



NICOLE GALLOWAY, CPA
Missouri State Auditor

To the County Commission
and
Officeholders of Crawford County, Missouri

The Office of the State Auditor is responsible under Section 29.230, RSMo, for auditing certain operations of Crawford County, and issues a separate report on that audit. In addition, the Office of the State Auditor has contracted for an audit of the county's financial statements for the 2 years ended December 31, 2016, through the state Office of Administration, Division of Purchasing and Materials Management. A copy of this audit, performed by Stopp & VanHoy, Certified Public Accountants, and Business Advisors, LLC, is attached.

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

Nicole R. Galloway, CPA
State Auditor

December 2017
Report No. 2017-155

**The County of Crawford
Steelville, Missouri
Financial Statements, Independent Auditor's Reports and Supplementary Information
December 31, 2016 & 2015**



**The County of Crawford
Steelville, Missouri
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INDEPENDENT AUDITOR'S REPORT

To the County Commission and
Officeholders of Crawford County, Missouri

We were engaged to audit the accompanying financial statements of Crawford County, Missouri, as of and for the years ended December 31, 2016 and 2015, 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 conducting an 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.

Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

Cash and equivalents, receipts, and disbursement records per fund have not been sufficiently maintained and sufficient supporting data was not available for our audit. Therefore, we were not able to obtain sufficient appropriate audit evidence about cash and equivalents, receipts, and disbursements per fund recorded in the accompanying statement of receipts, disbursements, and changes in cash at December 31, 2016 and 2015.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the County's basic financial statements and the related notes to the financial statements as identified in the table of contents.

Other Matters

Other Information

We were engaged to conduct an audit for the purpose of forming opinions on the financial statements that collectively comprise Crawford County, Missouri's basic financial statements. The other supplemental information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The other supplemental information and schedule of expenditures of federal awards 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. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the other supplementary information and schedule of expenditures of federal awards in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2017, on our consideration of Crawford 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 Crawford County, Missouri's internal control over financial reporting and compliance.



Creve Coeur, Missouri
December 1, 2017

**The County of Crawford
Steelville, Missouri
Statement of Receipts, Disbursements, and Changes in Cash
All Governmental Funds: Regulatory Basis
For the year ended December 31, 2016**

<u>Fund</u>	Cash and Equivalents January 1, 2016	Receipts 2016	Disbursements 2016	Cash and Equivalents December 31, 2016
General Revenue	\$ (270,996)	\$ 3,055,705	\$ 3,263,071	\$ (478,362)
Special Road and Bridge	852,728	3,007,284	2,539,696	1,320,316
Assessment	85,648	634,818	364,034	356,432
Children's Trust	625	924	-	1,549
Criminal Costs	63,269	370,861	371,454	62,676
Tax Maintenance	36,453	45,939	33,045	49,347
Records Preservation	24,759	8,144	7,042	25,861
Law Enforcement Training	7,470	8,213	10,181	5,502
Prosecuting Attorney's Bad Check	10,936	4,577	465	15,048
Prosecuting Attorney's Training	(38)	1,318	96	1,184
Prosecuting Attorney's Tax Collection	1,310	5,785	-	7,095
Courthouse & Jail Capital Improvement	167,728	139,491	89,800	217,419
Law Enforcement Equipment	52,432	90,478	63,270	79,640
American Disability Act	42,226	15,417	22,305	35,338
Inmate Security	10,590	9,516	6,161	13,945
Sheriff's Special	29,953	24,228	25,882	28,299
Election Services	7,194	14,747	7,282	14,659
County Jail Project	(18,207)	1,914,191	1,742,859	153,125
Recorder's Technology	16,214	5,025	8,886	12,353
Sheriff's Revolving	58,918	35,757	43,825	50,850
Law Enforcement Restitution	89,316	179,429	97,669	171,076
Global Imaging System	7,822	11,276	5,940	13,158
Senior Citizens Services	35,274	124,971	142,538	17,707
Total	<u>\$ 1,311,624</u>	<u>\$ 9,708,094</u>	<u>\$ 8,845,501</u>	<u>\$ 2,174,217</u>

See Notes to the Financial Statements

The County of Crawford
Steelville, Missouri
Statement of Receipts, Disbursements, and Changes in Cash
All Governmental Funds: Regulatory Basis
For the year ended December 31, 2015

<u>Fund</u>	Cash and Equivalents January 1, 2015 (Restated)	Receipts 2015	Disbursements 2015	Cash and Equivalents December 31, 2015
General Revenue	\$ (335,913)	\$ 3,122,411	\$ 3,057,494	\$ (270,996)
Special Road and Bridge	511,448	2,437,781	2,096,501	852,728
Assessment	468,351	281,764	664,467	85,648
Children's Trust	557	1,433	1,365	625
Criminal Costs	61,560	370,663	368,954	63,269
Tax Maintenance	41,633	43,630	48,810	36,453
Records Preservation	20,182	8,477	3,900	24,759
Law Enforcement Training	9,865	7,367	9,762	7,470
Prosecuting Attorney's Bad Check	5,838	5,673	575	10,936
Prosecuting Attorney's Training	-	1,289	1,327	(38)
Prosecuting Attorney's Tax Collection	299	1,011	-	1,310
Courthouse & Jail Capital Improvement	168,892	143,183	144,347	167,728
Law Enforcement Equipment	33,505	38,304	19,377	52,432
American Disability Act	52,279	15,196	25,249	42,226
Inmate Security	5,939	9,994	5,343	10,590
Sheriff's Special	33,328	30,166	33,541	29,953
Election Services	1,941	7,546	2,293	7,194
County Jail Project	(22,139)	1,632,093	1,628,161	(18,207)
Recorder's Technology	14,907	4,812	3,505	16,214
Sheriff's Revolving	42,919	35,689	19,690	58,918
Law Enforcement Restitution	73,608	169,588	153,880	89,316
Global Imaging System	4,916	12,870	9,964	7,822
Senior Citizens Services	37,650	140,532	142,908	35,274
Total	<u>\$ 1,231,565</u>	<u>\$ 8,521,472</u>	<u>\$ 8,441,413</u>	<u>\$ 1,311,624</u>

See Notes to the Financial Statements

**The County of Crawford
Steelville, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2016 & 2015**

	General Revenue Fund			
	2016		2015	
	Budget	Actual	Budget	Actual
Receipts				
Property Taxes	\$ 360,000	\$ 400,398	\$ 400,000	\$ 378,837
Sales Taxes	1,149,100	1,206,127	1,095,524	1,171,151
Intergovernmental	668,435	470,790	445,500	412,528
Charges for Services	638,569	687,975	575,862	631,726
Interest	-	-	-	-
Other	-	2,781	325,000	22,772
Transfers In	161,000	287,634	65,000	505,397
Total Receipts	\$ 2,977,104	\$ 3,055,705	\$ 2,906,886	\$ 3,122,411
Disbursements				
Administration	\$ 683,831	\$ 391,032	\$ 611,496	\$ 507,113
Facilities Management	85,313	72,153	94,736	80,696
County Commission	110,652	107,425	112,104	109,723
County Clerk	89,821	89,855	91,650	89,531
Elections	171,348	169,431	122,385	113,626
Collector of Revenue	125,093	117,836	143,216	137,023
Health Department	424,168	336,367	340,427	332,665
Circuit Clerk	74,721	52,015	104,241	87,721
Court Administration	8,467	5,381	6,125	5,826
Public Defender	7,100	7,302	7,100	7,282
Court Reporter	1,540	-	1,000	1,345
Recorder	91,785	85,640	101,545	95,243
Public Administrator	67,868	64,606	69,095	64,641
Coroner	81,632	81,450	82,509	97,644
Sheriff	577,683	603,532	664,225	676,923
Prosecuting Attorney	326,851	319,373	326,075	318,212
Child Support	128,588	127,384	142,741	127,478
Victim Advocate	27,723	27,795	27,881	25,880
County Treasurer	64,082	56,570	63,585	63,585
Transfers Out	-	330,168	5,906	507
Emergency Fund	53,615	2,372	49,081	-
Unknown	-	215,384	-	114,830
Total Disbursements	\$ 3,201,881	\$ 3,263,071	\$ 3,167,123	\$ 3,057,494
Receipts Over (Under)				
Disbursements	\$ (224,777)	\$ (207,366)	\$ (260,237)	\$ 64,917
Cash and Cash Equivalents				
January 1 (Restated)	(270,996)	(270,996)	(335,913)	(335,913)
Cash and Cash Equivalents				
December 31	\$ (495,773)	\$ (478,362)	\$ (596,150)	\$ (270,996)

See Notes to the Financial Statements

**The County of Crawford
Steelville, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2016 & 2015**

	Special Road and Bridge Fund			
	2016		2015	
	Budget	Actual	Budget	Actual
Receipts				
Property Taxes	\$ 542,000	\$ 582,132	\$ 551,945	\$ 563,124
Sales Taxes	1,573,000	1,662,564	1,546,584	1,634,076
Intergovernmental	80,610	409,682	50,000	33,137
Charges for Services	-	6,331	-	5,739
Interest	5,200	9,798	7,380	6,850
Other	-	251,261	40,000	72,453
Transfers In	-	-	-	-
Unknown	-	85,516	-	122,402
Total Receipts	<u>\$ 2,200,810</u>	<u>\$ 3,007,284</u>	<u>\$ 2,195,909</u>	<u>\$ 2,437,781</u>
Disbursements				
Salaries	\$ 693,122	\$ 648,002	\$ 753,550	\$ 650,089
Employee Fringe Benefits	111,313	85,515	106,544	111,823
Office	32,875	40,247	33,316	32,624
Facilities	23,200	15,721	12,235	17,330
Vehicle	210,200	129,353	228,250	134,320
Insurance	130,000	137,436	126,000	124,200
Road and Bridge Construction	960,500	1,347,991	991,500	974,664
Other	2,050	1,081	1,950	1,251
Transfers Out	50,000	134,350	50,000	50,200
Total Disbursements	<u>\$ 2,213,260</u>	<u>\$ 2,539,696</u>	<u>\$ 2,303,345</u>	<u>\$ 2,096,501</u>
Receipts Over (Under) Disbursements	\$ (12,450)	\$ 467,588	\$ (107,436)	\$ 341,280
Cash and Cash Equivalents January 1 (Restated)	<u>852,728</u>	<u>852,728</u>	<u>511,448</u>	<u>511,448</u>
Cash and Cash Equivalents December 31	<u><u>\$ 840,278</u></u>	<u><u>\$ 1,320,316</u></u>	<u><u>\$ 404,012</u></u>	<u><u>\$ 852,728</u></u>

See Notes to the Financial Statements

The County of Crawford
Steelville, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2016 & 2015

	Assessment Fund			
	2016		2015	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	304,000	290,643	304,000	263,163
Charges for Services	1,500	1,584	1,500	1,532
Interest	3,000	2,610	3,000	3,781
Other	-	125	-	-
Transfers In	-	325,000	-	-
Unknown	-	14,856	-	13,288
Total Receipts	<u>\$ 308,500</u>	<u>\$ 634,818</u>	<u>\$ 308,500</u>	<u>\$ 281,764</u>
<u>Disbursements</u>				
Salaries	\$ 184,647	\$ 179,308	\$ 193,770	\$ 182,936
Employee Fringe Benefits	13,401	12,855	13,290	13,546
Office	17,500	11,789	18,700	17,560
Equipment and Technology	100,000	82,272	15,500	6,255
Vehicle	6,000	3,092	6,000	3,669
Insurance	13,500	14,096	12,500	12,600
Capital Outlay	-	-	17,800	17,800
Other	2,815	578	2,315	77,101
Transfers Out	-	60,044	-	333,000
Total Disbursements	<u>\$ 337,863</u>	<u>\$ 364,034</u>	<u>\$ 279,875</u>	<u>\$ 664,467</u>
Receipts Over (Under)				
Disbursements	\$ (29,363)	\$ 270,784	\$ 28,625	\$ (382,703)
Cash and Cash Equivalents				
January 1 (Restated)	<u>85,648</u>	<u>85,648</u>	<u>468,351</u>	<u>468,351</u>
Cash and Cash Equivalents				
December 31	<u>\$ 56,285</u>	<u>\$ 356,432</u>	<u>\$ 496,976</u>	<u>\$ 85,648</u>

See Notes to the Financial Statements

The County of Crawford
Steelville, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2016 & 2015

	Children's Trust Fund				Criminal Costs Fund			
	2016		2015		2016		2015	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	369,587	369,587	446,193	369,170
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	1,260	916	1,260	1,428	-	-	-	-
Interest	6	8	6	5	1,100	1,274	-	1,178
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Unknown	-	-	-	-	-	-	-	315
Total Receipts	<u>\$ 1,266</u>	<u>\$ 924</u>	<u>\$ 1,266</u>	<u>\$ 1,433</u>	<u>\$ 370,687</u>	<u>\$ 370,861</u>	<u>\$ 446,193</u>	<u>\$ 370,663</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	1,266	-	1,266	1,365	-	1,200	-	-
Debt Service	-	-	-	-	369,587	370,254	446,193	368,954
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 1,266</u>	<u>\$ -</u>	<u>\$ 1,266</u>	<u>\$ 1,365</u>	<u>\$ 369,587</u>	<u>\$ 371,454</u>	<u>\$ 446,193</u>	<u>\$ 368,954</u>
Receipts Over (Under)								
Disbursements	\$ -	\$ 924	\$ -	\$ 68	\$ 1,100	\$ (593)	\$ -	\$ 1,709
Cash and Cash Equivalents								
January 1 (Restated)	<u>625</u>	<u>625</u>	<u>557</u>	<u>557</u>	<u>63,269</u>	<u>63,269</u>	<u>61,560</u>	<u>61,560</u>
Cash and Cash Equivalents								
December 31	<u>\$ 625</u>	<u>\$ 1,549</u>	<u>\$ 557</u>	<u>\$ 625</u>	<u>\$ 64,369</u>	<u>\$ 62,676</u>	<u>\$ 61,560</u>	<u>\$ 63,269</u>

See Notes to the Financial Statements

**The County of Crawford
Steelville, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2016 & 2015**

	Tax Maintenance Fund				Records Preservation Fund			
	2016		2015		2016		2015	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Receipts								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	43,443	45,530	50,722	43,371	7,900	7,952	7,350	8,289
Interest	280	309	375	259	150	189	180	160
Other	-	100	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Unknown	-	-	-	-	-	3	-	28
Total Receipts	\$ 43,723	\$ 45,939	\$ 51,097	\$ 43,630	\$ 8,050	\$ 8,144	\$ 7,530	\$ 8,477
Disbursements								
Salaries	\$ -	\$ 3,605	\$ 13,903	\$ 11,322	\$ 1,040	\$ 1,073	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	3	-	-
Materials and Supplies	18,614	6,563	29,274	15,117	17,500	5,966	17,500	3,900
Services and Other	8,125	22,877	7,050	22,371	1,000	-	1,000	-
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 26,739	\$ 33,045	\$ 50,227	\$ 48,810	\$ 19,540	\$ 7,042	\$ 18,500	\$ 3,900
Receipts Over (Under)								
Disbursements	\$ 16,984	\$ 12,894	\$ 870	\$ (5,180)	\$ (11,490)	\$ 1,102	\$ (10,970)	\$ 4,577
Cash and Cash Equivalents								
January 1 (Restated)	36,453	36,453	41,633	41,633	24,759	24,759	20,182	20,182
Cash and Cash Equivalents								
December 31	\$ 53,437	\$ 49,347	\$ 42,503	\$ 36,453	\$ 13,269	\$ 25,861	\$ 9,212	\$ 24,759

See Notes to the Financial Statements

The County of Crawford
Steelville, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2016 & 2015

	Law Enforcement Training Fund				Prosecuting Attorney's Bad Check Fund			
	2016		2015		2016		2015	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	2,300	2,470	-	2,217	-	-	-	-
Charges for Services	5,000	5,696	5,600	5,077	4,500	4,477	7,000	5,607
Interest	50	47	50	63	45	100	10	56
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Unknown	-	-	-	10	-	-	-	10
Total Receipts	<u>\$ 7,350</u>	<u>\$ 8,213</u>	<u>\$ 5,650</u>	<u>\$ 7,367</u>	<u>\$ 4,545</u>	<u>\$ 4,577</u>	<u>\$ 7,010</u>	<u>\$ 5,673</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	14,750	10,181	12,400	9,762	1,275	-	1,200	575
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Unknown	-	-	-	-	-	465	-	-
Total Disbursements	<u>\$ 14,750</u>	<u>\$ 10,181</u>	<u>\$ 12,400</u>	<u>\$ 9,762</u>	<u>\$ 1,275</u>	<u>\$ 465</u>	<u>\$ 1,200</u>	<u>\$ 575</u>
Receipts Over (Under)								
Disbursements	\$ (7,400)	\$ (1,968)	\$ (6,750)	\$ (2,395)	\$ 3,270	\$ 4,112	\$ 5,810	\$ 5,098
Cash and Cash Equivalents								
January 1 (Restated)	<u>7,470</u>	<u>7,470</u>	<u>9,865</u>	<u>9,865</u>	<u>10,936</u>	<u>10,936</u>	<u>5,838</u>	<u>5,838</u>
Cash and Cash Equivalents								
December 31	<u>\$ 70</u>	<u>\$ 5,502</u>	<u>\$ 3,115</u>	<u>\$ 7,470</u>	<u>\$ 14,206</u>	<u>\$ 15,048</u>	<u>\$ 11,648</u>	<u>\$ 10,936</u>

See Notes to the Financial Statements

**The County of Crawford
Steelville, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2016 & 2015**

	Prosecuting Attorney's Training Fund				Prosecuting Attorney's Tax Collection Fund			
	2016		2015		2016		2015	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	1,000	5,733	2,000	1,006
Charges for Services	2,550	1,313	1,600	1,288	-	-	-	-
Interest	-	5	-	1	3	52	150	5
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 2,550</u>	<u>\$ 1,318</u>	<u>\$ 1,600</u>	<u>\$ 1,289</u>	<u>\$ 1,003</u>	<u>\$ 5,785</u>	<u>\$ 2,150</u>	<u>\$ 1,011</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	2,510	96	4,000	1,327	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 2,510</u>	<u>\$ 96</u>	<u>\$ 4,000</u>	<u>\$ 1,327</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Receipts Over (Under)								
Disbursements	\$ 40	\$ 1,222	\$ (2,400)	\$ (38)	\$ 1,003	\$ 5,785	\$ 2,150	\$ 1,011
Cash and Cash Equivalents								
January 1 (Restated)	<u>(38)</u>	<u>(38)</u>	<u>-</u>	<u>-</u>	<u>1,310</u>	<u>1,310</u>	<u>299</u>	<u>299</u>
Cash and Cash Equivalents								
December 31	<u>\$ 2</u>	<u>\$ 1,184</u>	<u>\$ (2,400)</u>	<u>\$ (38)</u>	<u>\$ 2,313</u>	<u>\$ 7,095</u>	<u>\$ 2,449</u>	<u>\$ 1,310</u>

See Notes to the Financial Statements

The County of Crawford
Steelville, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2016 & 2015

	Courthouse & Jail Capital Improvement Fund				Law Enforcement Equipment Fund			
	2016		2015		2016		2015	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	132,000	136,145	132,000	133,880	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	35,200	85,357	38,000	38,028
Interest	1,000	1,403	1,400	1,166	200	542	250	236
Other	-	1,943	-	3,626	-	4,579	-	-
Transfers In	-	-	-	-	-	-	-	-
Unknown	-	-	-	4,511	-	-	-	40
Total Receipts	<u>\$ 133,000</u>	<u>\$ 139,491</u>	<u>\$ 133,400</u>	<u>\$ 143,183</u>	<u>\$ 35,400</u>	<u>\$ 90,478</u>	<u>\$ 38,250</u>	<u>\$ 38,304</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	28,400	45,020	41,500	19,177
Services and Other	1,400	550	1,400	1,370	-	-	8,000	200
Capital Outlay	125,000	89,250	170,000	142,977	15,000	18,250	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 126,400</u>	<u>\$ 89,800</u>	<u>\$ 171,400</u>	<u>\$ 144,347</u>	<u>\$ 43,400</u>	<u>\$ 63,270</u>	<u>\$ 49,500</u>	<u>\$ 19,377</u>
Receipts Over (Under)								
Disbursements	\$ 6,600	\$ 49,691	\$ (38,000)	\$ (1,164)	\$ (8,000)	\$ 27,208	\$ (11,250)	\$ 18,927
Cash and Cash Equivalents								
January 1 (Restated)	<u>167,728</u>	<u>167,728</u>	<u>168,892</u>	<u>168,892</u>	<u>52,432</u>	<u>52,432</u>	<u>33,505</u>	<u>33,505</u>
Cash and Cash Equivalents								
December 31	<u>\$ 174,328</u>	<u>\$ 217,419</u>	<u>\$ 130,892</u>	<u>\$ 167,728</u>	<u>\$ 44,432</u>	<u>\$ 79,640</u>	<u>\$ 22,255</u>	<u>\$ 52,432</u>

See Notes to the Financial Statements

The County of Crawford
Steelville, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2016 & 2015

	American Disability Act Fund				Inmate Security Fund			
	2016		2015		2016		2015	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	14,000	15,127	13,200	14,792	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	9,100	9,418	8,700	9,930
Interest	300	290	300	350	35	98	-	56
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Unknown	-	-	-	54	-	-	-	8
Total Receipts	<u>\$ 14,300</u>	<u>\$ 15,417</u>	<u>\$ 13,500</u>	<u>\$ 15,196</u>	<u>\$ 9,135</u>	<u>\$ 9,516</u>	<u>\$ 8,700</u>	<u>\$ 9,994</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	7,000	3,823	7,700	5,343
Services and Other	7,000	5,306	6,750	5,506	-	2,338	-	-
Capital Outlay	6,500	999	6,750	4,743	-	-	-	-
Transfers Out	16,000	16,000	15,000	15,000	-	-	-	-
Total Disbursements	<u>\$ 29,500</u>	<u>\$ 22,305</u>	<u>\$ 28,500</u>	<u>\$ 25,249</u>	<u>\$ 7,000</u>	<u>\$ 6,161</u>	<u>\$ 7,700</u>	<u>\$ 5,343</u>
Receipts Over (Under)								
Disbursements	\$ (15,200)	\$ (6,888)	\$ (15,000)	\$ (10,053)	\$ 2,135	\$ 3,355	\$ 1,000	\$ 4,651
Cash and Cash Equivalents								
January 1 (Restated)	<u>42,226</u>	<u>42,226</u>	<u>52,279</u>	<u>52,279</u>	<u>10,590</u>	<u>10,590</u>	<u>5,939</u>	<u>5,939</u>
Cash and Cash Equivalents								
December 31	<u>\$ 27,026</u>	<u>\$ 35,338</u>	<u>\$ 37,279</u>	<u>\$ 42,226</u>	<u>\$ 12,725</u>	<u>\$ 13,945</u>	<u>\$ 6,939</u>	<u>\$ 10,590</u>

See Notes to the Financial Statements

The County of Crawford
Steelville, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2016 & 2015

	Sheriff's Special Fund				Election Services Fund			
	2016		2015		2016		2015	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	9,171	9,309	5,228	7,478
Charges for Services	34,000	24,040	38,270	29,931	100	205	-	10
Interest	200	188	250	205	46	65	-	48
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	5,168	-	-
Unknown	-	-	-	30	-	-	-	10
Total Receipts	<u>\$ 34,200</u>	<u>\$ 24,228</u>	<u>\$ 38,520</u>	<u>\$ 30,166</u>	<u>\$ 9,317</u>	<u>\$ 14,747</u>	<u>\$ 5,228</u>	<u>\$ 7,546</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	34,200	25,651	31,300	31,593	-	-	-	-
Services and Other	-	231	7,075	1,948	9,317	7,282	5,228	2,293
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 34,200</u>	<u>\$ 25,882</u>	<u>\$ 38,375</u>	<u>\$ 33,541</u>	<u>\$ 9,317</u>	<u>\$ 7,282</u>	<u>\$ 5,228</u>	<u>\$ 2,293</u>
Receipts Over (Under)								
Disbursements	\$ -	\$ (1,654)	\$ 145	\$ (3,375)	\$ -	\$ 7,465	\$ -	\$ 5,253
Cash and Cash Equivalents								
January 1 (Restated)	<u>29,953</u>	<u>29,953</u>	<u>33,328</u>	<u>33,328</u>	<u>7,194</u>	<u>7,194</u>	<u>1,941</u>	<u>1,941</u>
Cash and Cash Equivalents								
December 31	<u>\$ 29,953</u>	<u>\$ 28,299</u>	<u>\$ 33,473</u>	<u>\$ 29,953</u>	<u>\$ 7,194</u>	<u>\$ 14,659</u>	<u>\$ 1,941</u>	<u>\$ 7,194</u>

See Notes to the Financial Statements

The County of Crawford
Steelville, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2016 & 2015

	County Jail Project Fund				Recorder's Technology Fund			
	2016		2015		2016		2015	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Receipts								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	610,000	638,945	907,613	616,970	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	1,058,998	1,187,499	775,151	916,082	4,500	4,919	3,800	4,680
Interest	-	490	50	-	95	106	142	113
Other	-	75	125	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Unknown	-	87,182	-	99,041	-	-	-	19
Total Receipts	\$ 1,668,998	\$ 1,914,191	\$ 1,682,939	\$ 1,632,093	\$ 4,595	\$ 5,025	\$ 3,942	\$ 4,812
Disbursements								
Salaries	\$ 997,740	\$ 888,516	\$ 930,162	\$ 851,097	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	114,720	110,462	107,100	108,340	-	-	-	-
Materials and Supplies	50,000	39,720	49,300	44,982	18,000	8,886	13,000	3,505
Services and Other	485,900	536,765	460,500	465,919	-	-	-	-
Insurance	83,000	90,156	82,000	80,583	-	-	-	-
Debt Services	78,000	-	-	-	-	-	-	-
Transfers Out	-	77,240	-	77,240	-	-	-	-
Total Disbursements	\$ 1,809,360	\$ 1,742,859	\$ 1,629,062	\$ 1,628,161	\$ 18,000	\$ 8,886	\$ 13,000	\$ 3,505
Receipts Over (Under)								
Disbursements	\$ (140,362)	\$ 171,332	\$ 53,877	\$ 3,932	\$ (13,405)	\$ (3,861)	\$ (9,058)	\$ 1,307
Cash and Cash Equivalents								
January 1 (Restated)	(18,207)	(18,207)	(22,139)	(22,139)	16,214	16,214	14,907	14,907
Cash and Cash Equivalents								
December 31	<u>\$ (158,569)</u>	<u>\$ 153,125</u>	<u>\$ 31,738</u>	<u>\$ (18,207)</u>	<u>\$ 2,809</u>	<u>\$ 12,353</u>	<u>\$ 5,849</u>	<u>\$ 16,214</u>

See Notes to the Financial Statements

The County of Crawford
Steelville, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2016 & 2015

	Sheriff's Revolving Fund				Law Enforcement Restitution Fund			
	2016		2015		2016		2015	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	28,000	35,314	25,874	35,265	175,000	161,479	200,000	135,846
Interest	250	443	200	361	400	-	1,000	518
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Unknown	-	-	-	63	-	17,950	-	33,224
Total Receipts	<u>\$ 28,250</u>	<u>\$ 35,757</u>	<u>\$ 26,074</u>	<u>\$ 35,689</u>	<u>\$ 175,400</u>	<u>\$ 179,429</u>	<u>\$ 201,000</u>	<u>\$ 169,588</u>
<u>Disbursements</u>								
Salaries	\$ 16,664	\$ 16,381	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	9,250	19,278	6,800	7,820	-	-	-	23,487
Services and Other	7,500	8,166	5,700	6,159	100,000	79,419	130,000	35,071
Capital Outlay	-	-	-	5,711	75,400	18,250	71,000	67,872
Transfers Out	-	-	-	-	-	-	-	27,450
Total Disbursements	<u>\$ 33,414</u>	<u>\$ 43,825</u>	<u>\$ 12,500</u>	<u>\$ 19,690</u>	<u>\$ 175,400</u>	<u>\$ 97,669</u>	<u>\$ 201,000</u>	<u>\$ 153,880</u>
Receipts Over (Under)								
Disbursements	\$ (5,164)	\$ (8,068)	\$ 13,574	\$ 15,999	\$ -	\$ 81,760	\$ -	\$ 15,708
Cash and Cash Equivalents								
January 1 (Restated)	<u>58,918</u>	<u>58,918</u>	<u>42,919</u>	<u>42,919</u>	<u>89,316</u>	<u>89,316</u>	<u>73,608</u>	<u>73,608</u>
Cash and Cash Equivalents								
December 31	<u>\$ 53,754</u>	<u>\$ 50,850</u>	<u>\$ 56,493</u>	<u>\$ 58,918</u>	<u>\$ 89,316</u>	<u>\$ 171,076</u>	<u>\$ 73,608</u>	<u>\$ 89,316</u>

See Notes to the Financial Statements

The County of Crawford
Steelville, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2016 & 2015

	Global Imaging System Fund				Senior Citizens Services Fund			
	2016		2015		2016		2015	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 135,000	\$ 124,971	\$ 135,000	\$ 140,532
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	10,000	11,209	10,000	10,828	-	-	-	-
Interest	25	67	150	35	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Unknown	-	-	-	2,007	-	-	-	-
Total Receipts	<u>\$ 10,025</u>	<u>\$ 11,276</u>	<u>\$ 10,150</u>	<u>\$ 12,870</u>	<u>\$ 135,000</u>	<u>\$ 124,971</u>	<u>\$ 135,000</u>	<u>\$ 140,532</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	5,000	1,741	7,000	4,998	-	487	-	857
Services and Other	550	1,950	520	2,966	148,980	142,051	157,000	142,051
Capital Outlay	-	250	-	-	-	-	-	-
Transfers Out	-	-	-	2,000	-	-	-	-
Unknown	-	1,999	-	-	-	-	-	-
Total Disbursements	<u>\$ 5,550</u>	<u>\$ 5,940</u>	<u>\$ 7,520</u>	<u>\$ 9,964</u>	<u>\$ 148,980</u>	<u>\$ 142,538</u>	<u>\$ 157,000</u>	<u>\$ 142,908</u>
Receipts Over (Under)								
Disbursements	\$ 4,475	\$ 5,336	\$ 2,630	\$ 2,906	\$ (13,980)	\$ (17,567)	\$ (22,000)	\$ (2,376)
Cash and Cash Equivalents								
January 1 (Restated)	<u>7,822</u>	<u>7,822</u>	<u>4,916</u>	<u>4,916</u>	<u>35,274</u>	<u>35,274</u>	<u>37,650</u>	<u>37,650</u>
Cash and Cash Equivalents								
December 31	<u>\$ 12,297</u>	<u>\$ 13,158</u>	<u>\$ 7,546</u>	<u>\$ 7,822</u>	<u>\$ 21,294</u>	<u>\$ 17,707</u>	<u>\$ 15,650</u>	<u>\$ 35,274</u>

See Notes to the Financial Statements

**The County of Crawford
Steelville, Missouri
Notes to the Financial Statements
For the years ended December 31, 2016 & 2015**

Note 1 - Summary of Significant Accounting Policies

Crawford County, Missouri, ("County") named after Senator William H. Crawford, was organized in 1829. The county seat is located in Steelville and governed by a three-member county commission. In addition to the three Commissioners, there are ten elected Constitutional Officers: Assessor, County Clerk, Circuit Clerk, Recorder, Coroner, Collector, Prosecuting Attorney, Public Administrator, Sheriff, and Treasurer.

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 Crawford County, Missouri, and the Senior Citizens Services Board.

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

The financial statements referred to above include only the primary government of Crawford County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the County's legal entity. The Senior Citizens Services Board is controlled by a separate board and is included under the control of Crawford County. The Senate Bill 40 Board is audited and separately reported on by other independent auditors and is not presented in the accompanying financial statements. Request for copies of those financial statements should be directed to the Senate Bill 40 Board.

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 the County, 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 Crawford
Steelville, Missouri
Notes to the Financial Statements
For the years ended December 31, 2016 & 2015**

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 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.

Budget and Budgetary Accounting

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

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

The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures, on the cash basis of accounting, for all budgeted funds. 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 on the budget. Prior to its approval by the County Commission, the budget document is available for public inspection, which usually takes place the third and fourth weeks of January.

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.

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

**The County of Crawford
Steelville, Missouri
Notes to the Financial Statements
For the years ended December 31, 2016 & 2015**

Note 1 - Summary of Significant Accounting Policies (continued)

During our audit, we noted that the County was not in compliance with Missouri budgetary state statute Chapter 50 RSMo. The following funds had actual expenditures that exceeded the budgeted expenditures in 2016: General Revenue Fund, Special Road and Bridge Fund, Assessment Fund, Criminal Costs Fund, Tax Maintenance Fund, Law Enforcement Equipment Fund, Sheriff's Revolving Fund, and Global Imaging System Fund. The following funds had actual expenditures that exceeded the budgeted expenditures in 2015: Assessment Fund, Children's Trust Fund, Sheriff's Revolving Fund, and Global Imaging System Fund. We noted the following funds prepared with a deficit budget for 2016: General Revenue Fund and County Jail Project Fund. We noted the following funds prepared with a deficit budget for 2015: General Revenue Fund and Prosecuting Attorney's Training Fund.

Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and are payable by December 31. All unpaid property taxes become delinquent as of January 1, of the following year.

The 2016 and 2015 assessed valuation of the tangible taxable property and the tax levies per \$100 assessed valuation of that property were as follows:

	<u>2016</u>	<u>2015</u>
Assessed Valuation		
Real Estate	\$ 212,072,710	\$ 209,590,300
Personal Property	65,760,163	64,434,250
Railroad and Utilities	32,638,268	30,084,668
	<u>\$ 310,471,141</u>	<u>\$ 304,109,218</u>
Tax Levy		
General Revenue Fund	\$ 0.1156	\$ 0.1187
Special Road and Bridge	0.2053	0.2050
Senior Citizens Services	0.0465	0.0465
	<u>\$ 0.3674</u>	<u>\$ 0.3702</u>

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.

The County of Crawford
Steelville, Missouri
Notes to the Financial Statements
For the years ended December 31, 2016 & 2015

Note 1 - Summary of Significant Accounting Policies (continued)

Cash Deposits and Investments

Deposits and investments are stated at cost, which approximates market. Cash balances for all the County Funds are pooled in order to facilitate the management of cash. Interest earned from such investments is allocated to each of the funds based on the funds' average daily cash balance. 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 the County's name at third-party banking institutions. Details of these cash balances are presented in Note 2.

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.

Pensions

For purposes of measuring the net pension asset, net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County Employees' Retirement Fund (CERF) and additions to/deductions from CERF's fiduciary net position have been determined on the same basis as they are reported by CERF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 2 - Deposits and Investments

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

Deposits - Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits.

**The County of Crawford
 Steelville, Missouri
 Notes to the Financial Statements
 For the years ended December 31, 2016 & 2015**

Note 2 - Deposits and Investments (continued)

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

	<u>Carrying Value</u>	<u>Bank Balance</u>
Deposits	\$ 2,166,217	\$ 2,251,167
Investments	8,000	8,000
Total Deposits and Investments as of December 31, 2016	<u>\$ 2,174,217</u>	<u>\$ 2,259,167</u>

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

	<u>Carrying Value</u>	<u>Bank Balance</u>
Deposits	\$ 1,303,624	\$ 1,358,230
Investments	8,000	8,000
Total Deposits and Investments as of December 31, 2015	<u>\$ 1,311,624</u>	<u>\$ 1,366,230</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. The County's investment policy does not include custodial credit risk requirements. The County's deposits were not exposed to custodial credit risk for the years ended December 31, 2016, and 2015.

Custodial Credit Risk - Investments

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

Investment Interest Rate Risk

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

Concentration of Investment Credit Risk

Concentration of investment credit risk is required to be disclosed by the County for any single investment that represents 5% or more of total investments (excluding investments issued by or explicitly guaranteed by the U. S. Government, investments in mutual funds, investments in external investment pools and investments in other pooled investments). The County has no policy in place to minimize the risk of loss resulting from over concentration of assets in specific maturity, specific issuer or specific class of securities.

**The County of Crawford
Steelville, Missouri
Notes to the Financial Statements
For the years ended December 31, 2016 & 2015**

Note 3 - Long Term Debt

Certificates of Participation

During 2011, the County issued \$3,305,000 in Refunding Certificates of Participation to refinance the 2001 and 2002 Leasehold Revenue Bonds. The 2011 certificates bear interest at 3.0% to 4.2%. Interest payments are due in semi-annual installments on May 1 and November 1 of each year with annual principal payments due November of each year.

The annual debt service requirements to amortize the principal of the 2011 Refunding Certificates of Participation outstanding at December 31, 2016 are as follows:

Year Ended December 31,	Amount Due		
	Principal	Interest	Total
2017	\$ 305,000	\$ 61,254	\$ 366,254
2018	315,000	51,723	366,723
2019	325,000	40,698	365,698
2020	340,000	28,510	368,510
2021	355,000	14,910	369,910
	<u>\$ 1,640,000</u>	<u>\$ 197,095</u>	<u>\$ 1,837,095</u>

Capital Leases

On July 11, 2013, the County entered into a lease purchase agreement with Caterpillar Financial to finance the purchase of a motor grader for \$44,472. The lease requires annual payments on July 1 of each year of \$15,580, which includes interest at 2.98%.

On March 15, 2013, the County entered into a lease purchase agreement with Ford Motor Credit to finance the purchase of a 2013 Ford Interceptor for \$31,756. The lease requires semi-annual payments on March 15 and September 15 of each year of \$5,711, which includes interest at 6.5%.

On July 30, 2013, the County entered into a lease purchase agreement with Mercedes-Benz Financial to finance the purchase of two 2014 Freightliners for \$240,558. The lease requires annual payments on July 30 of each year of \$50,718, which includes interest at 2.71%.

On July 2, 2014, the County entered into a lease purchase agreement with Mercedes-Benz Financial to finance the purchase of two 2015 Freightliners for \$157,430. The lease requires annual payments on July 2 of each year of \$41,376, which includes interest at 3.44%.

On March 2, 2015, the County entered into a lease purchase agreement with Caterpillar to finance the purchase of a backhoe loader for \$34,450. The lease requires 36 monthly payments of \$1,009, which includes interest at 2.98%.

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

**The County of Crawford
Steelville, Missouri
Notes to the Financial Statements
For the years ended December 31, 2016 & 2015**

Note 3 - Long Term Debt (continued)

Total annual minimum lease payments required at December 31, 2016, are as follows:

Year Ended December 31,	2014 Freightliners Lease	2015 Freightliners Lease	Caterpillar Backhoe Loader
2017	\$ 50,717	\$ 41,376	\$ 12,110
2018	-	-	1,638
	50,717	41,376	13,748
Portion Representing Interest	(1,337)	(1,376)	(247)
Minimum Future Lease Payments	<u>\$ 49,380</u>	<u>\$ 40,000</u>	<u>\$ 13,501</u>

The following is the changes in long-term debt for the years ended December 31, 2016 and 2015:

	Balance at 1/1/2016	Amount Borrowed	Amount Repaid	Balance at 12/31/2016	Interest Paid During Year
2011 Certificate of Participation	\$ 1,940,000	-	\$ 300,000	\$ 1,640,000	\$ 70,254
2014 Freightliners Lease	97,457	-	48,077	49,380	2,641
2015 Freightliners Lease	78,670	-	38,670	40,000	2,706
Caterpillar Backhoe Loader	25,022	-	11,521	13,501	589
	<u>\$ 2,141,149</u>	<u>\$ -</u>	<u>\$ 398,268</u>	<u>\$ 1,742,881</u>	<u>\$ 76,190</u>

	Balance at 1/1/2015	Amount Borrowed	Amount Repaid	Balance at 12/31/2015	Interest Paid During Year
2011 Certificate of Participation	\$ 2,230,000	-	\$ 290,000	\$ 1,940,000	\$ 78,954
2014 Freightliners Lease	144,266	-	46,809	97,457	3,909
2015 Freightliners Lease	116,054	-	37,384	78,670	3,992
Motor Grader Lease	14,240	-	14,240	-	1,340
Ford Interceptor Lease	10,889	-	10,889	-	534
Caterpillar Backhoe Loader	-	34,450	9,428	25,022	664
	<u>\$ 2,515,449</u>	<u>\$ 34,450</u>	<u>\$ 408,750</u>	<u>\$ 2,141,149</u>	<u>\$ 89,393</u>

Operating Leases

On May 27, 2015, the County entered into an operating lease agreement with John Deere to rent a Bomag Smooth Drum Compactor Roller. The lease requires 4 annual payments of \$10,347. The total rent expenditures for the years ended December 31, 2016 and 2015 were \$10,347 and \$10,347, respectively.

Total annual minimum lease payments required at December 31, 2016, are as follows:

Year Ended December 31,	Compactor Roller
2017	\$ 10,347
2018	10,347
Total	<u>\$ 20,694</u>

**The County of Crawford
 Steelville, Missouri
 Notes to the Financial Statements
 For the years ended December 31, 2016 & 2015**

Note 4 - Interfund Transfers

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

Fund	2016		2015	
	Transfers In	Transfers Out	Transfers In	Transfers Out
General Revenue	\$ 287,634	\$ 330,168	\$ 505,397	\$ 507
Special Road and Bridge	-	134,350	-	50,200
Assessment	325,000	60,044	-	333,000
American Disability Act	-	16,000	-	15,000
Election Services	5,168	-	-	-
County Jail Project	-	77,240	-	77,240
Law Enforcement Restitution	-	-	-	27,450
Global Imaging System	-	-	-	2,000
Total	<u>\$ 617,802</u>	<u>\$ 617,802</u>	<u>\$ 505,397</u>	<u>\$ 505,397</u>

Note 5 - State of Missouri County Employees Retirement Fund (CERF)

Plan Description

Benefit eligible employees of the County are provided with pensions through County Employees' Retirement Fund (CERF) – a mandatory cost-sharing, multiple-employer defined benefit pension plan established in 1994. Laws governing CERF are found in Sections 50.1000-50.1300 of the Missouri Revised Statutes. As such, it is CERF'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 is tax exempt. The responsibility for the operations and administration of CERF is vested in the Board of Directors consisting of eleven members. CERF issues a publicly available Annual Financial Report that can be obtained at www.mocerf.org.

Benefits Provided

CERF is a defined benefit plan providing retirement and death benefits to its members. All benefits vest after 8 years of creditable service. Employees who retire on or after age 62 are entitled to an allowance for life based on the form of payment selected. The normal form of payment is a single life annuity. Optional joint and survivor annuity and 10-year certain and life annuity payments are also offered to members in order to provide benefits to a named survivor annuitant after their death. Employees who have a minimum of 8 years of creditable service may retire with an early retirement benefit and receive a reduced allowance after attaining age 55. Annual cost of living adjustments, not to exceed 1%, are provided for eligible retirees of survivor annuitants, up to a lifetime maximum of 50% of the initial benefit which the member received upon retirement. Benefit provisions are fixed by state statute and may be amended only by action of the Missouri Legislature.

**The County of Crawford
Steelville, Missouri
Notes to the Financial Statements
For the years ended December 31, 2016 & 2015**

Note 5 - State of Missouri County Employees Retirement Fund (CERF) (continued)

Contributions

Prior to January 1, 2003, participating county employees, except for those who participated in LAGERS, were required to make contributions equal to 2% of gross compensation. Effective January 1, 2003, participating county employees hired on or after February 25, 2002, are required to make contributions of 4% if they are in a LAGERS county and contributions of 6% if they are in a non-LAGERS county. If an employee leaves covered employment before attaining 8 years of creditable service, accumulated employee contributions are refunded to the employee. The contribution rate is set by state statute and may be amended only by action of the Missouri Legislature. Counties may elect to make all or a portion of the required 4% contribution on behalf of employees. Crawford County pays 0% on behalf of employees.

In addition to the above contributions required of employees, the following fees and penalties prescribed under Missouri law are required to be collected and remitted to CERF by counties covered by the plan:

- Late fees on filing of personal property tax declarations,
- Twenty dollars on each merchants and manufacturers license issued,
- Six dollars on each document recorded or filed with county recorders of deeds, with an additional one on each document recorded,
- Three sevenths of the fee on delinquent property taxes, and
- Interest earned on investment of the above collections prior to remittance to CERF.

Further information related to required contributions, pension benefits, other plan terms, and investments and related return and financial information can be found in the notes to the financial statements of CERF's Annual Financial Report.

The County's required contribution rate for the year ended December 31, 2016 and 2015, was 0% of annual payroll. Contributions and statutory charges remitted to the pension plan from the County were \$0 and \$141,104, respectively, for the year ended December 31, 2016 and \$0 and \$141,164, respectively, for the year ended December 31, 2015.

At December 31, 2016, the County had a liability of \$1,366,896 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2015, and was based on the most recent actuarial valuation by CERF's independent actuary as of December 31, 2014 projected forward to December 31, 2015, and financial information of the Plan as of December 31, 2015.

The County's proportion of the net pension liability was based on the County's actual share of contributions to the pension plan relative to the actual contributions of all participating employers for CERF's plan year ended December 31, 2015. At December 31, 2015, the County's proportion was 0.7069%, which decreased by 0.0280% from the percentage used to allocate the liability as of December 31, 2014.

There were no changes in benefit terms during the CERF plan year ended December 31, 2016, that affected the measurement of total pension liability.

For the year ended December 31, 2016 and 2015, the County recognized pension expense of \$0 and \$0, respectively.

**The County of Crawford
Steelville, Missouri
Notes to the Financial Statements
For the years ended December 31, 2016 & 2015**

Note 5 - State of Missouri County Employees Retirement Fund (CERF) (continued)

Actuarial Assumptions

The total pension liability in the December 31, 2015, actuarial valuation, which is also the date of measurement, was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Compensation increases	2.5% plus merit
Inflation	2.5%
Investment rate of return	7.5%

Mortality rates were based on the RP-2000 Combined Mortality projected to 2010 using Scale AA.

The following actuarial assumptions and methods were changed for the actuarial valuation used for the reporting period: a) compensation increases were changed from inflation plus an age-graded allowance for merit, promotion, and seniority (total average increases, including inflation, were approximately 5.3% to 2.5%, plus merit, as indicated above; b) inflation was reduced from 3% to 2.5%, as indicated above; c) the investment rate of return was reduced from 8% to 7.5% as indicated above; and mortality rates were changed from the RP-2000 Separate Mortality projected to 2010 to the RP-2000 Combined Mortality projected to 2010, as indicated above.

The actuarial assumptions used in the December 31, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2008 to December 31, 2013.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate rates of expected future real rates of return (expected returns, net of pension plan investment expense and tuition) are developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in CERF target asset allocation as of December 31, 2015 are summarized in the following table.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Core Plus	15.00%	2.66%
Absolute Return	15.00%	4.18%
U.S. Large Cap Equity	25.00%	6.38%
U.S. Small Cap Equity	10.00%	6.96%
Non-U.S. Equity	15.00%	6.58%
Long/Short Equity	10.00%	6.85%
Private Equity	5.00%	7.34%
Core Real Estate	5.00%	5.10%

**The County of Crawford
 Steellville, Missouri
 Notes to the Financial Statements
 For the years ended December 31, 2016 & 2015**

Note 5 - State of Missouri County Employees Retirement Fund (CERF) (continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current statutory rates and that contributions from employers will be made based on the Plan's current revenue sources (various fees and penalties collected by the counties). Such revenue was assumed to increase at the rate of 1% per year. This increase assumption has been used by the Plan in prior funding status projections. Historically, revenue increases have averaged more than 1% per year. Based on the assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. The projections covered an 80-year period into the future. The long-term expected rate of return on the Plan's investments was applied to projected benefit payments.

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.5%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5%) or 1-percentage-point higher (8.5%) than the current rate:

	Current Single Discount		
	1% Decrease (6.5%)	Rate Assumption (7.5%)	1% Increase (8.5%)
County's proportionate share of the net pension liability	\$ 1,944,029	\$ 1,366,896	\$ 886,024

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CERF Annual Financial Report.

Note 6 - Prosecuting Attorney Retirement Fund

In accordance with state statute Section 56.807 RSMo, Crawford County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. Crawford County has contributed \$6,783 and \$7,752, respectively, for the years ended December 31, 2016 and 2015.

Note 7 - Post Employment Benefits

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

**The County of Crawford
Steelville, Missouri
Notes to the Financial Statements
For the years ended December 31, 2016 & 2015**

Note 8 - Claims, Commitments, and Contingencies

Litigation

The County is subject to various claims and legal proceeding covering a wide range of matters that arise in the ordinary course of its business activities. Management believes that any liability that may ultimately result from the resolution of these matters will not have a material adverse effect on the financial condition of the County.

Compensated Absences

The County provides employees with up to 160 hours of paid vacation based upon the number of years of continuous service. Upon termination from county employment, an employee is reimbursed for up to 80 hours of unused vacation and overtime, if applicable. Unused sick time is not reimbursed. These have not been subjected to auditing procedures.

Federal and State Assisted Programs

The County receives proceeds from several federal and state grants. Periodic audits of these grants are required and certain costs may be questioned. Such audits could result in refund of grant monies to the grantor agencies. Management believes that any required refunds 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. The county has transferred its risk by obtaining coverage from commercial insurance companies. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

Note 10 - Subsequent Events

The County has evaluated events subsequent to December 31, 2016 to assess the need for potential recognition or disclosure in the financial statements. Such events have been evaluated through December 1, 2017, 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.

**The County of Crawford
Steelville, Missouri
Notes to the Financial Statements
For the years ended December 31, 2016 & 2015**

Note 11 - Prior Period Adjustment

Beginning cash and equivalents has been restated due to the exclusion of certain funds that are not included within the scope of the audit and for errors in beginning cash balances. It is unknown what effect these adjustments will have on the operations of the County.

Cash and Equivalents, January 1, 2015, as previously stated	\$ 944,848
Adjustments to exclude unaudited funds:	
Unclaimed Fees	(212)
Family Access	(1,468)
Law Library	(42,187)
Adjustments to correct beginning cash balance:	
General Revenue	(335,913)
Special Road and Bridge	4,696
Assessment	449,717
Criminal Costs	61,540
Records Preservation	16
Law Enforcement Training	3,513
Prosecuting Attorney's Bad Check	4
Courthouse & Jail Capital Improvement	168,892
Law Enforcement Equipment	26
American Disability Act	40
Inmate Security	5
Sheriff's Special	26
County Jail Project	(22,139)
Recorder's Technology	12
Sheriff's Revolving	34
Law Enforcement Restitution	112
Global Imaging System	3
	<u>3</u>
Cash and Equivalents, January 1, 2015, as restated	<u>\$ 1,231,565</u>

Supplementary Information

**The County of Crawford
Steelville, Missouri
Schedule of the County's Proportionate Share of the Net Pension Liability - Last 10 Fiscal Years
County Employees' Retirement Fund (CERF)**

	2016	2015
County's proportion of the net pension liability	0.7069%	0.7350%
County's proportionate share of the net pension liability	\$ 1,366,896	\$ 857,710
County's covered-employee payroll	\$ 2,918,376	\$ 2,870,022
County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	46.84%	29.89%
Plan fiduciary net position as a percentage of the total pension liability	69.11%	78.83%

Notes:

Information is not available for fiscal years prior to 2015.

The amounts noted above are as of the measurement date which is January 1 prior to the end of the fiscal year.

**The County of Crawford
 Steelville, Missouri
 Schedule of Pension Contributions - Last 10 Fiscal Years
 County Employees' Retirement Fund (CERF)**

	2016	2015
Required contribution	\$ 141,164	\$ 145,389
Contributions in relation to the required contribution	141,164	145,389
Contribution deficiency (excess)	\$ -	\$ -
County's covered employee payroll	\$ 2,918,376	\$ 2,870,022
Contributions as a percentage of covered-employee payroll	4.84%	5.07%

Notes:

Information is not available for fiscal years prior to 2015.

The amounts noted above are as of the measurement date which is January 1 prior to the end of the fiscal year.

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 Crawford County, Missouri

We were engaged to audit, 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 Crawford County, Missouri, as of and for the years ended December 31, 2016 and 2015, and the related notes to the financial statements, which collectively comprise Crawford County, Missouri's basic financial statements and have issued our report thereon dated December 1, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Crawford 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 Crawford County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Crawford 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. We did identify deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be material weaknesses: 16/15-002, 16/15-003, 16/15-004, 16/15-005, and 16/15-006.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Crawford 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 and other

matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 16/15-001.

Crawford County, Missouri's Response to Findings

Crawford County, Missouri's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Crawford 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.



Creve Coeur, Missouri
December 1, 2017

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the County Commission and
Officeholders of Crawford County, Missouri

Report on Compliance for Each Major Federal Program

We were engaged to conduct an audit of Crawford County, Missouri's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Crawford County, Missouri's major federal programs for the years ended December 31, 2016 and 2015. Crawford County, Missouri's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Crawford County, Missouri's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Crawford County, Missouri's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to provide a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Crawford County, Missouri's compliance.

Basis for Disclaimer of Opinion on Each Major Federal Program

Cash and equivalents, receipts, and disbursement records per fund have not been sufficiently maintained and sufficient supporting data was not available for our audit. Therefore, we were not able to obtain sufficient appropriate audit evidence about cash and equivalents, receipts, and disbursements per fund recorded in the accompanying statement of receipts, disbursements, and changes in cash at December 31, 2016 and 2015.

Disclaimer of Opinion on Each Major Federal Program

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on Crawford County, Missouri's compliance with the types of

compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the years ended December 31, 2016 and 2015.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 16/15-007. Our opinion on each major federal program is not modified with respect to these matters.

Crawford County, Missouri's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Crawford County, Missouri's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of Crawford County, Missouri, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Crawford County, Missouri's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Crawford County, Missouri's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We identified a deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 16/15-007, that we consider to be a significant deficiency.

Crawford County, Missouri's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Crawford County, Missouri's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Stopp & VaneHay

Creve Coeur, Missouri
December 1, 2017

**The County of Crawford
Steelville, Missouri
Schedule of Expenditures of Federal Awards
For the years ended December 31, 2016 & 2015**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Number	Federal Expenditures Year Ended December 31,		Passed Through To Subrecipients Year Ended December 31,		
			2016	2015	2016	2015	
U.S. Department of Transportation							
Passed through state:							
Missouri Highway and Transportation Commission - Highway Planning and Construction	20.205	BRO-028(008)	\$ 65,064	\$ -	\$ -	\$ -	
U.S. Department of Agriculture							
Passed through State:							
Missouri Office of Administration - Schools & Roads - Grants to States	10.665	NA	149,180	165,359	111,885	124,018	
Missouri Department of Health and Senior Services - Special Supplemental Nutrition Program for Women, Infants and Children	10.557	ERS04517063	115,010	112,678	-	-	
Total U.S. Department of Agriculture			264,190	278,037	111,885	124,018	
U.S. Department of Housing and Urban Development							
Passed through state:							
Missouri Department of Economic Development - Community Development Block Grants	14.228	NA	-	2,672	-	-	
U.S. Department of the Interior							
Direct Program:							
Payments in Lieu of Taxes	15.226	NA	88,683	87,595	-	-	
Election Assistance Commission							
Passed through State:							
Missouri Office of Secretary of State - Help America Vote Act Requirements Payments	39.011	N/A	5,960	-	-	-	
U.S. Department of Health and Human Services							
Passed through State:							
Missouri Department of Social Services - Maternal and Child Health Services Block Grant	93.994	AOC15380072	24,306	19,608	-	-	
Public Health Emergency Preparedness	93.069	AOC14380141	18,558	20,677	-	-	
Child Support Enforcement	93.563	1604MOCSEC	81,088	63,427	-	-	
Child Care and Development Block Grant	93.575	NA	6,486	5,889	-	-	
Children's Health Insurance Program	93.767	AOC15580271	74,586	62,834	-	-	
Total U.S. Department of Health and Human Services			205,024	172,435	-	-	
U.S. Department of Homeland Security							
Passed through State:							
Missouri Emergency Management Agency Disaster Grants - Public Assistance	97.036	FEMA-4238-DR-MO	107,659	-	-	-	
Disaster Grants - Public Assistance	97.036	FEMA-4250-DR-MO	102,969	-	-	-	
Total Disaster Grants - Public Assistance			210,628	-	-	-	
Total Expenditures of Federal Awards			<u>\$ 839,549</u>	<u>\$ 540,739</u>	<u>\$ 111,885</u>	<u>\$ 124,018</u>	

The County of Crawford
Steelville, Missouri
Notes to the Schedule of Expenditures of Federal Awards
For the years ended December 31, 2016 & 2015

Note 1 - Summary of Significant Accounting Policies

Purpose of Schedule and Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards has been prepared to comply with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). This Uniform Guidance requires a schedule that provides total federal awards expended for each federal program and the Catalog of Federal Domestic Assistance (CFDA) number or other identifying number when the CFDA number is not available.

This schedule includes all federal awards administered by Crawford County, Missouri.

Basis of Presentation

The *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* includes these definitions, which govern the contents of the schedule:

Federal financial assistance means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals.

Federal award means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, under grants or contracts, used to buy goods or services from vendors.

Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

Crawford County, Missouri has not elected to use the 10% de minimis indirect cost rate.

**The County of Crawford
 Steelville, Missouri
 Schedule of Findings and Questioned Costs
 For the years ended December 31, 2016 & 2015**

Section 1 - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Disclaimer

Internal control over financial reporting:

Material weakness(es) identified? X Yes No

Significant deficiencies identified that are not considered to be material weaknesses? Yes X None Reported

Any noncompliance material to financial statements noted? X Yes No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? Yes X No

Significant deficiencies identified not considered to be material weaknesses? X Yes None Reported

Type of auditor's report issued on compliance for major programs: Disclaimer

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR section 200.516(a)? X Yes No

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
10.665	Schools & Roads - Grants to States
15.226	Payments in Lieu of Taxes
97.036	Disaster Grants - Public Assistance

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes X No

**The County of Crawford
Steelville, Missouri
Schedule of Findings and Questioned Costs
For the years ended December 31, 2016 & 2015**

Section 2 - Financial Statement Findings

16/15-001 **Criteria:** Missouri statutes require Counties to prepare an annual budget and expenditures are not to exceed the budget.

Condition: During our audit, we noted that the County was not in compliance with Missouri budgetary state statute Chapter 50 RSMo. The following funds had actual expenditures that exceeded the budgeted expenditures in 2016: General Revenue Fund, Special Road and Bridge Fund, Assessment Fund, Criminal Costs Fund, Tax Maintenance Fund, Law Enforcement Equipment Fund, Sheriff's Revolving Fund, and Global Imaging System Fund. The following funds had actual expenditures that exceeded the budgeted expenditures in 2015: Assessment Fund, Children's Trust Fund, Sheriff's Revolving Fund, and Global Imaging System Fund. We noted the following funds prepared with a deficit budget for 2016: General Revenue Fund and County Jail Project Fund. We noted the following funds prepared with a deficit budget for 2015: General Revenue Fund and Prosecuting Attorney's Training Fund.

Effect: Missouri statutes require Counties to prepare an annual balanced budget, and expenditures are not to exceed the budget. Due to exceeding budget and not preparing a 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 County Clerk will perform a detailed review of budgetary schedules and actual expenditures in order to ensure budgetary compliance, and amendments to the budget will be prepared and approved by the County Commission, if necessary. The phone number for the Clerk's office is (573) 775-2376.

16/15-002 **Criteria:** Antifraud programs and controls are the policies and procedures put in place by an organization to help ensure that management directives are carried out. They are part of the overall system of internal control established to achieve reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.

Condition: During our audit, we noted there is no formal fraud risk assessment in place.

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.

The County of Crawford
Steelville, Missouri
Schedule of Findings and Questioned Costs
For the years ended December 31, 2016 & 2015

Section 2 - Financial Statement Findings (Continued)

16/15-002 **Management's Response:** Crawford County occasionally discusses risk management and areas of fraud risk. These Cont. discussions are reflected in the commission minutes. The commissioners will research fraud risk management procedures and policies and will implement a formal plan as soon as possible. The County Commission phone number is (573) 775-3539.

16/15-003 **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.

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.

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.

Cause: Management has not segregated duties in all offices.

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 Crawford County Commission agrees that segregation is needed, and while our County maintains an extremely limited number of available personnel, we do strive to have two or more individuals check transactions when possible, regardless of the incompatibility of positions. This is done mainly within autonomous County offices, but when practicable, those offices work together to search for errors, omissions, or irregularities. The County Clerk's phone number is (573) 775-2376.

16/15-004 **Criteria:** The county should have procedures in place to monitor its budget and cash balances on a daily basis and take appropriate action to prevent utilizing monies from other funds to finance general government operations.

Condition: The County does not have procedures in place to monitor on a regular basis its budget and cash balances sufficiently to prevent utilizing monies from other funds to finance general government operations.

Effect: The County utilized monies from other funds to finance general government operations.

Cause: The County did not monitor its budget and cash balances on a regular basis.

Recommendation: The County adopt procedures to monitor budget and cash balance daily.

Response: The County Commission recognizes that a deficit in the General Revenue Fund has existed since at least 2012. The County Commission is striving to balance revenues and expenditures in each annual budget document. Expenditures are being cut each year, but revenues are not increasing. Until such time as revenue in the county rises, the General Revenue Fund will likely be in deficit. The County Commission phone number is (573) 775-3539.

**The County of Crawford
Steelville, Missouri
Schedule of Findings and Questioned Costs
For the years ended December 31, 2016 & 2015**

16/15-005 **Criteria:** Management of the County is responsible for establishing and maintaining internal controls in the financial reporting system and for the fair presentation of the financial statements.

Condition: During our audit we noted the financial statements of the County contained material errors as all financial transactions were not being recorded by the accounting system properly. The statement of receipts, disbursements, and changes in cash did not reconcile from the beginning of 2015 to the end of 2015 or from the beginning of 2016 to the end of 2016.

Effect: Due to errors reported in cash and revenue, the 2016 and 2015 financial statements revenue or expense had to be added to certain funds in order for the fund to balance to ending cash. Due to this fact, a disclaimer of opinion was issued with respect to the financial statements.

Cause: Lack of controls over financial reporting.

Recommendation: We recommend management of the County develop controls over financial reporting to ensure cash, revenue, and expenses are be accurately reported.

Management's Response: The County Commission is looking into getting accounting software expressly designed for government fund accounting. It is hoped that this will aid in ensuring accurate, real-time cash, revenue, and expenditure reporting. However, until said government accounting software becomes more affordable, the county will have to continue using QuickBooks as its accounting software, thereby losing the ability to accurately track cash, revenue, and expenditure reporting in real-time. The County Commission phone number is (573) 775-3539.

16/15-006 **Criteria:** Management of the County is responsible for establishing and maintaining internal controls in the financial reporting system and for the fair presentation of the financial statements.

Condition: During our audit we noted revenues, expenses, and transfers were not being properly allocated between all funds for certain transactions.

Effect: Due to errors in allocation, beginning and ending fund balance for various funds may be misstated. Due to this fact, a disclaimer of opinion was issued with respect to the financial statements.

Cause: Lack of controls over financial reporting.

Recommendation: We recommend management of the County develop controls over financial reporting to ensure cash and revenue are being accurately reported.

Management's Response: The County Commission is looking into getting accounting software expressly designed for government fund accounting. It is hoped that this will aid in ensuring accurate, real-time cash, revenue, and expenditure reporting. However, until said government accounting software becomes more affordable, the county will have to continue using QuickBooks as its accounting software, thereby losing the ability to accurately track cash, revenue, and expenditure reporting in real-time. The County Commission phone number is (573) 775-3539.

**The County of Crawford
Steelville, Missouri
Schedule of Findings and Questioned Costs
For the years ended December 31, 2016 & 2015**

Section 3 - Federal Award Findings and Questioned Costs

16/15-007 Federal Grantor: U.S. Department of Agriculture, U.S. Department of the Interior, and U.S. Department of Homeland Security
Pass-Through Grantor: Missouri Office of Administration, N/A, and Missouri Emergency Management Agency
Federal CFDA Number: 10.665, 15.226, and 97.036
Award Year: 2016 and 2015
Program Title: Schools & Roads - Grants to States, Payments in Lieu of Taxes, and Disaster Grants - Public Assistance

Criteria: Title 2 U.S. Code of Federal Regulations Part 200, requires auditees to prepare an accurate SEFA containing awards expended, CFDA title and number, award number, name of the Federal agency, and name of the pass-through entity.

Condition: The Schedule of Expenditures of Federal Awards (SEFA) contained errors in the amount of federal expenditures for CFDA numbers 10.665, 15.226, and 97.036.

Effect: Federal expenditures reported in the SEFA were incorrect.

Cause: Management did not follow reporting requirements related to the Schedule of Expenditures of Federal Awards.

Recommendation: We recommend management develop internal controls over reporting and consult with outside accountants, if possible, to ensure an accurate SEFA is prepared.

Management's Response: Title 2 U.S. Code of Federal Regulations Part 200 is being reviewed and training sessions will be initiated by the County Clerk's office. The County Clerk is working towards capturing grant transactions in a manner sufficient to readily report the necessary information required on the SEFA by the next audit period. The County Clerk's office phone number is (573) 775-2376.

**The County of Crawford
Steelville, 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 Crawford County, Missouri, on the applicable findings in the prior audit report issued for the two years ended December 31, 2014.

Prior Year Financial Statement Findings

2014-001 Segregation of Duties

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 employee 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 Crawford County Commission agrees that segregation is needed, and while our County maintains an extremely limited number of available personnel, we do strive to have two or more individuals check transactions when possible, regardless of the incompatibility of positions. This is done mainly within autonomous County offices, but when practicable, those offices work together to search for errors, omissions, or irregularities.

Status: Management has not corrected this issue and the finding is repeated as finding 16/15-003 in the current year.

2014-002 Monitoring of County Budget and Cash Balances

Condition: The County does not have procedures in place to monitor on a regular basis its budget and cash balances sufficiently to enable management to take appropriate action to prevent the misappropriation of funds and maintain proper reserves.

Criteria: The county should have procedures in place to monitor its budget and cash balances on a daily basis and take appropriate action to prevent utilizing monies from other funds to finance general government operations.

Effect: The County utilized monies from other funds to finance general government operations.

Cause: The County did not monitor its budget and cash balances on a regular basis.

Recommendation: The County adopt procedures to monitor budgets and cash balances daily.

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

Prior Year Financial Statement Findings (continued)

2014-002 **Response:** As of January 2016, the County Clerk has made a point to submit to each County official their respective budget at the beginning of each month. Each official can be held more accountable for their budget, and the Commission can monitor expenditures and revenues more closely than if done only on a quarterly basis. Even prior to the policy in the County Clerks' office, the County Treasurer and the County Clerk began, in 2015, looking very closely at where expenditures and revenues were logged in the accounting software in order to have a clean, more easily readable budget document. While the potential for misappropriation of funds can be monitored and dealt with quickly through the efforts, the issue of maintaining proper reserves is one that is well out of the current reach of the County at this time. In order to build a cash reserve, the county will have to first find a revenue source much greater than that already on the books. Currently that is being attempted through submission of a sales tax increase to the voting populace. Should that effort fail, then other measures will have to be decided by the Commission.

cont.

Status: Management has not corrected this issue and the finding is repeated as finding 16/15-004 in the current year.

MATERIAL WEAKNESS

2014-003 Prepare Accurate Schedule of Expenditures of Federal Awards (SEFA)

Condition: OMB Circular A-133, Section 310(b) requires the preparation of a complete and accurate SEFA.

Criteria: The SEFA prepared by the county did not contain all the required information and federal programs.

Cause/Effect: Due to the County's lack of ability to properly identify all federal programs and required SEFA information, total federal expenditures were improperly not found to be in excess of the OMB Circular A-133 threshold requiring a single audit. As a result, the required single audit was performed late.

Recommendation: We recommend the County obtain the proper training to identify federal programs and complete a proper SEFA.

Response: The County Clerk has already been in contact with many of the federal agencies doing business with the County in order to garner the correct award logging information from those entities. Said information is updated annually when the Counties budget document is prepared and submitted to the Missouri State Auditor.

Status: Management has not corrected this issue and the finding is repeated as finding 16/15-007 in the current year.