

ST. FRANCOIS COUNTY, MISSOURI

FINANCIAL STATEMENTS

December 31, 2014

TABLE OF CONTENTS

Page

INDEPENDENT AUDITORS' REPORTS

Independent Auditors' Report..... 1- 3

Independent Auditors' 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* 4 - 5

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements:

Statement of Net Position - Modified Accrual Basis6

Statement of Activities - Modified Accrual Basis.....7

Fund Financial Statements:

Combined Balance Sheet - Modified Cash Basis -
Governmental Funds.....8

Reconciliation of Total Governmental Fund Balance to Net
Position of Governmental Activities.....9

Statement of Revenues, Expenditures and Changes in Fund
Balances - Modified Cash Basis - Governmental Funds 10

Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds to the
Statement of Activities 11

Statement of Fiduciary Net Position - Modified Accrual Basis -
Agency Funds 12

NOTES TO THE FINANCIAL STATEMENTS 13 - 40

SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedule-(Modified Cash)
General Fund..... 41

Budgetary Comparison Schedule-(Modified Cash)
Special Revenue Funds 42 - 43

TABLE OF CONTENTS (Continued)

Page

SUPPLEMENTARY INFORMATION

Combining Balance Sheet - Modified Cash Basis - Non-Major Governmental Funds (Special Revenue Funds)	44 - 48
Combining Statement of Revenues, Expenditures and Changes In Fund Balances - Modified Cash Basis - Non-Major Governmental Funds (Special Revenue Funds)	44 - 48
Combining Statement of Fiduciary Net Position - Modified Accrual Basis - Agency Funds	49
Schedule of Findings and Responses	50 - 60



INDEPENDENT AUDITORS' REPORT

To the County Commission and Officeholders of
St. Francois County, Missouri

We have audited the accompanying modified cash basis financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and aggregate remaining fund information of St. Francois County, Missouri, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1 (E); this includes determining that the modified cash 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.

Auditors' Responsibility

Our responsibility is to express opinions 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the primary government of St. Francois County, Missouri, as of December 31, 2014, and the respective changes in modified cash basis financial position for the year then ended in accordance with the modified cash basis of accounting described in Note 1 (E).

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise St. Francois County, Missouri's basic financial statements. The combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Basis of Accounting

We draw attention to Note 1 (E) of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Disclaimer of Opinion on Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise St. Francois County, Missouri's basic financial statements. The budgetary comparison information on pages 41-43, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the reporting entity of St. Francois County Joint Communications Center, as of and for the years ended December 31, 2014, and our report thereon, dated March 16, 2015, expressed an unmodified opinion on those financial statements.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2015, on our consideration of St. Francois County, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering St. Francois County, Missouri's internal control over financial reporting and compliance.

Maloney, Wright & Robbins

Farmington, MO
June 24, 2015



**INDEPENDENT AUDITORS' 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
St. Francois 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 the governmental activities, each major fund, and the aggregate remaining fund information of St. Francois County, Missouri, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise St. Francois County, Missouri's basic financial statements and have issued our report thereon dated June 24, 2015.

Internal Control over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Responses that we consider to be significant deficiencies (2014-001 thru 2014-009).

Compliance and Other Matters

As part of obtaining reasonable assurance about whether St. Francois County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Responses as items 2014-010 and 2014-011.

St. Francois County, Missouri's Response to Findings

St. Francois County, Missouri's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Responses. St. Francois County, Missouri's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Maloney, Wright & Robbins

Farmington, MO
June 24, 2015

ST. FRANCOIS COUNTY, MISSOURI
STATEMENT OF NET POSITION - MODIFIED ACCRUAL BASIS

FOR THE YEAR ENDED DECEMBER 31, 2014

	December 31, 2014 Total Governmental Activities	Component Unit
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 2,510,007	\$ 21,913
Restricted Cash	7,697,627	-
Investments	2,345,360	-
Total Current Assets	12,552,994	21,913
Noncurrent Assets:		
Capital Assets (net)	25,096,108	36,753
Total Noncurrent Assets	25,096,108	36,753
TOTAL ASSETS	\$ 37,649,102	\$ 58,666
LIABILITIES		
Current Liabilities:		
Accrued Liabilities	\$ -	\$ 1,970
Current Portion of Long Term Debt - Notes Payable	-	-
Current Portion of Long Term Debt - Capital Leases	74,680	-
Current Portion of Long Term Debt - Certificates of Participation	225,000	-
Total Current Liabilities	299,680	1,970
Noncurrent Liabilities:		
Notes Payable	-	-
Capital Lease Payable	164,328	-
Certificate of Participation - Series 2005	2,555,000	-
Certificate of Participation - Series 2010	340,000	-
Certificate of Participation - Series 2014	2,160,000	-
Less Current Portion of Long Term Debt	(299,680)	-
	4,919,648	-
TOTAL LIABILITIES	\$ 5,219,328	\$ 1,970
NET POSITION		
Net Investment in Capital Assets	\$ 19,876,780	\$ 36,753
Restricted	7,697,627	-
Unrestricted	4,855,367	19,943
TOTAL NET POSITION	32,429,774	56,696
TOTAL LIABILITIES & NET POSITION	\$ 37,649,102	\$ 58,666

See accompanying notes to the financial statements

ST. FRANCOIS COUNTY, MISSOURI
STATEMENT OF ACTIVITIES - MODIFIED ACCRUAL BASIS

FOR THE YEAR ENDED DECEMBER 31, 2014

					Net (Expense) Revenue and Changes in Net Assets	
	Expenses	Program Revenues			Primary Government Total Governmental Activities	Component Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
FUNCTIONS/PROGRAMS						
PRIMARY GOVERNMENT:						
General & Administration	\$ 7,664,566	\$ 3,014,943	\$ 155,185	\$ -	\$ (4,494,438)	\$ -
Property Valuation and Recording	1,546,793	-	139,115	-	(1,407,678)	-
Health & Welfare	658,338	-	-	-	(658,338)	-
Administration of Justice and Law Enforcement	6,027,665	1,745,574	627	-	(4,281,464)	-
Roads & Bridges	3,162,037	-	679,236	141,120	(2,341,681)	-
Interest and Fiscal Charges	173,258	-	-	-	(173,258)	-
TOTAL PRIMARY GOVERNMENT	\$ 19,232,657	\$ 4,760,517	\$ 974,163	\$ 141,120	(13,356,857)	-
COMPONENT UNIT:						
General & Administration	\$ 1,373,246	\$ 740,738	\$ -	\$ -	-	(632,508)

General Revenues:

Taxes:

Property Taxes, Levied for General Purposes	563,293	-
Property Taxes, Levied for Road & Bridge	1,787,106	-
Property Taxes, Levied for Senior Services	355,722	-
Property Taxes, Levied for Develop Disabled	656,011	-
Sales Tax Levied for General Purposes	3,452,349	-
Sales Tax Levied for Road & Bridge	1,748,939	-
Sales Tax Levied for Law Enforcement	3,159,074	-
Telephone Tax	-	522,697
Other Sales Tax	647,045	-
Other taxes	905,499	-
Investment Income	11,894	-
Gain/(Loss) on Sale of Fixed Assets	(6,757)	-
Miscellaneous Revenue	1,016,351	-
Total General Revenues	14,296,526	522,697
 Change in Net Position	 939,669	 (109,811)
 Net Position, Beginning of Year	 31,490,105	 166,507
Net Position, End of Year	\$ 32,429,774	\$ 56,696

See accompanying notes to the financial statements

**ST. FRANCOIS COUNTY, MISSOURI
COMBINED BALANCE SHEET - MODIFIED CASH BASIS -GOVERNMENTAL FUNDS**

DECEMBER 31, 2014

	Major Funds					Total Governmental Funds	Memorandum Total Only
	General	Road and Bridge	Law Enforcement Sales Tax	Debt Service Fund	Non-Major Funds		
ASSETS							
Cash and Cash Equivalents	\$ 4,898,951	\$ -	\$ -	\$ -	\$ 145,147	\$ 5,044,098	\$ 5,044,098
Restricted Cash	-	2,020,617	225,111	139,517	2,778,291	5,163,536	5,163,536
Investments	-	-	-	2,345,360	-	2,345,360	2,345,360
Due From Other Funds	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 4,898,951</u>	<u>\$ 2,020,617</u>	<u>\$ 225,111</u>	<u>\$ 2,484,877</u>	<u>\$ 2,923,438</u>	<u>\$ 12,552,994</u>	<u>\$ 12,552,994</u>
LIABILITIES AND FUND BALANCES							
Accrued Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCES:							
Restricted	188,679	2,020,617	225,111	2,484,877	2,778,343	7,697,627	7,697,627
Committed	-	-	-	-	145,097	145,097	145,097
Assigned	1,976,159	-	-	-	-	1,976,159	1,976,159
Unassigned	2,734,113	-	-	-	-	2,734,113	2,734,113
Total Fund Balances	<u>4,898,951</u>	<u>2,020,617</u>	<u>225,111</u>	<u>2,484,877</u>	<u>2,923,438</u>	<u>12,552,994</u>	<u>12,552,996</u>
TOTAL LIABILITIES							
FUND BALANCES	<u>\$ 4,898,951</u>	<u>\$ 2,020,617</u>	<u>\$ 225,111</u>	<u>\$ 2,484,877</u>	<u>\$ 2,923,438</u>	<u>\$ 12,552,994</u>	<u>\$ 12,552,994</u>

See accompanying notes to the financial statements

ST. FRANCOIS COUNTY, MISSOURI
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE
TO NET ASSETS OF GOVERNMENTAL ACTIVITIES

For the Year Ended December 31, 2014

Total Governmental Fund Balances	\$	12,552,994
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		25,096,108
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		<u>(5,219,328)</u>
Net Position of Governmental Activities	\$	<u><u>32,429,774</u></u>

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

ST. FRANCOIS COUNTY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2014

	Major Funds						Memorandum Total Only
	General	Road and Bridge	Law Enforcement Sales Tax Fund	Debt Service Fund	Non-Major Governmental Funds	Total Governmental Funds	
REVENUES:							
Property Tax	\$ 563,293	\$ 1,708,493	\$ -	\$ -	\$ 1,090,346	\$ 3,362,132	\$ 3,362,132
Sales Tax	3,452,349	151,601	3,159,074	-	2,244,383	9,007,405	9,007,405
Telephone Tax	-	-	-	-	475,931	475,931	475,931
Intergovernmental Revenue	1,971,241	141,120	682,180	-	1,114,413	3,908,954	3,908,954
Charges for Services	218,968	-	-	-	701,746	920,714	920,714
Grants, Distributions and Reimbursements	155,185	679,236	-	-	627	835,048	835,048
Fees, Licenses and Permits	-	-	-	-	640,650	640,650	640,650
Interest	4,179	2,173	259	2,882	2,401	11,894	11,894
Other	250,006	23,129	43,330	-	699,891	1,016,356	1,016,356
Total Revenues	6,615,219	2,705,752	3,884,842	2,882	6,970,389	20,179,084	20,179,084
EXPENDITURES:							
Administration	4,419,574	-	-	-	1,040,559	5,460,133	5,460,133
Property Valuation and Recording	-	-	-	-	1,521,226	1,521,226	1,521,226
Administration of Justice and Law	170,164	-	4,419,663	-	1,224,116	5,813,943	5,813,943
Road & Bridge	-	2,067,907	-	-	744,099	2,812,006	2,812,006
Miscellaneous	-	-	-	641	1,539,834	1,540,475	1,540,475
Capital Outlay	130,142	412,545	2,991	-	1,363,096	1,908,774	1,908,774
Debt Service							
Principal Payments	-	45,412	-	215,000	56,186	316,598	316,598
Interest Payments	-	-	-	169,284	3,974	173,258	173,258
Fiscal Agent Fees	-	-	-	-	-	-	-
Debt Issuance Cost	-	-	-	65,770	-	65,770	65,770
Total Expenditures	4,719,879	2,525,864	4,422,654	450,695	7,493,090	19,612,182	19,612,182
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,895,340	179,888	(537,812)	(447,813)	(522,701)	566,902	566,902
OTHER FINANCING SOURCES (USES):							
Issuance of Long Term Debt	-	180,473	-	2,160,000	-	2,340,473	2,340,473
Transfers in	75,000	-	600,000	350,112	408,328	1,433,440	1,433,440
Transfers out	(1,358,440)	(75,000)	-	-	-	(1,433,440)	(1,433,440)
Total Other Financing Sources (uses)	(1,283,440)	105,473	600,000	2,510,112	408,328	2,340,473	2,340,473
NET CHANGE IN FUND BALANCE	611,901	285,361	62,188	2,062,299	(114,373)	2,907,374	2,907,375
FUND BALANCE - BEGINNING OF YEAR	4,287,051	1,735,256	162,924	422,578	3,037,812	9,645,620	9,645,620
FUND BALANCE - END OF YEAR	\$ 4,898,951	\$ 2,020,617	\$ 225,112	\$ 2,484,877	\$ 2,923,438	\$ 12,552,994	\$ 12,552,995

See accompanying notes to the financial statements

ST. FRANCOIS COUNTY, MISSOURI
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2014

Net Change in Fund Balances - Total Governmental Funds	\$	2,907,374
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:

Capital asset purchases capitalized		1,908,774
Depreciation expense		(1,845,848)
The net effect of various transactions involving capital assets (i.e. sales, trade-ins, donations) to increase (decrease) net position		(6,757)
		56,169

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount of debt repayments.		316,599
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Debt Issued:		
Certificates of Participation		(2,160,000)
Capital Leases		(180,473)
		(180,473)

Change in Net Position of Governmental Activities	\$	939,669
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The accompanying notes are an integral part of the financial statements.

**ST. FRANCOIS COUNTY, MISSOURI
STATEMENT OF FIDUCIARY NET POSITION
MODIFIED ACCRUAL BASIS - AGENCY FUNDS**

DECEMBER 31, 2014

ASSETS	
Restricted Cash	\$ 30,759,708
Investments	-
Taxes Receivable	<u>4,119,155</u>
TOTAL ASSETS	<u>\$ 34,878,863</u>
LIABILITIES	
Accrued Liabilities	\$ -
Due to Other Funds	<u>34,878,863</u>
TOTAL LIABILITIES	<u>\$ 34,878,863</u>

See accompanying notes to financial statements

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

St. Francois County, Missouri became a first class county on January 1, 2013. It is a political subdivision, organized and existing under the laws of the State of Missouri. The County is approximately 451 square miles in area. St. Francois County is governed by a three-member board of commissioners. In addition to the three County Commissioners, there are twelve (12) elected Constitutional Officers: Assessor, County Clerk, Circuit Clerk, Recorder of Deeds, Collector, Treasurer, Auditor, Coroner, Prosecuting Attorney, Public Administrator, Surveyor, and Sheriff.

A. Financial Reporting Entity

The County's operations include tax assessments and collections, state/county courts administration, county recorder, public safety and 911, road and bridge maintenance, public welfare, and social and human services. The funds presented are established under statutory or administrative authority, and their operations are under the control of the County Commission or an elected county official.

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

Component units are organizations for which the County is financially accountable and all other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Financial accountability exists if the County appoints a voting majority of the Component Unit's governing board and is either able to impose its will on that Component Unit or there is a potential for the Component Unit to provide specific financial benefits to, or impose specific financial burdens on, the County. The County may be financially accountable for governmental organizations with a separately elected governing board, a governing board appointed by another government, or a jointly appointed board that is fiscally dependent on the County.

The decision to include a potential component unit in the County's reporting entity is based on the criteria set forth in governmental accounting standards. Criteria for including a potential component unit within the reporting entity includes the governing body's ability to exercise financial accountability as

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

A. Financial Reporting Entity (Continued)

the primary government, but not the only criteria for inclusion. Financial accountability includes control or dependence over budget adoption, taxing authority, funding and appointment of the respective board. Based upon the application of these criteria, St. Francois County Joint Communications Center has been determined to be a component unit of the County.

The financial statements of the component units may be discretely presented in a separate column from the primary government or blended with the financial statements of the primary government. Accounting principles generally accepted in the United States of America require the component unit information to be reported with the financial data of the County's primary government.

B. Discretely Presented Component Units

St. Francois County Joint Communications Center (The Center) provides centralized dispatch services for the County. The Center is financed through a surtax charge on telephone bills to all county residents. The County receives the surtax and remits the proceeds to the center. A separate board of governance is responsible for oversight. Complete financial statements of the Center may be obtained directly from their office at 102 Industrial Drive, Park Hills, Missouri 63601.

C. Related Organizations

The juvenile office and detention center, located in St. Francois County, is an entity separate and distinct from St. Francois County. It is an entity operating at the circuit level to provide services to four counties: St. Francois, Madison, Washington, and Ste. Genevieve. The budgeting process for the office includes all four county commissions and the circuit court judge. Based upon budget adoption, tax authority and funding, the juvenile office is not controlled by or dependent upon St. Francois County. Missouri Statutes do not provide for cash management by juvenile offices. Accordingly, St. Francois County acts in a fiduciary capacity to maintain a depository account and disburse funds for the office as directed and authorized by the circuit court judge. The County has established a separate agency fund, the juvenile fund, to account for these cash inflows and outflows. This fund is custodial in nature and does not purport to represent a measurement of the results of operations of the juvenile office. The County also acts in a fiduciary capacity with the Circuit Court.

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

D. Basis of Presentation - Fund Accounting

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 Funds

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.

Fiduciary Funds

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 based on the economic resources measurement focus and the modified accrual basis of accounting. 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 County Collector and other agency operations.

Government-wide Financial Statements

The Statement of Net Position and Statement of Activities present financial information about the County as a whole. They include all funds of the reporting entity except for fiduciary funds. These statements include the financial activities of the primary government and distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The County does not have any such activities.

The Statement of Net Position presents the financial condition of the governmental activities of the County at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Amounts reported as *program revenues* include (a)

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

D. Basis of Presentation - Fund Accounting (Continued)

Government-wide Financial Statements (Continued)

charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes, unrestricted interest earnings, gains, and other miscellaneous revenue not properly included among *program revenues* are presented instead as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the County.

Fund Financial Statements

Following the government-wide financial statements are separate financial statements for governmental funds and fiduciary funds. Presently, the County has no proprietary funds. Fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. The County has determined that the General, Road and Bridge, and Law Enforcement Sales Tax are major governmental funds. All other governmental funds are reported in two columns labeled "Non-major Governmental Funds" and "Non-major Governmental Funds (Special Revenue Funds)". If applicable, the total fund balances for all governmental funds is reconciled to total net position for governmental activities as shown on the statement of net position. The net change in fund balance for all governmental funds, if applicable, is reconciled to the total change in net position as shown on the statement of activities in the government-wide financial statements.

The fund financial statements of the County are organized on the basis of funds, each of which is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, fund balances/net position, revenues and expenditures, or expenses. 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. The various funds are summarized by type in the basic financial statements. The following fund types are used by the County:

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

D. Basis of Presentation - Fund Accounting (Continued)

Fund Financial Statements (Continued)

Governmental Fund Types

Governmental funds are those through which most governmental functions are financed. The County's expendable financial resources and the related liabilities 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 defines *available* for purposes of revenue recognition in the fund financial statements when received, not earned.

The following are the County's governmental major funds:

General Fund - The General Fund is the primary operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

Road and Bridge Fund - A Special Revenue Fund used to account for receipts of the County-wide \$.2447 property tax levy and related expenditures for road maintenance and improvement of the County's infrastructure.

Law Enforcement Sales Tax Fund - A Special Revenue Fund used to record the County-wide revenue of two, one-fourth (1/4) percent sales tax receipts and related expenditures to support law enforcement.

Debt Service Fund - Financial resources restricted for payment of Certificates of Participation. Financial resources are accumulated for principal and interest payments.

Other governmental funds of the county are considered non-major funds, including various special revenue funds which account for the proceeds of specific revenue sources that generally are legally restricted to expenditures for specific purposes.

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

E. **Measurement Focus and Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are reported on the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. The fund financial statements are reported using the modified cash basis of accounting. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. The County defines available for purposes of revenue recognition in the governmental fund financial statements as when revenue is received, not earned. These funds use fund balance as their measure of available spendable financial resources at the end of the period. Measurable means the amount is known. Available means they have been collected. This availability period determines financial resources that are “current.”

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.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

The budget is prepared on the same modified cash basis of accounting as applied to the governmental funds in the basic financial statements.

F. **Cash and Investments**

For the purpose of financial reporting, deposits and investments are stated at cost, which approximates market. Cash balances for all of the County Treasurer funds are pooled and invested to the extent possible to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable.

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

F. Cash and Investments (Continued)

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.

G. Restricted Cash and Investments

The Certificates of Participation used to finance the construction of the annex to the courthouse, and the Certificates of Participation issued to fund energy efficiency retrofit to the Jail, Annex, Courthouse, and Bridge replacements require the County to establish and maintain prescribed amounts of reserves that can be used only to service the Certificates.

H. Capital Assets and Depreciation

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, sidewalks, street lights, and similar items) are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial useful life of at least one year and a historical cost meeting the dollar threshold below. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at estimated fair market value as of the date of the donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets and capitalization dollar threshold are as follows:

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

H. Capital Assets and Depreciation (Continued)

<u>Asset</u>	<u>Years</u>	<u>Threshold</u>
Land	N/A	\$25,000
Land Improvements - Structure	20	12,500
Land Improvements - Ground	30	12,500
Land Improvements - Building Site	N/A	12,500
Easements	N/A	5,000
Buildings	40	50,000
HVAC	20	5,000
Roofing	20	5,000
Carpet Replacement	7	5,000
Electrical/Plumbing	30	5,000
Building Improvements	15	25,000
Office Furniture	7	2,500
Office Equipment	5	2,500
Equipment-Radio/Highway	10	5,000/15,000
Radio Towers	20	15,000
Grounds Equipment	15	10,000
Vehicles	5	5,000
Bridge Replacement	70	250,000
Bridge Slab	30	250,000
Bridge Prestress	40	250,000
Highways/Roads		
Concrete	40	250,000
Blacktop	40	500,000
Gravel	40	5,000
Tunnels/Drainage Systems	50	500,000
CIP	N/A	N/A

I. Equity Classification

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- 1) Net Investment in Capital Assets - Consists of capital assets including restricted assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvements of the net position.

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

I. **Equity Classification (Continued)**

- 2) Restricted Net Position- Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

- 3) Unrestricted Net Position - All other net position asset that do not meet the definition of “restricted” or “net investment in capital assets.” It is the County’s policy to first use restricted net position prior to the use of unrestricted net position when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

J. **Post-Employment Benefits**

The County does not provide post-employment benefits, except those 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.

K. **Property Taxes**

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and mailed to residents in November, and are payable on or before December 31 of that year. All unpaid taxes then become delinquent as of January 1st of the following year. Property tax revenues are recognized when earned.

The assessed valuation of the tangible taxable property, included within the County’s boundaries for the calendar year 2014, for purposes of taxation was:

Real Estate	\$476,640,700
Personal Property	137,448,550
	<u>\$614,089,250</u>

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

L. Use of Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

M. Revenues

The County includes in its program revenues the following income: Fines and Circuit Court Fees; Licenses, Permits, and Fees; County Vehicle Sticker Income; Gasoline Tax and Motor Vehicle Fees.

N. Accounts Receivable

The County records accounts receivable for property taxes due from the County Collector at December 31, 2014, which operates as an agency fund.

O. Budgets and Budgetary Accounting

In accordance with Missouri Statutes, the County adopts a formal budget at the beginning of the fiscal year. Budgets are prepared and adopted on the modified cash basis of accounting that is consistent with the basis of accounting used in the presentation of the fund financial statements. The level of budgetary responsibility for an individual fund is by total appropriations. 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. A budgetary amendment was approved by the County Commission in December 2014 in accordance with state statutes. The Law Enforcement Sales Tax Fund had expenditures in excess of appropriations.

P. Fund Equity – Governmental Funds

The following classifications of fund balance describe the relative strength of the spending constraints and provide more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent.

- Nonspendable fund balance – Amounts that are in nonspendable form (such as inventory) or are required to be maintained intact.

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

P. **Fund Equity – Governmental Funds**

- Restricted fund balance – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed fund balance – This consists of the governmental fund balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the County’s highest level of decision-making authority. To be reported as committed, amounts cannot be used for any other purpose unless the County takes the same highest level action to remove or change the constraint.
- Assigned fund balance – amounts the County intends to use for a specific purpose. Intent can be expressed by the County Commission or County Executive.
- Unassigned fund balance – amounts that are available for any purpose. Positive amounts are reported only in the general fund.

The County Commission and Elected Officials are the highest level of decision-making authority that establishes (and modifies or rescinds) fund balance commitments by a court order or passage of a resolution. This is typically done through adoption and amendment of the budget. Assigned fund balance is established by the Commission through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

As discussed in Note 1, restricted funds are used first as appropriate when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the County has provided otherwise in its commitment or assignment actions. The County has adopted, per State Statute, an Emergency Fund to accumulate an amount equal to not less than three percent of the total estimated general fund revenues appropriated each year as an emergency fund.

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Q. **Internal and Interfund Balances and Activities**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables, if applicable, are classified as “Due From Other Funds” or “Due To Other Funds” on the Balance Sheet of the Governmental Funds. Legally required transfers are reported as “transfers in” by the recipient fund and as “transfers out” by the disbursing fund. In the process of aggregating the financial information for the government-wide Statement Net Assets and Statement of Activities, some amounts reported as inter-fund activity and balances in the fund financial statements have been eliminated or reclassified.

NOTE 2 **DEPOSITS AND INVESTMENTS**

Cash and Time Deposits include all funds held in checking accounts, money market accounts, cash on hand and certificates of deposit with original maturities of less than three months. Deposits and investments are stated at cost, which approximates market. Restricted cash includes amounts held in trust as required by certain bond covenants.

Missouri Statutes require that all funds of the County on deposit in financial institutions must be collateralized by the depository institution with appropriate securities to the extent not provided by FDIC insurance. The County’s bank deposits were secured by letters of credit by FHLB in the amount of \$20,000,000 and securities pledged by First State Community Bank of \$19,378,906. At December 31, 2014 the deposits and investments of the County were fully insured or collateralized by securities held in the County’s name. Deposits and investments were categorized as follows at December 31, 2014:

Type	Cost
Deposits-Governmental Funds:	
Checking and Savings	\$10,207,584
Cash on Hand	50
Escrowed Funds	2,345,360
	\$12,552,994
 Deposits-Fiduciary Funds:	
Checking and Savings	\$30,759,008
Cash on Hand	700
	30,759,708
	\$43,312,702

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 2 **DEPOSITS AND INVESTMENTS**

Custodial Credit Risk - Deposits

Custodial Credit Risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. As of December 31, 2014, the County was exposed to custodial credit risk. The County's investments earn interest based on variable interest rates.

NOTE 3 **RESTRICTED NET POSITION**

Net position represents the difference between assets and liabilities. Net position is reported as restricted when there limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, laws, or regulation of other governments. All other net position is reported as unrestricted. The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available. The following net position was reported as restricted:

Governmental Major Funds:

General Revenue	\$ 188,679
Road and Bridge	2,020,617
Law Enforcement Sales Tax	225,111
	<u>\$ 2,434,407</u>

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 3 **RESTRICTED NET POSITION (Continued)**

Governmental Non-Major Funds:

Assessment Fund	\$	719,680
Insurance Maintenance Fund		12,611
Circuit Court Overage Fund		1,259
Senior Citizens Service Fund		108,658
Road Improvement Tax Fund		463,281
Sheriff's Revolving Fund		165,440
County Law Enforcement Fund		4,683
Law Enforcement Training Fund		4,561
Recorder's User Fee Fund		55,920
Surplus Tax Sale Fund		89,120
Tax Maintenance Fund		212,114
Fines Fund		117,671
Election Cost Special Fund		4,309
Prosecutor Training Fund		13,801
Prosecutor Bad Check Fund		73,687
Victims Violence Fund		5,609
PA Tax Rebate Fund		1,618
Inmate Security Fund		17,847
Sheriff's Civil Fees Fund		19,209
Tax Increment Financing Fund		523,182
Election Services Fund		38,245
Sheriff's DARE Fund		5,126
Sheriff Fund		23,243
Recorder Fund		37,183
County Clerk		387
PA Admin Handling Cost Fund		1,239
Debt Service Fund		2,484,877
Sheriff Inmate Commissary Fund		57,821
Juvenile Electronics		838
	<u>\$</u>	<u>5,263,219</u>

Agency Funds:

Collector of Revenue Fund	\$	38,484,348
Circuit Clerk Banner Fund		244,388
Juvenile Fund		150,127
	<u>\$</u>	<u>34,878,863</u>

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 4 GENERAL FIXED ASSETS

Changes in fixed assets are as follows for the year ended December 31, 2014:

Governmental Activities

Beginning Balance	\$ 68,277,328
Additions	1,913,413
Retirements	<u>(81,758)</u>
Ending Balance	70,108,983
Accumulated Depreciation	<u>(44,742,566)</u>
Net Book Value	<u>\$ 25,366,417</u>

GOVERNMENTAL ACTIVITIES	Beginning Balance	Additions	Retirements	Ending Balance
Land	\$ 1,220,219	\$ -	\$ -	\$ 1,220,219
Building & Building Improvements	9,938,864	2,182	-	9,941,046
Land & Leasehold Improvements	236,083	-	-	236,083
Furniture & Fixtures	486,067	-	-	486,067
Office Equipment	1,110,509	147,890	-	1,258,399
Other Equipment	5,342,387	234,294	7,475	5,569,206
Motor Vehicles	3,142,681	162,956	74,283	3,231,354
Infrastructure	46,800,518	1,234,680	-	48,035,198
Construction in Progress	<u>-</u>	<u>131,411</u>	<u>-</u>	<u>131,411</u>
Total at Cost	68,277,328	1,913,413	81,758	70,108,983
Less: Accumulated Depreciation				
Land	-	-	-	-
Building & Building Improvements	5,879,060	415,842	-	6,294,902
Land & Leasehold Improvements	107,991	9,179	-	117,170
Furniture & Fixtures	477,700	7,474	-	485,174
Office Equipment	1,012,324	48,886	-	1,061,210
Other Equipment	4,229,490	288,297	7,247	4,510,540
Motor Vehicles	2,276,124	192,840	67,754	2,401,210
Infrastructure	28,958,115	914,245	-	29,872,360
Construction in Progress	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Accumulated Depreciation	<u>42,940,804</u>	<u>1,876,763</u>	<u>75,001</u>	<u>44,742,566</u>
Capital Assets, Net	<u>\$ 25,336,524</u>	<u>\$ 36,650</u>	<u>\$ 6,757</u>	<u>\$ 25,366,417</u>

Included in the table above are the capital assets for the Juvenile Fund, which is an agency fund. These assets have a net book value of \$270,309 and are not included in the government-wide financial statements.

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 4 **GENERAL FIXED ASSETS (Continued)**

Depreciation expense is charged to functions as follows in the Statement of Activities:

Governmental Activities	
General and Administration	\$ 1,096,716
Property Valuation and Recording	989
Administration of Justice and Law Enforcement	266,756
Health and Welfare	-
Roads and Bridges	512,302
Parks and Recreation	-
Community and Economic Development	-
Debt Service	-
Depreciation Expense	<u>\$ 1,876,763</u>

Capitalized assets not being depreciated are Land and Construction in Progress of \$1,351,630.

NOTE 5 **RISK MANAGEMENT**

The County is exposed to a variety of risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The County has established a risk management strategy that attempts to minimize losses and the carrying cost of insurance. The County is a member participant in a public entity risk pool which is a corporate and political body created pursuant to Missouri Statute Chapter 537.70. 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 Workmen's Compensation and Insurance Fund. The County purchases Workmen's Compensation Insurance through this fund, a nonprofit corporation established for the purpose of providing insurance coverage for Missouri counties. The fund is self-insured up to \$250,000 per occurrence and is re-insured up to the statutory limit through excess insurance.

The County has also purchased commercial insurance for other areas of risk that are not covered by the public entity risk pool or the self-insurance fund. These policies include reasonable deductible amounts. The portion of uninsured loss is not expected to be significant with respect to the financial position of the County.

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 6 **RETIREMENT PLAN**

A. **Plan Description**

St. Francois County participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries.

LAGERS was created and governed by statute section RSMo. 70.600 - 70.755. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and it is tax exempt.

The Missouri Local Government Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to LAGERS, P. O. Box 1665, Jefferson City, MO 65102 or by calling 1-800-447-4334.

B. **Funding Status**

Full-time employees of St. Francois County contribute 4% of their gross pay to the pension plan. The June 30th statutorily required contribution rates are 10.6% (General) and 10.6% (Police) of annual covered payroll. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute.

C. **Annual Pension Cost**

The subdivision's annual pension cost and net pension obligation for the current year were as follows:

Annual required contribution	\$ 662,029
Interest on net pension obligation	22,751
Adjustment to annual required contribution	<u>(18,648)</u>
Annual pension cost	666,132
Actual contributions	<u>(662,029)</u>
Increase (decrease) in NPO	4,103
NPO beginning of year	<u>313,804</u>
NPO end of year	<u>\$ 317,907</u>

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 6 **RETIREMENT PLAN (Continued)**

C. Annual Pension Cost (Continued)

The annual required contribution (ARC) was determined as part of the February 29, 2012 and February 28, 2013 annual actuarial valuations using the entry age actuarial cost method. The actuarial assumptions as of February 28, 2014 included: (a) a rate of return on the investment of present and future assets of 7.25% per year, compounded annually, (b) projected salary increases of 0.00% to 6.0% per year, compounded annually, attributable to inflation, (c) additional projected salary increases ranging from 0.0% to 6.0% per year, depending on age and division, attributable to seniority/merit, (d) pre-retirement mortality based on 75% of the RP-2000 Combined Healthy Table set back 0 years for men and 0 years for women and (e) post-retirement mortality based on 105% of the 1994 Group Annuity Mortality table set back 0 years for men and 0 years for women. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period as of February 29, 2012 was 30 years for the General division and 23 years for the Police division. The amortization period as of February 28, 2013 was 26 years for the General division and 26 years for the Police division.

Three-Year Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of AP Contributed	Net Pension Obligation
2012	\$ 686,129	88.3%	\$ 281,830
2013	\$ 688,270	95.4%	\$ 313,804
2014	\$ 666,132	99.4%	\$ 317,907

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Funding Progress

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Entry Age Actuarial Liability	(b-a) Unfunded Accrued Liability (UAL)	(a/b) Funded Ratio	(c) Annual Covered Payroll	[(b-a)/c] UAL as a Percentage of Covered Payroll
02/29/12	12,540,329	15,273,370	2,733,041	82%	6,082,632	45
02/28/13	13,626,787	15,932,088	2,305,301	86%	5,983,518	39
02/28/14	15,959,615	16,970,628	1,011,013	94%	6,043,318	17

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 6 **RETIREMENT PLAN (Continued)**

C. **Annual Pension Cost (Continued)**

Note: The above assets and actuarial accrued liability do not include the assets and present value of benefits associated with the Benefit Reserve Fund and the Casualty Reserve Fund. The actuarial assumptions were changed in conjunction with the February 28, 2011 annual actuarial valuations. For a complete description of the actuarial assumptions used in the annual valuations, please contact the LAGERS office in Jefferson City.

NOTE 7 **PENSION PLAN - County Employees' Retirement Fund (CERF)**

The County Employees' Retirement Fund (CERF) 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 of 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 proper operation of the Fund and the investment of the Fund are vested in a board of directors of eleven persons.

2. Pension Benefits

CERF first paid benefits beginning January 1, 1997. At that time a member could not retire until age 62. Beginning January 1, 2000, a member could retire with full benefits at age 62 or reduced benefits as early as age 55. 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). An eligible death benefit of \$10,000 will be paid to the designated beneficiary of every active member upon his or her death.

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 8 **CAPITAL LEASE OBLIGATIONS (Continued)**

Note Payable (Capital Lease) – John Deere Financial

Note Payable dated July 1, 2014 in the amount of \$180,473 for the purchase of two (2) utility tractors and two (2) side shift mowers. Payable in annual installments of \$45,412 including principal and interest for 36 months. At the end of the term, the equipment becomes property of the County. The note is secured by the equipment.

Balance at December 31, 2014 \$ 135,060

The following is a schedule, by year, of future minimum lease payments under capital leases, together with the present value of net minimum lease payments at December 31, 2014:

<u>Year Ended Dec 31,</u>	<u>Future Minimum Lease Payment</u>
2015	\$ 75,492
2016	45,412
2017	44,235
2018	-0-
2019	-0-
2020-2024	<u>-0-</u>
	165,139
Less amount representing interest	<u>(811)</u>
Present value of future minimum payments	<u>\$ 164,328</u>

The total interest expense for December 31, 2014 was \$7,334. Amortization expense has been included in depreciation expense.

NOTE 9 **CONDUIT DEBT**

Certificates of Participation - 2005

On February 1, 2005, the County issued \$4,000,000 in Series 2005 Certificates of Participation with interest rates ranging from 2.2% to 5%. The certificates were issued to provide funds for the construction of an annex to the St. Francois County Courthouse. The building houses the administrative offices of the County. The certificates mature on February 1, 2017 with term certificates due on February 1, 2020 and February 1, 2025. Interest is payable semi-annually on each August 1 and February 1st. The following reserve accounts were established as required by the certificate issuance:

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 9 **CONDUIT DEBT (Continued)**

Rental Payment - Accrued interest on certificates and any remaining funds from the construction fund are deposited in this account. Funds will be disbursed solely for the payment of principal and interest of outstanding certificates. This account is restricted for debt payments.

Debt Service Reserve - Established pursuant to the Indenture and was required to be initially funded from other available moneys provided by the County in an amount equal to \$305,000. Funds held in this account are restricted for the payment of the principal portion and interest portion of the rental payments represented by the Certificates if sufficient moneys are not available in the rental payment fund.

Certificates of Participation - 2010

On June 29, 2010, the County issued \$410,000 Series 2010 Recovery Zone Economic Development Lease Certificates of Participation with interest rates ranging from 4.0% to 5.5%. The County is entitled to receive a tax credit payable by the Secretary of the Treasury equal to forty-five percent (45%) of the interest payable on the Certificates. The certificates were issued to fund capital projects for repairs to the Jail, Annex, Courthouse, and for bridge replacements. The payments include an interest component, payable semiannually on October 1, and April 1 and a principal component with payments beginning on April 1, 2013. Payments are calculated based on the following:

\$105,000 Aggregate Principal Amount 4.00% Term Certificates due April 1, 2015
\$120,000 Aggregate Principal Amount 5.00% Term Certificates due April 1, 2018
\$185,000 Aggregate Principal Amount 5.50% Term Certificates due April 1, 2022

Certificates maturing on April 1, 2015 shall be subject to a sinking fund payment of \$35,000 and for each of the two subsequent years. Certificates maturing on April 1, 2018 require a \$40,000 payment on April 1, 2016 and the next two subsequent years. Certificates scheduled to mature on April 1, 2022 are subject to a payment schedule of \$45,000 from April 1, 2019 through April 1, 2022, which is the final maturity date.

The account established pursuant to the 2010 issuance were as follows:

Certificate Fund Account - Account established to accumulate deposits of accrued interest and any premium received from the Original Purchasers upon initial sale and delivery of the Certificates; all Base Rentals payable by the County to the Trustee specified in the Lease; and interest and other income derived from investments of money in the Certificate Fund.

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 9 **CONDUIT DEBT (Continued)**

Certificates of Participation – 2014

On January 7, 2014, the County issued \$2,160,000 in Refunding Certificates of Participation. The proceeds are being used to refund \$2,060,000 of the outstanding principal amount of the County's 2005 certificates of participation. The certificates of participation were used to construct, furnish and equip a new courthouse annex and to acquire land.

Long-term liability activity for the year ended December 31, 2014 is as follows:

	Balance 12/31/2013	Issued	Retired	Balance 12/31/14	Due Within One Year
Certificates of Participation - 2005	\$ 2,735,000	\$ -0-	\$(180,000)	\$ 2,555,000	\$ 190,000
Certificates of Participation - 2010	375,000	-0-	(35,000)	340,000	35,000
Certificates of Participation - 2014	-0-	2,160,000	-0-	2,160,000	-0-
Capital Lease – John Deere Financial (Equipment)	-0-	180,472	(45,412)	135,060	45,412
Capital Lease - Ford Motor Credit (6 vehicles)	85,454	-0-	(56,186)	29,268	29,268
Total	<u>\$ 3,195,454</u>	<u>\$ 2,340,472</u>	<u>\$(316,599)</u>	<u>\$ 5,219,328</u>	<u>\$ 299,680</u>

The combined annual requirements to retire the above governmental long-term debt as of December 31, 2014 are as follows:

Fiscal Year Endings Dec 31,	Principal	Interest	Total
2015	\$ 225,000	\$ 134,268	\$ 359,267
2016	495,000	130,075	625,074
2017	500,000	126,717	626,717
2018	515,000	125,767	640,767
2019	535,000	125,462	660,462
2020 - 2024	2,495,000	426,185	2,921,185
2025	290,000	7,250	297,250
Total	<u>\$ 5,055,000</u>	<u>\$ 1,075,722</u>	<u>\$ 6,130,722</u>

The total interest expense for the 2005 Certificates of Participation, the 2010 Certificates of Participation and the 2014 Certificates of Participation were \$118,240, \$18,275 and \$32,769 respectively.

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 10 **COMPENSATED ABSENCES**

St. Francois County has adopted the compensated leave policies of the Teamsters Local Union No. 600, an agreement between the County Commission of St. Francois County for its Road and Bridge employees. This contract is valid for periods January 1, 2012 through December 31, 2014. All elected official offices, departments, and the Commission of the County follow this contract.

Sick Leave

Employees earn sick leave at the rate of eighteen (18) days per year, cumulative to one hundred (100) days. Upon retirement, an employee with ten (10) or more years of seniority shall be entitled to a payout of 90% of his accumulated unused sick days. Upon separation of employment (voluntary quit) an employee with ten (10) or more years of seniority shall be entitled a payout of 55% of his accumulated unused sick days. If an employee with ten (10) or more years of service dies prior to retiring, the County shall issue pay equal to 85% of his accumulated unused sick days to his beneficiary.

Vacation

Employees shall earn annual vacation time and pay at their regular rate of pay from the date of employment, as follows:

- Employees shall not receive vacation pay until they have been employed for one (1) year
- After the completion of one (1) year of service, employees shall earn vacation pay from date of employment at the rate of eighty (80) hours per year (Employees after one year of service are entitled to 80 hours vacation).
- After the completion of five (5) years of service, employees shall earn vacation pay from their fourth (4th) anniversary date of employment at the rate of one hundred twenty (120) hours per year (Employees after five years of service are entitled to 120 hours of vacation).
- After the completion of ten (10) years of service, employees shall earn vacation from their ninth (9th) anniversary date of employment at the rate of one hundred sixty (160) hours per year (Employees after twelve years of service are entitled to 160 hours of vacation).

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 10 **COMPENSATED ABSENCES (Continued)**

Vacation (Continued)

- After the completion of fifteen (15) years of service, employees shall earn vacation pay from their fourteenth (14th) anniversary date of employment at the rate of two hundred (200) hours per year (Employees after sixteen years of service are entitled to 200 hours of vacation).

- After the completion of twenty-five (25) years of service, employees shall earn vacation pay from the twenty-fourth (24th) anniversary date of employment of an additional one (1) day, plus one (1) day more for each subsequent year of service, to a maximum of five (5) additional days.

In the event any employee terminates after one (1) year of service, he shall be paid his earned vacation pay. Such vacation pay shall be pro-rated to date of termination. At December 31, 2014, the accrued leave liability totaled \$1,258,714. The liability consisted of \$714,142 for the Sheriff's Department and \$544,572 for all other offices and departments. This includes vacation leave, sick leave, holiday, and compensatory time. These amounts are not recorded in the financial statements.

NOTE 11 **INTER FUND BALANCES AND TRANSFERS**

Quasi-external transactions are accounted for as revenues and expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 11 **INTER FUND BALANCES AND TRANSFERS (Continued)**

Transfers between funds for the year ended December 31, 2014 are as follows:

	Transfers In	Transfers Out
<u>Major Funds</u>		
General Fund	\$ 75,000	\$ 1,358,440
Road & Bridge Fund	-0-	75,000
Law Enforcement Sales Tax Fund	600,000	-0-
<u>Non-Major Funds (Special Revenue):</u>		
Assessment	273,034	-0-
Debt Service Fund	350,112	-0-
Election Cost Special Fund	130,294	-0-
Election Services Fund	-0-	-0-
Insurance Fund	-0-	-0-
Sheriff Civil Fees Fund	5,000	-0-
	\$1,433,440	\$1,433,440

The majority of the transfers, \$1,008,328, were budgeted monies designated from the General Fund to other funds. In addition, \$350,112 was transferred from General Fund to Debt Service fund to record the payments made from General Fund for the Debt liability, \$75,000 was transferred from Road & Bridge Fund to General Fund as an administration fee, and \$5,000 was transferred from General Fund to the Sheriff Civil Fees Fund for flex spending.

NOTE 12 **FUND BALANCE**

The constraints on fund balance are listed in the aggregate in the Combined Balance Sheet, the Combining Balance Sheet (Non-major Governmental Funds), and the Combining Balance Sheet (Special Revenue Funds). The following table provides the detail on the fund balance constraints according to balance classification and fund:

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 12 FUND BALANCE (Continued)

Fund Balances:	General	Road and Bridge	Law Enforcement Sales Tax	Non-Major Governmental Funds	Non-Major Special Revenue Funds	Total
Restricted For:						
Tax Increment Financing	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 523,182	\$ 523,182
SBRF	689	-0-	-0-	-0-	-0-	689
Roads & Bridges	-0-	2,020,617	-0-	-0-	463,281	2,483,898
Debt Service - COPS (2005 & 2010, 2014)	-0-	-0-	-0-	2,484,877	-0-	2,484,877
Assessment	-0-	-0-	-0-	-0-	719,680	719,680
Emergency	187,989	-0-	-0-	-0-	-0-	187,989
Circuit Court Overage	-0-	-0-	-0-	-0-	1,259	1,259
Senior Citizens	-0-	-0-	-0-	-0-	108,658	108,658
Sheriff Revolving	-0-	-0-	-0-	-0-	165,440	165,440
Co Law Enf. Restitution	-0-	-0-	-0-	-0-	4,683	4,683
Law Enforcement Sales Tax	-0-	-0-	225,111	-0-	-0-	225,111
Law Enforcement Training	-0-	-0-	-0-	-0-	4,561	4,561
Inmate Security	-0-	-0-	-0-	-0-	17,847	17,847
Sheriff Civil Fees	-0-	-0-	-0-	-0-	19,209	19,209
Recorder User Fee Fund	-0-	-0-	-0-	-0-	55,920	55,920
Surplus	-0-	-0-	-0-	-0-	89,120	89,120
Collector Tax Maintenance	-0-	-0-	-0-	-0-	212,114	212,114
Juvenile Electronics	-0-	-0-	-0-	-0-	838	838
Fines	-0-	-0-	-0-	-0-	117,671	117,671
Election Services	-0-	-0-	-0-	-0-	38,245	38,245
Election Cost - Special	-0-	-0-	-0-	-0-	4,309	4,309
Prosecuting Attorney	-0-	-0-	-0-	-0-	1,619	1,619
Delinquent Tax Fund	-0-	-0-	-0-	-0-	-0-	-0-
Prosecuting Attorney Bad Check Fund	-0-	-0-	-0-	-0-	73,687	73,687
Prosecuting Attorney Training	-0-	-0-	-0-	-0-	13,801	13,801
Prosecuting Attorney Handling	-0-	-0-	-0-	-0-	1,239	1,239
Victims of Violence	-0-	-0-	-0-	-0-	5,609	5,609
Insurance Maintenance	-0-	-0-	-0-	-0-	12,611	12,611
Recorder	-0-	-0-	-0-	-0-	37,183	37,183
Sheriff (Commissary)	-0-	-0-	-0-	-0-	23,243	23,243
Sheriff	-0-	-0-	-0-	-0-	57,821	57,821
Sheriff (D.A.R.E.)	-0-	-0-	-0-	-0-	5,126	5,126
County Clerk	-0-	-0-	-0-	-0-	387	387
Total Restricted	188,678	2,020,617	225,111	2,484,877	2,778,343	7,697,626
Committed For:						
Fees Due Others (Unclaimed Property)	-0-	-0-	-0-	-0-	751	751
Nine-One-One Fund	-0-	-0-	-0-	-0-	3,244	3,244
LUT/Gen/Bldg	-0-	-0-	-0-	-0-	141,102	141,102
Bullet Proof Vest Fund	-0-	-0-	-0-	-0-	-0-	-0-
Payroll	-0-	-0-	-0-	-0-	-0-	1,776
Total Committed	-0-	-0-	-0-	-0-	145,097	145,097
Assigned For:						
Circuit Court	169,889	-0-	-0-	-0-	-0-	169,889
Stabilization	1,806,270	-0-	-0-	-0-	-0-	1,806,270
Total Assigned	1,976,159	-0-	-0-	-0-	-0-	1,976,159
Unassigned for:						
General	2,734,113	-0-	-0-	-0-	-0-	2,734,113
Grand Total	\$ 4,898,950	\$ 2,020,617	\$ 225,111	\$ 2,484,877	\$ 2,923,440	\$ 12,552,995

ST. FRANCOIS COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2014

NOTE 12 **FUND BALANCE (Continued)**

The Unassigned fund balance in the General Fund represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

The County has not adopted a formal minimum fund balance policy. A stabilization amount has been established in the General Fund which is designated as Unassigned Fund Balance. The stabilization balance at December 31, 2014 was \$1,806,270. The Commission established the requirements for the stabilization amount, which is the accumulation of 25% of the County's annual operating expenses. This amount is not designated for any specific purpose, and is not restricted. The funds may be used for any purpose within the County.

NOTE 13 **PRIOR PERIOD ADJUSTMENTS**

A prior period adjustment was made to the Assessment Fund, a non-major fund, for \$6,153. Adjustments to the following major funds were made: Road and Bridge for \$15,705, Law Enforcement Sales Tax Fund for \$34,020, and the General Fund for \$23,951. All adjustments were for liabilities reported within the financial statements, but adjusted to the modified cash basis. Each of these adjustments was not material to the financial statements by fund, or in the aggregate.

NOTE 14 **SUBSEQUENT EVENTS**

The County approved the purchase of new software for approximately \$150,000 to be fully purchased and implemented in 2016. The Commission also approved the purchase of a new Ford F-550 truck for the Road and Bridge department for \$82,557.

SUPPLEMENTARY INFORMATION

ST. FRANCOIS COUNTY, MISSOURI
BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS
GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2014

	Budgeted Amounts		Actual	Over (Under)
	Original	Final		Final Budget
REVENUES:				
Property Taxes	\$ 500,000	500,000	\$ 563,293	\$ 63,293
Sales Tax	3,000,000	3,452,349	3,452,349	-
Telephone Tax	-	-	-	-
Intergovernmental Revenues	1,678,000	1,678,000	1,971,241	293,241
Charges for Services	198,000	198,000	218,968	20,968
Grants, Distributions and Reimbursements	180,000	180,000	155,185	(24,815)
Fees, Licenses and Permits	-	-	-	-
Interest	10,200	10,200	4,179	(6,021)
Other	102,500	102,500	250,006	147,506
Total Revenues	<u>5,668,700</u>	<u>6,121,049</u>	<u>6,615,219</u>	<u>494,171</u>
EXPENDITURES:				
Current:				
Financial Administration:	6,059,984	6,432,630	4,419,574	2,013,056
Property Valuation and Recording:	171,885	171,885	170,164	1,721
Administration of Justice and Law	-	-	-	-
Road & Bridge	-	-	-	-
Capital Outlay:	-	-	-	-
Property, Equipment and Buildings	54,000	54,000	130,142	(76,142)
Debt Service:	-	-	-	-
Total Expenditures	<u>6,285,869</u>	<u>6,658,515</u>	<u>4,719,879</u>	<u>1,938,636</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(617,169)	(537,467)	1,895,340	2,432,807
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	75,000	75,000
Transfers out	-	-	(1,358,440)	(1,358,440)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(1,283,440)</u>	<u>(1,283,440)</u>
NET CHANGE IN FUND BALANCE	(617,169)	(537,467)	611,901	1,149,367
FUND BALANCE - BEGINNING OF YEAR	<u>4,263,100</u>	<u>4,263,100</u>	<u>4,287,051</u>	<u>23,951</u>
FUND BALANCE - END OF YEAR	<u>\$ 3,645,931</u>	<u>\$ 3,725,634</u>	<u>\$ 4,898,951</u>	<u>\$ 1,173,318</u>

See accompanying independent auditors' report

**ST. FRANCOIS COUNTY, MISSOURI
BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS
ROAD AND BRIDGE FUND (SPECIAL REVENUE FUNDS)**

FOR THE YEAR ENDED DECEMBER 31, 2014

	Budgeted Amounts		Actual	Over
	Original	Final		(Under)
				Final Budget
REVENUES:				
Property tax	\$ 1,500,000	1,500,000	\$ 1,708,493	\$ -
Sales tax	100,000	100,000	151,601	51,601
Telephone Tax	-	-	-	-
Intergovernmental	100,000	100,000	141,120	41,120
Charges for Services	-	-	-	-
Grants, distributions and reimbursements	626,500	626,500	679,236	52,736
Fees, licenses and permits	-	-	-	-
Interest	2,500	2,500	2,173	(327)
Other	17,500	17,500	23,129	5,629
Total Revenues	<u>2,346,500</u>	<u>2,346,500</u>	<u>2,705,752</u>	<u>150,759</u>
EXPENDITURES:				
Current:				
Maintenance of Roads:				
Salaries	1,575,000	1,575,000	1,296,145	278,855
Employee Benefits	507,438	507,438	413,440	93,997
Office	23,000	23,000	24,074	(1,074)
Equipment Maintenance	-	-	-	-
Mileage / Training	-	-	-	-
Payments / Disbursements	-	-	-	-
Insurance	170,000	170,000	129,992	40,008
Operation / Maintenance	75,000	75,000	130,810	(55,810)
Bridge Replacement / Repair	-	-	24,011	(24,011)
Other Expenditures	77,000	77,000	49,436	27,564
Emergency Management	-	-	-	-
Debt Service:				
Principal Payments	-	-	45,412	(45,412)
Interest Payments	-	-	-	-
Fiscal Agent Fees	-	-	-	-
Debt Issuance Cost	-	-	-	-
Capital Outlay:				
Property, Equipment & Buildings	246,000	246,000	412,545	(166,545)
Total Expenditures	<u>2,673,438</u>	<u>2,673,438</u>	<u>2,525,864</u>	<u>147,574</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(326,938)	(326,938)	179,888	506,825
OTHER FINANCING SOURCES(USES):				
Issuance of Long Term Debt	-	-	180,473	180,473
Transfers in	-	-	-	-
Transfers out	-	-	(75,000)	(75,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>105,473</u>	<u>105,473</u>
NET CHANGE IN FUND BALANCE	(326,938)	(326,938)	285,361	612,298
FUND BALANCE - BEGINNING OF YEAR	1,719,551	1,719,551	1,735,256	15,705
FUND BALANCE - END OF YEAR	<u>\$ 1,392,614</u>	<u>\$ 1,392,614</u>	<u>\$ 2,020,617</u>	<u>\$ 628,003</u>

See accompanying independent auditors' report

ST. FRANCOIS COUNTY, MISSOURI
BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS
LAW ENFORCEMENT SALES TAX FUND (SPECIAL REVENUE FUND)

FOR THE YEAR ENDED DECEMBER 31, 2014

	Budgeted Amounts		Actual	Over (Under)
	Original	Final		Final Budget
REVENUES:				
Property Tax	\$ -	\$ -	\$ -	\$ -
Sales Tax	2,895,000	2,895,000	3,159,074	264,074
Telephone Tax	-	-	-	-
Intergovernmental	1,442,500	1,442,500	682,180	(760,320)
Charges for Services	-	-	-	-
Grants, Distributions and Reimbursements	-	-	-	-
Fees, Licenses and Permits	-	-	-	-
Interest	250	250	259	9
Other	-	-	43,330	43,330
Total Revenues	<u>4,337,750</u>	<u>4,337,750</u>	<u>3,884,842</u>	<u>(452,908)</u>
EXPENDITURES:				
Current:				
Salaries	2,415,614	2,415,614	2,523,094	(107,480)
Employee Benefits	900,849	900,849	901,489	(640)
Office	5,100	5,100	3,975	1,125
Equipment Maintenance	203,000	203,000	186,298	16,702
Mileage / Training	22,000	22,000	28,751	(6,751)
Payments / Disbursements	-	-	-	-
Insurance	-	-	-	-
Operation / Maintenance	215,000	215,000	248,701	(33,701)
Other Expenditures	395,700	395,700	527,356	(131,656)
Emergency Management	-	-	-	-
Capital Outlay:				
Property, Equipment & Buildings	30,000	30,000	2,991	27,009
Total Expenditures	<u>4,187,263</u>	<u>4,187,263</u>	<u>4,422,654</u>	<u>(235,391)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	150,487	150,487	(537,812)	(688,299)
OTHER FINANCING SOURCES(USES):				
Transfers in	-	-	600,000	600,000
Transfers out	-	-	-	-
Debt Service	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>600,000</u>	<u>600,000</u>
NET CHANGE IN FUND BALANCE	150,487	150,487	62,188	(88,299)
FUND BALANCE - BEGINNING OF YEAR	128,904	128,904	162,924	34,020
FUND BALANCE - END OF YEAR	<u>\$ 279,391</u>	<u>\$ 279,391</u>	<u>\$ 225,112</u>	<u>\$ (54,279)</u>

See accompanying independent auditors' report

**ST. FRANCOIS COUNTY, MISSOURI
COMBINING BALANCE SHEET - MODIFIED CASH BASIS -
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS**

DECEMBER 31, 2014

	Insurance Maintenance Fund/Flex Spend	Assessment Fund	911 Fund	Road & Bridge #2 Fund	Fees Due Other Funds	Circuit Court Overage Fund	County Health Fund	Senior Citizens Service Fund	Fire Districts	Road Improvement Tax Fund	Total
ASSETS:											
Cash and Cash Equivalents	-	-	3,244	-	751	-	-	-	-	-	3,995
Restricted Cash	12,611	719,680	-	-	-	1,259	-	108,658	-	463,281	1,305,489
Investments	-	-	-	-	-	-	-	-	-	-	-
Due From Other Funds	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	12,611	719,680	3,244	-	751	1,259	-	108,658	-	463,281	1,309,484
LIABILITIES:											
Accrued Liabilities	-	-	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-	-	-	-	-	-	-
FUND BALANCES:											
Restricted	12,611	719,680	-	-	-	1,259	-	108,658	-	463,281	1,305,489
Committed	-	-	3,244	-	751	-	-	-	-	-	3,995
Assigned	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-
TOTAL FUND BALANCES	12,611	719,680	3,244	-	751	1,259	-	108,658	-	463,281	1,309,484
TOTAL LIABILITIES AND FUND BALANCES	12,611	719,680	3,244	-	751	1,259	-	108,658	-	463,281	1,309,484

**ST. FRANCOIS COUNTY, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS**

December 31, 2014

	Insurance Maintenance Fund/Flex Spend	Assessment Fund	911 Fund	Road & Bridge #2 Fund	Fees Due Other Funds	Circuit Court Overage Fund	County Health Fund	Senior Citizens Service Fund	Fire Districts	Road Improvement Tax Fund	Total
REVENUES:											
Property Taxes	-	-	-	78,613	-	-	-	355,722	-	-	434,335
Sales Tax	-	-	-	-	-	-	-	-	-	1,597,338	1,597,338
Telephone Tax	-	-	475,931	-	-	-	-	-	-	-	475,931
Intergovernmental Revenue	-	139,115	-	-	-	-	-	-	-	-	139,115
Charges for Services	-	429,568	-	-	-	-	-	-	-	-	429,568
Grants, Distributions and Reimbursements	-	-	-	-	-	-	-	-	-	-	-
Fees, Licenses and Permits	-	-	-	-	-	-	-	-	-	-	-
Interest	9	691	3	-	-	1	-	148	-	644	1,495
Other	13,240	39,461	-	5	-	254	1,144	620	2	42,990	97,716
Total Revenues	13,249	608,835	475,934	78,618	-	255	1,144	356,490	2	1,640,971	3,175,498
EXPENDITURES:											
Administration	-	-	-	-	-	-	-	338,640	-	-	338,640
Property Assessments	-	783,198	-	-	-	-	-	-	-	-	783,198
Public Safety and Judicial	-	-	472,697	-	-	-	-	-	-	-	472,697
Road & Bridge	-	-	-	78,618	-	-	-	-	-	665,481	744,099
Miscellaneous	12,101	-	-	-	-	-	1,144	-	2	1,995	15,242
Capital Outlay	-	4,610	-	-	-	-	-	-	-	1,260,460	1,265,070
Debt Service	-	-	-	-	-	-	-	-	-	-	-
Principal Payments	-	-	-	-	-	-	-	-	-	-	-
Interest Payments	-	-	-	-	-	-	-	-	-	-	-
Fiscal Agent Fees	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	12,101	787,809	472,697	78,618	-	-	1,144	338,640	2	1,927,936	3,618,946
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,148	(178,974)	3,237	0	-	255	-	17,850	-	(286,965)	(443,448)
OTHER FINANCING SOURCES (USES):											
Transfers in	-	273,034	-	-	-	-	-	-	-	-	273,034
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	273,034	-	-	-	-	-	-	-	-	273,034
NET CHANGE IN FUND BALANCES	1,148	94,060	3,237	0	-	255	-	17,850	-	(286,965)	(170,414)
FUND BALANCES - BEGINNING OF YEAR	11,463	625,620	7	-	751	1,004	-	90,808	-	750,246	1,479,899
FUND BALANCES - END OF YEAR	12,611	719,680	3,244	0	751	1,259	-	108,658	-	463,281	1,309,484

**ST. FRANCOIS COUNTY, MISSOURI
COMBINING BALANCE SHEET - MODIFIED CASH BASIS -
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS**

DECEMBER 31, 2014

	Ambulance Districts Fund	Developmentally Disabled Fund	EMAA Fund	Sheriff's Revolving Fund	County Law Enforcement Resitution Fund	Law Enforcement Training Fund	Local Use Tax Fund	Recorder's User Fee Fund	Surplus Tax Sale Fund	Collector Tax Maintenance Fund	Total
ASSETS:											
Cash and Cash Equivalents	-	-	-	-	-	-	141,102	-	-	-	141,102
Restricted Cash	-	-	-	165,440	4,683	4,561	-	55,920	89,120	212,114	531,837
Investments	-	-	-	-	-	-	-	-	-	-	-
Due From Other Funds	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	-	-	-	165,440	4,683	4,561	141,102	55,920	89,120	212,114	672,939
LIABILITIES:											
Accrued Liabilities	-	-	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-	-	-	-	-	-	-
FUND BALANCES:											
Restricted	-	-	-	165,440	4,683	4,561	-	55,920	89,120	212,114	531,837
Committed	-	-	-	-	-	-	141,102	-	-	-	141,102
Assigned	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-
TOTAL FUND BALANCES	-	-	-	165,440	4,683	4,561	141,102	55,920	89,120	212,114	672,939
TOTAL LIABILITIES AND FUND BALANCES	-	-	-	165,440	4,683	4,561	141,102	55,920	89,120	212,114	672,939

**ST. FRANCOIS COUNTY, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS**

December 31, 2014

	Ambulance Districts Fund	Developmentally Disabled Fund	EMAA Fund	Sheriff's Revolving Fund	County Law Enforcement Resitution Fund	Law Enforcement Training Fund	Local Use Tax Fund	Recorder's User Fee Fund	Surplus Tax Sale Fund	Collector Tax Maintenance Fund	Total
REVENUES:											
Property Taxes	-	656,011	-	-	-	-	-	-	-	-	656,011
Sales Tax	7,546	-	-	-	-	-	-	-	-	-	7,546
Telephone Tax	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	7,632	-	-	-	7,632
Charges for Services	-	-	-	-	-	7,771	-	12,129	-	-	19,900
Grants, Distributions and Reimbursements	-	-	-	-	-	-	-	-	-	-	-
Fees, Licenses and Permits	-	-	-	-	36,169	-	-	-	-	105,554	141,723
Interest	-	-	-	117	64	3	117	43	-	166	510
Other	-	1,183	-	52,958	300	-	-	21,272	15,772	-	91,485
Total Revenues	7,546	657,194	-	53,075	36,533	7,774	7,748	33,444	15,772	105,720	924,807
EXPENDITURES:											
Administration	-	-	-	-	-	-	-	-	1,665	33,498	35,163
Property Assessments	-	-	-	-	-	-	-	10,983	-	-	10,983
Public Safety and Judicial	-	-	-	-	-	9,493	-	-	-	-	9,493
Road & Bridge	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	7,547	657,194	-	6,436	6,260	-	-	20,449	-	-	697,886
Capital Outlay	-	-	-	-	83,340	-	-	7,780	-	-	91,120
Debt Service	-	-	-	-	-	-	-	-	-	-	-
Principal Payments	-	-	-	-	28,093	-	-	-	-	-	28,093
Interest Payments	-	-	-	-	1,987	-	-	-	-	-	1,987
Fiscal Agent Fees	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	7,547	657,194	-	6,436	119,680	9,493	-	39,212	1,665	33,498	874,726
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	46,639	(83,147)	(1,719)	7,748	(5,769)	14,107	72,222	50,081
OTHER FINANCING SOURCES (USES):											
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	-	-	-	46,639	(83,147)	(1,719)	7,748	(5,769)	14,107	72,222	50,080
FUND BALANCES - BEGINNING OF YEAR	-	-	-	118,801	87,830	6,280	133,354	61,689	75,013	139,892	622,859
FUND BALANCES - END OF YEAR	-	-	-	165,440	4,683	4,561	141,102	55,920	89,120	212,114	672,939

**ST. FRANCOIS COUNTY, MISSOURI
COMBINING BALANCE SHEET - MODIFIED CASH BASIS -
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS**

DECEMBER 31, 2014

	School & College Fund	Fines Fund	Co Employees Retirement Fund	Election Cost Special Fund	Prosecutor Training Fund	Prosecutor Bad Check Fund	Cities Fund	Bulletproof Vest Grant Fund	Victims Violence Fund	PA Tax Rebate Fund	Total
ASSETS:											
Cash and Cash Equivalents	-	-	-	-	-	-	-	-	-	-	-
Restricted Cash	-	117,671	-	4,309	13,801	73,687	-	-	5,609	1,618	216,695
Investments	-	-	-	-	-	-	-	-	-	-	-
Due From Other Funds	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	-	117,671	-	4,309	13,801	73,687	-	-	5,609	1,618	216,695
LIABILITIES:											
Accrued Liabilities	-	-	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-	-	-	-	-	-	-
FUND BALANCES:											
Restricted	-	117,671	-	4,309	13,801	73,687	-	-	5,609	1,618	216,695
Committed	-	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-
TOTAL FUND BALANCES	-	117,671	-	4,309	13,801	73,687	-	-	5,609	1,618	216,695
TOTAL LIABILITIES AND FUND BALANCES	-	117,671	-	4,309	13,801	73,687	-	-	5,609	1,618	216,695

**ST. FRANCOIS COUNTY, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS**

December 31, 2014

	School & College Fund	Fines Fund	Co Employees Retirement Fund	Election Cost Special Fund	Prosecutor Training Fund	Prosecutor Bad Check Fund	Cities Fund	Bulletproof Vest Grant Fund	Victims Violence Fund	PA Tax Rebate Fund	Total
REVENUES:											
Property Taxes	-	-	-	-	-	-	-	-	-	-	-
Sales Tax	-	-	-	-	-	-	-	-	-	-	-
Telephone Tax	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-	-	-	-
Charges for Services	-	243,055	-	-	1,141	-	-	-	-	1,548	245,743
Grants, Distributions and Reimbursements	-	-	-	-	-	-	-	627	-	-	627
Fees, Licenses and Permits	-	-	331,272	-	-	23,778	-	-	10,956	-	366,006
Interest	-	210	15	-	14	63	-	-	4	1	307
Other	56,319	5,457	-	87,521	-	-	5,468	-	-	-	154,764
Total Revenues	56,319	248,721	331,288	87,521	1,155	23,841	5,468	627	10,960	1,548	767,447
EXPENDITURES:											
Administration	-	-	-	-	-	-	-	-	12,096	-	12,096
Property Assessments	-	301,128	-	-	-	-	-	-	-	-	301,128
Public Safety and Judicial	-	-	-	-	-	19,510	-	-	-	-	19,510
Road & Bridge	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	56,319	-	331,288	213,506	5,288	-	5,468	967	-	-	612,836
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-	-	-
Principal Payments	-	-	-	-	-	-	-	-	-	-	-
Interest Payments	-	-	-	-	-	-	-	-	-	-	-
Fiscal Agent Fees	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	56,319	301,128	331,288	213,506	5,288	19,510	5,468	967	12,096	-	945,570
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(0)	(52,407)	-	(125,985)	(4,133)	4,331	-	(340)	(1,137)	1,548	(178,123)
OTHER FINANCING SOURCES (USES):											
Transfers in	-	-	-	130,294	-	-	-	-	-	-	130,294
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	130,294	-	-	-	-	-	-	130,294
NET CHANGE IN FUND BALANCES	(0)	(52,407)	-	4,309	(4,133)	4,331	-	(340)	(1,137)	1,548	(47,829)
FUND BALANCES - BEGINNING OF YEAR	-	170,078	-	-	17,934	69,356	-	340	6,746	70	264,524
FUND BALANCES - END OF YEAR	(0)	117,671	-	4,309	13,801	73,687	-	-	5,609	1,618	216,695

ST. FRANCOIS COUNTY, MISSOURI
COMBINING BALANCE SHEET - MODIFIED CASH BASIS -
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

DECEMBER 31, 2014

	Inmate Security Fund	MOSMART Grant Fund	Sheriff's Civil Fees Fund	Community Development Block Grant Fund	Tax Increment Financing Fund	Election Services Fund	Deputy Sheriff's Salary Supplement Fund	Sheriff's DARE Fund	Sheriff Fund	Total
ASSETS:										
Cash and Cash Equivalents	-	-	-	-	-	-	-	-	-	-
Restricted Cash	17,847	-	19,209	-	523,182	38,245	-	5,126	23,243	626,852
Investments	-	-	-	-	-	-	-	-	-	-
Due From Other Funds	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	17,847	-	19,209	-	523,182	38,245	-	5,126	23,243	626,852
LIABILITIES:										
Accrued Liabilities	-	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-	-	-	-	-	-
FUND BALANCES:										
Restricted	17,847	-	19,209	-	523,182	38,245	-	5,126	23,243	626,852
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
TOTAL FUND BALANCES	17,847	-	19,209	-	523,182	38,245	-	5,126	23,243	626,852
TOTAL LIABILITIES AND FUND BALANCES	17,847	-	19,209	-	523,182	38,245	-	5,126	23,243	626,852

ST. FRANCOIS COUNTY, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

December 31, 2014

	Inmate Security Fund	MOSMART Grant Fund	Sheriff's Civil Fees Fund	Community Development Block Grant Fund	Tax Increment Financing Fund	Election Services Fund	Deputy Sheriff's Salary Supplement Fund	Sheriff's DARE Fund	Sheriff Fund	Total
REVENUES:										
Property Taxes	-	-	-	-	-	-	-	-	-	-
Sales Tax	-	-	-	-	639,499	-	-	-	-	639,499
Telephone Tax	-	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	5,228	644,892	650,120
Charges for Services	-	-	-	-	-	-	-	-	-	-
Grants, Distributions and Reimbursements	-	-	-	-	-	-	-	-	-	-
Fees, Licenses and Permits	-	-	51,209	-	-	2,970	29,128	-	770	84,077
Interest	17	-	43	-	-	31	-	-	-	90
Other	16,723	-	-	-	-	9,356	-	-	17,562	43,641
Total Revenues	16,740	-	51,252	-	639,499	12,356	29,128	5,228	663,223	1,417,427
EXPENDITURES:										
Administration	-	-	-	-	607,531	6,996	-	-	-	614,528
Property Assessments	-	-	-	-	-	-	-	-	-	-
Public Safety and Judicial	-	-	30,353	-	-	-	29,128	1,988	654,413	715,882
Road & Bridge	-	-	-	-	-	-	-	-	-	-
Miscellaneous	10,680	-	-	-	-	-	-	-	-	10,680
Capital Outlay	5,541	-	-	-	-	1,365	-	-	-	6,906
Debt Service	-	-	-	-	-	-	-	-	-	-
Principal Payments	-	-	28,093	-	-	-	-	-	-	28,093
Interest Payments	-	-	1,987	-	-	-	-	-	-	1,987
Fiscal Agent Fees	-	-	-	-	-	-	-	-	-	-
Total Expenditures	16,221	-	60,433	-	607,531	8,361	29,128	1,988	654,413	1,378,075
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	519	-	(9,181)	-	31,968	3,995	-	3,240	8,811	39,352
OTHER FINANCING SOURCES (USES):										
Transfers in	-	-	5,000	-	-	-	-	-	-	5,000
Transfers out	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	5,000	-	-	-	-	-	-	5,000
NET CHANGE IN FUND BALANCES	519	-	(4,181)	-	31,968	3,995	-	3,240	8,811	44,352
FUND BALANCES - BEGINNING OF YEAR	17,328	-	23,390	-	491,214	34,250	-	1,886	14,432	582,500
FUND BALANCES - END OF YEAR	17,847	-	19,209	-	523,182	38,245	-	5,126	23,243	626,852

**ST. FRANCOIS COUNTY, MISSOURI
COMBINING BALANCE SHEET - MODIFIED CASH BASIS -
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS**

DECEMBER 31, 2014

	Recorder Fund	County Clerk	Sheriff Inmate Commissary Fund	Juvenile Electronics	Juvenile Restitution	Prosecutor	P.A. Admin Handling Cost Fund	Total	Grand Total All Non Major Funds
ASSETS:									
Cash and Cash Equivalents	-	50	-	-	-	-	-	50	145,147
Restricted Cash	37,183	337	57,821	838	-	-	1,239	97,419	2,778,291
Investments	-	-	-	-	-	-	-	-	-
Due From Other Funds	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	37,183	387	57,821	838	-	-	1,239	97,469	2,923,438
LIABILITIES:									
Accrued Liabilities	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-	-	-	-	-
FUND BALANCES:									
Restricted	37,183	387	57,821	838	-	-	1,239	97,469	2,778,342
Committed	-	-	-	-	-	-	-	-	145,097
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
TOTAL FUND BALANCES	37,183	387	57,821	838	-	-	1,239	97,469	2,923,438
TOTAL LIABILITIES AND FUND BALANCES									
	37,183	387	57,821	838	-	-	1,239	97,469	2,923,438

**ST. FRANCOIS COUNTY, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS**

December 31, 2014

	Recorder Fund	County Clerk	Sheriff Inmate Commissary Fund	Juvenile Electronics	Juvenile Restitution	Prosecutor	P.A. Admin Handling Cost Fund	Total	Grand Total All Non Major Funds
REVENUES:									
Property Taxes	-	-	-	-	-	-	-	-	1,090,346
Sales Tax	-	-	-	-	-	-	-	-	2,244,383
Telephone Tax	-	-	-	-	-	-	-	-	475,931
Intergovernmental Revenue	278,948	38,599	-	-	-	-	-	317,547	1,114,413
Charges for Services	-	-	-	-	6,535	-	-	6,535	701,746
Grants, Distributions and Reimbursements	-	-	-	-	-	-	-	-	627
Fees, Licenses and Permits	46,712	918	-	-	-	1,214	-	48,844	640,650
Interest	-	-	-	-	-	-	-	-	2,401
Other	100,554	-	211,731	-	-	-	-	312,285	699,891
Total Revenues	426,215	39,517	211,731	-	6,535	-	1,214	685,211	6,970,389
EXPENDITURES:									
Administration	-	40,132	-	-	-	-	-	40,132	1,040,559
Property Assessments	425,917	-	-	-	-	-	-	425,917	1,521,226
Public Safety and Judicial	-	-	-	-	6,535	-	-	6,535	1,224,116
Road & Bridge	-	-	-	-	-	-	-	-	744,099
Miscellaneous	-	-	203,190	-	-	-	-	203,190	1,539,834
Capital Outlay	-	-	-	-	-	-	-	-	1,363,096
Debt Service:									
Principal Payments	-	-	-	-	-	-	-	-	56,186
Interest Payments	-	-	-	-	-	-	-	-	3,974
Fiscal Agent Fees	-	-	-	-	-	-	-	-	-
Debt Issuance Cost	-	-	-	-	-	-	-	-	-
Total Expenditures	425,917	40,132	203,190	-	6,535	-	-	675,773	7,493,090
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	298	(615)	8,541	-	-	-	1,214	9,437	(522,701)
OTHER FINANCING SOURCES (USES):									
Issuance of Long Term Debt	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	408,328
Transfers out	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	408,328
NET CHANGE IN FUND BALANCES	298	(615)	8,541	-	-	-	1,214	9,437	(114,373)
FUND BALANCES - BEGINNING OF YEAR	36,885	1,002	49,280	838	-	-	25	88,030	3,037,812
FUND BALANCES - END OF YEAR	37,183	387	57,821	838	-	-	1,239	97,467	2,923,439

ST. FRANCOIS COUNTY, MISSOURI
COMBINING STATEMENT OF FIDUCIARY NET POSITION - MODIFIED ACCRUAL BASIS -
AGENCY FUNDS

DECEMBER 31, 2014

	Juvenile Fund	Collector of Revenue Fund	Circuit Clerk Banner Account Fund	Total
ASSETS:				
Restricted Cash	\$ 150,127	\$ 30,365,193	\$ 244,388	\$ 30,759,708
Investments	-	-	-	-
Taxes Receivable	-	4,119,155	-	4,119,155
TOTAL ASSETS	<u>150,127</u>	<u>34,484,348</u>	<u>244,388</u>	<u>34,878,863</u>
LIABILITIES AND FUND BALANCES:				
Accrued Liabilities	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
UNRESERVED FUND BALANCES	<u>150,127</u>	<u>34,484,348</u>	<u>244,388</u>	<u>34,878,863</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 150,127</u>	<u>\$ 34,484,348</u>	<u>\$ 244,388</u>	<u>\$ 34,878,863</u>

ST. FRANCOIS COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND RESPONSES

For the Year Ended December 31, 2014

FINANCIAL STATEMENT FINDINGS

Finding: 2014-001

Type: Internal Control

Criteria: Management is responsible for the basic financial statements, and is required to designate an individual with suitable skill, knowledge, or experience to oversee this information.

Condition: The County lacks internal control over financial reporting.

Cause of Condition: The County personnel are not trained to prepare the financial statements and footnote disclosures.

Effect of Condition: While the preparation of the financial statements does not impair the auditor's independence, the assistance of the County's staff would possibly eliminate the number of year end and/or audit adjustments.

Recommendation: The County should consider alternatives available that would eliminate the current situation.

Management Response: The County currently doesn't have the educated staff or the budget to hire educated staff to correct this. However, a new software system is being implemented which should address some financial statement issues. The County is also considering additional training for current county employees.

ST. FRANCOIS COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND RESPONSES

For the Year Ended December 31, 2014

FINANCIAL STATEMENT FINDINGS

Finding: 2014-002

Type: Internal Control

Criteria: Management is responsible for establishing and maintaining effective internal controls.

Condition: The County does not have adequate segregation of duties.

Cause of Condition: Each office is responsible for conducting procedures and internal controls so the county government operates effectively. The internal controls are not operating in order to prevent deficiencies within the internal control environment.

Effect of Condition: The deficiency in the operating controls may not minimize the risk of fraud and material misstatement to the financial statements.

Recommendation: The County should reassess the internal controls procedures and duties of the office holders and supporting staff to the extent possible to establish mitigating controls.

Management Response: The County Commission is currently creating new policies and procedures which will establish more effective internal controls.

ST. FRANCOIS COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND RESPONSES

For the Year Ended December 31, 2014

FINANCIAL STATEMENT FINDINGS

Finding: 2014-003

Type: Internal Control

Criteria: Management is responsible for establishing and maintaining effective internal controls.

Condition: Log books for county vehicles in the Juvenile Department are not being used.

Cause of Condition: Internal control procedures have not been established and approved regarding the use and tracking of county owned vehicles being used by various departments/offices.

Effect of Condition: The deficiency in the internal control procedures may increase the risk of fraud and/or abuse.

Recommendation: The County should draft and approve policies and procedures regarding the use and documentation of county owned vehicles.

Management Response: As of 2015, the Juvenile Department is turning in log books for county vehicles.

ST. FRANCOIS COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND RESPONSES

For the Year Ended December 31, 2014

FINANCIAL STATEMENT FINDINGS

Finding: 2014-004

Type: Internal Control

Criteria: Management is responsible for establishing and maintaining effective internal controls.

Condition: Internal control procedures were not operating effectively regarding the approval of purchases for drug court donations expense.

Cause of Condition: Internal control procedures have not been established and approved regarding drug court donations expense purchases. During our testing we noted multiple instances where no business purpose was noted on restaurant receipts or vendor purchases.

Effect of Condition: The deficiency in the operating controls may increase the risk of fraud, and/or abuse.

Recommendation: The County should reassess the internal controls procedures and duties of the office holders and supporting staff to the extent possible to ensure controls are operating effectively.

Management Response: Drug Court has been given new guidelines to follow by the County Auditor in regards to all purchase orders.

ST. FRANCOIS COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND RESPONSES

For the Year Ended December 31, 2014

FINANCIAL STATEMENT FINDINGS

Finding: 2014-005

Type: Internal Control

Criteria: Management is responsible for establishing and maintaining effective internal controls.

Condition: Internal control procedures were not operating effectively regarding the approval of travel reimbursements for drug court.

Cause of Condition: Internal control procedures have not been established and approved regarding drug court travel expenses. During our testing we noted several instances where fuel receipts were being turned in for reimbursement rather than mileage. Reimbursement forms also did not track the trip or mileage.

Effect of Condition: The deficiency in the operating controls may increase the risk of fraud and/or abuse.

Recommendation: The County should reassess the internal controls procedures and duties of the office holders and supporting staff to the extent possible to ensure controls are operating effectively.

Management Response: Drug Court has been given a copy of the County's Travel Expense Policy by the County Auditor and advised by the County Auditor the policy must be followed in order to ensure proper payment of expense purchases and reimbursements.

ST. FRANCOIS COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND RESPONSES

For the Year Ended December 31, 2014

FINANCIAL STATEMENT FINDINGS

Finding: 2014-006

Type: Internal Control

Criteria: Management is responsible for establishing and maintaining effective internal controls.

Condition: The County does not have a uniform policy for all offices to review and approve employee timesheets.

Cause of Condition: Internal control procedures have not been established and approved regarding the proper review and approval of employee timesheets. Of the 36 transactions tested, we noted 15 instances where timesheets were not being signed off by supervisors, 8 instances where timesheets were not signed off on by either the employee or their supervisor and 2 instances where employee timesheets could not be located. We also noted during our testing that there are no formal employee leave slips County-wide.

Effect of Condition: The deficiency in the internal control procedures may increase the risk of fraud and/or abuse.

Recommendation: The County should draft and approve policies and procedures regarding the review and approval of employee timesheets.

Management Response: The County Auditor has recommended the implementation of internal controls such as time clocks to standardize and control reporting of time by County employees. The County Commission is currently creating policies and procedures which will address employee leave slips.

ST. FRANCOIS COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND RESPONSES

For the Year Ended December 31, 2014

FINANCIAL STATEMENT FINDINGS

Finding: 2014-007

Type: Internal Control

Criteria: Management is responsible for establishing and maintaining effective internal controls.

Condition: The County does not have a formal written policy regarding bidding procedures.

Cause of Condition: Internal control procedures have not been established and approved regarding the proper bidding procedures.

Effect of Condition: The deficiency in the internal control procedures may increase the risk of fraud and/or abuse.

Recommendation: The County should draft and approve policies and procedures regarding formal bidding procedures.

Management Response: The County Commission is currently creating policies and procedures which will include a written policy regarding bidding procedures.

ST. FRANCOIS COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND RESPONSES

For the Year Ended December 31, 2014

FINANCIAL STATEMENT FINDINGS

Finding: 2014-008

Type: Internal Control

Criteria: Management is responsible for establishing and maintaining effective internal controls.

Condition: Bank reconciliations are not being prepared for the Collector Outstanding Check or Collector Recording bank accounts, and revenue and expense are not being recorded properly.

Cause of Condition: The net change in the accounts is being recorded as miscellaneous revenue or expense rather than being recorded to the proper revenue and expense accounts.

Effect of Condition: The deficiency in the internal control procedures may increase the risk of material misstatement to the financial statements.

Recommendation: The County should reconcile bank accounts on a monthly basis to ensure proper recording of revenue and expenses.

Management Response: The County Collector has purchased new accounting software for more accurate reporting of expenses and revenue. The Independent Auditor gave the collector a bank reconciliation template to be used for each bank account that will allow more concise reporting of outstanding checks and bank reconciliation. The County is implementing new computer software which will contain an accurate chart of accounts. More line items are being created for the Collector to better identify expense and revenue accounts.

ST. FRANCOIS COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND RESPONSES

For the Year Ended December 31, 2014

FINANCIAL STATEMENT FINDINGS

Finding: 2014-009

Type: Internal Control

Criteria: Management is responsible for establishing and maintaining effective internal controls.

Condition: Internal control procedures were not operating effectively regarding the tracking of the Coroner's Office mileage.

Cause of Condition: The Coroner's Office is not providing detail of individual trips for mileage reimbursement, but rather turning in total mileage each month.

Effect of Condition: The deficiency in the operating controls may increase the risk of fraud and/or abuse.

Recommendation: The County should draft and approve policies and procedures regarding documentation for mileage for the Coroner's Office.

Management Response: The County is creating policies and procedures which will include a policy governing mileage reimbursement for the Coroner.

ST. FRANCOIS COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND RESPONSES

For the Year Ended December 31, 2014

FINANCIAL STATEMENT FINDINGS

Finding: 2014-010

Type: Compliance

Criteria: Per Missouri Revised Statutes, a County Commissioner shall not act as a road or bridge commissioner.

Condition: During our testing we noted several instances where mileage reimbursement was being submitted and approved for road and bridge inspections being done by a county commissioner.

Cause of Condition: Lack of oversight.

Effect of Condition: The County is not in compliance with Missouri Revised Statutes.

Recommendation: The County Commissioner's Office should review the applicable Missouri State Statutes for their office to ensure compliance.

Management Response: The County Commission has been educated with the Mo. Revised Statute 49.140.1 of Chapter 49. The County commission is no longer turning in requests for mileage reimbursement for road and bridge inspections.

ST. FRANCOIS COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND RESPONSES

For the Year Ended December 31, 2014

FINANCIAL STATEMENT FINDINGS

Finding: 2014-011

Type: Compliance

Criteria: Missouri State Statutes require preparation of an annual budget and expenditures are not to exceed the budget.

Condition: During the current year, the actual expenditures in the Law Enforcement Sales Tax Fund exceeded the budgeted expenditures.

Cause of Condition: Lack of oversight.

Effect of Condition: The County is not in compliance with Missouri Revised Statutes.

Recommendation: The County should periodically review its actual expenditures as compared to the budgeted amounts. An amended budget should be prepared and approved as necessary to comply with statutes.

Management Response: There should have been a budget adjustment created at the end of the year for 2014 by the previous County Auditor. However, this adjustment was never created. The County is implementing a new computer software system in 2015 which will help alleviate this occurrence in the future.