



NICOLE R. GALLOWAY, CPA
Missouri State Auditor

To the County Commission
and
Officeholders of Phelps County, Missouri

The Office of the State Auditor is responsible under Section 29.230, RSMo, for auditing certain operations of Phelps 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, 2014, through the state Office of Administration, Division of Purchasing and Materials Management. A copy of this audit, performed by Nichols, Stopp & VanHoy, LLC, Certified Public Accountants, is attached.

Nicole R. Galloway, CPA
State Auditor

September 2015
Report No. 2015-078

**The County of Phelps
Rolla, Missouri
Independent Auditor's Report and Financial Statements
For the years ended December 31, 2014 & 2013**



**The County of Phelps
Rolla, Missouri
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10425 Old Olive
Street Road,
Suite 101

Creve Coeur,
Missouri 63141

PHONE:
314-569-3800
FAX:
314-569-0020

www.nsvcpa.com

INDEPENDENT AUDITOR'S REPORT

To the County Commission and
Officeholders of Phelps County, Missouri

We have audited the accompanying financial statements of Phelps County, Missouri, as of and for the years ended December 31, 2014 and 2013, which collectively comprise the County's basic financial statements and the related notes to the financial statements as identified in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Phelps County, Missouri, as of December 31, 2014 and 2013, or the changes in its financial position for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of the funds of Phelps County, Missouri, as of December 31, 2014 and 2013, and their respective cash receipts and disbursements, and budgetary results of these funds for the years then ended, on the basis of accounting described in Note 1.

Other Matters

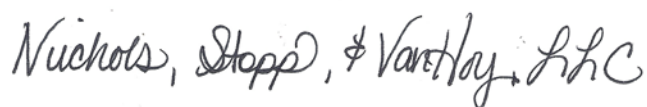
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Phelps County, Missouri’s basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The schedule of expenditures of federal awards 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 have also issued our report dated July 8, 2015, on our consideration of Phelps 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 Phelps County, Missouri’s internal control over financial reporting and compliance.



Creve Coeur, Missouri
July 8, 2015

The County of Phelps
Rolla, Missouri
Statement of Receipts, Disbursements, and Changes in Cash
All Governmental Funds: Regulatory Basis
For the year ended December 31, 2014

<u>Fund</u>	Cash and Equivalents January 1, 2014	Receipts 2014	Disbursements 2014	Cash and Equivalents December 31, 2014
General Revenue Fund	\$ 663,498	\$ 4,520,190	\$ 4,296,074	\$ 887,614
Special Road and Bridge Fund	854	3,934,715	3,267,849	667,720
Assessment Fund	105,794	609,523	565,493	149,824
Road and Bridge Debt Service Fund	7,355	423,622	-	430,977
Unemployment Fund	250,040	-	32,036	218,004
Use Tax Fund	198,935	103,941	576	302,300
Health Department Fund	178,158	856,695	814,557	220,296
Community Care Clinic Fund	5,377	32,061	37,438	-
Special Election Fund	-	233,864	230,765	3,099
Crisis Intervention Fund	936	1,376	1,545	767
Election Services Fund	37,738	6,572	12,479	31,831
Sheriff's Training Fund	19,502	10,411	3,823	26,090
Sheriff's Drug Enforcement Fund	1,603,980	1,708,548	432,534	2,879,994
Sheriff's Civil Fee Fund	101,907	58,535	27,513	132,929
Sheriff's Revolving Fund	96,503	40,001	44,700	91,804
Law Enforcement Fund	1,319,700	4,172,332	3,632,368	1,859,664
Sheriff's Inmate Security Fund	14,743	45,276	33,195	26,824
Law Enforcement Bldg. Maint. Fund	187,062	25,450	-	212,512
Law Enforcement Restitution Fund	36,017	89,863	90,000	35,880
Prosecuting Attorney Drug Enforcement Fund	272,599	311,932	162,494	422,037
Prosecuting Attorney Training Fund	6,414	1,780	74	8,120
Prosecuting Attorney Delinquent Tax Fund	32,425	3,364	1,161	34,628
Administrative Handling Fund	120,997	18,245	24,339	114,903
Shelter Fund	1,278	11,410	10,200	2,488
Recorder User Fee Fund	39,963	21,574	23,896	37,641
Collector's Tax Maintenance Fund	54,918	52,627	41,994	65,551
Public Facilities Authority Fund	867,152	1,841	5,442	863,551
Jay White Estate Fund	213,822	492	680	213,634
Community Development Block Grant Fund	2	23,415	22,597	820
Developmentally Disabled Fund	288,389	456,273	385,055	359,607
Senior Companions Fund	1,511	336,558	332,625	5,444
Retired and Senior Volunteers Program Fund	-	-	-	-
Senate Bill 40 Board Fund	1,154,565	1,309,561	843,125	1,621,001
Total	<u>\$ 7,882,134</u>	<u>\$ 19,422,047</u>	<u>\$ 15,376,627</u>	<u>\$ 11,927,554</u>

See Notes to the Financial Statements

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

<u>Fund</u>	Cash and Equivalents January 1, 2013 (Restated)	Receipts 2013	Disbursements 2013	Cash and Equivalents December 31, 2013
General Revenue Fund	\$ 667,987	\$ 4,331,658	\$ 4,336,147	\$ 663,498
Special Road and Bridge Fund	217,200	2,925,654	3,142,000	854
Assessment Fund	60,373	567,857	522,436	105,794
Road and Bridge Debt Service Fund	59,148	50,207	102,000	7,355
Unemployment Fund	270,118	-	20,078	250,040
Use Tax Fund	303,041	576	104,682	198,935
Health Department Fund	44,276	1,065,872	931,990	178,158
Community Care Clinic Fund	29,242	85,827	109,692	5,377
Special Election Fund	-	100,216	100,216	-
Crisis Intervention Fund	1,436	4,012	4,512	936
Election Services Fund	33,380	35,776	31,418	37,738
Sheriff's Training Fund	8,774	11,142	414	19,502
Sheriff's Drug Enforcement Fund	1,963,352	301,842	661,214	1,603,980
Sheriff's Civil Fee Fund	73,302	58,446	29,841	101,907
Sheriff's Revolving Fund	84,865	57,984	46,346	96,503
Law Enforcement Fund	989,143	4,102,436	3,771,879	1,319,700
Sheriff's Inmate Security Fund	6,916	19,389	11,562	14,743
Law Enforcement Bldg. Maint. Fund	175,583	45,453	33,974	187,062
Law Enforcement Restitution Fund	41,772	84,245	90,000	36,017
Prosecuting Attorney Drug Enforcement Fund	354,768	85,640	167,809	272,599
Prosecuting Attorney Training Fund	4,495	1,919	-	6,414
Prosecuting Attorney Delinquent Tax Fund	29,507	2,918	-	32,425
Administrative Handling Fund	121,696	23,095	23,794	120,997
Shelter Fund	4,125	12,022	14,869	1,278
Recorder User Fee Fund	23,996	26,349	10,382	39,963
Collector's Tax Maintenance Fund	68,377	69,601	83,060	54,918
Public Facilities Authority Fund	868,123	5,441	6,412	867,152
Jay White Estate Fund	214,526	680	1,384	213,822
Community Development Block Grant Fund	-	58,207	58,205	2
Developmentally Disabled Fund	301,881	386,321	399,813	288,389
Senior Companions Fund	-	340,143	338,632	1,511
Retired and Senior Volunteers Program Fund	-	37,031	37,031	-
Senate Bill 40 Board Fund	699,957	1,204,351	749,743	1,154,565
Total	<u>\$ 7,721,359</u>	<u>\$ 16,102,310</u>	<u>\$ 15,941,535</u>	<u>\$ 7,882,134</u>

See Notes to the Financial Statements

The County of Phelps
Rolla, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2014 & 2013

	General Revenue Fund			
	2014		2013	
	Budget	Actual	Budget	Actual
Receipts				
Property Taxes	\$ 830,000	\$ 995,448	\$ 853,200	\$ 822,918
Sales Taxes	1,654,784	1,727,685	1,654,784	1,626,593
Intergovernmental	1,038,635	924,096	1,067,174	903,755
Charges for Services	714,050	707,281	766,525	708,376
Interest	15,525	9,922	14,329	15,294
Other Receipts	89,755	75,329	106,005	180,243
Transfers In	85,000	80,429	176,000	74,479
Total Receipts	<u>\$ 4,427,749</u>	<u>\$ 4,520,190</u>	<u>\$ 4,638,017</u>	<u>\$ 4,331,658</u>
Disbursements				
County Commission	\$ 200,249	\$ 196,415	\$ 200,170	\$ 199,634
County Clerk	313,528	294,832	370,204	293,806
Elections	217,453	195,517	90,603	47,016
Buildings and Grounds	518,947	505,775	621,256	523,224
County Treasurer	78,373	78,543	80,757	78,658
County Collector	222,629	215,664	228,320	206,056
Recorder of Deeds	153,767	137,744	168,718	139,761
Circuit Clerk	63,790	62,808	121,327	97,551
Court Administration	31,500	28,728	32,500	28,564
Public Administrator	134,340	128,739	129,839	129,262
Prosecuting Attorney	696,677	701,054	713,109	694,331
Juvenile Officer	496,664	438,036	521,410	471,776
County Coroner	48,729	46,959	48,260	48,413
Circuit Judges	170,543	145,052	170,533	137,920
Courthouse Security	261,696	169,548	232,736	149,838
Family Court Program	40,510	34,214	40,510	30,746
Emergency	132,832	-	139,632	-
Transfers Out	783,126	721,628	803,458	803,101
Other Disbursements	230,288	194,818	273,956	256,490
Total Disbursements	<u>\$ 4,795,641</u>	<u>\$ 4,296,074</u>	<u>\$ 4,987,298</u>	<u>\$ 4,336,147</u>
Receipts Over (Under)				
Disbursements	\$ (367,892)	\$ 224,116	\$ (349,281)	\$ (4,489)
Cash and Equivalents, Jan 1	<u>663,498</u>	<u>663,498</u>	<u>667,987</u>	<u>667,987</u>
Cash and Equivalents, Dec 31	<u>\$ 295,606</u>	<u>\$ 887,614</u>	<u>\$ 318,706</u>	<u>\$ 663,498</u>

See Notes to the Financial Statements

The County of Phelps
Rolla, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2014 & 2013

	Special Road and Bridge Fund			
	2014		2013	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ 651,000	\$ 641,705	\$ 557,500	\$ 534,905
Sales Taxes	923,000	922,952	882,964	868,947
Intergovernmental	1,854,642	1,882,534	1,147,742	1,147,452
Charges for Services	3,000	2,660	-	-
Interest	1,400	961	1,500	1,635
Other Receipts	511,300	483,903	160,250	167,715
Transfers In	-	-	302,000	205,000
Total Receipts	<u>\$ 3,944,342</u>	<u>\$ 3,934,715</u>	<u>\$ 3,051,956</u>	<u>\$ 2,925,654</u>
<u>Disbursements</u>				
Salaries	\$ 640,506	\$ 609,671	\$ 659,606	\$ 599,822
Employee Fringe Benefits	268,293	241,054	251,500	246,902
Supplies	30,800	28,934	28,444	27,844
Insurance	35,000	27,109	35,000	34,368
Road and Bridge Materials	1,355,200	1,180,682	1,471,100	1,468,013
Equipment Repairs	141,000	217,049	124,000	122,819
Equipment Purchases	97,000	95,974	65,100	64,748
Road and Bridge Construction	254,000	15,814	234,511	234,151
Other Expenditures	329,601	324,817	296,900	293,333
Transfers Out	527,100	526,745	50,000	50,000
Total Disbursements	<u>\$ 3,678,500</u>	<u>\$ 3,267,849</u>	<u>\$ 3,216,161</u>	<u>\$ 3,142,000</u>
Receipts Over (Under)				
Disbursements	\$ 265,842	\$ 666,866	\$ (164,205)	\$ (216,346)
Cash and Equivalents, Jan 1	<u>854</u>	<u>854</u>	<u>217,200</u>	<u>217,200</u>
Cash and Equivalents, Dec 31	<u><u>\$ 266,696</u></u>	<u><u>\$ 667,720</u></u>	<u><u>\$ 52,995</u></u>	<u><u>\$ 854</u></u>

See Notes to the Financial Statements

The County of Phelps
Rolla, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2014 & 2013

	Assessment Fund				Road and Bridge Debt Service Fund			
	2014		2013		2014		2013	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	393,116	416,416	389,949	373,490	-	-	-	-
Charges for Services	80,331	82,469	79,631	71,739	-	-	-	-
Interest	500	604	400	483	100	67	150	207
Other Receipts	42,750	35,034	52,500	47,145	-	-	-	-
Transfers In	75,000	75,000	75,000	75,000	-	423,555	50,000	50,000
Total Receipts	<u>\$ 591,697</u>	<u>\$ 609,523</u>	<u>\$ 597,480</u>	<u>\$ 567,857</u>	<u>\$ 100</u>	<u>\$ 423,622</u>	<u>\$ 50,150</u>	<u>\$ 50,207</u>
<u>Disbursements</u>								
Salaries	\$ 309,650	\$ 308,776	\$ 343,693	\$ 304,755	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	88,175	83,195	102,014	96,332	-	-	-	-
Materials and Supplies	8,762	8,761	6,200	6,170	-	-	-	-
Services and Other	164,769	164,761	119,045	115,179	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	102,000	102,000
Total Disbursements	<u>\$ 571,356</u>	<u>\$ 565,493</u>	<u>\$ 570,952</u>	<u>\$ 522,436</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 102,000</u>	<u>\$ 102,000</u>
Receipts Over (Under)								
Disbursements	\$ 20,341	\$ 44,030	\$ 26,528	\$ 45,421	\$ 100	\$ 423,622	\$ (51,850)	\$ (51,793)
Cash and Equivalents, Jan 1	<u>105,794</u>	<u>105,794</u>	<u>60,373</u>	<u>60,373</u>	<u>7,355</u>	<u>7,355</u>	<u>59,148</u>	<u>59,148</u>
Cash and Equivalents, Dec 31	<u><u>\$ 126,135</u></u>	<u><u>\$ 149,824</u></u>	<u><u>\$ 86,901</u></u>	<u><u>\$ 105,794</u></u>	<u><u>\$ 7,455</u></u>	<u><u>\$ 430,977</u></u>	<u><u>\$ 7,298</u></u>	<u><u>\$ 7,355</u></u>

See Notes to the Financial Statements

The County of Phelps
Rolla, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2014 & 2013

	Unemployment Fund				Use Tax Fund			
	2014		2013		2014		2013	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Interest	-	-	-	-	2,000	751	1,700	576
Other Receipts	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	103,500	103,190	-	-
Total Receipts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 105,500</u>	<u>\$ 103,941</u>	<u>\$ 1,700</u>	<u>\$ 576</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	40,000	22,036	40,000	10,078	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	-	-	-	-	576	576	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	10,000	10,000	10,000	10,000	-	-	201,683	104,682
Total Disbursements	<u>\$ 50,000</u>	<u>\$ 32,036</u>	<u>\$ 50,000</u>	<u>\$ 20,078</u>	<u>\$ 576</u>	<u>\$ 576</u>	<u>\$ 201,683</u>	<u>\$ 104,682</u>
Receipts Over (Under)								
Disbursements	\$ (50,000)	\$ (32,036)	\$ (50,000)	\$ (20,078)	\$ 104,924	\$ 103,365	\$ (199,983)	\$ (104,106)
Cash and Equivalents, Jan 1	<u>250,040</u>	<u>250,040</u>	<u>270,118</u>	<u>270,118</u>	<u>198,935</u>	<u>198,935</u>	<u>303,041</u>	<u>303,041</u>
Cash and Equivalents, Dec 31	<u><u>\$ 200,040</u></u>	<u><u>\$ 218,004</u></u>	<u><u>\$ 220,118</u></u>	<u><u>\$ 250,040</u></u>	<u><u>\$ 303,859</u></u>	<u><u>\$ 302,300</u></u>	<u><u>\$ 103,058</u></u>	<u><u>\$ 198,935</u></u>

See Notes to the Financial Statements

The County of Phelps
Rolla, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2014 & 2013

	Health Department Fund				Community Care Clinic Fund			
	2014		2013		2014		2013	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	561,416	583,479	619,800	671,032	-	-	-	-
Charges for Services	134,700	122,804	124,050	136,570	59,508	32,047	108,500	85,791
Interest	200	486	150	265	-	14	20	36
Other Receipts	41,462	36,398	39,075	35,951	-	-	-	-
Transfers In	186,575	113,528	231,813	222,054	-	-	-	-
Total Receipts	<u>\$ 924,353</u>	<u>\$ 856,695</u>	<u>\$ 1,014,888</u>	<u>\$ 1,065,872</u>	<u>\$ 59,508</u>	<u>\$ 32,061</u>	<u>\$ 108,520</u>	<u>\$ 85,827</u>
<u>Disbursements</u>								
Salaries	\$ 531,300	\$ 552,088	\$ 614,700	\$ 609,813	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	191,255	174,873	193,839	189,926	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	155,465	87,596	133,110	132,251	51,138	7,862	109,750	44,531
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	29,576	-	65,161
Total Disbursements	<u>\$ 878,020</u>	<u>\$ 814,557</u>	<u>\$ 941,649</u>	<u>\$ 931,990</u>	<u>\$ 51,138</u>	<u>\$ 37,438</u>	<u>\$ 109,750</u>	<u>\$ 109,692</u>
Receipts Over (Under)								
Disbursements	\$ 46,333	\$ 42,138	\$ 73,239	\$ 133,882	\$ 8,370	\$ (5,377)	\$ (1,230)	\$ (23,865)
Cash and Equivalents, Jan 1	<u>178,158</u>	<u>178,158</u>	<u>44,276</u>	<u>44,276</u>	<u>5,377</u>	<u>5,377</u>	<u>29,242</u>	<u>29,242</u>
Cash and Equivalents, Dec 31	<u><u>\$ 224,491</u></u>	<u><u>\$ 220,296</u></u>	<u><u>\$ 117,515</u></u>	<u><u>\$ 178,158</u></u>	<u><u>\$ 13,747</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 28,012</u></u>	<u><u>\$ 5,377</u></u>

See Notes to the Financial Statements

The County of Phelps
Rolla, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2014 & 2013

	Special Election Fund				Crisis Intervention Fund			
	2014		2013		2014		2013	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	233,864	-	100,216	5,000	1,376	5,000	4,012
Charges for Services	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ -</u>	<u>\$ 233,864</u>	<u>\$ -</u>	<u>\$ 100,216</u>	<u>\$ 5,000</u>	<u>\$ 1,376</u>	<u>\$ 5,000</u>	<u>\$ 4,012</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	141,594	-	48,421	-	-	-	-
Services and Other	-	89,171	-	51,795	5,000	1,545	5,000	4,512
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ -</u>	<u>\$ 230,765</u>	<u>\$ -</u>	<u>\$ 100,216</u>	<u>\$ 5,000</u>	<u>\$ 1,545</u>	<u>\$ 5,000</u>	<u>\$ 4,512</u>
Receipts Over (Under)								
Disbursements	\$ -	\$ 3,099	\$ -	\$ -	\$ -	\$ (169)	\$ -	\$ (500)
Cash and Equivalents, Jan 1	-	-	-	-	936	936	1,436	1,436
Cash and Equivalents, Dec 31	<u>\$ -</u>	<u>\$ 3,099</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 936</u>	<u>\$ 767</u>	<u>\$ 1,436</u>	<u>\$ 936</u>

See Notes to the Financial Statements

The County of Phelps
Rolla, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2014 & 2013

	Election Services Fund				Sheriff's Training Fund			
	2014		2013		2014		2013	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	34,498	6,485	35,113	35,655	4,000	3,323	4,700	3,949
Charges for Services	-	-	-	-	7,000	7,058	10,000	7,193
Interest	120	83	150	121	-	-	-	-
Other Receipts	-	4	-	-	-	30	300	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 34,618</u>	<u>\$ 6,572</u>	<u>\$ 35,263</u>	<u>\$ 35,776</u>	<u>\$ 11,000</u>	<u>\$ 10,411</u>	<u>\$ 15,000</u>	<u>\$ 11,142</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	16,211	12,479	33,300	31,418	5,000	3,823	16,000	414
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	5,000	-	4,380	-	-	-	-	-
Total Disbursements	<u>\$ 21,211</u>	<u>\$ 12,479</u>	<u>\$ 37,680</u>	<u>\$ 31,418</u>	<u>\$ 5,000</u>	<u>\$ 3,823</u>	<u>\$ 16,000</u>	<u>\$ 414</u>
Receipts Over (Under)								
Disbursements	\$ 13,407	\$ (5,907)	\$ (2,417)	\$ 4,358	\$ 6,000	\$ 6,588	\$ (1,000)	\$ 10,728
Cash and Equivalents, Jan 1	<u>37,738</u>	<u>37,738</u>	<u>33,380</u>	<u>33,380</u>	<u>19,502</u>	<u>19,502</u>	<u>8,774</u>	<u>8,774</u>
Cash and Equivalents, Dec 31	<u><u>\$ 51,145</u></u>	<u><u>\$ 31,831</u></u>	<u><u>\$ 30,963</u></u>	<u><u>\$ 37,738</u></u>	<u><u>\$ 25,502</u></u>	<u><u>\$ 26,090</u></u>	<u><u>\$ 7,774</u></u>	<u><u>\$ 19,502</u></u>

See Notes to the Financial Statements

The County of Phelps
Rolla, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2014 & 2013

	Sheriff's Drug Enforcement Fund				Sheriff's Civil Fee Fund			
	2014		2013		2014		2013	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	500,000	1,692,179	820,000	262,614	20,000	19,357	22,000	19,397
Charges for Services	-	-	-	-	38,000	38,870	42,000	38,815
Interest	7,670	5,060	3,800	7,670	250	308	140	234
Other Receipts	-	11,309	32,000	31,558	-	-	500	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 507,670</u>	<u>\$ 1,708,548</u>	<u>\$ 855,800</u>	<u>\$ 301,842</u>	<u>\$ 58,250</u>	<u>\$ 58,535</u>	<u>\$ 64,640</u>	<u>\$ 58,446</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ 3,180	\$ 2,926	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	298,700	237,474	266,700	275,597	30,600	27,513	30,600	29,841
Capital Outlay	275,500	162,799	395,500	382,691	-	-	-	-
Transfers Out	-	32,261	-	-	-	-	-	-
Total Disbursements	<u>\$ 574,200</u>	<u>\$ 432,534</u>	<u>\$ 665,380</u>	<u>\$ 661,214</u>	<u>\$ 30,600</u>	<u>\$ 27,513</u>	<u>\$ 30,600</u>	<u>\$ 29,841</u>
Receipts Over (Under)								
Disbursements	\$ (66,530)	\$ 1,276,014	\$ 190,420	\$ (359,372)	\$ 27,650	\$ 31,022	\$ 34,040	\$ 28,605
Cash and Equivalents, Jan 1	<u>1,603,980</u>	<u>1,603,980</u>	<u>1,963,352</u>	<u>1,963,352</u>	<u>101,907</u>	<u>101,907</u>	<u>73,302</u>	<u>73,302</u>
Cash and Equivalents, Dec 31	<u><u>\$ 1,537,450</u></u>	<u><u>\$ 2,879,994</u></u>	<u><u>\$ 2,153,772</u></u>	<u><u>\$ 1,603,980</u></u>	<u><u>\$ 129,557</u></u>	<u><u>\$ 132,929</u></u>	<u><u>\$ 107,342</u></u>	<u><u>\$ 101,907</u></u>

See Notes to the Financial Statements

The County of Phelps
Rolla, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2014 & 2013

	Sheriff's Revolving Fund				Law Enforcement Fund			
	2014		2013		2014		2013	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	1,901,853	1,987,966	1,901,853	1,871,649
Intergovernmental	-	-	-	-	1,072,125	1,346,056	1,292,025	1,350,974
Charges for Services	40,000	39,050	60,000	57,730	2,200	2,566	2,700	2,006
Interest	200	251	200	254	2,800	3,708	1,398	2,783
Other Receipts	-	700	-	-	209,000	204,130	313,000	279,379
Transfers In	-	-	-	-	595,645	627,906	659,645	595,645
Total Receipts	<u>\$ 40,200</u>	<u>\$ 40,001</u>	<u>\$ 60,200</u>	<u>\$ 57,984</u>	<u>\$ 3,783,623</u>	<u>\$ 4,172,332</u>	<u>\$ 4,170,621</u>	<u>\$ 4,102,436</u>
<u>Disbursements</u>								
Salaries	\$ 24,200	\$ 23,941	\$ 24,153	\$ 20,275	\$ 2,105,512	\$ 2,053,826	\$ 2,136,723	\$ 2,013,469
Employee Fringe Benefits	10,365	8,913	9,847	5,659	633,060	616,016	702,120	665,491
Materials and Supplies	-	-	-	-	916,939	838,815	1,009,400	997,307
Services and Other	20,700	11,846	20,900	20,412	106,802	98,711	100,880	95,612
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	25,000	25,000	-	-
Total Disbursements	<u>\$ 55,265</u>	<u>\$ 44,700</u>	<u>\$ 54,900</u>	<u>\$ 46,346</u>	<u>\$ 3,787,313</u>	<u>\$ 3,632,368</u>	<u>\$ 3,949,123</u>	<u>\$ 3,771,879</u>
Receipts Over (Under)								
Disbursements	\$ (15,065)	\$ (4,699)	\$ 5,300	\$ 11,638	\$ (3,690)	\$ 539,964	\$ 221,498	\$ 330,557
Cash and Equivalents, Jan 1	<u>96,503</u>	<u>96,503</u>	<u>84,865</u>	<u>84,865</u>	<u>1,319,700</u>	<u>1,319,700</u>	<u>989,143</u>	<u>989,143</u>
Cash and Equivalents, Dec 31	<u><u>\$ 81,438</u></u>	<u><u>\$ 91,804</u></u>	<u><u>\$ 90,165</u></u>	<u><u>\$ 96,503</u></u>	<u><u>\$ 1,316,010</u></u>	<u><u>\$ 1,859,664</u></u>	<u><u>\$ 1,210,641</u></u>	<u><u>\$ 1,319,700</u></u>

See Notes to the Financial Statements

The County of Phelps
Rolla, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2014 & 2013

	Sheriff's Inmate Security Fund				Law Enforcement Bldg. Maint. Fund			
	2014		2013		2014		2013	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	11,500	21,583	10,000	11,246	-	-	-	-
Interest	50	64	150	19	1,000	450	940	1,048
Other Receipts	30,000	23,629	10,000	8,124	-	-	45,000	44,405
Transfers In	-	-	-	-	25,000	25,000	-	-
Total Receipts	<u>\$ 41,550</u>	<u>\$ 45,276</u>	<u>\$ 20,150</u>	<u>\$ 19,389</u>	<u>\$ 26,000</u>	<u>\$ 25,450</u>	<u>\$ 45,940</u>	<u>\$ 45,453</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	41,500	33,195	11,800	11,562	-	-	34,000	33,974
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 41,500</u>	<u>\$ 33,195</u>	<u>\$ 11,800</u>	<u>\$ 11,562</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,000</u>	<u>\$ 33,974</u>
Receipts Over (Under)								
Disbursements	\$ 50	\$ 12,081	\$ 8,350	\$ 7,827	\$ 26,000	\$ 25,450	\$ 11,940	\$ 11,479
Cash and Equivalents, Jan 1	<u>14,743</u>	<u>14,743</u>	<u>6,916</u>	<u>6,916</u>	<u>187,062</u>	<u>187,062</u>	<u>175,583</u>	<u>175,583</u>
Cash and Equivalents, Dec 31	<u><u>\$ 14,793</u></u>	<u><u>\$ 26,824</u></u>	<u><u>\$ 15,266</u></u>	<u><u>\$ 14,743</u></u>	<u><u>\$ 213,062</u></u>	<u><u>\$ 212,512</u></u>	<u><u>\$ 187,523</u></u>	<u><u>\$ 187,062</u></u>

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The County of Phelps
Rolla, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2014 & 2013

	Law Enforcement Restitution Fund				Prosecuting Attorney Drug Enforcement Fund			
	2014		2013		2014		2013	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	40,000	304,944	150,000	51,231
Charges for Services	80,000	89,765	81,000	84,138	-	-	-	-
Interest	100	98	100	107	1,500	873	1,000	1,726
Other Receipts	-	-	-	-	22,000	6,115	33,000	32,683
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 80,100</u>	<u>\$ 89,863</u>	<u>\$ 81,100</u>	<u>\$ 84,245</u>	<u>\$ 63,500</u>	<u>\$ 311,932</u>	<u>\$ 184,000</u>	<u>\$ 85,640</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	-	-	-	-	169,150	153,187	192,420	167,809
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	90,000	90,000	90,000	90,000	-	9,307	-	-
Total Disbursements	<u>\$ 90,000</u>	<u>\$ 90,000</u>	<u>\$ 90,000</u>	<u>\$ 90,000</u>	<u>\$ 169,150</u>	<u>\$ 162,494</u>	<u>\$ 192,420</u>	<u>\$ 167,809</u>
Receipts Over (Under)								
Disbursements	\$ (9,900)	\$ (137)	\$ (8,900)	\$ (5,755)	\$ (105,650)	\$ 149,438	\$ (8,420)	\$ (82,169)
Cash and Equivalents, Jan 1	<u>36,017</u>	<u>36,017</u>	<u>41,772</u>	<u>41,772</u>	<u>272,599</u>	<u>272,599</u>	<u>354,768</u>	<u>354,768</u>
Cash and Equivalents, Dec 31	<u><u>\$ 26,117</u></u>	<u><u>\$ 35,880</u></u>	<u><u>\$ 32,872</u></u>	<u><u>\$ 36,017</u></u>	<u><u>\$ 166,949</u></u>	<u><u>\$ 422,037</u></u>	<u><u>\$ 346,348</u></u>	<u><u>\$ 272,599</u></u>

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The County of Phelps
Rolla, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2014 & 2013

	Prosecuting Attorney Training Fund				Prosecuting Attorney Delinquent Tax Fund			
	2014		2013		2014		2013	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	2,500	1,780	2,500	1,919	5,000	3,274	9,500	2,839
Interest	-	-	-	-	65	90	60	79
Other Receipts	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 2,500</u>	<u>\$ 1,780</u>	<u>\$ 2,500</u>	<u>\$ 1,919</u>	<u>\$ 5,065</u>	<u>\$ 3,364</u>	<u>\$ 9,560</u>	<u>\$ 2,918</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	2,000	74	2,000	-	4,000	1,161	2,000	-
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 2,000</u>	<u>\$ 74</u>	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ 4,000</u>	<u>\$ 1,161</u>	<u>\$ 2,000</u>	<u>\$ -</u>
Receipts Over (Under)								
Disbursements	\$ 500	\$ 1,706	\$ 500	\$ 1,919	\$ 1,065	\$ 2,203	\$ 7,560	\$ 2,918
Cash and Equivalents, Jan 1	<u>6,414</u>	<u>6,414</u>	<u>4,495</u>	<u>4,495</u>	<u>32,425</u>	<u>32,425</u>	<u>29,507</u>	<u>29,507</u>
Cash and Equivalents, Dec 31	<u><u>\$ 6,914</u></u>	<u><u>\$ 8,120</u></u>	<u><u>\$ 4,995</u></u>	<u><u>\$ 6,414</u></u>	<u><u>\$ 33,490</u></u>	<u><u>\$ 34,628</u></u>	<u><u>\$ 37,067</u></u>	<u><u>\$ 32,425</u></u>

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The County of Phelps
Rolla, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2014 & 2013

	Administrative Handling Fund				Shelter Fund			
	2014		2013		2014		2013	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	24,000	17,443	20,000	22,248	12,000	11,398	13,000	12,007
Interest	328	319	300	328	15	12	75	15
Other Receipts	-	483	500	519	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 24,328</u>	<u>\$ 18,245</u>	<u>\$ 20,800</u>	<u>\$ 23,095</u>	<u>\$ 12,015</u>	<u>\$ 11,410</u>	<u>\$ 13,075</u>	<u>\$ 12,022</u>
<u>Disbursements</u>								
Salaries	\$ 20,000	\$ 19,000	\$ 17,420	\$ 17,417	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	3,059	2,872	2,665	2,604	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	5,631	2,467	6,915	3,773	12,015	10,200	14,875	14,869
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 28,690</u>	<u>\$ 24,339</u>	<u>\$ 27,000</u>	<u>\$ 23,794</u>	<u>\$ 12,015</u>	<u>\$ 10,200</u>	<u>\$ 14,875</u>	<u>\$ 14,869</u>
Receipts Over (Under)								
Disbursements	\$ (4,362)	\$ (6,094)	\$ (6,200)	\$ (699)	\$ -	\$ 1,210	\$ (1,800)	\$ (2,847)
Cash and Equivalents, Jan 1	<u>120,997</u>	<u>120,997</u>	<u>121,696</u>	<u>121,696</u>	<u>1,278</u>	<u>1,278</u>	<u>4,125</u>	<u>4,125</u>
Cash and Equivalents, Dec 31	<u><u>\$ 116,635</u></u>	<u><u>\$ 114,903</u></u>	<u><u>\$ 115,496</u></u>	<u><u>\$ 120,997</u></u>	<u><u>\$ 1,278</u></u>	<u><u>\$ 2,488</u></u>	<u><u>\$ 2,325</u></u>	<u><u>\$ 1,278</u></u>

See Notes to the Financial Statements

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Rolla, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2014 & 2013

	Recorder User Fee Fund				Collector's Tax Maintenance Fund			
	2014		2013		2014		2013	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	69,390	51,598	62,000	69,390
Charges for Services	23,650	21,458	23,650	26,256	-	-	-	-
Interest	50	116	50	93	225	167	200	211
Other Receipts	-	-	-	-	-	862	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 23,700</u>	<u>\$ 21,574</u>	<u>\$ 23,700</u>	<u>\$ 26,349</u>	<u>\$ 69,615</u>	<u>\$ 52,627</u>	<u>\$ 62,200</u>	<u>\$ 69,601</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	31,400	23,896	12,000	10,382	83,100	41,994	93,800	83,060
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 31,400</u>	<u>\$ 23,896</u>	<u>\$ 12,000</u>	<u>\$ 10,382</u>	<u>\$ 83,100</u>	<u>\$ 41,994</u>	<u>\$ 93,800</u>	<u>\$ 83,060</u>
Receipts Over (Under)								
Disbursements	\$ (7,700)	\$ (2,322)	\$ 11,700	\$ 15,967	\$ (13,485)	\$ 10,633	\$ (31,600)	\$ (13,459)
Cash and Equivalents, Jan 1	<u>39,963</u>	<u>39,963</u>	<u>23,996</u>	<u>23,996</u>	<u>54,918</u>	<u>54,918</u>	<u>68,377</u>	<u>68,377</u>
Cash and Equivalents, Dec 31	<u><u>\$ 32,263</u></u>	<u><u>\$ 37,641</u></u>	<u><u>\$ 35,696</u></u>	<u><u>\$ 39,963</u></u>	<u><u>\$ 41,433</u></u>	<u><u>\$ 65,551</u></u>	<u><u>\$ 36,777</u></u>	<u><u>\$ 54,918</u></u>

See Notes to the Financial Statements

The County of Phelps
Rolla, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2014 & 2013

	Public Facilities Authority Fund				Jay White Estate Fund			
	2014		2013		2014		2013	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Interest	6,000	1,841	6,000	5,441	1,400	492	1,000	680
Other Receipts	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 6,000</u>	<u>\$ 1,841</u>	<u>\$ 6,000</u>	<u>\$ 5,441</u>	<u>\$ 1,400</u>	<u>\$ 492</u>	<u>\$ 1,000</u>	<u>\$ 680</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	5,442	5,442	6,413	6,412	681	680	1,385	1,384
Total Disbursements	<u>\$ 5,442</u>	<u>\$ 5,442</u>	<u>\$ 6,413</u>	<u>\$ 6,412</u>	<u>\$ 681</u>	<u>\$ 680</u>	<u>\$ 1,385</u>	<u>\$ 1,384</u>
Receipts Over (Under)								
Disbursements	\$ 558	\$ (3,601)	\$ (413)	\$ (971)	\$ 719	\$ (188)	\$ (385)	\$ (704)
Cash and Equivalents, Jan 1	<u>867,152</u>	<u>867,152</u>	<u>868,123</u>	<u>868,123</u>	<u>213,822</u>	<u>213,822</u>	<u>214,526</u>	<u>214,526</u>
Cash and Equivalents, Dec 31	<u><u>\$ 867,710</u></u>	<u><u>\$ 863,551</u></u>	<u><u>\$ 867,710</u></u>	<u><u>\$ 867,152</u></u>	<u><u>\$ 214,541</u></u>	<u><u>\$ 213,634</u></u>	<u><u>\$ 214,141</u></u>	<u><u>\$ 213,822</u></u>

See Notes to the Financial Statements

The County of Phelps
Rolla, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2014 & 2013

	Community Development Block Grant Fund				Developmentally Disabled Fund			
	2014		2013		2014		2013	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 385,000	\$ 453,018	\$ 368,000	\$ 383,645
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	20,220	-	58,125	1,350	989	1,000	1,631
Charges for Services	-	-	-	-	-	-	-	-
Interest	-	-	-	-	1,000	1,061	800	1,045
Other Receipts	-	3,195	-	82	-	1,205	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ -</u>	<u>\$ 23,415</u>	<u>\$ -</u>	<u>\$ 58,207</u>	<u>\$ 387,350</u>	<u>\$ 456,273</u>	<u>\$ 369,800</u>	<u>\$ 386,321</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	-	20,220	-	58,125	400,212	385,055	409,499	399,813
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	2,377	-	80	-	-	-	-
Total Disbursements	<u>\$ -</u>	<u>\$ 22,597</u>	<u>\$ -</u>	<u>\$ 58,205</u>	<u>\$ 400,212</u>	<u>\$ 385,055</u>	<u>\$ 409,499</u>	<u>\$ 399,813</u>
Receipts Over (Under)								
Disbursements	\$ -	\$ 818	\$ -	\$ 2	\$ (12,862)	\$ 71,218	\$ (39,699)	\$ (13,492)
Cash and Equivalents, Jan 1	<u>2</u>	<u>2</u>	<u>-</u>	<u>-</u>	<u>288,389</u>	<u>288,389</u>	<u>301,881</u>	<u>301,881</u>
Cash and Equivalents, Dec 31	<u><u>\$ 2</u></u>	<u><u>\$ 820</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2</u></u>	<u><u>\$ 275,527</u></u>	<u><u>\$ 359,607</u></u>	<u><u>\$ 262,182</u></u>	<u><u>\$ 288,389</u></u>

See Notes to the Financial Statements

The County of Phelps
Rolla, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2014 & 2013

	Senior Companions Fund				Retired and Senior Volunteers Program Fund			
	2014		2013		2014		2013	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	332,150	332,150	345,800	332,150	33,138	-	41,422	34,382
Charges for Services	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-	-	-
Transfers In	676	4,408	7,995	7,993	239	-	2,765	2,649
Total Receipts	<u>\$ 332,826</u>	<u>\$ 336,558</u>	<u>\$ 353,795</u>	<u>\$ 340,143</u>	<u>\$ 33,377</u>	<u>\$ -</u>	<u>\$ 44,187</u>	<u>\$ 37,031</u>
 <u>Disbursements</u>								
Salaries	\$ 82,300	\$ 81,283	\$ 82,300	\$ 82,267	\$ 25,363	\$ -	\$ 25,363	\$ 24,306
Employee Fringe Benefits	26,461	25,811	24,502	24,209	4,785	-	5,243	4,742
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	225,576	225,531	246,993	232,156	3,229	-	13,581	7,983
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 334,337</u>	<u>\$ 332,625</u>	<u>\$ 353,795</u>	<u>\$ 338,632</u>	<u>\$ 33,377</u>	<u>\$ -</u>	<u>\$ 44,187</u>	<u>\$ 37,031</u>
 Receipts Over (Under)								
Disbursements	\$ (1,511)	\$ 3,933	\$ -	\$ 1,511	\$ -	\$ -	\$ -	\$ -
 Cash and Equivalents, Jan 1	<u>1,511</u>	<u>1,511</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Cash and Equivalents, Dec 31	<u><u>\$ -</u></u>	<u><u>\$ 5,444</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,511</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See Notes to the Financial Statements

The County of Phelps
Rolla, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
For the years ended December 31, 2014 & 2013

	Senate Bill 40 Board Fund			
	2014		2013	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	1,142,889	1,308,871	1,005,106	1,202,172
Interest	-	684	-	785
Other Receipts	-	6	-	1,394
Transfers In	-	-	-	-
Total Receipts	<u>\$ 1,142,889</u>	<u>\$ 1,309,561</u>	<u>\$ 1,005,106</u>	<u>\$ 1,204,351</u>
<u>Disbursements</u>				
Salaries	\$ 496,463	\$ 528,553	\$ 398,871	\$ 474,318
Employee Fringe Benefits	195,390	155,829	170,807	140,768
Materials and Supplies	-	-	-	-
Services and Other	212,857	156,703	276,299	133,457
Capital Outlay	-	2,040	-	1,200
Transfers Out	-	-	-	-
Total Disbursements	<u>\$ 904,710</u>	<u>\$ 843,125</u>	<u>\$ 845,977</u>	<u>\$ 749,743</u>
Receipts Over (Under)				
Disbursements	\$ 238,179	\$ 466,436	\$ 159,129	\$ 454,608
Cash and Equivalents, Jan 1 (restated)	<u>1,154,565</u>	<u>1,154,565</u>	<u>699,957</u>	<u>699,957</u>
Cash and Equivalents, Dec 31	<u>\$ 1,392,744</u>	<u>\$ 1,621,001</u>	<u>\$ 859,086</u>	<u>\$ 1,154,565</u>

See Notes to the Financial Statements

The County of Phelps
Rolla, Missouri
Notes to the Financial Statements
For the years ended December 31, 2014 & 2013

Note 1 - Summary of Significant Accounting Policies

Phelps County, Missouri, which is governed by a three-member board of commissioners, was established in 1857 by an Act of the Missouri Territory. In addition to the three Commissioners, there are ten elected Constitutional Officers: County Clerk, Collector, Treasurer, Circuit Clerk, Recorder of Deeds, Sheriff, Assessor, Coroner, Public Administrator, and Prosecuting Attorney.

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

Reporting Entity

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

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

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

The financial statements do not include financial data for the County's legally separate component unit, which accounting principles generally accepted in the United States of America, as applicable to the regulatory basis of accounting, require to be reported with the financial data of the County. In accordance with accounting principles generally accepted in the United States of America, as applicable to the regulatory basis of accounting, the Phelps County Regional Medical Center has issued separate reporting entity financial statements. For information on this component unit, please contact the Phelps County Regional Medical Center at (573) 458-8899 or write to 1000 West Tenth Street, Rolla, MO 65401.

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

**The County of Phelps
Rolla, Missouri
Notes to the Financial Statements
For the years ended December 31, 2014 & 2013**

Note 1 - Summary of Significant Accounting Policies (continued)

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.

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 Phelps 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, Phelps County adopts a budget for each governmental fund.

On or before January 15th, each elected official and department director will transmit to the County Clerk, who serves as budget officer, the budget request and revenue estimates for his or her 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 for all budgeted funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year. Budgeting of appropriations is based upon an estimated unencumbered fund balance at the beginning of the year, as well as estimated revenues to be received. The budget to actual comparisons in these financial statements, however, do not present encumbered fund balances, but only compare budgeted and actual revenues and expenditures.

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

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

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

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

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

The County of Phelps
Rolla, Missouri
Notes to the Financial Statements
For the years ended December 31, 2014 & 2013

Note 1 - Summary of Significant Accounting Policies (continued)

Budget and Budgetary Accounting (continued)

During our audit we noted that the County was not in compliance with Missouri budgetary state statute Chapter 50 RSMo. The County did not prepare a budget for the Special Election Fund and Community Development Block Grant Fund in 2014 and 2013.

Taxes

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

The assessed valuation of the tangible taxable property included within Phelps County's boundaries for the calendar year 2014 and 2013, respectively, for the purposes of County taxation, was:

	<u>2014</u>	<u>2013</u>
Real Estate	\$ 433,190,780	\$ 428,839,510
Personal Property	106,793,486	111,041,885
Railroad and Utilities	<u>20,026,390</u>	<u>20,291,015</u>
	<u><u>\$ 560,010,656</u></u>	<u><u>\$ 560,172,410</u></u>

The tax levy per \$100 assessed valuation of tangible taxable property for the calendar year 2014 and 2013, respectively, for the purpose of County taxation, was as follows:

	<u>2014</u>	<u>2013</u>
General Revenue Fund	\$ 0.1537	\$ 0.1600
Special Road and Bridge Fund	0.0940	0.0981
Developmentally Disabled Fund	0.0717	0.0711

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

Cash Deposits and Investments

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

The County of Phelps
Rolla, Missouri
Notes to the Financial Statements
For the years ended December 31, 2014 & 2013

Note 1 - Summary of Significant Accounting Policies (continued)

Interfund Transactions

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

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

Note 2 - Deposits and Investments

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

Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. As of December 31, 2014, 100% of Phelps County's deposits and investments were covered by the Federal Deposit Insurance Corporation (FDIC) or were collateralized.

The bank balances and carrying values of deposits and investments shown below are included in the financial statements at December 31, 2014, as follows:

	<u>Bank Balances</u>	<u>Carrying Value</u>
Deposits	\$ 9,964,035	\$ 9,727,554
Investments	2,200,000	2,200,000
Restricted Cash	-	-
	<u>-</u>	<u>-</u>
Total Deposits and Investments as of December 31, 2014	<u>\$ 12,164,035</u>	<u>\$ 11,927,554</u>

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

	<u>Bank Balances</u>	<u>Carrying Value</u>
Deposits	\$ 5,733,755	\$ 5,457,134
Investments	2,200,000	2,425,000
Restricted Cash	-	-
	<u>-</u>	<u>-</u>
Total Deposits and Investments as of December 31, 2013	<u>\$ 7,933,755</u>	<u>\$ 7,882,134</u>

Note: Bank balances are inclusive of all funds of Phelps County, and as such, include balances of unaudited funds which are not included in the scope of this report.

The County of Phelps
Rolla, Missouri
Notes to the Financial Statements
For the years ended December 31, 2014 & 2013

Note 2 - Deposits and Investments (continued)

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. Phelps County's investment policy does include custodial credit risk requirements. Phelps County's deposits were not exposed to custodial credit risk for the years ended December 31, 2014 and 2013.

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 Phelps County or its agent but not in the government's name. Phelps County does have a policy for custodial credit risk relating to investments.

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

Investment Interest Rate Risk

Investment interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Phelps County does 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 Phelps 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). Phelps County has a policy in place to minimize the risk of loss resulting from over concentration of assets of a specific maturity, specific issuer or specific class of securities. Phelps County's deposits were not exposed to concentration of investment credit risk for the years ended December 31, 2014 and 2013.

Note 3 - Interfund Transfers

Transfers between funds for the years ended December 31, 2014 and 2013 are as follows:

<u>Fund</u>	2014		2013	
	Transfers In	Transfers Out	Transfers In	Transfers Out
General Revenue Fund	\$ 80,429	\$ 721,628	\$ 74,479	\$ 803,101
Special Road and Bridge Fund	-	526,745	205,000	50,000
Assessment Fund	75,000	-	75,000	-
Road and Bridge Debt Service Fund	423,555	-	50,000	102,000
Unemployment Fund	-	10,000	-	10,000
Use Tax Fund	103,190	-	-	104,682
Health Department Fund	113,528	-	222,054	-
Community Care Clinic Fund	-	29,576	-	65,161
Sheriff's Drug Enforcement Fund	-	32,261	-	-
Law Enforcement Fund	627,906	25,000	595,645	-

The County of Phelps
Rolla, Missouri
Notes to the Financial Statements
For the years ended December 31, 2014 & 2013

Note 3 - Interfund Transfers (continued)

<u>Fund</u>				
Law Enforcement Bldg. Maint. Fund	25,000	-	-	-
Law Enforcement Restitution Fund	-	90,000	-	90,000
Prosecuting Attorney Drug Enforcement Fund	-	9,307	-	-
Public Facilities Authority Fund	-	5,442	-	6,412
Jay White Estate Fund	-	680	-	1,384
Community Development Block Grant Fund	-	2,377	-	80
Senior Companions Fund	4,408	-	7,993	-
Retired and Senior Volunteers Program Fund	-	-	2,649	-
Total	<u>\$ 1,453,016</u>	<u>\$ 1,453,016</u>	<u>\$ 1,232,820</u>	<u>\$ 1,232,820</u>

Note 4 - County Employees' Retirement Fund (CERF)

Plan Description

The County Employees' Retirement Fund was established by the State of Missouri to provide pension benefits for County officials and employees. The Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elective or appointed officer or employee whose performance requires the actual performance of duties during not less than (1,000) one thousand hours per calendar year in each county of the state, except for any city not within a county and any county of the first classification having a charter form of government.

It does not include county prosecuting attorneys covered under Sections 56.800 to 56.840, RSMo, circuit clerks and deputy circuit clerks covered under the Missouri State Retirement System, county sheriffs covered under Section 57.949 to 57.997, RSMo and certain personnel not defined as an employee per Section 50.1000(8), RSMo. The Fund was created by an act of the legislature and was effective August 28, 1994. The general administration and the responsibility for the proper operation of the fund and the investment of the fund are vested in a board of directors of eleven persons.

Pension Benefits

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

Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65101, or by calling 1-877-632-2373.

**The County of Phelps
Rolla, Missouri
Notes to the Financial Statements
For the years ended December 31, 2014 & 2013**

Note 4 - County Employees' Retirement Fund (CERF) (continued)

Funding Policy

In accordance with state statutes, the plan is funded through various fees collected by counties and remitted to the CERF. Eligible employees hired before February 2002, contribute 0% of their annual salary, while employees hired after February 2002 are required to contribute 4% of their annual salary in order to participate in CERF. During 2014 and 2013, the County collected and remitted to CERF, employee contributions of \$234,386 and \$229,995, respectively, for the years then ended.

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

Plan Description

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

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

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

Funding Status

Full-time employees of Phelps County contribute 4% of their gross pay to the pension plan. The June 30th statutorily required contribution rates are 10.8% (General) and 9.8% (Police) of annual covered payroll for the year ended December 31, 2014. The June 30th statutorily required contribution rates are 10.9% (General) and 9.8% (Police) of annual covered payroll for the year ended December 31, 2013. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute.

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

The subdivision's annual pension cost and net pension obligation for the year ended December 31, 2014 was as follows:

	2014
Annual required contribution	\$ 509,418
Interest on net pension obligation	15,454
Adjustment to required contribution	<u>(17,774)</u>
Annual pension cost	507,098
Actual contributions	<u>508,399</u>
Increase (decrease) in NPO	(1,301)
NPO beginning of year	<u>213,160</u>
NPO end of year	<u><u>\$ 211,859</u></u>

The County of Phelps
Rolla, Missouri
Notes to the Financial Statements
For the years ended December 31, 2014 & 2013

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

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

The annual required contribution (ARC) was determined as part of the February 28, 2012 and February 28, 2013 annual actuarial valuations using the entry age actuarial cost method. The actuarial assumptions as of February 28, 2014 included: (a) a rate of return on the investment of present and future assets of 7.25% per year, compounded annually, (b) projected salary increases of 3.5% per year, compounded annually, attributable to inflation, (c) additional projected salary increases ranging from 0.0% to 6.0% per year, depending on age and division, attributable to seniority/merit, (d) pre-retirement mortality based on 75% of the RP-2000 Combined Healthy table set back 0 years for men and 0 years for women and (e) post-retirement mortality based on 105% of the 1994 Group Annuity Mortality table set back 0 years for men and 0 years for women. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period as of February 29, 2012 was 17 years for the General division and 30 years for the Police division. The amortization period of February 28, 2013 was 16 years for the General division and 16 years for the Police division.

Three-Year Trend Information			
Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2012	\$ 510,563	90.6%	\$ 200,131
2013	504,189	67.4%	213,160
2014	507,098	100.3%	211,859

Schedule of Funding Progress						
Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Entry Age Actuarial Liability	(b-a) Unfunded Accrued Liability (UAL)	(a/b) Funded Ratio	(c) Annual Covered Payroll	[(b-a)/c] UAL as a Percentage of Covered Payroll
2/29/2012	\$ 9,308,669	\$ 10,037,632	\$ 728,963	93%	\$ 4,846,998	15%
2/28/2013	9,268,327	9,879,223	610,896	94%	4,550,588	13%
2/28/2014	10,435,590	10,176,061	(259,529)	103%	4,726,069	-

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

	2013
Annual required contribution	\$ 504,789
Interest on net pension obligation	14,509
Adjustment to required contribution	(15,109)
Annual pension cost	504,189
Actual contributions	491,160
Increase (decrease) in NPO	13,029
NPO beginning of year	200,131
NPO end of year	<u>\$ 213,160</u>

The County of Phelps
Rolla, Missouri
Notes to the Financial Statements
For the years ended December 31, 2014 & 2013

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

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

The annual required contribution (ARC) was determined as part of the February 28, 2011 and February 29, 2012 annual actuarial valuations using the entry age actuarial cost method. The actuarial assumptions as of February 28, 2013 included: (a) a rate of return on the investment of present and future assets of 7.25% per year, compounded annually, (b) projected salary increases of 3.5% per year, compounded annually, attributable to inflation, (c) additional projected salary increases ranging from 0.0% to 6.0% per year, depending on age and division, attributable to seniority/merit, (d) pre-retirement mortality based on 75% of the RP-2000 Combined Healthy table set back 0 years for men and 0 years for women and (e) post-retirement mortality based on 105% of the 1994 Group Annuity Mortality table set back 0 years for men and 0 years for women. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period as of February 28, 2011 was 30 years for the General division and 30 years for the Police division. The amortization period of February 29, 2012 was 17 years for the General division and 30 years for the Police division.

Three-Year Trend Information			
Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2011	\$ 497,135	81.9%	\$ 152,287
2012	510,563	90.6%	200,131
2013	504,189	97.4%	213,160

Schedule of Funding Progress						
Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Entry Age Actuarial Liability	(b-a) Unfunded Accrued Liability (UAL)	(a/b) Funded Ratio	(c) Annual Covered Payroll	[(b-a)/c] UAL as a Percentage of Covered Payroll
2/28/2011	\$ 8,840,590	\$ 9,818,403	\$ 977,813	90%	\$ 4,695,782	21%
2/29/2012	9,308,669	10,037,632	728,963	93%	4,846,998	15%
2/28/2013	9,268,327	9,879,223	610,896	94%	4,550,588	13%

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

Note 6 - Prosecuting Attorney Retirement Fund

In accordance with state statute Chapter 56.807 RSMo, Phelps County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys' and Circuit Attorneys' Retirement System. Once remitted, the State of Missouri is responsible for administration of this plan. Phelps County has contributed \$7,752 and \$7,752, respectively, for the years ended December 31, 2014 and 2013.

The County of Phelps
Rolla, Missouri
Notes to the Financial Statements
For the years ended December 31, 2014 & 2013

Note 7 - Post-Employment Benefits

Phelps County post-employment benefits include those which are mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA) and retiree participation in the County health insurance plan. The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by Phelps County. Also, retirees with more than 15 years may remain on the health insurance plan until they are Medicare eligible. If an employee has over 25 years of service with the County, the County will continue to pay the same portion of health insurance that was paid before the employee retired, until the employee becomes Medicare eligible. The cost of the post-employment benefits to Phelps County was \$33,978 and \$31,974 for the years ended December 31, 2014 and 2013, respectively.

Note 8 - Claims, Commitments and Contingencies

Compensated Absences

The County provides employees with up to four weeks of paid vacation based upon the number of years of continuous service with four weeks being the maximum amount that can be accrued. Sick leave is accumulated at the rate of four hours per month with no limit on the amount that can be accrued. Upon termination from county employment, an employee is reimbursed for unused vacation and overtime, if applicable but not sick time. These have not been subjected to auditing procedures.

Federal and State Assisted Programs

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

Note 9 - Risk Management

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

The County is a member participant in a public entity risk pool which is a corporate and political body created pursuant to state statute (Chapter 537.700 RSMo). The purpose of the risk pool is to provide liability protection to participating public entities, their officials, and employees. Annual contributions are collected based on actuarial projections to produce sufficient funds to meet its obligations, the risk pool is empowered with the ability to make specific assessments. Members are jointly and severally liable for all claims against the risk pool.

The County is also a member of the Missouri Association of Counties Self-Injured 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 \$500,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

The County of Phelps
Rolla, Missouri
Notes to the Financial Statements
For the years ended December 31, 2014 & 2013

Note 10 - Long-Term Debt

In February of 2015, the County entered into a non-cancelable lease purchase agreement to finance the purchase of one 2015 Caterpillar excavator at a cost of \$106,872. The agreement requires two annual payments of \$20,769 and one final payment of \$70,000 ending in 2017, which includes interest payable at 2.98%.

Year Ending December 31	Principal	Interest	Total
2015	20,769	-	20,769
2016	18,164	2,605	20,769
2017	67,939	2,061	70,000
	\$ 106,872	\$ 4,666	\$ 111,538

Note 11 - Operating Leases

On December 30, 2011, the County entered into an operating lease with Gibbs Technology Leasing, LLC, for a copier to be used by the Sheriff's office. Payments of \$840 are paid on a monthly basis for 60 months.

In September of 2014, the County entered into a non-cancelable lease agreement for one 2014 Caterpillar 12M2 AWD Grader. The agreement requires annual payments of \$23,275 ending September of 2016. At the end of the lease, the County has an option to purchase the grader for \$226,380.

In September of 2014, the County entered into a non-cancelable lease agreement for a second 2014 Caterpillar 12M2 AWD Grader. The agreement requires annual payments of \$23,275 ending September of 2016. At the end of the lease, the County has an option to purchase the grader for \$226,380.

Future minimum payments for the year ended December 31, 2014, are as follows:

Year Ending December 31	Sheriff Copier Lease	Caterpillar Grader Lease #1	Caterpillar Grader Lease #2
2015	\$ 10,080	\$ 23,275	\$ 23,275
2016	10,080	-	-
	\$ 20,160	\$ 23,275	\$ 23,275

Future minimum payments for the year ended December 31, 2013, are as follows:

Year Ending December 31	Sheriff Copier Lease
2014	10,080
2015	10,080
2016	10,080
	\$ 30,240

The County of Phelps
Rolla, Missouri
Notes to the Financial Statements
For the years ended December 31, 2014 & 2013

Note 12 - Prior Period Adjustment

Beginning cash balances of the County have been restated to include all operations of the Senate Bill 40 Board. The net effect of this adjustment will increase the beginning cash and equivalents of the County. This adjustment will have no material effect on operations of the County.

Total cash and equivalents, as Previously stated - December 31, 2012	\$ 7,587,382
Prior Period Adjustment 1	<u>133,977</u>
Total cash and equivalents, as Restated - December 31, 2012	<u><u>\$ 7,721,359</u></u>

Note 13 - Subsequent Events

The County has evaluated events subsequent to December 31, 2014 to assess the need for potential recognition or disclosure in the financial statements. Such events have been evaluated through July 8, 2015, 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.



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 Phelps County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of Phelps County, Missouri, as of and for the years ended December 31, 2014 and 2013, and the related notes to the financial statements, which collectively comprise Phelps County, Missouri's basic financial statements and have issued our report thereon dated July 8, 2015.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies: 14/13-001, 14/13-002, 14/13-004, 14/13-005, and 14/13-006.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Phelps 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

10425 Old Olive
Street Road,
Suite 101

Creve Coeur,
Missouri 63141

PHONE:
314-569-3800

FAX:
314-569-0020

www.nsvcpa.com

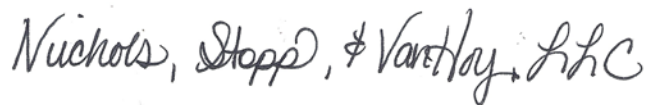
opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 14/13-003.

Phelps County, Missouri's Response to Findings

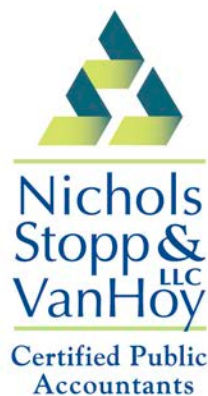
Phelps County, Missouri's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Phelps County, Missouri's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we 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
July 8, 2015



10425 Old Olive
Street Road,
Suite 101

Creve Coeur,
Missouri 63141

PHONE:
314-569-3800
FAX:
314-569-0020

www.nsvcpa.com

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
OMB CIRCULAR A-133

To the County Commission and
Officeholders of Phelps County, Missouri

Report on Compliance for Each Major Federal Program

We have audited Phelps County, Missouri's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Phelps County, Missouri's major federal programs for the years ended December 31, 2014 and 2013. Phelps 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 laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Phelps 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 Phelps 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 Phelps County, Missouri's compliance.

Opinion on Each Major Federal Program

In our opinion, Phelps 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, 2014 and 2013.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 14/13-007. Our opinion on each major federal program is not modified with respect to these matters.

Phelps County, Missouri's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Phelps 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 Phelps 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 Phelps 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 OMB Circular A-133, 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 Phelps 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 14/13-007 to be a significant deficiency.

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.

Phelps 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. Phelps 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Nichols, Stopp, & VanHay, LLC

Creve Coeur, Missouri
July 8, 2015

The County of Phelps
Rolla, Missouri
Schedule of Expenditures of Federal Awards
For the years ended December 31, 2014 & 2013

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Number	Federal Expenditures Year Ended December 31,	
			2014	2013
U.S. Department of Agriculture				
Passed through state:				
Department of Health and Senior Services - Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	ERS04515026	\$ 69,681	\$ -
	10.557	ERS04514181	190,823	60,226
	10.557	ERS04513181	-	190,341
Total Special Supplemental Nutrition Program for Women, Infants, and Children			260,504	250,567
Summer Food Services Program for Children	10.559	ERS219-1380i	480	450
Office of Administration - Schools and Roads - Grants to States	10.665	N/A	187,127	241,427
Total Department of Agriculture			448,111	492,444
U.S. Department of Housing and Urban Development				
Passed through state:				
Department of Economic Development - Community Development Block Grant	14.228	08-DI-65	20,220	58,125
Total U.S. Department of Housing and Urban Development			20,220	58,125
U.S. Department of the Interior				
Direct Program:				
PILT - Payment in Lieu of Taxes	15.226	N/A	107,859	98,401
Total U.S. Department of the Interior			107,859	98,401
U.S. Department of Justice				
Direct Program:				
Equitable Sharing Program	16.922	MO081013A	595,027	-
Equitable Sharing Program	16.922	MO0810000	-	828,836
Total Equitable Sharing Program			595,027	828,836
Passed through state:				
Missouri Sheriffs' Association Domestic Cannabis Eradication/Suppression Program	16.XXX	N/A	4,000	-
Total U.S. Department of Justice			599,027	828,836

See Notes to the Schedule of Expenditures of Federal Awards

The County of Phelps
Rolla, Missouri
Schedule of Expenditures of Federal Awards
For the years ended December 31, 2014 & 2013

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Number	Federal Expenditures Year Ended December 31,	
			2014	2013
U.S Department of Transportation				
Passed through state:				
Missouri Safety Center				
State and Community Highway Safety	20.600	13-PT-02-050	-	4,500
Alcohol Open Container Requirements	20.607	13-154-AL-058	-	12,000
Highway and Transportation Commission -				
Highway Planning and Construction	20.205	BRO-B081(10)	-	230,138
Highway Planning and Construction	20.205	BRO-B081(12)	15,128	-
Highway Planning and Construction	20.205	14154AL0	4,000	-
Highway Planning and Construction	20.205	14SE02004	4,500	-
Total Highway Planning and Construction			23,628	230,138
Total U.S. Department of Transportation			23,628	246,638
General Services Administration				
Passed through state:				
Office of Secretary of State -				
Election Reform Payments	39.011	N/A	-	5,006
Total General Service Administration			-	5,006
Election Assistance Commission				
Passed through state:				
Office of Secretary of State -				
Help America Vote Act Requirements Payments	90.401	N/A	-	5,674
Total Election Assistance Commission			-	5,674
U.S. Department of Health and Human Services				
Passed through state:				
Department of Social Services -				
Child Support Enforcement	93.563	04MO4005	31,997	49,983
Department of Health and Senior Services -				
Medical Reserve Corps Small Grant Program	93.008	5MRCSG1010050	4,917	2,071
Hospital Preparedness Program and				
Public Health Emergency Preparedness				
Aligned Cooperative Agreements	93.074	N/A	50,459	51,059
Public Health Emergency Preparedness	93.069	AOC12380135	50,459	56,189
Child Care and Development Block Grant	93.575	ERS22013072	13,587	11,326

See Notes to the Schedule of Expenditures of Federal Awards

The County of Phelps
Rolla, Missouri
Schedule of Expenditures of Federal Awards
For the years ended December 31, 2014 & 2013

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Number	Federal Expenditures Year Ended December 31,	
			2014	2013
U.S. Department of Health and Human Services (Cont.)				
Passed through state:				
Department of Health and Senior Services - Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Program	93.919	ERS16113015	7,295	10,260
Maternal and Child Health Services Block Grant	93.994	AOC13380061	74,779	111,432
Community Based Home Visiting Program	94.XXX	1B04MC26677-01	45,480	-
Senior Companion Program	94.016	13SXWMO001	332,150	332,150
Retired and Senior Volunteer Program	94.002	11SRWMO001	-	33,138
Total U.S. Department of Health and Human Services			611,123	657,608
U.S. Department of Homeland Security				
Passed through state:				
Emergency Management Agency - Disaster Grants - Public Assistance	97.036	FEMA-4144-DR-MO	918,801	-
Emergency Management Performance Grants	97.042	EMW-2014-EP-00005-090	8,554	-
Emergency Management Performance Grants	97.042	EMW-2013-EP-00028-086-5675	-	9,070
Total Emergency Management Performance Grants			8,554	9,070
Total U.S. Department of Homeland Security			927,355	9,070
Total Expenditures of Federal Awards			\$ 2,737,323	\$ 2,401,802

See Notes to the Schedule of Expenditures of Federal Awards

The County of Phelps
Rolla, Missouri
Notes to Schedule of Expenditures of Federal Awards
For the years ended December 31, 2014 & 2013

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 *OMB Circular A-133*. This circular 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 Phelps County, Missouri.

Basis of Presentation

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 *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

Note 2 - Subrecipients

The County passed through \$20,220 and \$58,125 of federal funds related to the Community Development Block Grant (CFDA #14.228) and \$140,344 and \$181,170 of federal funds related to the Schools and Roads Grants to States (CFDA #10.665) to other agencies for the years ended December 31, 2014 and 2013, respectively.

The County of Phelps
Rolla, Missouri
Schedule of Findings and Questioned Costs
For the years ended December 31, 2014 & 2013

Section 1 - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued

Unmodified Regulatory Basis

Internal control over financial reporting:

Material weakness(es) identified?

_____ Yes X No

Significant deficiencies identified that are
not considered to be material weaknesses?

 X Yes _____ 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:

Unmodified

Any audit findings disclosed that are
required to be reported in accordance
with section 510 (a) of Circular A-133?

 X Yes _____ No

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
10.557	Women, Infants, and Children
16.992	Equitable Sharing Program
97.036	Disaster Grants - Public Assistance

Dollar threshold used to distinguish
between type A and type B programs:

\$ 300,000

Auditee qualified as low-risk auditee?

_____ Yes X No

**The County of Phelps
Rolla, Missouri
Schedule of Findings and Questioned Costs
For the years ended December 31, 2014 & 2013**

Section 2 - Financial Statement Findings

14/13-001 **Condition:** Documentation of the County's internal controls has not been prepared.

Criteria: Statement on Auditing Standards (SAS) No. 115, *Communicating Internal Control Related Matters Identified in an Audit*, which is effective for periods ending on or after December 15, 2009, as amended by SAS No. 122 *Statements on Auditing Standards: Clarification and Recodification*, considers inadequate documentation of the components of internal control to be at least a significant deficiency.

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

Cause: Management has not prepared documentation of internal controls.

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

Management's Response: Internal control methodology will be reflected across the county as a whole; the written policy maintained by the Treasurer will be inculcated into a county-wide framework. The expected completion date is December 31, 2015. The phone number for the Clerk's office is 573-458-6115.

14/13-002 **Condition:** During our audit, we noted there is no formal fraud risk assessment in place.

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.

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

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

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

Management's Response: The initial report of the Committee of Sponsoring Organizations (COSO) of the Treadway Commission, more than twenty years ago, included as a major component an assessment of risk and elaborated upon organizational strategies for mitigating said risk. These strategies, which included authorizations, verifications, reconciliations, and segregation of duties, are felt by the County to be inextricably linked to internal control. Hence the County feels that proper internal control methodology will inevitably yield extensive and thorough fraud risk assessment, and thus expects written fraud risk guidelines to be a byproduct of the response to Finding 14/13-001. The expected completion date is December 31, 2015. The phone number for the Clerk's office is 573-458-6115.

**The County of Phelps
Rolla, Missouri
Schedule of Findings and Questioned Costs
For the years ended December 31, 2014 & 2013**

Section 2 - Financial Statement Findings (continued)

14/13-003 **Condition:** During our audit, we noted two funds for which no budget was prepared.

Criteria: Missouri statutes requires Counties to prepare an annual budget and expenditures are not to exceed the budget.

Effect: Due to not preparing a budget in two funds, the County is in violation of Missouri Revised Statutes.

Cause: Lack of 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: These funds, Special Elections and Community Development Block Grants (CDBG), do have idiosyncrasies not found in the other funds of the County. Special Elections is dependent on candidate races and ballot issues which are determined by the will of political subdivisions operating independently from the county; thus, the Special Elections fund must respond to the often unpredictable demands of these outside political subdivisions for electoral input, and consists of monies in the form of election deposits from those political subdivisions which the office of the County Clerk—as election authority—must administrate. The County Clerk is, however, willing to prepare a budget for Special Elections to the extent possible. CDBG funds have been included in the budget appendix, in the past, and the County will adhere to this practice. The expected completion date is December 31, 2015. The phone number for the Clerk's office is 573-458-6115.

14/13-004 **Condition:** During our audit, we noted that the three signatures required on all checks are being imprinted automatically by the accounting system without any formal approval process.

Criteria: Strong internal control over financial statements require that there be a formal approval process over signatures being automatically imprinted by the accounting system.

Effect: Signed cash disbursement checks could be issued without the knowledge of those authorized to sign checks due to either error or fraud.

Cause: Accounting system was setup without limitation on user rights.

Recommendation: We recommend that the County develop a process in which all signatures cannot be imprinted on checks without the knowledge of those who are authorized to sign checks.

Management's Response: The Commission reviews each payment batch register presented with invoices which have check numbers and EFT numbers affixed; this allows not only for Commission oversight but that of the County Clerk as well. Sequential numbering of checks and EFT's can be documented with the invoices they represent. The Commission must sign off on these payment batches, as well as payroll payment batches which are treated essentially the same way. No disbursements are made without these approvals. The County is currently considering a secure log-in approval mechanism with the guidance of its financial management software provider. The expected completion date is December 31, 2015. The phone number for the Clerk's office is 573-458-6115.

**The County of Phelps
Rolla, Missouri
Schedule of Findings and Questioned Costs
For the years ended December 31, 2014 & 2013**

Section 2 - Financial Statement Findings (continued)

14/13-005 **Condition:** During our audit, we noted that journal entries are being made into the accounting system without the formal approval of the Commission, County Clerk, or Treasurer.

Criteria: Strong internal control over financial statements require that there be a formal approval process over journal entries into the accounting system.

Effect: Entries into the accounting system can be made that affect revenues, expenses, and fund balance without approval due to either error or fraud.

Cause: The County does not have any controls related to entering journal entries into the accounting system.

Recommendation: We recommend that the County develop a process to approve all journal entries being made into the accounting system. This should be part of the documentation of internal controls as discussed in finding 14/13-001.

Management's Response: The monthly journal entries consist in large measure of transfers approved within the annual budget. Salary journal entries requested by the elected official require, as do the monthly transfers, Treasurer approval. The expected completion date is December 31, 2015. The phone number for the Clerk's office is 573-458-6115.

14/13-006 **Condition:** During our audit, we noted that payroll reports are not being reviewed or approved prior to the disbursement of cash to employees being paid.

Criteria: Strong internal control over financial statements require that there be a formal approval process over payroll prior to the disbursement of cash to employees.

Effect: Payroll could be processed incorrectly either due to error or fraud.

Cause: The County does not have any controls related to the approval of payroll.

Recommendation: We recommend that the County develop a process to approve all payroll reports prior to the disbursement of cash to employees. This should be part of the documentation of internal controls as discussed in finding 14/13 - 001.

Management's Response: This has been corrected; payroll batches and their supporting documentation are presented to the Commission for their review and approval before disbursements can be initiated. The phone number for the Clerk's office is 573-458-6115.

**The County of Phelps
Rolla, Missouri
Schedule of Findings and Questioned Costs
For the years ended December 31, 2014 & 2013**

Section 3 - Federal Award Findings and Questioned Cost

14/13-007 Federal Grantor: All Programs
Pass-Through Grantor: All Programs
Federal CFDA Number: All Programs
Program Title: All Programs

Condition: The Schedule of Expenditures of Federal Awards (SEFA) contained errors.

Criteria: OMB Circular A-133 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.

Effect: Federal expenditures reported on the SEFA were incorrect.

Cause: Management was unaware of the reporting requirements related to the Schedule of Expenditures of Federal Awards.

Recommendation: We recommend that management develop internal controls over reporting and consult with outside accountants when needed to ensure an accurate SEFA is prepared.

Management's Response: The County is aware that numerous counties have problems with preparing accurate SEFA reports. Phelps County continues to emphasize accuracy in the SEFA and will continue efforts to identify these expenditures accurately. The expected completion date is December 31, 2015. The phone number for the Clerk's office is 573-458-6115.

The County of Phelps
Rolla, 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 Phelps County, Missouri, on the applicable findings in the prior audit report issued for the two years ended December 31, 2012.

Prior Year Financial Statement Findings

12/11-01 **Criteria:** Auditors may continue to assist clients with the preparation of the financial statements now and in the future. However, under Statement on Auditing Standards (SAS) No. 115, Communicating Internal Control Related Matters Identified in an Audit, which is effective for periods ending on or after December 15, 2009, as amended by SAS No. 122, Statements on Auditing Standards: Clarification and Recodification, conditions necessitating the entity's auditor to provide such assistance is at least indicative of a significant deficiency.

Condition: During the current year, auditors of the County assisted with the preparation of the financial statements and the notes to the financial statements.

Context: During the audit planning phase of the audit, the client informed us that we would be preparing the audited financials.

Effect: Auditors may continue to assist clients with the preparation of the financial statements now and in the future. However, SAS 122 indicates that conditions necessitating the entity's auditor to provide such assistance are at least indicative of a significant deficiency in internal control over financial reporting.

Cause: Management did not prepare the financial statements or the notes to the financial statements.

Recommendation: Due to the changing standards, the County may wish to consider alternatives available that would eliminate this situation.

Views of Responsible Officials and Planned Corrective Actions: The County is currently complying with all state statutes relating to the preparation of the financial statements, with the preparation of the County's annual budget document and annual financial statement. The County will pursue a remedy for the SAS 122 compliance if it determined that it is required for a County of this size and whether this is an unfunded mandate. However, the Commission disagrees with the term "significant deficiency" and notes that in the "Report on Internal Control Over Financial Reporting and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards", which is part of this audit, it was noted, "we did not identify any deficiencies in internal control that we consider to be material weaknesses" and "The results of our tests disclosed not instances of noncompliance or other matters that are required to be reported under Government Auditing Standards". The Clerk's office can be reached at (573) 458-6101.

Status: Management has corrected this issue.

The County of Phelps
Rolla, 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)

12/11-02 **Criteria:** Statement on Auditing Standards (SAS) No. 115, Communicating Internal Control Related Matters Identified in an Audit, which is effective for periods ending on or after December 15, 2009, as amended by SAS No. 122, Statements on Auditing Standards: Clarification and Recodification, considers inadequate documentation of the components of internal control to be at least a significant deficiency.

Condition: Documentation of the County's internal controls has not been prepared.

Context: During walkthroughs, the County informed us that internal control documentation had not been prepared.

Effect: SAS 122 considers inadequate documentation of the components of internal control to be at least a significant deficiency. Without documented internal controls, the County may not be able to ensure that controls are in place, communicated and operating effectively.

Cause: The County did not prepare the required documentation.

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

Views of Responsible Officials and Planned Corrective Actions: The County is currently complying with all state statutes relating to the preparation of the financial statements, with the preparation of the County's annual budget document and annual financial statement. The County will pursue a remedy for the SAS 122 compliance if it determined that it is required for a County of this size and whether this is an unfunded mandate. However, the Commission disagrees with the term "significant deficiency" and notes that in the "Report on Internal Control Over Financial Reporting and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards", which is part of this audit, it was noted, "we did not identify any deficiencies in internal control that we consider to be material weaknesses" and "The results of our tests disclosed not instances of noncompliance or other matters that are required to be reported under Government Auditing Standards". The Clerk's office can be reached at (573) 458-6101.

Status: Management has not corrected this issue and the finding is repeated as finding 14/13-001.

12/11-03 **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 the walkthroughs of the County, we noted there is no formal fraud risk assessment in place.

Context: During walkthroughs, the County informed us that the necessary risk assessment documentation had not been prepared.

Effect: Lack of an appropriate 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.

The County of Phelps
Rolla, 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)

12/11-03 **Cause:** Management has not prepared documentation of risk assessments, including identified risk and mitigating (cont.) 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.

Views of Responsible Officials and Planned Corrective Actions: The Commission will encourage all elected officials to review and document antifraud assessments. The Clerk expects to complete this by the next audit period. The Clerk's office can be reached at (573) 458-6101.

Status: Management has not corrected this issue and the finding is repeated as finding 14/13-002.

12/11-04 **Criteria:** All cash and investments held by financial institutions must be secured through the Federal Deposit Insurance (FDIC) or securities pledged by the financial institution.

Condition: During our testing of cash and pledged securities it was noted that the County was under pledged.

Context: The County holds investments with Mid America Bank and Trust that were under collateralized by \$34,126.40 for the year ended December 31, 2011.

Effect: There is a risk that the County's under collateralized balance may not be returned to the County because the balance is not covered under FDIC or other pledged securities.

Cause: Adequate oversight was not in place to ensure all bank account balances were secured through FDIC or other pledged securities.

Recommendation: We recommend that the County periodically review all account balances to ensure they are fully secured.

Views of Responsible Officials and Planned Corrective Actions: The County Treasurer repeatedly reviews the collateral for both operating and investment accounts. This under collateralization was the result of the financial institution's misinterpretation of the County investment policy, which states "market value" for purposes of calculating collateral and not "par value" In the future, efforts will be made to assure that the financial institution has a full understanding of the County's investment policy. The Treasurer's office can be reached at (573) 458-6130.

Status: Management has corrected this issue.

Section 3 - Federal Award Findings and Questioned Cost

None