



THOMAS A. SCHWEICH
Missouri State Auditor

To the County Commission
and
Officeholders of Clinton County, Missouri

The Office of the State Auditor is responsible under Section 29.230, RSMo, for auditing certain operations of Clinton County, and issues a separate report on that audit. In addition, the Office of the State Auditor has contracted for an audit of the county's financial statements for the 2 years ended December 31, 2013, through the state Office of Administration, Division of Purchasing and Materials Management. A copy of this audit, performed by Nichols, Stopp & VanHoy, Certified Public Accountants, is attached.

A handwritten signature in black ink that reads "Thomas A. Schweich".

Thomas A. Schweich
State Auditor

September 2014
Report No. 2014-085

**The County of Clinton
Plattsburg, Missouri
Independent Auditor's Report and Financial Statements
For the years ended December 31, 2013 & 2012**



**The County of Clinton
Plattsburg, Missouri
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INDEPENDENT AUDITOR'S REPORT



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To the County Commission and
Officeholders of Clinton County, Missouri

We have audited the accompanying financial statements of Clinton County, Missouri, as of and for the years ended December 31, 2013 and 2012, which collectively comprise the County's basic financial statements and the related notes to the financial statements as identified in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

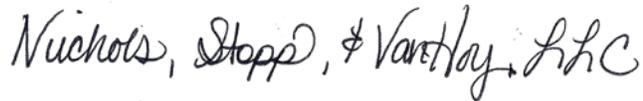
In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Clinton County, Missouri, as of December 31, 2013 and 2012, or the changes in its financial position for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of the funds of Clinton County, Missouri, as of December 31, 2013 and 2012, and their respective cash receipts and disbursements, and budgetary results of these funds for the years then ended, on the basis of accounting described in Note 1.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 4, 2014, on our consideration of Clinton 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 Clinton County, Missouri’s internal control over financial reporting and compliance.



Creve Coeur, Missouri
August 4, 2014

The County of Clinton
Plattsburg, Missouri
Statement of Receipts, Disbursements, and Changes in Cash
All Governmental Funds: Regulatory Basis
For the year ended December 31, 2013

<u>Fund</u>	Cash and Equivalents January 1, 2013	Receipts 2013	Disbursements 2013	Cash and Equivalents December 31, 2013
General Revenue Fund	\$ 5,819	\$ 2,447,781	\$ 2,447,264	\$ 6,336
Special Road and Bridge Fund	66,006	2,034,393	1,940,748	159,651
Assessment Fund	524,630	346,113	251,282	619,461
General Purpose Law Enforcement Fund	1,151	714	5	1,860
Law Enforcement Training Fund	851	4,311	2,323	2,839
Law Enforcement Restitution Fund	399	896	5	1,290
Prosecuting Attorney Training Fund	4,639	1,099	721	5,017
Capital Improvement Fund	601,881	548,945	419,156	731,670
Special Election Fund	1,612	25,759	24,589	2,782
Recorder User Fee Fund	349	13,028	13,377	-
Emergency Management Fund	3,507	28	-	3,535
Local Emergency Planning Commission Fund	3,891	3,437	3,979	3,349
Peace Officer Training Standards Fund	569	2,068	2,472	165
Sheriff's Civil Fees Fund	34,521	47,552	53,371	28,702
Elections Services Fund	39,097	4,117	737	42,477
Prosecuting Attorney Victims of Crime Advocate Fund	612	-	612	-
Prosecuting Attorney Delinquent Tax Fund	2,812	27	-	2,839
Collector's Tax Maintenance Fund	17,167	39,975	33,395	23,747
Sheriff's Revolving Fund	25,929	40,380	23,842	42,467
Senate Bill 40 Board Fund	335,397	279,869	272,057	343,209
Sheriff Supplement Grant Fund	2,518	52,349	49,647	5,220
Prosecuting Attorney Administrative Handling Fund	5,395	5,831	7,722	3,504
Total	<u>\$ 1,678,752</u>	<u>\$ 5,898,672</u>	<u>\$ 5,547,304</u>	<u>\$ 2,030,120</u>

See Notes to the Financial Statements

The County of Clinton
Plattsburg, Missouri
Statement of Receipts, Disbursements, and Changes in Cash
All Governmental Funds: Regulatory Basis
For the year ended December 31, 2012

<u>Fund</u>	Cash and Equivalents January 1, 2012	Receipts 2012	Disbursements 2012	Cash and Equivalents December 31, 2012
General Revenue Fund	\$ 3,616	\$ 2,586,717	\$ 2,584,514	\$ 5,819
Special Road and Bridge Fund	90,768	1,930,887	1,955,649	66,006
Assessment Fund	418,589	347,155	241,114	524,630
General Purpose Law Enforcement Fund	1,561	1,758	2,168	1,151
Law Enforcement Training Fund	2,141	5,023	6,313	851
Law Enforcement Restitution Fund	7,126	1,982	8,709	399
Prosecuting Attorney Training Fund	5,054	1,255	1,670	4,639
Capital Improvement Fund	726,231	538,207	662,557	601,881
Special Election Fund	3,249	40,110	41,747	1,612
Recorder User Fee Fund	-	13,179	12,830	349
Emergency Management Fund	2,885	80,622	80,000	3,507
Local Emergency Planning Commission Fund	4,796	3,070	3,975	3,891
Peace Officer Training Standards Fund	585	2,393	2,409	569
Sheriff's Civil Fees Fund	23,663	37,683	26,825	34,521
Elections Services Fund	33,490	6,414	807	39,097
Prosecuting Attorney Victims of Crime Advocate Fund	9,736	18,548	27,672	612
Prosecuting Attorney Delinquent Tax Fund	3,716	37	941	2,812
Collector's Tax Maintenance Fund	7,026	38,451	28,310	17,167
Sheriff's Revolving Fund	16,501	22,617	13,189	25,929
Senate Bill 40 Board Fund	291,209	263,287	219,099	335,397
Sheriff Supplement Grant Fund	-	48,738	46,220	2,518
Prosecuting Attorney Administrative Handling Fund	11,557	10,734	16,896	5,395
Total	<u>\$ 1,663,499</u>	<u>\$ 5,998,867</u>	<u>\$ 5,983,614</u>	<u>\$ 1,678,752</u>

See Notes to the Financial Statements

The County of Clinton
Plattsburg, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2013 & 2012

	General Revenue Fund			
	2013		2012	
	Budget	Actual	Budget	Actual
Receipts				
Property Taxes	\$ 804,735	\$ 730,351	\$ 1,074,002	\$ 829,695
Sales Taxes	725,000	688,795	670,000	712,427
Intergovernmental	304,740	397,472	353,597	317,982
Charges for Services	491,808	510,348	525,008	524,485
Interest	3,500	3,175	3,800	3,507
Other	64,050	63,890	46,475	68,360
Transfers In	155,581	53,750	50,710	130,261
Total Receipts	<u>\$ 2,549,414</u>	<u>\$ 2,447,781</u>	<u>\$ 2,723,592</u>	<u>\$ 2,586,717</u>
Disbursements				
County Commission	\$ 89,238	\$ 89,140	\$ 90,137	\$ 89,146
County Clerk	84,291	74,634	89,311	90,042
Elections	23,121	22,290	72,171	61,416
Buildings and Grounds	145,900	134,283	141,300	137,838
Employee Fringe Benefits	358,787	335,125	340,000	323,902
County Treasurer	52,660	51,723	53,510	52,255
County Collector	87,073	78,305	87,073	79,737
Recorder of Deeds	49,219	35,794	48,219	46,848
Circuit Clerk	7,550	15,106	6,150	5,159
Court Administration	11,750	2,972	11,750	3,691
Public Administrator	58,510	56,954	57,760	55,019
Sheriff	669,547	681,173	681,597	688,576
Jail	417,079	503,026	474,385	471,783
Prosecuting Attorney	141,017	110,571	153,223	146,238
Juvenile Officer	36,515	29,912	36,512	26,254
County Coroner	38,698	35,954	31,488	39,508
Transfers Out	-	-	-	-
Emergency Fund	76,400	-	81,707	80,000
Other	207,877	190,302	239,301	187,102
Total Disbursements	<u>\$ 2,555,232</u>	<u>\$ 2,447,264</u>	<u>\$ 2,695,594</u>	<u>\$ 2,584,514</u>
Receipts Over (Under)				
Disbursements	\$ (5,818)	\$ 517	\$ 27,998	\$ 2,203
Cash, January 1	<u>5,819</u>	<u>5,819</u>	<u>3,616</u>	<u>3,616</u>
Cash, December 31	<u><u>\$ 1</u></u>	<u><u>\$ 6,336</u></u>	<u><u>\$ 31,614</u></u>	<u><u>\$ 5,819</u></u>

See Notes to the Financial Statements

**The County of Clinton
Plattsburg, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2013 & 2012**

	Special Road and Bridge Fund			
	2013		2012	
	Budget	Actual	Budget	Actual
Receipts				
Property Taxes	\$ 1,112,063	\$ 1,181,175	\$ 1,347,623	\$ 1,076,340
Sales Taxes	-	-	-	-
Intergovernmental	656,645	650,885	660,400	722,339
Charges for Services	-	-	-	-
Interest	3,000	5,100	4,500	3,286
Other	38,000	85,450	100,000	25,380
Transfers In	200,000	111,783	65,000	103,542
Total Receipts	<u>\$ 2,009,708</u>	<u>\$ 2,034,393</u>	<u>\$ 2,177,523</u>	<u>\$ 1,930,887</u>
Disbursements				
Salaries	\$ 550,000	\$ 503,354	\$ 550,000	\$ 539,631
Employee Fringe Benefits	202,700	182,673	198,950	179,663
Supplies	306,500	308,506	347,000	267,481
Insurance	40,000	31,914	37,000	35,836
Road & Bridge Materials	605,000	567,874	625,000	488,084
Equipment Repairs	100,000	109,341	100,000	105,095
Rentals	-	-	-	-
Equipment Purchases	168,000	162,926	280,500	268,736
R & B Construction	-	-	3,000	-
Other Expenditures	68,300	49,160	71,000	46,123
Transfers Out	25,000	25,000	25,000	25,000
Emergency Fund	-	-	-	-
Total Disbursements	<u>\$ 2,065,500</u>	<u>\$ 1,940,748</u>	<u>\$ 2,237,450</u>	<u>\$ 1,955,649</u>
Receipts Over (Under)				
Disbursements	\$ (55,792)	\$ 93,645	\$ (59,927)	\$ (24,762)
Cash, January 1	<u>66,006</u>	<u>66,006</u>	<u>90,768</u>	<u>90,768</u>
Cash, December 31	<u><u>\$ 10,214</u></u>	<u><u>\$ 159,651</u></u>	<u><u>\$ 30,841</u></u>	<u><u>\$ 66,006</u></u>

See Notes to the Financial Statements

The County of Clinton
Plattsburg, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2013 & 2012

	Assessment Fund				General Purpose Law Enforcement Fund			
	2013		2012		2013		2012	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Receipts								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	308,604	339,331	271,112	339,492	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Interest	5,900	6,343	5,068	6,951	10	14	25	18
Other	750	439	2,064	712	4,000	700	3,500	1,740
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	\$ 315,254	\$ 346,113	\$ 278,244	\$ 347,155	\$ 4,010	\$ 714	\$ 3,525	\$ 1,758
Disbursements								
Salaries	\$ 138,768	\$ 138,650	\$ 136,930	\$ 137,441	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	45,476	44,600	46,265	42,468	-	-	-	-
Materials and Supplies	67,510	17,144	40,056	22,581	-	-	-	-
Services and Other	454,980	50,888	473,581	38,624	5,150	5	5,084	2,168
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 706,734	\$ 251,282	\$ 696,832	\$ 241,114	\$ 5,150	\$ 5	\$ 5,084	\$ 2,168
Receipts Over (Under)								
Disbursements	\$ (391,480)	\$ 94,831	\$ (418,588)	\$ 106,041	\$ (1,140)	\$ 709	\$ (1,559)	\$ (410)
Cash, January 1	524,630	524,630	418,589	418,589	1,151	1,151	1,561	1,561
Cash, December 31	<u>\$ 133,150</u>	<u>\$ 619,461</u>	<u>\$ 1</u>	<u>\$ 524,630</u>	<u>\$ 11</u>	<u>\$ 1,860</u>	<u>\$ 2</u>	<u>\$ 1,151</u>

See Notes to the Financial Statements

The County of Clinton
Plattsburg, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2013 & 2012

	Law Enforcement Training Fund				Law Enforcement Restitution Fund			
	2013		2012		2013		2012	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	7,018	4,192	7,000	4,772	-	-	-	39
Interest	18	14	18	10	-	9	-	-
Other	-	105	-	241	-	887	36,254	1,943
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 7,036</u>	<u>\$ 4,311</u>	<u>\$ 7,018</u>	<u>\$ 5,023</u>	<u>\$ -</u>	<u>\$ 896</u>	<u>\$ 36,254</u>	<u>\$ 1,982</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	7,000	2,323	7,000	6,313	399	5	36,668	5,209
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	3,500
Total Disbursements	<u>\$ 7,000</u>	<u>\$ 2,323</u>	<u>\$ 7,000</u>	<u>\$ 6,313</u>	<u>\$ 399</u>	<u>\$ 5</u>	<u>\$ 36,668</u>	<u>\$ 8,709</u>
Receipts Over (Under)								
Disbursements	\$ 36	\$ 1,988	\$ 18	\$ (1,290)	\$ (399)	\$ 891	\$ (414)	\$ (6,727)
Cash, January 1	<u>851</u>	<u>851</u>	<u>2,141</u>	<u>2,141</u>	<u>399</u>	<u>399</u>	<u>7,126</u>	<u>7,126</u>
Cash, December 31	<u>\$ 887</u>	<u>\$ 2,839</u>	<u>\$ 2,159</u>	<u>\$ 851</u>	<u>\$ -</u>	<u>\$ 1,290</u>	<u>\$ 6,712</u>	<u>\$ 399</u>

See Notes to the Financial Statements

The County of Clinton
Plattsburg, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2013 & 2012

	Prosecuting Attorney Training Fund				Capital Improvement Fund			
	2013		2012		2013		2012	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	540,000	520,432	550,000	529,077
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	1,000	1,051	1,250	1,198	-	-	-	-
Interest	-	48	50	57	8,000	6,206	7,000	8,980
Other	-	-	-	-	-	22,307	5,000	150
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 1,000</u>	<u>\$ 1,099</u>	<u>\$ 1,300</u>	<u>\$ 1,255</u>	<u>\$ 548,000</u>	<u>\$ 548,945</u>	<u>\$ 562,000</u>	<u>\$ 538,207</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	1,400	721	1,670	1,670	1,032,811	288,623	882,710	533,754
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	130,533	-	128,803
Total Disbursements	<u>\$ 1,400</u>	<u>\$ 721</u>	<u>\$ 1,670</u>	<u>\$ 1,670</u>	<u>\$ 1,032,811</u>	<u>\$ 419,156</u>	<u>\$ 882,710</u>	<u>\$ 662,557</u>
Receipts Over (Under)								
Disbursements	\$ (400)	\$ 378	\$ (370)	\$ (415)	\$ (484,811)	\$ 129,789	\$ (320,710)	\$ (124,350)
Cash, January 1	<u>4,639</u>	<u>4,639</u>	<u>5,054</u>	<u>5,054</u>	<u>601,881</u>	<u>601,881</u>	<u>726,231</u>	<u>726,231</u>
Cash, December 31	<u>\$ 4,239</u>	<u>\$ 5,017</u>	<u>\$ 4,684</u>	<u>\$ 4,639</u>	<u>\$ 117,070</u>	<u>\$ 731,670</u>	<u>\$ 405,521</u>	<u>\$ 601,881</u>

See Notes to the Financial Statements

The County of Clinton
Plattsburg, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2013 & 2012

	Special Election Fund				Recorder User Fee Fund			
	2013		2012		2013		2012	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	-	25,759	-	40,110	13,177	13,028	12,400	13,179
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ -</u>	<u>\$ 25,759</u>	<u>\$ -</u>	<u>\$ 40,110</u>	<u>\$ 13,177</u>	<u>\$ 13,028</u>	<u>\$ 12,400</u>	<u>\$ 13,179</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	-	24,589	-	41,747	12,400	13,377	12,400	12,830
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ -</u>	<u>\$ 24,589</u>	<u>\$ -</u>	<u>\$ 41,747</u>	<u>\$ 12,400</u>	<u>\$ 13,377</u>	<u>\$ 12,400</u>	<u>\$ 12,830</u>
Receipts Over (Under)								
Disbursements	\$ -	\$ 1,170	\$ -	\$ (1,637)	\$ 777	\$ (349)	\$ -	\$ 349
Cash, January 1	<u>1,612</u>	<u>1,612</u>	<u>3,249</u>	<u>3,249</u>	<u>349</u>	<u>349</u>	<u>-</u>	<u>-</u>
Cash, December 31	<u>\$ 1,612</u>	<u>\$ 2,782</u>	<u>\$ 3,249</u>	<u>\$ 1,612</u>	<u>\$ 1,126</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 349</u>

See Notes to the Financial Statements

The County of Clinton
Plattsburg, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2013 & 2012

	Emergency Management Fund				Local Emergency Planning Commission Fund			
	2013		2012		2013		2012	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Receipts								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	3,025	3,407	4,010	3,026
Charges for Services	-	-	-	-	-	-	-	-
Interest	400	28	200	622	35	30	40	44
Other	76,400	-	81,707	80,000	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	\$ 76,800	\$ 28	\$ 81,907	\$ 80,622	\$ 3,060	\$ 3,437	\$ 4,050	\$ 3,070
Disbursements								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	750	56	750	31
Services and Other	-	-	-	-	3,300	3,923	3,300	3,944
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	76,400	-	80,000	80,000	-	-	-	-
Total Disbursements	\$ 76,400	\$ -	\$ 80,000	\$ 80,000	\$ 4,050	\$ 3,979	\$ 4,050	\$ 3,975
Receipts Over (Under)								
Disbursements	\$ 400	\$ 28	\$ 1,907	\$ 622	\$ (990)	\$ (542)	\$ -	\$ (905)
Cash, January 1	3,507	3,507	2,885	2,885	3,891	3,891	4,796	4,796
Cash, December 31	<u>\$ 3,907</u>	<u>\$ 3,535</u>	<u>\$ 4,792</u>	<u>\$ 3,507</u>	<u>\$ 2,901</u>	<u>\$ 3,349</u>	<u>\$ 4,796</u>	<u>\$ 3,891</u>

See Notes to the Financial Statements

The County of Clinton
Plattsburg, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2013 & 2012

	Peace Officer Training Standards Fund				Sheriff's Civil Fees Fund			
	2013		2012		2013		2012	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	4,500	-	4,000	2,386	-	-	-	-
Charges for Services	-	-	-	-	35,000	30,637	40,000	35,428
Interest	10	6	10	7	302	315	244	380
Other	-	2,062	-	-	25,000	16,600	15,000	1,875
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 4,510</u>	<u>\$ 2,068</u>	<u>\$ 4,010</u>	<u>\$ 2,393</u>	<u>\$ 60,302</u>	<u>\$ 47,552</u>	<u>\$ 55,244</u>	<u>\$ 37,683</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	15,000	11,821	10,000	3,750
Services and Other	4,500	2,472	4,500	2,409	46,035	41,550	41,000	23,075
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 4,500</u>	<u>\$ 2,472</u>	<u>\$ 4,500</u>	<u>\$ 2,409</u>	<u>\$ 61,035</u>	<u>\$ 53,371</u>	<u>\$ 51,000</u>	<u>\$ 26,825</u>
Receipts Over (Under)								
Disbursements	\$ 10	\$ (404)	\$ (490)	\$ (16)	\$ (733)	\$ (5,819)	\$ 4,244	\$ 10,858
Cash, January 1	<u>569</u>	<u>569</u>	<u>585</u>	<u>585</u>	<u>34,521</u>	<u>34,521</u>	<u>23,663</u>	<u>23,663</u>
Cash, December 31	<u>\$ 579</u>	<u>\$ 165</u>	<u>\$ 95</u>	<u>\$ 569</u>	<u>\$ 33,788</u>	<u>\$ 28,702</u>	<u>\$ 27,907</u>	<u>\$ 34,521</u>

See Notes to the Financial Statements

The County of Clinton
Plattsburg, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2013 & 2012

	Elections Services Fund				Prosecuting Attorney Victims of Crime Advocate Fund			
	2013		2012		2013		2012	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	1,000	-	-	-	-	-
Charges for Services	1,200	3,729	2,800	5,955	-	-	-	-
Interest	500	388	400	459	-	-	-	48
Other	-	-	-	-	-	-	-	15,000
Transfers In	-	-	-	-	-	-	38,334	3,500
Total Receipts	<u>\$ 1,700</u>	<u>\$ 4,117</u>	<u>\$ 4,200</u>	<u>\$ 6,414</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,334</u>	<u>\$ 18,548</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,220
Employee Fringe Benefits	-	-	-	-	-	-	-	4,452
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	40,797	737	37,690	807	612	612	38,334	-
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 40,797</u>	<u>\$ 737</u>	<u>\$ 37,690</u>	<u>\$ 807</u>	<u>\$ 612</u>	<u>\$ 612</u>	<u>\$ 38,334</u>	<u>\$ 27,672</u>
Receipts Over (Under)								
Disbursements	\$ (39,097)	\$ 3,380	\$ (33,490)	\$ 5,607	\$ (612)	\$ (612)	\$ -	\$ (9,124)
Cash, January 1	<u>39,097</u>	<u>39,097</u>	<u>33,490</u>	<u>33,490</u>	<u>612</u>	<u>612</u>	<u>9,736</u>	<u>9,736</u>
Cash, December 31	<u>\$ -</u>	<u>\$ 42,477</u>	<u>\$ -</u>	<u>\$ 39,097</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,736</u>	<u>\$ 612</u>

See Notes to the Financial Statements

The County of Clinton
Plattsburg, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2013 & 2012

	Prosecuting Attorney Delinquent Tax Fund				Collector's Tax Maintenance Fund			
	2013		2012		2013		2012	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Interest	30	27	25	37	-	-	-	-
Other	-	-	-	-	35,000	39,975	30,000	38,451
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 30</u>	<u>\$ 27</u>	<u>\$ 25</u>	<u>\$ 37</u>	<u>\$ 35,000</u>	<u>\$ 39,975</u>	<u>\$ 30,000</u>	<u>\$ 38,451</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	35,000	23,395	30,000	28,310
Services and Other	2,000	-	3,000	941	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	10,000	-	-
Total Disbursements	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ 3,000</u>	<u>\$ 941</u>	<u>\$ 35,000</u>	<u>\$ 33,395</u>	<u>\$ 30,000</u>	<u>\$ 28,310</u>
Receipts Over (Under)								
Disbursements	\$ (1,970)	\$ 27	\$ (2,975)	\$ (904)	\$ -	\$ 6,580	\$ -	\$ 10,141
Cash, January 1	<u>2,812</u>	<u>2,812</u>	<u>3,716</u>	<u>3,716</u>	<u>17,167</u>	<u>17,167</u>	<u>7,026</u>	<u>7,026</u>
Cash, December 31	<u>\$ 842</u>	<u>\$ 2,839</u>	<u>\$ 741</u>	<u>\$ 2,812</u>	<u>\$ 17,167</u>	<u>\$ 23,747</u>	<u>\$ 7,026</u>	<u>\$ 17,167</u>

See Notes to the Financial Statements

The County of Clinton
Plattsburg, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2013 & 2012

	Sheriff's Revolving Fund				Senate Bill 40 Board Fund			
	2013		2012		2013		2012	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 245,715	\$ 256,171	\$ 239,806	\$ 259,910
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	17,000	25,011	15,000	19,481	-	-	-	-
Interest	250	328	200	238	3,200	2,435	5,000	3,377
Other	-	15,041	-	2,898	-	21,263	2,063	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 17,250</u>	<u>\$ 40,380</u>	<u>\$ 15,200</u>	<u>\$ 22,617</u>	<u>\$ 248,915</u>	<u>\$ 279,869</u>	<u>\$ 246,869</u>	<u>\$ 263,287</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	5,250	17	5,000	101	-	-	-	-
Services and Other	32,600	23,825	25,500	6,088	351,000	272,057	300,000	219,099
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	7,000	-	-	-	-
Total Disbursements	<u>\$ 37,850</u>	<u>\$ 23,842</u>	<u>\$ 30,500</u>	<u>\$ 13,189</u>	<u>\$ 351,000</u>	<u>\$ 272,057</u>	<u>\$ 300,000</u>	<u>\$ 219,099</u>
Receipts Over (Under)								
Disbursements	\$ (20,600)	\$ 16,538	\$ (15,300)	\$ 9,428	\$ (102,085)	\$ 7,812	\$ (53,131)	\$ 44,188
Cash, January 1	<u>25,929</u>	<u>25,929</u>	<u>16,501</u>	<u>16,501</u>	<u>335,397</u>	<u>335,397</u>	<u>291,209</u>	<u>291,209</u>
Cash, December 31	<u>\$ 5,329</u>	<u>\$ 42,467</u>	<u>\$ 1,201</u>	<u>\$ 25,929</u>	<u>\$ 233,312</u>	<u>\$ 343,209</u>	<u>\$ 238,078</u>	<u>\$ 335,397</u>

See Notes to the Financial Statements

**The County of Clinton
Plattsburg, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2013 & 2012**

	Sheriff Supplement Grant Fund			
	2013		2012	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	60,000	50,880	54,304	41,738
Charges for Services	-	-	-	-
Interest	-	-	-	-
Other	-	1,469	-	-
Transfers In	-	-	7,000	7,000
Total Receipts	<u>\$ 60,000</u>	<u>\$ 52,349</u>	<u>\$ 61,304</u>	<u>\$ 48,738</u>
<u>Disbursements</u>				
Salaries	\$ 45,046	\$ 43,575	\$ 44,618	\$ 40,621
Employee Fringe Benefits	7,954	6,072	9,686	5,599
Materials and Supplies	-	-	-	-
Services and Other	7,000	-	7,000	-
Capital Outlay	-	-	-	-
Transfers Out	-	-	-	-
Total Disbursements	<u>\$ 60,000</u>	<u>\$ 49,647</u>	<u>\$ 61,304</u>	<u>\$ 46,220</u>
Receipts Over (Under)				
Disbursements	\$ -	\$ 2,702	\$ -	\$ 2,518
Cash, January 1	<u>2,518</u>	<u>2,518</u>	<u>-</u>	<u>-</u>
Cash, December 31	<u><u>\$ 2,518</u></u>	<u><u>\$ 5,220</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,518</u></u>

See Notes to the Financial Statements

**The County of Clinton
Plattsburg, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2013 & 2012**

	Prosecuting Attorney Administrative Handling Fund			
	2013		2012	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	10,000	5,795	12,000	10,671
Interest	60	36	60	63
Other	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	<u>\$ 10,060</u>	<u>\$ 5,831</u>	<u>\$ 12,060</u>	<u>\$ 10,734</u>
<u>Disbursements</u>				
Salaries	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services and Other	15,000	7,722	20,000	16,896
Capital Outlay	-	-	-	-
Transfers Out	-	-	-	-
Total Disbursements	<u>\$ 15,000</u>	<u>\$ 7,722</u>	<u>\$ 20,000</u>	<u>\$ 16,896</u>
Receipts Over (Under)				
Disbursements	\$ (4,940)	\$ (1,891)	\$ (7,940)	\$ (6,162)
Cash, January 1	<u>5,395</u>	<u>5,395</u>	<u>11,557</u>	<u>11,557</u>
Cash, December 31	<u>\$ 455</u>	<u>\$ 3,504</u>	<u>\$ 3,617</u>	<u>\$ 5,395</u>

See Notes to the Financial Statements

**The County of Clinton
Plattsburg, Missouri
Notes to the Financial Statements
For the years ended December 31, 2013 & 2012**

Note 1 - Summary of Significant Accounting Policies

Organized in 1833, the county of Clinton was named after Governor DeWitt Clinton of New York. Clinton County is a county-organized, third-class county and is part of the Forty-Third Judicial Circuit. The county seat is Plattsburg. Clinton County's government is composed of a three-member county commission and the following separately elected Constitutional Officers: County Clerk, Collector, Treasurer, Circuit Clerk/Ex-Officio Recorder of Deeds, Sheriff, Assessor, Coroner, Public Administrator and Prosecuting Attorney.

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

Reporting Entity

As required by generally accepted accounting principles, as applicable to the regulatory basis of accounting, these financial statements present financial accountability of Clinton County, Missouri, and the Clinton County Senate Bill 40 Board.

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

The financial statements referred to above include only the primary government of Clinton County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that are considered to comprise Clinton County's legal entity. The Clinton County Senate Bill 40 Board is controlled by a separate board and is also included under the control of Clinton County.

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

Basis of Presentation

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

Basis of Accounting

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

**The County of Clinton
Plattsburg, Missouri
Notes to the Financial Statements
For the years ended December 31, 2013 & 2012**

Note 1 - Summary of Significant Accounting Policies (continued)

Basis of Accounting (continued)

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

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

Budget and Budgetary Accounting

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

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

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

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

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

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

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

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

During our audit we noted that the County was not in compliance with Missouri budgetary state statute Chapter 50 RSMo. The Recorder User Fee Fund had expenses exceeding budget for 2013 and 2012. Also, the County did not prepare a 2013 and 2012 budget for the Special Election Fund.

**The County of Clinton
Plattsburg, Missouri
Notes to the Financial Statements
For the years ended December 31, 2013 & 2012**

Note 1 - Summary of Significant Accounting Policies (continued)

Taxes

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

The assessed valuation of the tangible taxable property included within Clinton County's boundaries for the calendar year 2013 and 2012, respectively, for the purposes of County taxation, was as follows:

	<u>2013</u>	<u>2012</u>
Real Estate	\$ 196,934,890	\$ 193,789,990
Personal Property	49,130,320	47,266,560
Railroad and Utilities	<u>36,081,025</u>	<u>33,854,536</u>
	<u>\$ 282,146,235</u>	<u>\$ 274,911,086</u>

Special Road and Bridge Fund assessed valuation was \$184,719,955 and \$179,102,451 for the calendar year 2013 and 2012, respectively.

The tax levy per \$100 assessed valuation of tangible taxable property for the calendar year 2013 and 2012, respectively, for the purpose of County taxation, was as follows:

	<u>2013</u>	<u>2012</u>
General Revenue Fund	\$ 0.2875	\$ 0.2400
Special Road and Bridge Fund*	0.6246	0.6246
Senate Bill 40 Board Fund	0.0905	0.0905

* Special Road and Bridge Fund tax levy includes both the tax levy for Special Road and Bridge and Common Road District.

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

Cash Deposits and Investments

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

**The County of Clinton
Plattsburg, Missouri
Notes to the Financial Statements
For the years ended December 31, 2013 & 2012**

Note 1 - Summary of Significant Accounting Policies (continued)

Interfund Transactions

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

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

Note 2 - Deposits and Investments

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

Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2013 and 2012, the carrying amount of Clinton County's deposits was \$2,030,120 and \$1,678,752 and the bank balance was \$2,310,313 and \$1,966,515, respectively. As of December 31, 2013, 100% of Clinton County's deposits and investments were covered by the Federal Deposit Insurance Corporation (FDIC) or were collateralized.

The carrying values of deposits and investments shown above are included in the financial statements at December 31, 2013, as follows:

Deposits	\$ 2,030,120
Investments	-
Restricted Cash	-
	<hr/>
Total Deposits and Investments as of December 31, 2013	<u><u>\$ 2,030,120</u></u>

The carrying values of deposits and investments shown above are included in the financial statements at December 31, 2012, as follows:

Deposits	\$ 1,678,752
Investments	-
Restricted Cash	-
	<hr/>
Total Deposits and Investments as of December 31, 2012	<u><u>\$ 1,678,752</u></u>

Custodial Credit Risk - Deposits

For a deposit, custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Clinton County's investment policy does not include custodial credit risk requirements. Clinton County's deposits were not exposed to custodial credit risk for the years ended December 31, 2013, and 2012.

**The County of Clinton
Plattsburg, Missouri
Notes to the Financial Statements
For the years ended December 31, 2013 & 2012**

Note 2 - Deposits and Investments (continued)

Custodial Credit Risk - Investments

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

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

Investment Interest Rate Risk

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

Concentration of Investment Credit Risk

Concentration of investment credit risk is required to be disclosed by Clinton County for any single investment that represents 5% or more of total investments (excluding investments issued by or explicitly guaranteed by the U. S. Government, investments in mutual funds, investments in external investment pools and investments in other pooled investments). Clinton County has no policy in place to minimize the risk of loss resulting from over concentration of assets of a specific maturity, specific issuer or specific class of securities. Clinton County's deposits were not exposed to concentration of investment credit risk for the years ended in December 31, 2013 and 2012.

Note 3 - Interfund Transfers

Transfers between funds for the years ended December 31, 2013 and 2012 are as follows:

Fund	2013		2012	
	Transfers In	Transfers Out	Transfers In	Transfers Out
General Revenue	\$ 53,750	\$ -	\$ 130,261	\$ -
Capital Improvement	-	130,533	-	128,803
Special Road and Bridge	111,783	25,000	103,542	25,000
Collector's Tax Maintenance	-	10,000	-	-
Emergency Management	-	-	-	80,000
Sheriff's Revolving	-	-	-	7,000
Sheriff Supplement Grant	-	-	7,000	-
Prosecuting Attorney Victims of Crime Advocate	-	-	3,500	-
Law Enforcement Restitution	-	-	-	3,500
Total	\$ 165,533	\$ 165,533	\$ 244,303	\$ 244,303

**The County of Clinton
Plattsburg, Missouri
Notes to the Financial Statements
For the years ended December 31, 2013 & 2012**

Note 4 - County Employees' Retirement Fund (CERF)

The County Employees' Retirement Fund was established by the State of Missouri to provide pension benefits for County officials and employees. The Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elective or appointed officer or employee whose performance requires the actual performance of duties during not less than (1,000) one thousand 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 Section 57.949 to 57.997, RSMo and certain personnel not defined as an employee per Section 50.1000(8), RSMo. The Fund was created by an act of the legislature and was effective August 28, 1994. The general administration and the responsibility for the proper operation of the fund and the investment of the fund are vested in a board of directors of eleven persons.

Pension Benefits

Beginning January 1, 1997, employees attaining the age of sixty-two may retire with full benefits with eight or more years of creditable service. The monthly benefit for County Employees is determined by selecting the highest benefit calculated using three different prescribed formulas (flat-dollar amount, targeted replacement ratio formula, and the prior plan's formula). A death benefit of \$10,000 will be paid to the designated beneficiary of every active eligible member upon his or her death. Upon termination of employment, any member who is vested is entitled to a deferred annuity, payable at age sixty-two. Early retirement at age fifty-five with reduced benefit is allowed. Any member with less than eight years creditable service forfeits all rights in the fund but will be paid his or her accumulated contributions. The County Employees' Retirement Fund issues audited financial statements.

Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65102, or by calling 1-877-632-2373.

Funding Policy

In accordance with State Statutes, the Plan is funded through various fees collected by counties and remitted to the CERF. Eligible employees hired before February 2002 are required to contribute 0% of their annual salary, while employees hired after February 2002 are required to contribute 4% of their salary in order to participate in CERF. During 2013 and 2012, the County collected and remitted to CERF, employee contributions of \$47,344 and \$49,099, respectively, for the years then ended.

Note 5 - Missouri Local Government Employees Retirement System (LAGERS)

Plan Description

Clinton County participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multi-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.

**The County of Clinton
Plattsburg, Missouri
Notes to the Financial Statements
For the years ended December 31, 2013 & 2012**

Note 5 - Missouri Local Government Employees Retirement System (LAGERS) (continued)

LAGERS was created and governed by statutes 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 (800) 447-4334.

Funding Status

Full-time employees of Clinton County contribute 4% of their gross pay to the pension plan. The June 30th statutorily required contribution rates are 4.5% (General) and 5.8% (Police) of annual covered payroll for the year ended December 31, 2013. The June 30th statutorily required contribution rates are 5.3% (General) and 5.6% (Police) of annual covered payroll for the year ended December 31, 2012. 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.

Annual Pension Cost (APC) and Net Pension Obligation (NPO)

The subdivision's annual pension cost and net pension obligation for the year ended December 31, 2013 was as follows:

	2013
Annual required contribution	\$ 85,506
Interest on net pension obligation	867
Adjustment to required contribution	(1,154)
Annual pension cost	85,219
Actual contributions	85,506
Increase (decrease) in NPO	(287)
NPO beginning of year	11,959
NPO end of year	\$ 11,672

The annual required contribution (ARC) was determined as part of the February 28, 2011 and February 29, 2012 annual actuarial valuations using the entry age actuarial cost method. The actuarial assumptions as of February 28, 2013 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 3.5% 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 28, 2011 was 15 years for the General division and 15 years for the police division. The amortization period of February 29, 2012 was 12 years for the General division and 14 years for the Police division.

**The County of Clinton
Plattsburg, Missouri
Notes to the Financial Statements
For the years ended December 31, 2013 & 2012**

Note 5 - Missouri Local Government Employees Retirement System (LAGERS) (continued)

Annual Pension Cost (APC) and Net Pension Obligation (NPO) (continued)

Three-Year Trend Information			
Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2011	\$ 97,810	94.0%	\$ 12,160
2012	93,378	100.2%	11,959
2013	85,219	100.3%	11,672

Required Supplementary Information - Schedule of Funding Progress

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Entry Age Actuarial Accrued 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
2/28/2011	\$ 2,223,392	\$ 2,531,720	\$ 308,328	88%	\$ 1,962,821	16%
2/29/2012	2,251,413	2,382,181	130,768	95%	1,554,397	8%
2/28/2013	2,580,963	2,557,447	(23,516)	101%	1,714,157	

The subdivision's annual pension cost and net pension obligation for the year ended December 31, 2012 was as follows:

	<u>2012</u>
Annual required contribution	\$ 93,579
Interest on net pension obligation	882
Adjustment to required contribution	<u>(1,083)</u>
Annual pension cost	93,378
Actual contributions	<u>93,579</u>
Increase (decrease) in NPO	(201)
NPO beginning of year	<u>12,160</u>
NPO end of year	<u><u>\$ 11,959</u></u>

The annual required contribution (ARC) was determined as part of the February 28, 2010 and February 28, 2011 annual actuarial valuations using the entry age actuarial cost method. The actuarial assumptions as of February 29, 2012 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 3.5% 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 28, 2010 was 17 years for the General division and 14 years for the police division. The amortization period of February 28, 2011 was 15 years for the General division and 15 years for the Police division.

**The County of Clinton
Plattsburg, Missouri
Notes to the Financial Statements
For the years ended December 31, 2013 & 2012**

Note 5 - Missouri Local Government Employees Retirement System (LAGERS) (continued)

Annual Pension Cost (APC) and Net Pension Obligation (NPO) (continued)

Three-Year Trend Information			
Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2010	\$ 82,001	92.3%	\$ 6,314
2011	97,810	94.0%	12,160
2012	93,378	100.2%	11,959

Required Supplementary Information - Schedule of Funding Progress

	(a)	(b)	(b-a)		(c)	[(b-a)/c]
Actuarial Valuation Date	Actuarial Value of Assets	Entry Age Actuarial Accrued Liability	Unfunded Accrued Liability (UAL)	(a/b) Funded Ratio	Annual Covered Payroll	UAL as a Percentage of Covered Payroll
2/28/2010	\$ 2,033,232	\$ 2,334,419	\$ 301,187	87%	\$ 1,889,324	16%
2/28/2011	2,223,392	2,531,720	308,328	88%	1,962,821	16%
2/29/2012	2,251,413	2,382,181	130,768	95%	1,554,397	8%

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 6 - Prosecuting Attorney Retirement Fund

In accordance with state statute Chapter 56.807 RSMo, Clinton County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys' and Circuit Attorneys' Retirement System. Once remitted, the State of Missouri is responsible for administration of this plan. Clinton County has contributed \$2,244 and \$1,870, respectively, for the years ended December 31, 2013 and 2012.

Note 7 - Post-Employment Benefits

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

**The County of Clinton
Plattsburg, Missouri
Notes to the Financial Statements
For the years ended December 31, 2013 & 2012**

Note 8 - Claims, Commitments and Contingencies

Litigation

Clinton County is involved in pending litigation as of December 31, 2013. The extent of the liability, if any, cannot be determined at this time.

Compensated Absences

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

Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants are required and certain costs may be questioned as not appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial. No provision has been made in the accompanying financial statements for the potential refund of grant monies.

Note 9 - Risk Management

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

The County is a member participant in a public entity risk pool which is a corporate and political body created pursuant to state statute (Chapter 537.70 RSMo. 1986). 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 meet its obligations, the risk pool is empowered with the ability to make specific assessments. Members are jointly and severally liable for all claims against the risk pool.

Note 10 - Subsequent Events

The County has evaluated events subsequent to December 31, 2013 to assess the need for potential recognition or disclosure in the financial statements. Such events have been evaluated through August 4, 2014, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

Note 11 - Long-Term Debt

Capital Lease Obligations

In 2013, the County entered into a cancelable lease purchase agreement to finance the purchase of five 2013 Ford Interceptors at a cost of \$126,363. The agreement requires monthly payments of \$3,699 ending April 1, 2016 which includes interest of 3.5%.

**The County of Clinton
Plattsburg, Missouri
Notes to the Financial Statements
For the years ended December 31, 2013 & 2012**

Note 11 - Long-Term Debt (continued)

In 2013, the County entered into a cancelable lease purchase agreement to finance the purchase of 2013 Chevy Silverado at a cost of \$30,775. The agreement requires annual payments of \$10,908 ending March 1, 2016, which includes interest of 3.5%.

In 2013, the County entered into a cancelable lease purchase agreement to finance the purchase of 2011 John Deere 672G Motor Grader at a cost of \$180,000. The agreement requires two annual payments of \$94,505 beginning February 21, 2015 and ending February 21, 2016, which includes interest of 2.8%.

In 2011, the County entered into a cancelable lease purchase agreement to finance the purchase of 2011 Dodge 2500 Crew Cab at a cost of \$22,255. The agreement requires monthly payments of \$662 ending May 2, 2014, which includes interest of 4.5%.

In 2010, the County entered into a cancelable lease purchase agreement to finance the purchase of a 2010 Ford Explorer at a cost of \$22,200. The agreement requires monthly payments of \$660 ending May 7, 2013, which includes interest of 4.5%. This lease was paid off in 2013.

In 2010, the County entered into a cancelable lease purchase agreement to finance the purchase of a 2010 Dodge Charger at a cost of \$21,791. The agreement requires monthly payments of \$648 ending March 31, 2013, which includes interest of 4.5%. This lease was paid off in 2013.

Although the agreements provide cancellation of the leases if the County should fail to appropriate funds at the annual renewal dates, the County does not foresee exercising its option to cancel.

The following is the changes in capital lease obligations for the year ended December 31, 2013:

Capital Lease Obligations	Balance December 31, 2012	Additions	Retirements	Balance December 31, 2013	Interest Paid
5 2013 Ford Interceptor SUVs	\$ -	\$ 126,362	\$ 27,123	\$ 99,239	\$ 2,472
2013 Chevy Silverado Crew Cab	-	30,775	-	30,775	-
2011 John Deere 672 Grader	-	180,000	-	180,000	-
2011 Dodge Crew Cab Truck	10,886	-	7,612	3,274	334
2010 Ford Explorer	3,265	-	3,265	-	37
2010 Dodge Charger	1,931	-	1,931	-	14
	<u>\$ 16,082</u>	<u>\$ 337,137</u>	<u>\$ 39,931</u>	<u>\$ 313,288</u>	<u>\$ 2,857</u>

The following is the changes in capital lease obligations for the year ended December 31, 2012:

Capital Lease Obligations	Balance December 31, 2011	Additions	Retirements	Balance December 31, 2012	Interest Paid
2011 Dodge Crew Cab Truck	\$ 18,161	\$ -	\$ 7,275	\$ 10,886	\$ 670
2010 Ford Explorer	10,857	-	7,592	3,265	334
2010 Dodge Charger	9,440	-	7,509	1,931	272
	<u>\$ 38,458</u>	<u>\$ -</u>	<u>\$ 22,376</u>	<u>\$ 16,082</u>	<u>\$ 1,276</u>

**The County of Clinton
Plattsburg, Missouri
Notes to the Financial Statements
For the years ended December 31, 2013 & 2012**

Note 11 -Long-Term Debt (continued)

The following is the 2013 future minimum payments for all capital leases:

Year Ending December 31,	Principal	Interest	Total
2014	\$ 54,908	\$ 3,706	\$ 58,614
2015	139,180	10,627	149,807
2016	119,200	916	120,116
	<u>\$ 313,288</u>	<u>\$ 15,249</u>	<u>\$ 328,537</u>

Department of Natural Resources Loan

The County entered into a loan with the Missouri Department of Natural Resources (DNR) on November 6, 2008, for \$183,820 to finance various energy savings projects. The loan will be repaid with semi-annual payments of \$9,664 through August 1, 2020, and one payment of \$1,377 on February 1, 2021, which includes interest of 4.15%.

The following is the change in the DNR loan for the year ended December 31, 2013:

	Balance December 31, 2012	Additions	Retirements	Balance December 31, 2013	Interest Paid
DNR Loan	\$ 131,403	-	14,018	\$ 117,385	\$ 5,310

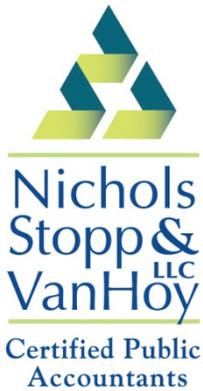
The following is the change in the DNR loan for the year ended December 31, 2012:

	Balance December 31, 2011	Additions	Retirements	Balance December 31, 2012	Interest Paid
DNR Loan	\$ 144,857	-	13,454	\$ 131,403	\$ 5,874

The following is the 2013 future minimum payments for the DNR loan:

Year Ending December 31,	Principal	Interest	Total
2014	\$ 14,606	\$ 4,721	\$ 19,327
2015	15,218	4,109	19,327
2016	15,856	3,471	19,327
2017	16,521	2,806	19,327
2018	17,213	2,114	19,327
2019-2021	37,971	2,060	40,031
	<u>\$ 117,385</u>	<u>\$ 19,281</u>	<u>\$ 136,666</u>

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



To the County Commission and
Officeholders of Clinton County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of Clinton County, Missouri, as of and for the years ended December 31, 2013 and 2012, and the related notes to the financial statements, which collectively comprise Clinton County, Missouri's basic financial statements and have issued our report thereon dated August 4, 2014.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify deficiencies in internal control, described in the accompanying schedule of findings and responses that we consider to be significant deficiencies: 13/12-2, 13/12-3, 13/12-4, and 13/12-5.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Clinton County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter

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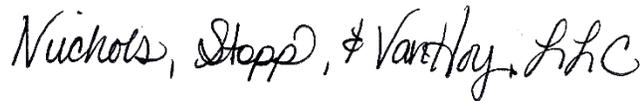
that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item: 13/12-1.

Clinton County, Missouri's Response to Findings

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Nichols, Stopp, & VanHoy, LLC". The signature is written in a cursive style.

Creve Coeur, Missouri
August 4, 2014

**The County of Clinton
Plattsburg, Missouri
Schedule of Findings and Responses
For the years ended December 31, 2013 & 2012**

Financial Statement Findings

13/12-1 **Condition:** During our audit, we noted one fund with actual expenditures that exceeded the budgeted expenditures and one fund for which a budget was not prepared.

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

Cause: Oversight

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

Management's Response: The Special Election Fund will be budgeted for 2014 and following years.

On the Recorder User Fee Fund issue, the Office Holder in charge of it (Molly Livingston, Circuit Clerk & Recorder) was informed & instructed to keep a close eye on her budget and if any new money came in, she should amend her budget in order to be able to spend any more from it.

13/12-2 **Condition:** Documentation of the County's internal controls has not been prepared.

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

Cause: Management has not prepared documentation of internal control.

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

Management's Response: The Commission has taken this under advisement.

13/12-3 **Condition:** During our audit, we noted there is no formal fraud risk assessment in place.

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

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

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

Management's Response: The Commission has taken this under advisement.

**The County of Clinton
Plattsburg, Missouri
Schedule of Findings and Responses
For the years ended December 31, 2013 & 2012**

13/12-4 **Condition:** During our audit, we noted the Collector's Office was not making timely deposits of cash receipts into the Collector's bank account.

Effect: Lack of timely deposits can lead to errors due to loss of cash receipts or other information needed to properly record and reconcile cash receipts. Also, the County loses out on potential interest income if deposits are not made in a timely manner.

Cause: The Collector was not making deposits of cash receipts in a timely manner.

Recommendation: We recommend that the County Collector's Office make deposits of cash receipts on a daily basis. If not made daily, the County should set a maximum dollar amount to be held before making a deposit.

Management's Response: Under the direction of the former Clinton County Collector, Sharon K. Cockrum, this was an apparent issue. Since her retirement on May 30, 2014, I, the new Governor Appointed Collector, Shelly King, have resolved this issue by making deposits in a timely matter.

13/12-5 **Condition:** During our audit, we noted the Collector's Office was not reconciling the cash registers on a daily basis.

Effect: Lack of a daily reconciliation process can lead to the loss of information needed to reconcile cash receipts due to error or theft.

Cause: The Collector was not reconciling cash registers daily.

Recommendation: We recommend that the County Collector's Office use a separate cash register for each individual who accepts cash. On at least a daily basis, each cash register should be reconciled by a minimum of two individuals.

Management's Response: Under the direction of the former Clinton County Collector, Sharon K. Cockrum, this was an apparent issue. Since her retirement on May 30, 2014, I, the new Governor Appointed Collector, Shelly King, have resolved this issue by having all daily drawers balanced by two different people on a daily basis.

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

In accordance with Government Auditing Standards, this section reports the auditor's follow-up on action taken by Clinton County, Missouri, on the applicable findings in the prior audit report issued for the two years ended December 31, 2009.

Prior Year Financial Statement Findings

09-1 **Condition:** Because of a limited number of available personnel, it is not always possible to adequately segregate certain incompatible duties so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction

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

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

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

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

Status: This is no longer considered a material weakness.

09-2 **Condition:** The County's Treasurer is responsible for the maintenance of the cash and investment accounts of the County. Part of this maintenance includes the necessary and vital control of performing monthly reconciliations of all cash and investment accounts to the general ledger. During 2008 and 2009, cash was not properly reconciled on a monthly basis. In addition, the reconciliations provided at year-end were performed manually rather than within the County's centralized accounting system.

Criteria: The County Treasurer should perform monthly reconciliations of cash and investments from bank statements to the general ledger.

Effect: Due to the absence of monthly bank reconciliations by the County Treasurer, the reported year-end cash balances included unreconciled amounts of \$10,742 and \$10,824 at December 31, 2008 and 2009, respectively.

Recommendation: The County Treasurer recognize the importance of cash and investment reconciliations in the internal control processes of County operations and begin preparing proper monthly reconciliations within the County's centralized accounting system.

Response: The County understands the necessity of performing monthly bank reconciliations and will ensure that they are performed in the future.

Status: Management has corrected this issue.