



NICOLE GALLOWAY, CPA
Missouri State Auditor

To the County Commission
and
Officeholders of Holt County, Missouri

The Office of the State Auditor contracted for an audit of Holt County's financial statements for the 2 years ended December 31, 2018, through the state Office of Administration, Division of Purchasing and Materials Management. The audit includes an audit of each county officer in fulfillment of our duties under Section 29.230.1, RSMo. A copy of this audit, performed by McBride, Lock & Associates, LLC, Certified Public Accountants, is attached.

A handwritten signature in black ink that reads "Nicole R. Galloway". The signature is fluid and cursive, with "Nicole" on top and "R. Galloway" on the bottom, enclosed in a large, open, circular flourish.

Nicole R. Galloway, CPA
State Auditor

August 2019
Report No. 2019-066

ANNUAL FINANCIAL REPORT

HOLT COUNTY, MISSOURI

For the Years Ended
December 31, 2018 and 2017

McBRIDE, LOCK & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS
KANSAS CITY

HOLT COUNTY, MISSOURI

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INTRODUCTORY SECTION

HOLT COUNTY, MISSOURI
List of Elected Officials 2017-2018

County Commission

Presiding Commissioner – Mark Sitherwood

Commissioner, First District – Carla Markt

Commissioner, Second District – David Carroll

Other Elected Officials

Assessor – LaDonna Jones

Circuit Clerk and ex officio Recorder of Deeds – Vicki Book

Collector – Samantha Timothy

County Clerk – Angie Gamache

Coroner – Susan Lentz

Prosecuting Attorney – Robert Shepherd

Public Administrator – Brian Buck

Sheriff – David McClain

Treasurer – Gay Quick

FINANCIAL SECTION

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McBRIDE, LOCK & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the County Commission and
Officeholders of Holt County, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of Holt County, Missouri, which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2017 and 2018, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

As described in Note 1, the financial statements are prepared by Holt County, Missouri on the basis of the financial reporting provisions prescribed or permitted by Missouri Law, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Holt County, Missouri, as of December 31, 2017 and 2018, or the changes in financial position thereof for the years then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of each fund of Holt County, Missouri, as of December 31, 2017 and 2018, and their respective cash receipts and disbursements, and budgetary results for the years then ended, in accordance with the financial reporting provisions prescribed or permitted by Missouri Law as described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Holt County, Missouri’s basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we also have issued our report dated July 5, 2019, on our consideration of Holt County, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Holt County, Missouri's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

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

McBride, Lock & Associates, LLC
Kansas City, Missouri
July 5, 2019

HOLT COUNTY, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2017 AND 2018

Fund	Cash and Investments			Cash and Investments			Cash and Investments
	January 1, 2017	Receipts 2017	Disbursements 2017	December 31, 2017	Receipts 2018	Disbursements 2018	December 31, 2018
General Revenue	\$ 640,072	\$ 1,707,005	\$ 1,564,701	\$ 782,376	\$ 1,628,001	\$ 1,604,756	\$ 805,621
Special Road & Bridge	212,187	2,016,218	1,952,838	275,567	1,540,876	1,196,622	619,821
Assessment	156,912	179,828	128,813	207,927	179,899	187,169	200,657
Johnson Grass	118,800	55,267	26,996	147,071	69,764	65,119	151,716
Prosecuting Attorney Training	993	721	-	1,714	813	309	2,218
Law Enforcement Training	1,496	4,044	4,278	1,262	4,595	4,576	1,281
Local Emergency Planning Commission	4,537	22	908	3,651	55	134	3,572
Recorder's Special	9,578	3,004	4,709	7,873	3,102	707	10,268
Neighborhood Improvement District	408	20	-	428	17	-	445
Prosecuting Attorney's Admin Handling	5,651	261	5	5,907	299	5	6,201
911	231,422	182,378	228,385	185,415	189,395	212,622	162,188
State C.A.R.T.	136,299	375,370	277,777	233,892	369,775	302,870	300,797
Local C.A.R.T.	96,224	180,184	146,742	129,666	187,571	139,958	177,279
Sheriff's Civil Fees	2,498	4,067	4,811	1,754	4,777	1,604	4,927
Clerk's Election Fee	4,613	1,128	741	5,000	1,725	1,480	5,245
Victims of Domestic Violence	125	135	135	125	135	125	135
Collector's Tax Maintenance	59,408	8,826	16,620	51,614	10,826	-	62,440
Senior Citizen's Services	8,828	67,326	67,100	9,054	65,597	65,082	9,569
Mausoleum Trusts	28,803	210	84	28,929	213	24	29,118
Sheriff's Revolving	14,607	1,024	1,880	13,751	3,641	5,009	12,383
Deputy Sheriff Salary Supplementation	5,246	26,526	25,224	6,548	23,943	27,050	3,441
Jail Commissary	9,112	2,795	1,575	10,332	5,299	531	15,100
Inmate, Prisoner, Detainee Security	5,583	6,766	420	11,929	7,385	1,320	17,994
Total	\$ 1,753,402	\$ 4,823,125	\$ 4,454,742	\$ 2,121,785	\$ 4,297,703	\$ 3,817,072	\$ 2,602,416

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

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

GENERAL REVENUE FUND					
Year Ended December 31,					
	2017		2018		
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	
RECEIPTS					
Property taxes	\$ 552,250	\$ 564,684	\$ 522,300	\$ 573,414	
Sales taxes	484,000	569,700	484,000	536,677	
Intergovernmental	183,250	176,952	200,402	143,474	
Charges for services	211,750	220,138	209,600	226,087	
Interest	3,000	5,126	3,000	16,631	
Other	50	61	50	1,801	
Transfers in	165,700	170,344	175,000	129,917	
Total Receipts	\$ 1,600,000	\$ 1,707,005	\$ 1,594,352	\$ 1,628,001	
DISBURSEMENTS					
County Commission	\$ 87,200	\$ 84,777	\$ 87,200	\$ 85,408	
County Clerk	117,000	111,709	121,500	112,684	
Elections	66,000	35,479	77,000	41,172	
Buildings and grounds	78,050	55,622	84,000	64,407	
Employee fringe benefits	285,500	234,301	285,500	250,580	
Treasurer	44,000	41,954	44,000	43,210	
Collector	73,280	68,201	74,590	61,747	
Recorder of Deeds	26,860	24,076	27,200	24,922	
Circuit Clerk	12,000	6,419	12,000	5,720	
Court administration	10,900	1,171	10,900	730	
Public Administrator	29,000	28,559	26,860	24,713	
Sheriff	227,150	237,619	283,150	261,319	
Jail	274,000	241,547	285,500	251,472	
Prosecuting Attorney	96,200	88,886	103,300	91,102	
Juvenile Officer	12,980	5,817	15,980	10,239	
Coroner	25,150	20,606	26,000	16,793	
Other General County Government	213,100	149,626	212,460	150,922	
Health Department	137,350	112,780	121,086	88,718	
Health and Welfare	7,000	6,000	9,615	8,460	
Transfers out	9,700	9,552	10,500	10,438	
Emergency fund	50,000	-	50,000	-	
Total Disbursements	\$ 1,882,420	\$ 1,564,701	\$ 1,968,341	\$ 1,604,756	
RECEIPTS OVER (UNDER)					
DISBURSEMENTS	\$ (282,420)	\$ 142,304	\$ (373,989)	\$ 23,245	
CASH AND INVESTMENTS, JANUARY 1	640,072	640,072	782,376	782,376	
CASH AND INVESTMENTS, DECEMBER 31	\$ 357,652	\$ 782,376	\$ 408,387	\$ 805,621	

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

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

	SPECIAL ROAD & BRIDGE FUND				ASSESSMENT FUND			
	Year Ended December 31,				Year Ended December 31,			
	2017		2018		2017		2018	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ 450,000	\$ 526,246	\$ 455,000	\$ 519,780	\$ -	\$ -	\$ -	\$ -
Sales taxes	175,000	178,344	175,000	184,269	-	-	-	-
Intergovernmental	981,500	1,005,623	891,000	520,933	128,475	158,382	147,245	155,299
Charges for services	-	-	-	-	3,200	11,177	6,000	11,767
Interest	1,500	2,005	1,500	8,198	450	1,269	300	3,833
Other	2,500	-	2,500	696	-	-	-	-
Transfers in	350,000	304,000	350,000	307,000	9,000	9,000	9,000	9,000
Total Receipts	\$ 1,960,500	\$ 2,016,218	\$ 1,875,000	\$ 1,540,876	\$ 141,125	\$ 179,828	\$ 162,545	\$ 179,899
DISBURSEMENTS								
Salaries	\$ 257,000	\$ 217,878	\$ 240,000	\$ 221,513	\$ 100,755	\$ 88,958	\$ 114,329	\$ 97,436
Employee fringe benefits	100,500	89,762	100,500	82,603	9,710	8,428	12,750	7,743
Materials and supplies	533,750	492,868	569,650	541,942	24,700	3,757	25,200	3,084
Services and other	143,500	137,449	179,500	86,302	69,100	26,170	79,800	77,406
Capital outlay	146,500	143,805	146,600	143,806	-	-	-	-
Construction	700,000	786,076	617,000	85,831	-	-	-	-
Transfers out	85,000	85,000	95,000	34,625	-	1,500	-	1,500
Total Disbursements	\$ 1,966,250	\$ 1,952,838	\$ 1,948,250	\$ 1,196,622	\$ 204,265	\$ 128,813	\$ 232,079	\$ 187,169
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (5,750)	\$ 63,380	\$ (73,250)	\$ 344,254	\$ (63,140)	\$ 51,015	\$ (69,534)	\$ (7,270)
CASH AND INVESTMENTS, JANUARY 1	212,187	212,187	275,567	275,567	156,912	156,912	207,927	207,927
CASH AND INVESTMENTS, DECEMBER 31	\$ 206,437	\$ 275,567	\$ 202,317	\$ 619,821	\$ 93,772	\$ 207,927	\$ 138,393	\$ 200,657

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

HOLT COUNTY, MISSOURI

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

	JOHNSON GRASS FUND				PROSECUTING ATTORNEY TRAINING FUND			
	Year Ended December 31,				Year Ended December 31,			
	2017		2018		2017		2018	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ 52,500	\$ 53,862	\$ 49,100	\$ 52,415	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	10,500	568	500	110	-	-	-	-
Charges for services	-	-	-	-	750	714	750	782
Interest	500	837	500	2,660	5	7	5	31
Other	-	-	10,000	14,579	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 63,500	\$ 55,267	\$ 60,100	\$ 69,764	\$ 755	\$ 721	\$ 755	\$ 813
DISBURSEMENTS								
Salaries	\$ 20,000	\$ 11,550	\$ 20,000	\$ 13,214	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	5,500	884	5,500	1,011	-	-	-	-
Materials and supplies	8,000	6,870	8,000	8,022	-	-	-	-
Services and other	48,500	4,902	48,500	4,582	1,500	-	1,500	309
Capital outlay	20,000	290	20,000	35,790	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	2,500	2,500	2,500	2,500	-	-	-	-
Total Disbursements	\$ 104,500	\$ 26,996	\$ 104,500	\$ 65,119	\$ 1,500	\$ -	\$ 1,500	\$ 309
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (41,000)	\$ 28,271	\$ (44,400)	\$ 4,645	\$ (745)	\$ 721	\$ (745)	\$ 504
CASH AND INVESTMENTS,								
JANUARY 1	118,800	118,800	147,071	147,071	993	993	1,714	1,714
CASH AND INVESTMENTS,								
DECEMBER 31	\$ 77,800	\$ 147,071	\$ 102,671	\$ 151,716	\$ 248	\$ 1,714	\$ 969	\$ 2,218

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

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

	LAW ENFORCEMENT TRAINING FUND				LOCAL EMERGENCY PLANNING COMMISSION			
	Year Ended December 31,				Year Ended December 31,			
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	1,500	1,187	1,500	1,443	-	-	-	-
Charges for services	3,000	2,852	3,000	3,129	-	-	-	-
Interest	10	5	10	23	20	22	20	55
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 4,510	\$ 4,044	\$ 4,510	\$ 4,595	\$ 20	\$ 22	\$ 20	\$ 55
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	250	-	250	-	-	-	-	-
Services and other	5,750	4,278	5,500	4,576	4,550	908	3,550	134
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 6,000	\$ 4,278	\$ 5,750	\$ 4,576	\$ 4,550	\$ 908	\$ 3,550	\$ 134
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (1,490)	\$ (234)	\$ (1,240)	\$ 19	\$ (4,530)	\$ (886)	\$ (3,530)	\$ (79)
CASH AND INVESTMENTS, JANUARY 1	1,496	1,496	1,262	1,262	4,537	4,537	3,651	3,651
CASH AND INVESTMENTS, DECEMBER 31	\$ 6	\$ 1,262	\$ 22	\$ 1,281	\$ 7	\$ 3,651	\$ 121	\$ 3,572

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

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

	RECORDER'S SPECIAL FUND				NEIGHBORHOOD IMPROVEMENT DISTRICT FUND			
	Year Ended December 31,				Year Ended December 31,			
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 100	\$ 20	\$ 50	\$ 17
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	3,200	2,963	3,200	2,953	-	-	-	-
Interest	40	41	40	149	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 3,240	\$ 3,004	\$ 3,240	\$ 3,102	\$ 100	\$ 20	\$ 50	\$ 17
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	2,150	-	2,150	197	-	-	-	-
Services and other	9,450	4,709	8,750	510	500	-	400	-
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 11,600	\$ 4,709	\$ 10,900	\$ 707	\$ 500	\$ -	\$ 400	\$ -
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (8,360)	\$ (1,705)	\$ (7,660)	\$ 2,395	\$ (400)	\$ 20	\$ (350)	\$ 17
CASH AND INVESTMENTS, JANUARY 1	9,578	9,578	7,873	7,873	408	408	428	428
CASH AND INVESTMENTS, DECEMBER 31	\$ 1,218	\$ 7,873	\$ 213	\$ 10,268	\$ 8	\$ 428	\$ 78	\$ 445

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

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

	PROSECUTING ATTORNEY'S ADMIN HANDLING FUND				911 FUND			
	Year Ended December 31,				Year Ended December 31,			
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	175,000	178,333	175,000	184,254
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	500	230	475	205	600	600	600	-
Interest	25	31	25	94	1,000	1,225	1,000	3,559
Other	-	-	-	-	2,250	2,220	2,250	1,582
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 525</u>	<u>\$ 261</u>	<u>\$ 500</u>	<u>\$ 299</u>	<u>\$ 178,850</u>	<u>\$ 182,378</u>	<u>\$ 178,850</u>	<u>\$ 189,395</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	28,100	12,328	24,100	14,621
Services and other	6,000	5	6,000	5	117,500	54,741	121,500	55,902
Capital outlay	-	-	-	-	107,500	79,972	75,500	50,807
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	102,000	81,344	102,000	91,292
Total Disbursements	<u>\$ 6,000</u>	<u>\$ 5</u>	<u>\$ 6,000</u>	<u>\$ 5</u>	<u>\$ 355,100</u>	<u>\$ 228,385</u>	<u>\$ 323,100</u>	<u>\$ 212,622</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (5,475)	\$ 256	\$ (5,500)	\$ 294	\$ (176,250)	\$ (46,007)	\$ (144,250)	\$ (23,227)
CASH AND INVESTMENTS, JANUARY 1	<u>5,651</u>	<u>5,651</u>	<u>5,907</u>	<u>5,907</u>	<u>231,422</u>	<u>231,422</u>	<u>185,415</u>	<u>185,415</u>
CASH AND INVESTMENTS, DECEMBER 31	<u>\$ 176</u>	<u>\$ 5,907</u>	<u>\$ 407</u>	<u>\$ 6,201</u>	<u>\$ 55,172</u>	<u>\$ 185,415</u>	<u>\$ 41,165</u>	<u>\$ 162,188</u>

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

HOLT COUNTY, MISSOURI

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

	STATE C.A.R.T. FUND				LOCAL C.A.R.T. FUND			
	Year Ended December 31,				Year Ended December 31,			
	2017		2018		2017		2018	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	175,000	178,344	175,000	184,254
Intergovernmental	357,000	373,904	360,000	363,619	-	1,000	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	1,200	1,466	1,200	6,156	400	840	400	3,317
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 358,200	\$ 375,370	\$ 361,200	\$ 369,775	\$ 175,400	\$ 180,184	\$ 175,400	\$ 187,571
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	220,000	80,777	220,000	102,870	75,000	39,742	75,000	32,958
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	200,000	197,000	200,000	200,000	150,000	107,000	150,000	107,000
Total Disbursements	\$ 420,000	\$ 277,777	\$ 420,000	\$ 302,870	\$ 225,000	\$ 146,742	\$ 225,000	\$ 139,958
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (61,800)	\$ 97,593	\$ (58,800)	\$ 66,905	\$ (49,600)	\$ 33,442	\$ (49,600)	\$ 47,613
CASH AND INVESTMENTS, JANUARY 1	136,299	136,299	233,892	233,892	96,224	96,224	129,666	129,666
CASH AND INVESTMENTS, DECEMBER 31	\$ 74,499	\$ 233,892	\$ 175,092	\$ 300,797	\$ 46,624	\$ 129,666	\$ 80,066	\$ 177,279

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

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

	SHERIFF'S CIVIL FEES FUND				CLERK'S ELECTION FEE FUND			
	Year Ended December 31,				Year Ended December 31,			
	2017		2018		2017		2018	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	300	550	300	217
Charges for services	5,000	4,060	5,000	4,730	-	-	-	-
Interest	15	7	15	47	10	26	10	70
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	700	552	700	1,438
Total Receipts	\$ 5,015	\$ 4,067	\$ 5,015	\$ 4,777	\$ 1,010	\$ 1,128	\$ 1,010	\$ 1,725
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	7,000	4,811	6,750	1,604	-	-	-	-
Services and other	-	-	-	-	5,000	741	5,000	1,480
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 7,000	\$ 4,811	\$ 6,750	\$ 1,604	\$ 5,000	\$ 741	\$ 5,000	\$ 1,480
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (1,985)	\$ (744)	\$ (1,735)	\$ 3,173	\$ (3,990)	\$ 387	\$ (3,990)	\$ 245
CASH AND INVESTMENTS,								
JANUARY 1	2,498	2,498	1,754	1,754	4,613	4,613	5,000	5,000
CASH AND INVESTMENTS,								
DECEMBER 31	\$ 513	\$ 1,754	\$ 19	\$ 4,927	\$ 623	\$ 5,000	\$ 1,010	\$ 5,245

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

HOLT COUNTY, MISSOURI

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

	VICTIMS OF DOMESTIC VIOLENCE FUND				COLLECTOR'S TAX MAINTENANCE FUND			
	Year Ended December 31,				Year Ended December 31,			
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	150	135	150	135	9,000	8,826	9,000	10,826
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 150	\$ 135	\$ 150	\$ 135	\$ 9,000	\$ 8,826	\$ 9,000	\$ 10,826
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	13,000	16,520	9,000	-
Services and other	250	135	250	125	7,400	100	7,400	-
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 250	\$ 135	\$ 250	\$ 125	\$ 20,400	\$ 16,620	\$ 16,400	\$ -
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (100)	\$ -	\$ (100)	\$ 10	\$ (11,400)	\$ (7,794)	\$ (7,400)	\$ 10,826
CASH AND INVESTMENTS, JANUARY 1	125	125	125	125	59,408	59,408	51,614	51,614
CASH AND INVESTMENTS, DECEMBER 31	\$ 25	\$ 125	\$ 25	\$ 135	\$ 48,008	\$ 51,614	\$ 44,214	\$ 62,440

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

HOLT COUNTY, MISSOURI

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

	SENIOR CITIZEN'S SERVICES FUND				MAUSOLEUM TRUSTS FUND			
	Year Ended December 31,				Year Ended December 31,			
	2017		2018		2017		2018	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ 62,500	\$ 67,283	\$ 62,500	\$ 65,471	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	40	43	40	126	200	210	200	213
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 62,540	\$ 67,326	\$ 62,540	\$ 65,597	\$ 200	\$ 210	\$ 200	\$ 213
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	70,000	67,100	70,000	65,082	29,000	84	29,000	24
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 70,000	\$ 67,100	\$ 70,000	\$ 65,082	\$ 29,000	\$ 84	\$ 29,000	\$ 24
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (7,460)	\$ 226	\$ (7,460)	\$ 515	\$ (28,800)	\$ 126	\$ (28,800)	\$ 189
CASH AND INVESTMENTS,								
JANUARY 1	8,828	8,828	9,054	9,054	28,803	28,803	28,929	28,929
CASH AND INVESTMENTS,								
DECEMBER 31	\$ 1,368	\$ 9,054	\$ 1,594	\$ 9,569	\$ 3	\$ 28,929	\$ 129	\$ 29,118

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

HOLT COUNTY, MISSOURI

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

	SHERIFF'S REVOLVING FUND				DEPUTY SHERIFF SALARY SUPPLEMENTATION FUND			
	Year Ended December 31,				Year Ended December 31,			
	2017		2018		2017		2018	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	25,000	26,526	25,000	23,943
Charges for services	7,500	950	1,000	3,430	-	-	-	-
Interest	50	74	50	211	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 7,550	\$ 1,024	\$ 1,050	\$ 3,641	\$ 25,000	\$ 26,526	\$ 25,000	\$ 23,943
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 29,250	\$ 25,224	\$ 29,250	\$ 27,050
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	12,000	1,514	9,134	4,029	-	-	-	-
Services and other	7,000	366	5,567	980	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 19,000	\$ 1,880	\$ 14,701	\$ 5,009	\$ 29,250	\$ 25,224	\$ 29,250	\$ 27,050
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (11,450)	\$ (856)	\$ (13,651)	\$ (1,368)	\$ (4,250)	\$ 1,302	\$ (4,250)	\$ (3,107)
CASH AND INVESTMENTS, JANUARY 1	14,607	14,607	13,751	13,751	5,246	5,246	6,548	6,548
CASH AND INVESTMENTS, DECEMBER 31	\$ 3,157	\$ 13,751	\$ 100	\$ 12,383	\$ 996	\$ 6,548	\$ 2,298	\$ 3,441

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

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

	JAIL COMMISSARY FUND				INMATE, PRISONER, DETAINEE SECURITY FUND			
	Year Ended December 31,				Year Ended December 31,			
	2017		2018		2017		2018	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	3,500	2,738	3,200	5,088	7,000	6,721	7,000	7,150
Interest	30	57	30	211	20	45	20	235
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 3,530	\$ 2,795	\$ 3,230	\$ 5,299	\$ 7,020	\$ 6,766	\$ 7,020	\$ 7,385
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	12,000	1,575	12,000	531	12,550	420	12,550	1,320
Services and other	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 12,000	\$ 1,575	\$ 12,000	\$ 531	\$ 12,550	\$ 420	\$ 12,550	\$ 1,320
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (8,470)	\$ 1,220	\$ (8,770)	\$ 4,768	\$ (5,530)	\$ 6,346	\$ (5,530)	\$ 6,065
CASH AND INVESTMENTS, JANUARY 1	9,112	9,112	10,332	10,332	5,583	5,583	11,929	11,929
CASH AND INVESTMENTS, DECEMBER 31	\$ 642	\$ 10,332	\$ 1,562	\$ 15,100	\$ 53	\$ 11,929	\$ 6,399	\$ 17,994

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

HOLT COUNTY, MISSOURI
STATEMENT OF FIDUCIARY RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2017 AND 2018

Fund/Account	Cash and Investments			Cash and Investments			Cash and Investments
	January 1, 2017	Receipts 2017	Disbursements 2017	December 31, 2017	Receipts 2018	Disbursements 2018	December 31, 2018
Treasurer's Levees	\$ 1,240,501	\$ 381,448	\$ 386,913	\$ 1,235,036	\$ 403,839	\$ 246,390	\$ 1,392,485
Treasurer's Ambulance	-	412,610	412,610	-	412,512	412,512	-
Treasurer's Special Road Districts	641,820	230,629	192,308	680,141	242,417	223,977	698,581
Treasurer's Surplus Tax	769	1,541	353	1,957	213	423	1,747
Treasurer's CERF	-	65,803	65,803	-	86,198	86,198	-
Treasurer's Cities	-	2,745	2,745	-	1,028	1,028	-
Treasurer's Fire	-	340,034	340,034	-	322,068	322,068	-
Treasurer's Cemeteries	684,546	5,874	5,233	685,187	5,607	4,682	686,112
Treasurer's Schools	52,032	6,097,731	6,091,796	57,967	6,189,254	6,179,854	67,367
Collector's Main Account	8,497,743	10,154,643	10,321,942	8,330,444	9,873,490	10,265,991	7,937,943
Collector's Surtax Account	7,416	386,360	389,671	4,105	417,275	407,083	14,297
Collector's Protest Accounts	-	20,108	-	20,108	24,343	-	44,451
Recorder of Deeds	3,032	38,537	38,768	2,801	39,375	38,770	3,406
Sheriff's Commissary Account	1,873	9,602	9,200	2,275	34,211	29,517	6,969
Sheriff's Department Account	1,285	57,981	58,521	745	63,560	63,175	1,130
Public Administrator Accounts	7,864	108,336	102,263	13,937	129,507	115,118	28,326
Total	\$ 11,138,881	\$ 18,313,982	\$ 18,418,160	\$ 11,034,703	\$ 18,244,897	\$ 18,396,786	\$ 10,882,814

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

HOLT COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018 and 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting Entity

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

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

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

B. Basis of Presentation

Governmental Funds – Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. A fund is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, net assets, revenues/receipts and expenditures/disbursements. The County’s funds are governmental funds. Governmental funds are those through which most governmental functions are financed. The County’s expendable financial resources are accounted for through governmental funds.

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

C. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from

accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

D. Budgets and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 50, RSMo, the County's policy is to adopt a budget for each governmental fund.
2. On or before the second Monday in January, each elected officer and department director will transmit to the County Commission and County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.
3. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures, on the cash basis of accounting, for all budgeted funds. Budgeting of appropriations is based upon an estimated fund balance at the beginning of the year as well as estimated revenues to be received.
4. State law requires that, at the individual fund level, budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance.
5. A public hearing is conducted to obtain public comment on the budget. Prior to its approval by the County Commission, the budget document is available for public inspection, which usually takes place the third and fourth weeks of January.
6. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
7. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by a formal vote of the Commission. Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year.
8. Budgets are prepared and adopted on the cash basis of accounting.
9. Adoption of a formal budget is required by law.
10. Section 50.740, RSMo prohibits expenditures in excess of the approved budgets.

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

The assessed valuations of the tangible taxable property, included within the County's boundaries for the calendar year 2018 and 2017, for purposes of taxation were:

	2018	2017
Real Estate	\$ 70,400,122	\$ 69,820,529
Personal Property	35,928,973	34,839,226
Railroad and Utilities	40,997,204	38,900,319
Total	\$ 147,326,299	\$ 143,560,074

For calendar years 2018 and 2017, the County Commission approved a tax levy per \$100 of assessed valuation of tangible taxable property as follows:

	2018	2017
General Revenue	\$ 0.3384	\$ 0.3546
Special Road & Bridge	0.4066	0.4066
Johnson Grass	0.0369	0.0369
Senior Citizen's Services	0.0461	0.0461

F. Cash Deposits and Investments

Deposits and investments are stated at cost, which approximates market. Cash balances for all the County Treasurer funds are pooled and invested to the extent possible. Interest earned from these balances is allocated to each of the funds based on the funds' average daily cash balance. Cash equivalents may include repurchase agreements and any other instruments with an original maturity of ninety days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest bearing obligations guaranteed as to both principal and interest by the United States, bonds of the State of Missouri or other government bonds, or time certificates of deposit, purchased at a price at or below par. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investments held in the County's name at third-party banking institutions. Details of these cash and investment balances are presented in Note 2.

G. Interfund Activity

During the course of operations, interfund activity occurs for purposes of providing supplemental funding, reimbursements for goods provided or services rendered, or short and long-term financing. Interfund activities are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund. However, interfund reimbursements have been eliminated from the financial statements in order that reimbursed expenditures are reported only in the funds incurring the costs.

2. CASH AND INVESTMENTS

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

less than ninety days. Investments consist of certificates of deposit with original maturities that are greater than ninety days.

Custodial Credit Risk - Deposits – Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2018 and 2017, the carrying amounts of the County's deposits were \$2,602,416 and \$2,121,785, respectively, and the bank balances were \$2,842,574 and \$2,284,546, respectively. Of the bank balances, \$279,119 and \$278,929 were covered by federal depository insurance at December 31, 2018 and December 31, 2017, respectively. The remainder of the balances at December 31, 2018 and December 31, 2017 were covered by collateral held at the Federal Reserve Bank and the County's safekeeping bank agent in the County's name or by a line of credit held by the County or by its agent in the County's name.

At December 31, 2018 and 2017, County officeholders held, in addition to the cash and investments listed above, cash held in a fiduciary capacity on behalf of individuals, private organizations, taxing units, other governments and/or funds. At December 31, 2018 and 2017, the carrying amounts of the County's custodial funds were \$10,882,814 and \$11,034,703, respectively, and the bank balances were \$8,709,067 and \$8,028,367, respectively. Of the bank balances, \$534,779 and \$1,009,174 were covered by federal depository insurance at December 31, 2018 and December 31, 2017, respectively. The remainder of the balances at December 31, 2018 and December 31, 2017 were covered by collateral held at the Federal Reserve Bank and the County's safekeeping bank agent in the County's name or by a line of credit held by the County or by its agent in the County's name.

3. COUNTY EMPLOYEES' RETIREMENT PLANS

A. Missouri Local Government Employees Retirement System (LAGERS)

1) Plan Description

Holt County participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries. LAGERS was created and is governed by statute, Section 70.600-70.755, RSMo. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401 (a) and is tax exempt.

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

2) Pension Benefits

Benefits are available to all full-time employees working in a LAGERS covered department. Benefits vest when an employee earns five years (60 months) of service credit in the system. Normal retirement age is 60 (General) or 55 (Police), and early retirement is 55 (General) and 50 (Police). Benefits are paid out using a formula that is based on the employee's final average salary and amount of credited service time.

3) Funding Policy

Full-time employees of Holt County do not contribute to the pension plan. The June 30th statutorily required contribution rates were 0.3% and 1.5% (General), and 0.5% and 0.5% (Police) of annual covered payroll for 2018 and 2017 respectively. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute. For the years ended December 31, 2018 and 2017, the County contributed \$41,866 and \$38,784 to LAGERS.

4) Funding Status

As of February 28, 2018, the actuarial value of assets exceeded the accrued liabilities of the plan by \$388,002 for the General division, and by \$121,039 for the Police division. As of February 29, 2017, the actuarial value of accrued liabilities exceeded the assets of the plan by \$471,725 for the General division, and the actuarial value of assets exceeded the accrued liabilities of the plan by \$139,219 for the Police division. These net pension assets are not recognized in the cash basis financial statements of the County.

B. County Employees' Retirement Fund (CERF)

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

1) Plan Description

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

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

2) Pension Benefits

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

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

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65101, by calling 1-877-632-2373, or by the following website, www.mocerf.org.

3) Funding Policy

In accordance with State Statutes, the Plan is partially funded through various fees collected by counties and remitted to the CERF. Further, all participants hired on or after February 24, 2002 are required to contribute an additional 4% of their gross compensation to CERF, starting January 1, 2003. An active LAGERS participant who was employed with the County prior to February 24, 2002, is not required to make contributions. The County has elected not to make contributions on behalf of employees. During 2018 and 2017, the County collected and remitted to CERF employee withholdings and fees collected of \$86,198 and \$65,803, respectively, for the years then ended.

C. Prosecuting Attorney Retirement Fund

In accordance with state statute Section 56.807, RSMo, the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. The County contributed \$4,208 and \$1,683, respectively, for the years ended December 31, 2018 and 2017.

D. Other Retirement Plan

Holt County has a voluntary 457(b) plan which is paid by a deduction from employee's salary. These contributions qualify under the Internal Revenue Code and are tax exempt. Employee contributions qualify collected and remitted by the County for the years ended December 31, 2018 and 2017 were \$15,110 and \$11,842, respectively.

4. POST EMPLOYMENT BENEFITS

The County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are

fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County.

5. CLAIMS, COMMITMENT AND CONTINGENCIES

A. Compensated Absences

The County provides full-time and part-time employees who receive benefits with four hours of sick leave on the first day of each month, up to a maximum of 30 days. Twenty-four hours of sick leave is accrued on January 1 of each year. Upon termination, employees will not be compensated for any unused sick time.

Vacation time is made available in whole on the employee's anniversary date. Vacation time is five days for employees with one year of service; ten days for employees with two to 19 years of service; and 15 days for employees with 20 or more years of service. Employees are allowed to carry over a maximum of 15 days of vacation into a new employment year. Upon termination, employees are compensated for any unused vacation time.

Three days of personal time is provided for full-time employees. Personal time not used within the anniversary year is lost at year end. Upon termination, employees will not be compensated for any unused personal time.

Full-time employees earn overtime or compensatory time credits based on department assignment. Overtime and Compensatory Time credits are earned at 1.5 times the regular hourly rate of the employee for work hours accumulated over 40 hours in a work week and 80 hours in a two-week pay period. Upon termination, employees are compensated for any compensatory time credits.

B. Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants, when performed, could result in the disallowance of certain costs. Accordingly, such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial and, therefore, no provision has been made in the accompanying financial statements for the potential refund of grant monies.

6. RISK MANAGEMENT

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

The County is a member of the Missouri Rural Services Workers' Compensation and Insurance Fund. The County purchases workers' compensation insurance through this Fund, a non-profit corporation established for the purpose of providing insurance coverage for Missouri counties. The Fund is self-insured up to \$1,000,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

7. LONG TERM DEBT

The County had the following long-term debt outstanding as of December 31, 2018:

- A. In January 2015, the County entered into a \$184,500, four-year capital lease for a 2015 John Deere 770G Motor Grader for the Road & Bridge department. The lease called for annual payments of \$48,274 through March 2018. The last annual payment was made in March 2018. The payments include interest of 2.76%.
- B. In March 2015, the County entered into a \$14,250, three-year capital lease for a 2011 Crown Victoria for the Sheriff's Office. The last annual payment was made in June 2017 in the amount of \$4,925. The payment included interest of 3.00%.
- C. In April 2015, the County entered into a \$193,795, five-year capital lease for two 2016 Mack Trucks for the Road & Bridge department. The lease calls for annual payments of \$41,099 through April 2019. The payments include interest of 2.97%.

Fiscal Year Ending			
December 31,	Principal	Interest	Total
2019	\$ 39,894	\$ 1,205	\$ 41,099
Totals	\$ 39,894	\$ 1,205	\$ 41,099

- D. In April 2016, the County entered into a \$170,264, seven-year capital lease for a 2016 John Deere 770GXT Motor Grader for the Road & Bridge department. The lease calls for annual payments of \$27,637 through May 2023. The payments include interest of 3.25%.

Fiscal Year Ending			
December 31,	Principal	Interest	Total
2019	\$ 23,497	\$ 4,140	\$ 27,637
2020	24,272	3,365	27,637
2021	25,073	2,564	27,637
2022	25,900	1,737	27,637
2023	26,755	883	27,638
Totals	\$ 125,497	\$ 12,689	\$ 138,186

- E. In June 2016, the County entered into a \$68,800, three-year capital lease for a 2016 Dodge Ram and Dodge Durango for the Sheriff's Office. The lease calls for annual payments of \$24,314 through April 2019. The payments include interest of 2.98%.

Fiscal Year Ending			
December 31,	Principal	Interest	Total
2019	\$ 23,610	\$ 704	\$ 24,314
Totals	\$ 23,610	\$ 704	\$ 24,314

F. In September 2016, the County entered into a \$125,361, four-year capital lease for a 2016 John Deere 6110ML Tractor and a 2016 Diamond DBM-C-N 50 Mower for the Road & Bridge department. A \$50,000 advance lease payment was required at signing and was paid in September 2016. The lease calls for annual payments of \$26,795 through September 2020. The payments include interest of 3.25%.

Fiscal Year Ending		Principal	Interest	Total
December 31,				
2019	\$ 25,940	\$ 855	\$ 26,795	
2020	1	-		1
Totals	<u>\$ 25,941</u>	<u>\$ 855</u>	<u>\$ 26,796</u>	

G. In April 2018, the County entered into a \$32,050, three-year capital lease for a 2017 Ford Explorer for the Sheriff's Office. The lease calls for annual payments of \$11,059 through April 2020. The payments include interest of 3.48%.

Fiscal Year Ending		Principal	Interest	Total
December 31,				
2019	10,327	732	11,059	
2020	10,686	373	11,059	
Totals	<u>\$ 21,013</u>	<u>\$ 1,105</u>	<u>\$ 22,118</u>	

The following schedule shows changes in long-term debt during the year ended December 31, 2017:

Description	Balance 12/31/2016	Additions	Payments	Balance 12/31/2017	Interest Paid
2015 John Deere Grader 770G	\$ 92,660	\$ -	\$ (45,693)	\$ 46,967	\$ 2,581
2011 Ford Crown Victoria	4,782	-	(4,782)	-	143
Two 2016 Mack Trucks	116,208	-	(37,590)	78,618	3,509
2016 John Deere Grader 770G	170,264	-	(22,020)	148,244	5,617
2016 Dodge Ram and Durango	68,800	-	(22,263)	46,537	2,051
2016 John Deere Tractor & Mower	75,361	-	(24,309)	51,052	2,486

The following schedule shows changes in long-term debt during the year ended December 31, 2018:

Description	Balance 12/31/2017	Additions	Payments	Balance 12/31/2018	Interest Paid
2015 John Deere Grader 770G	\$ 46,967	\$ -	\$ (46,967)	\$ -	\$ 1,308
Two 2016 Mack Trucks	78,618	-	(38,724)	39,894	2,375
2016 John Deere Grader 770G	148,244	-	(22,747)	125,497	4,890
2016 Dodge Ram and Durango	46,537	-	(22,927)	23,610	1,387
2016 John Deere Tractor & Mower	51,052	-	(25,111)	25,941	1,684
2017 Ford Explorer	-	32,050	(11,037)	21,013	22

8. SUBSEQUENT EVENTS

The County has evaluated events subsequent to December 31, 2018 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through July 5, 2019, 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.

COMPLIANCE SECTION

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McBRIDE, LOCK & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

To the County Commission and
Officeholders of Holt County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Holt County, Missouri which comprise the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis and the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis as of December 31, 2017 and 2018, and the related Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis for the years then ended, and the related notes to the financial statements, which collectively comprise Holt County, Missouri's basic financial statements and have issued our report thereon dated July 5, 2019.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Holt 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 one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and is described in the accompanying schedule of findings and questioned costs as item 2018-001.

Holt County, Missouri's Response to Finding

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

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

McBride, Lock & Associates, LLC

Kansas City, Missouri

July 5, 2019

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McBRIDE, LOCK & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

To the County Commission and
Officeholders of Holt County, Missouri

Report on Compliance for Each Major Federal Program

We have audited Holt 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 Holt County, Missouri's major federal programs for the years ended December 31, 2017 and 2018. Holt 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 the requirements of 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 Holt 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 Holt County, Missouri's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Holt County, Missouri's compliance.

Opinion on Each Major Federal Program

In our opinion, Holt County, Missouri complied, in all material respects, 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, 2017 and 2018.

Report on Internal Control over Compliance

Management of Holt 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 Holt 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 Holt 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2018-002 and 2018-003, that we consider to be significant deficiencies.

Holt County, Missouri's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Holt 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 purposes.

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

McBride, Lock & Associates, LLC
Kansas City, Missouri
July 5, 2019

HOLT COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			2017	2018
U.S. DEPARTMENT OF AGRICULTURE				
10.557	Passed through Missouri Department of Health and Senior Services - Special Supplemental Nutrition Program for Women, Infants, and Children	17WIC 18WIC 19WIC	\$ 8,553 3,900 - \$ 12,453	\$ - 9,134 2,687 \$ 11,821
	Total 10.557			
U.S. DEPARTMENT OF THE INTERIOR				
15.659	Fish and Wildlife Refuge Fund	n/a	\$ 28,002	\$ 22,783
U.S. DEPARTMENT OF JUSTICE				
16.738	Passed through Missouri Department of Public Safety - Edward Byrne Memorial Justice Assistance Grant Program	2017-LLEBG-034	\$ -	\$ 9,350
U. S. DEPARTMENT OF TRANSPORTATION				
20.205	Passed through Missouri Department of Transportation - Highway Planning and Construction	BRO-B044(32) BRO-B044(33) BRO-B044(34)	127,496 657,332 - \$ 784,828	- 3,000 82,248 \$ 85,248
	Total 20.205 / Highway Planning and Construction Cluster			
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
93.069	Passed through Missouri Department of Health and Senior Services - Public Health Emergency Preparedness	TP000531-05Z TP171701-01Z TP171701-02Z	\$ 5,320 4,710 - \$ 10,030	\$ - 5,551 4,493 \$ 10,044
	Total 93.069			
93.575	Child Care and Development Block Grant	17CCDF 18CCDF 19CCDF	\$ 240 - - \$ 240	\$ - 1,125 1,241 \$ 2,366
	Total 93.575 / CCDF Cluster			
93.994	Maternal and Child Health Services Block Grant	16MCH 17MCH 18MCH 19MCH	\$ 6,221 6,321 2,888 - \$ 15,430	\$ - - 8,090 1,087 \$ 9,177
	Total 93.994			
93.767	Participation Agreement for State Investment in Local Public Health Services	17LPHAMEDEAR 18LPHAMEDEAR 19LPHAMEDEAR	\$ 6,677 19,850 - \$ 26,527	\$ - 10,330 15,532 \$ 25,862
	Total 93.767			
Total Expenditures of Federal Awards			\$ 877,510	\$ 176,651

See accompanying Notes to the Schedule of Expenditures of Federal Awards

HOLT COUNTY, MISSOURI
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEARS ENDED DECEMBER 31, 2018 AND 2017

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal award activity of Holt County, Missouri for the years ended December 31, 2018 and 2017. The information in this schedule is presented in accordance 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). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowed or are limited as to reimbursement. The County has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE C – SUBRECIPIENTS

The County did not pass any federal awards through to subrecipients during the years ended December 31, 2018 and 2017.

HOLT COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEARS ENDED DECEMBER 31, 2018 AND 2017

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements:

Type of Auditor’s Report Issued: Unmodified

Internal Control Over Financial Reporting:

- Material weakness(es) identified? Yes X No
- Significant deficiencies identified that are not considered to be material weaknesses? Yes X None Reported
- 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 that are not considered to be material weaknesses? X Yes None Reported

Type of Auditor’s Report Issued on Compliance For Major Programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance section 200.516? X Yes No

Identification of Major Programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.205	Highway Planning and Construction Cluster

Dollar Threshold Used to Distinguish Between Type A and Type B Programs: \$750,000

Auditee Qualified as low-risk: Yes X No

SECTION II – FINANCIAL STATEMENTS FINDINGS

MATERIAL WEAKNESSES IN INTERNAL CONTROL

None

SIGNIFICANT INTERNAL CONTROL DEFICIENCIES

None

ITEMS OF NONCOMPLIANCE

2018-001. Timely Filing of the Collector's Settlement

Criteria: 139.160 of RSMo requires County Collectors to settle accounts with the County Commission and file the Collector's Annual Settlement by the first Monday of March.

Condition: The County Collector did not file an annual settlement for the period ending February 28, 2019 as of the first Monday in March. The settlement had not been completed as of the date of audit fieldwork. The settlement was subsequently completed and dated June 10, 2019.

Cause: The County's prior collector was appointed to the position in May 2018. The County Collector ended her term in March 2019. The Collector did not file her annual settlement prior to her term ending.

Effect: Timely filing of the Collector's settlement with the County Clerk allows for the independent verification of the Collector's accounts with the records maintained by the County Clerk.

Recommendation: We recommend that the County Collector file the Collector's Annual Settlement for the year ended February 28, 2019 and establish procedures to ensure that future settlements are submitted by the required date. We recommend that the County Clerk provide a certification of the Collector's accounts or obtain from the Collector a rationale of the basis for untimely filings.

County's Response: The County recognizes that the 2019 Collector's Annual Settlement was not completed on time due to the change of elected officials. The County will continue to make every effort to comply with reporting deadlines.

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

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2018-002. Schedule of Expenditures of Federal Awards

Federal Grantor: U.S. Department of Agriculture; U.S. Department of the Interior; U.S. Department of Justice; U.S. Department of Transportation; U.S. Department of Health and Human Services

Pass-Through Grantor: Missouri Department of Public Safety; Missouri Department of Transportation; Missouri Department of Health and Senior Services

Federal CFDA Number: 10.557; 15.659; 16.738; 20.205; 93.069, 93.575, 93.994, 93.767

Program Title: Special Supplemental Nutrition Program for Women, Infants, and Children; Fish and Wildlife Refuge Fund; Edward Byrne Memorial Justice Assistance Grant Program; Highway Planning and Construction; Public Health Emergency Preparedness, Child Care and Development Block Grant, Maternal and Child Health Services Block Grant, Participation Agreement for State Investment in Local Public Health Services

Pass-through Entity Identifying Number: 17WIC, 18WIC, 19WIC; 2017-LLEBG-034; BRO-B044(32), BRO-B044(33), BRO-B044(34); TP000531-05Z, TP171701-01Z, TP171701-02Z, 17CCDF, 18CCDF, 19CCDF, 16MCH, 17MCH, 18MCH, 19MCH, 17LPHAMEDEAR, 18LPHAMEDEAR, 19LPHAMEDEAR

Award Year: 2017 and 2018

Questioned Costs: None

Criteria: 2 CFR 200.510(b) requires auditees to prepare a schedule of expenditures of federal awards which must report total federal awards expended during the audit period. At a minimum, the schedule must include: expenditures by individual federal program, name of the pass-through entity and identifying number for awards not received directly from the federal government, and the total amount provided to subrecipients from each federal program.

Condition: The schedules of expenditures of federal awards (SEFA) reported by the County in the 2017 and 2018 annual budget documents contained errors in amounts of federal expenditures reported. Expenditures by the county were understated by \$17,712 in 2017 and \$52,756 in 2018.

Cause: The County reported Highway Planning and Construction receipts rather than expenditures in 2017 and 2018. The County only reported Health and Human Services grant expenditures which they received reimbursements for, and not the entire amount received and expended. The County Clerk did not include a federal award related to the purchase of the security cameras that the Sheriff received. The County Clerk was not aware that the Wildlife Refuge Funds were federal funds required to be reported on the SEFA.

Effect: The SEFA presented for audit did not accurately reflect the County's actual expenditures of federal awards for both the years ended December 31, 2018 and 2017.

Recommendation: We recommend that the County implement internal controls to ensure that the SEFA completely and accurately states the expenditures of federal awards of the County each year.

County's Response: The County understands that Federal Awards are to be reported on the SEFA accurately. Wildlife Refuge Funds were previously considered Payment in Lieu of Taxes which were considered property taxes instead of Federal Grant Awards but will be included on the SEFA. The County will continue to make every effort to comply and accurately report all Federal Grant Awards on SEFA.

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

2018-003: Cash Management Procedures

Federal Grantor: U.S. Department of Transportation

Pass-Through Grantor: Missouri Department of Transportation

Federal CFDA Number: 20.205

Program Title: Highway Planning and Construction

Pass-through Entity Identifying Number: BRO-B044(33)

Award Year: 2017 and 2018

Questioned Costs: None

Criteria: Federal award requirements state that recipients receiving advances of federal funds must implement procedures to minimize the time elapsing between the receipt of federal funds and the disbursement of the funds. BRO program regulations state that Local Public Agencies (Holt County) must “develop cash management procedures to ensure payment is made to the contractor/consultant within two (2) business days of receipt of funds from MoDOT.”

Condition: There were 2 instances where the County wrote checks to the consulting engineers or construction contractors on a BRO project more than two days after receiving the reimbursement from MoDOT into the County’s bank account. The County typically submitted invoices to MoDOT for reimbursement prior to making the payment to the consulting engineer or construction contractor.

One transaction (\$24,280) was received on September 18, 2017 and the date paid per the check was September 25, 2017, which was the fifth business day. The second transaction (\$3,000) was received on January 8, 2018 and was paid on January 12, 2018 which was the fourth business day.

Cause: The County commissioners meet on Mondays. Both deposits were received on a Monday. The checks were not written until preparation for the following Monday’s County Commissioner meeting.

Effect: The grant is intended to be a reimbursement type grant, however, the County may have inappropriately earned interest on the federal funds due to the delay in payments.

Recommendation: We recommend that the County implement internal controls to ensure that federal funds are disbursed in a timely manner in accordance with federal regulations and the terms and conditions of federal awards.

County's Response: The County understands BRO payments must be issued within two business days of receipt of funds from MODOT and have already put measures in place to correct this. The County will continue to make every effort to comply while working with the numerous transactions that occur every year.

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

MANAGEMENT'S RESPONSE TO AUDITOR'S FINDINGS:

- **Corrective Action Plan**

County Commission of Holt County

Office of the County Clerk

Tom Bullock	102 W. Nodaway	Angie Gamache
Presiding Commissioner	P.O. Box 437	County Clerk
	Oregon, Missouri	
Carla Markt	64473	Glenda Atkins
First District Commissioner	Phone: (660)446-3303	Deputy Clerk
	Fax: (660)446-3353	
David Carroll		Amanda Parsons
Second District Commissioner		Deputy Clerk

HOLT COUNTY, MISSOURI CORRECTIVE ACTION PLAN

Finding Reference Number: 2018-001

Federal Agency: N/A

Program Name: N/A

CFDA Number: N/A

Responsible Official: Cindy Wohlford, Collector

Views of Responsible Individuals:

The County recognizes that the 2019 Collector's Annual Settlement was not completed on time due to the change of elected officials. The County will continue to make every effort to comply with reporting deadlines.

Finding Reference Number: 2018-002

Federal Agency: U.S. Department of Agriculture; U.S. Department of the Interior; U.S. Department of Justice; U.S. Department of Transportation; U.S. Department of Health and Human Services

Program Name: Special Supplemental Nutrition Program for Women, Infants, and Children; Fish and Wildlife Refuge Fund; Edward Byrne Memorial Justice Assistance Grant Program; Highway Planning and Construction; Public Health Emergency Preparedness, Child Care and Development Block Grant, Maternal and Child Health Services Block Grant, Participation Agreement for State Investment in Local Public Health Services

CFDA Number: 10.557; 15.659; 16.738; 20.205; 93.069, 93.575, 93.994, 93.767

Responsible Official: Angie Gamache, County Clerk

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David Carroll Second District Commissioner			Amanda Parsons Deputy Clerk

Views of Responsible Individuals:

The County understands that Federal Awards are to be reported on the SEFA accurately. Wildlife Refuge Funds were previously considered Payment in Lieu of Tax monies which were considered property taxes instead of Federal Grant Awards but will be included on the SEFA. The County will continue to make every effort to comply and accurately report all Federal Grant Awards on the SEFA.

Finding Reference Number: 2018-003

Federal Agency: U.S. Department of Transportation

Program Name: Highway Planning and Construction

CFDA Number: 20.205

Responsible Official: Angie Gamache, County Clerk

Views of Responsible Individuals:

The County understands that BRO payments must be issued within two business days of receipt of funds from MODOT and have already put measures in place to correct this. The County will continue to make every effort to comply while working with the numerous transactions that occur every year.

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CERTIFIED PUBLIC ACCOUNTANTS

To the County Commission and
Officeholders of Holt County, Missouri

In planning and performing our audit of the Statement of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis, the Statement of Fiduciary Receipts, Disbursements and Changes in Cash – Regulatory Basis, and the Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – Regulatory Basis – All Governmental Funds as of and for the years ended December 31, 2017 and 2018, we considered Holt County's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control. We issued our report on our consideration of internal control over financial reporting dated July 5, 2019. However, during our audit we became aware of matters that are opportunities for strengthening internal controls.

Collector Bank Reconciliations

There were no formally documented bank reconciliations on the County Collector's office accounts after October 2018. The interim County Collector took office in May 2018 and left office in February 2019. The interim County Collector prepared and documented bank reconciliations for May 2018 through October 2018. After the October 2018 bank reconciliation, the County was not able to locate a documented bank reconciliation. However, sufficient alternative documentation was maintained to show that a reconciliation of the account was being performed. Bank reconciliations not being formally documented may cause discrepancies to go uncorrected. We recommend that the County Collector ensure that bank reconciliations are formally performed and documented for all accounts each month.

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

McBride, Lock & Associates, LLC