1997, employees attaining the age of sixty-two years may retire with full benefits with eight or more years of creditable service. The monthly benefit for County Employees is determined by selecting the highest benefit calculated using three different prescribed formulas (flat-dollar formula, targeted replacement ratio formula, and prior plan's formula). A death benefit of \$10,000 will be paid to the designated beneficiary of every active member upon his or her death.

Upon termination of employment, any member who is vested is entitled to a deferred annuity, payable at age sixty-two. Early retirement is at age fifty-five. Any member with less than eight years of creditable service forfeits all rights in the Fund but will be paid his or her accumulated contributions.

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, by calling 1-877-632-2373, or by the following website, [www.mocerf.org](http://www.mocerf.org).

## 3) Funding Policy

In accordance with State Statutes, the Plan is partially funded through various fees collected by counties and remitted to the CERF. Further, a contribution to CERF of 2% of annual salary is required for eligible employees hired before February 2002, while a contribution of 6% of annual salary is required of employees hired after February 2002. The County has elected not to make contributions on behalf of employees. During 2020 and 2019, the County collected and remitted to CERF employee withholdings of \$42,009 and \$39,779, respectively, for the years then ended.

## B. 401(A) Pension Plan

Participation in the plan is mandatory for all employees who have worked over 1,000 hours in a calendar year. The County does not contribute to the plan. Plan participants contribute .7% of earnings to the plan. During 2020 and 2019, the County collected and remitted to the

plan employee withholdings of \$5,312 and \$4,950, respectively, for the years then ended.

#### C. Deferred 457 Pension Plan

Participation in the plan is voluntary for all full-time employees. Part-time employees are not eligible to participate in the plan. Plan participants can elect to contribute any whole percentage or dollar amount of their earnings to the plan. Fifty cents on the dollar is matched by CERF on the first 6% of an employee's contribution. The County does not contribute to the plan. Employee contributions collected and remitted by the County for the years ended December 31, 2020 and 2019 were \$36,367 and \$43,967, respectively.

#### D. 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 contributed \$3,366 for each of the years ended December 31, 2020 and 2019.

### 4. 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.

### 5. CLAIMS, COMMITMENT AND CONTINGENCIES

#### A. Compensated Absences

The County provides employees with two full weeks of sick leave upon the anniversary of their hire date. After fifteen years of employment, the employee will receive three full weeks of sick leave. Sick leave may not accrue from year to year. Employees who have worked with the County for one full fiscal year or longer will be reimbursed for unused sick leave at the rate of 50% at the end of every year.

The County provides regular full-time employees who have completed one year of employment with two full weeks of vacation time. After fifteen years of employment, the employee will receive three full weeks of vacation time. Vacation leave must be used in the year it is earned. Upon termination of employment, employees are paid for unused vacation time earned during the year.

#### B. Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants, when performed, could result in the disallowance of certain costs. Accordingly, 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 and, therefore, no provision has been made in the accompanying financial statements for the potential refund of grant monies.

## 6. 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. 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 which are intended 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 a member of the Missouri Association of Counties Self-Insured Workers' Compensation Trust. 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.

## 7. CAPITAL LEASES

The County had the following long-term debt outstanding as of December 31, 2020:

- A. In January 2020, the County entered into a \$128,000, five-year non-cancelable lease agreement for a 2014 CAT road grader with an interest rate of 3.99%, under which the County can purchase the grader at the end of the lease for \$1. The agreement calls for annual payments of \$28,753 beginning on February 1, 2021, through February 1, 2025. The schedule of remaining payments and interest is below:

<u>Fiscal Year Ending</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 23,604	\$ 5,149	\$ 28,753
2022	24,588	4,165	28,753
2023	25,569	3,184	28,753
2024	26,589	2,164	28,753
2025	27,650	1,103	28,753
Total	<u>\$ 128,000</u>	<u>\$ 15,765</u>	<u>\$ 143,765</u>

- B. In February 2020, the County entered into an \$112,497, three-year non-cancelable lease agreement for a 2019 John Deere Tractor with an interest rate of 3.99%, under which the County can purchase the tractor at the end of the lease for \$1. The agreement called for a \$50,000 principal payment on February 11, 2020, and annual payments of \$22,495 beginning on February 1, 2021 through February 1, 2023. The schedule of remaining payments and interest is below:

Fiscal Year Ending December 31,	Principal	Interest	Total
2021	\$ 20,063	\$ 2,432	\$ 22,495
2022	20,802	1,693	22,495
2023	21,632	863	22,495
Total	<u>\$ 62,497</u>	<u>\$ 4,988</u>	<u>\$ 67,485</u>

The following schedule shows changes in long-term debt during the year ended December 31, 2020:

Description	Balance 12/31/2019	Additions	Payments	Balance 12/31/2020	Interest Paid
2014 CAT Motorgrader	\$ -	\$ 128,000	\$ -	\$ 128,000	\$ -
2019 John Deere Tractor	-	112,497	(50,000)	62,497	-

#### 8. SUBSEQUENT EVENTS

The County has evaluated events subsequent to December 31, 2020 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through October 11, 2021, the date the financial statements were available to be issued.

## **COMPLIANCE SECTION**

## McBRIDE, LOCK & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

To the County Commission and  
Officeholders of Mercer County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Mercer County, Missouri which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2019 and 2020, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the years then ended, and the related notes to the financial statements, which collectively comprise Mercer County, Missouri's basic financial statements and have issued our report thereon dated October 11, 2021.

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

In planning and performing our audit of the financial statements, we considered Mercer County, Missouri'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 Mercer County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Mercer County, Missouri's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County'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 a certain deficiency in internal control described in the accompanying schedule of findings and recommendations as item 2020-001 that we consider to be a significant deficiency.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Mercer County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 one instance of noncompliance or other matters described in the accompanying schedule of findings and recommendations as item 2020-002 that is required to be reported under *Government Auditing Standards*.

## **Mercer County, Missouri's Responses to Findings**

Mercer County, Missouri's responses to the findings identified in our audit are described in the accompanying schedule of findings and recommendations. Mercer County, Missouri's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

## **Purpose of this Report**

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

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC  
Kansas City, Missouri  
October 11, 2021

## **FINDINGS AND RECOMMENDATIONS**

MERCER COUNTY, MISSOURI  
FINDINGS AND RECOMMENDATIONS

**MATERIAL WEAKNESSES IN INTERNAL CONTROL**

None

**SIGNIFICANT INTERNAL CONTROL DEFICIENCIES**

**2020-001: Sheriff's Bank Reconciliations**

Criteria: A proper system of internal controls dictates that bank reconciliations be performed on a timely basis, transactions are timely recorded in the check register and the check register is properly maintained.

Condition: The Sheriff's office was not performing adequate reconciliations of the monthly bank statements during 2019 and 2020. Additionally, cash receipts and disbursements were not always timely recorded in the checkbook register, a running ledger balance was not properly recorded, and the monthly bank statement was not reconciled with the checkbook register. Furthermore, there was no indication that the bank statements and register were reviewed by the Sheriff.

Cause: Formal bank reconciliations were not performed under the previous administration.

Effect: Without reconciliations of bank balances to book balances, and the timely recording of transactions, the risk of misstatements due to error or misappropriation is heightened.

Recommendation: We recommend the Sheriff's office implement a process to timely and properly reconcile the balance per bank to a recorded book balance to ensure all activity in the bank is recorded in the register and vice versa. Additionally, we recommend the Sheriff review the bank statements, reconciliations and the checkbook register on a monthly basis.

County Response: Since taking office 1/1/2021, I have personally been reviewing the end of month bank statements. We will attempt to come up with a system to log everything in a timely manner.

Auditor's Response: The response is appropriate to correct the concern.

**ITEMS OF NONCOMPLIANCE**

**2020-002: Investment Policy**

Criteria: Section 30.950, RSMo requires political subdivisions that manage public funds to adopt an investment policy that prioritizes safety, liquidity and yield; prohibits derivatives, leveraging, and speculation with public funds; and requires collateralization of deposits.

Condition: The County Commission has not adopted an investment policy as required by state statute.

Cause: The County does not have investments and, therefore, has not adopted an investment policy.

Effect: The County has not adopted a policy to sufficiently address Section 30.950, RSMo.

Recommendation: We recommend the County adopt an investment policy that meets the requirements of state statutes.

County Response: We are reviewing investment policies and will adopt one this year. We do not currently have any investments.

Auditor's Evaluation: The response is appropriate to correct the concern. The Model Investment Policy from the State Treasurer has been provided to the County. The principles in the policy apply even if the County does not currently have any funds invested.

MERCER COUNTY, MISSOURI  
FOLLOW-UP ON PRIOR AUDIT FINDINGS FOR AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, this section reports the auditor's follow-up on action taken by Mercer County, Missouri, on the applicable findings in the prior audit report issued for the years ended December 31, 2016 and 2015.

**16/15-001:** The County was not in compliance with Missouri budgetary state statute Chapter 50 RSMo. The following fund had actual expenditures that exceeded the budgeted expenditures in 2015: Jail Commissary Fund. We noted the following fund without a prepared budget for 2016 and 2015: Recorder Trust Fund.

Status: Resolved.

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E: [Admin@McBrideLock.com](mailto:Admin@McBrideLock.com)

## McBRIDE, LOCK & ASSOCIATES, LLC

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CERTIFIED PUBLIC ACCOUNTANTS

October 11, 2021

To the County Commission  
Mercer County, Missouri

We have audited the regulatory basis financial statements of Mercer County, Missouri for the years ended December 31, 2020 and 2019. 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 June 10, 2021. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Matters

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Mercer County, Missouri are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2020 or 2019. We noted no transactions entered into by the County during the year 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. Since the County is reporting on the cash basis of accounting, there are no particularly sensitive estimates affecting the 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 October 11, 2021.

### *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.

### Restriction on Use

This information is intended solely for the information and use of the County Commission and management of Mercer County, Missouri and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*(Original Signed by McBride, Lock & Associates, LLC)*

McBride, Lock & Associates, LLC