



# TANEY COUNTY MISSOURI

Purchasing Department 132 David Street / P. O. Box 1630 Forsyth, Missouri 65653

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## REQUEST FOR PROPOSAL # 201403-252

COMMODITY TITLE: **INDEPENDENT AUDITING SERVICES**

PROPOSAL DEADLINE: Friday April 4, 2014 at 2:00 P.M.

OPENING DATE / TIME: Monday April 7, 2014 at 9:15 A.M.

OPENING LOCATION/ADDRESS: Taney County Commission Hearing Room  
132 David St.  
Forsyth, MO 65653

Directions: The Commission Hearing Room is on the main level of the Administration Building (old courthouse in Forsyth).

**The undersigned certifies that they have the authority to bind this company in an agreement to supply the commodity or service in accordance with all terms, conditions, and pricing specified herein or to offer a "No Bid." Please type or print the information below.** Bidder is REQUIRED to complete, sign and return this form with their submittal of Bid as well as all pages initialed. \*An authorized signature is **mandatory**, lack thereof will result in a determination of "Non-Responsive". Also required is a direct email address in order to receive award results. We do not use USPS for results notification *only* email. Final results will also later be posted on our website at: [www.taneycounty.org](http://www.taneycounty.org). **Please do not call for results.**

_____ Company Name	_____ Authorized Person (Print)
_____ Address	_____ Signature
_____ City/County/State/Zip	_____ Title
_____ Telephone #                      Fax #	_____ Date    Tax ID #
_____ E-mail	_____ Entity Type (Corporation, LLC, Sole Proprietor, Partnership)

Proposal contents:

- 1.0) Introduction and General Conditions of Bidding.
- 2.0) Primary Specifications. (Including Schedule & Contract Requirements.)
- 3.0) Response Presentation and Review.
- 4.0) Response Form.(Cost.)
- 5.0) Instructions and General Requirements.

BIDDER'S INITIALS: \_\_\_\_\_

**1.0 Introduction and General Conditions of Bidding**

- 1.1 **Invitation** – The County of Taney, through efforts of the Commission and Auditor's Office invites responses that offer to provide the goods and or services identified on the title page with greater detail in Section 2.
- 1.2 **Definitions**
- 1.2.1 **County** – This term refers to the County of Taney, a duly organized public entity. It may also be used for various subsets of the County organization, including, as the text will indicate:  
**Auditor** – The Auditors department including the Auditor and his staff.  
**Department/s or Office/s** – The County Department/s or Office/s for which this is prepared, and which will be the end user/s of the goods and/or services sought.  
**Designee** – The County employee/s assigned as your primary contact/s for interaction regarding contract performance.
- 1.2.2 **Respondent** – This term refers those entities submitting a response to this request. This response does not indicate any obligations other than those set forth in this document.
- 1.2.3 **RFP** – This entire document, including attachments. (Request for Proposal.)
- 1.2.4 **Response** – The written, sealed document submitted according to the RFP instructions.
- 1.2.5 **RFP Clarification** – Questions regarding this request should be directed in writing by email to: [rickf@co.taney.mo.us](mailto:rickf@co.taney.mo.us) . Answers, citing the question asked but not identifying the questioner, will be distributed to all known prospective respondents as well as posted on the Taney County website in the form of addenda.
- 1.3 **Respondents Responsibility** – The respondent is expected to be thoroughly familiar with all specifications and requirements of this request. Respondents' failure or omission to examine any relevant form, article, site or document will not relieve them from any obligation regarding this RFP. By submitting a response, Respondent is presumed to concur with all terms, conditions and specifications of the RFP.
- 1.4 **Award** – Award will be made to the Respondent/s whose offer/s provide the greatest value to the County from the standpoint of suitability to purpose, quality, service, previous experience, price, ability to deliver, or for any other reason deemed by the Taney County Commission to be in the best interest of the County.
- 1.5 **Contract Execution** – This RFP and the Response will be made part of any resultant contract/engagement letter and will be incorporated in the contract as set forth, verbatim.

**2.0 Primary Specifications**

- 2.1 **Purpose of this Solicitation** – The purpose of this document is to define the general requirements of and to solicit proposals for INDEPENDENT AUDITING SERVICES for Taney County, Missouri.
- 2.2 **Scope of Services** – The successful firm shall audit the general-purpose financial statements of Taney County as of and for the year ending December 31, 2013. The audit will result in the rendering of the auditor's opinion of the financial statements prepared by the County. If the auditor's opinion is other than unqualified, the reasons for qualifying the opinion, disclaiming the opinion or rendering an adverse opinion will be furnished to the County on a timely basis. The successful respondent shall furnish all labor, materials, and equipment necessary to perform the work required.
- 2.2.1 **Auditing Standards** – All funds and account groups of the County shall be audited in accordance with applicable generally accepted auditing standards; the standards for financial audits and contained in Government Auditing Standards, issued by the Comptroller General of the United States; the provisions of OMB Circular A-133, and any other applicable professional standards.
- 2.2.2 A copy of the previous year's audits, performed by the Independent Auditor are available in the Auditor's Office.
- 2.3 **Proposed Schedule / Deadlines.**
- 2.3.1 March 5, 2014 – April 4, 2014 Advertising (Release) of Request for Proposal.
- 2.3.2 March 27, 2014 at 9:00 A.M. - Deadline for Submitting Questions.
- 2.3.3 April 4, 2014 at 2:00 P.M. - Proposal Closing Date.
- 2.3.4 April 7, 2014 at 9:15 A.M. - Proposal Opening Date.
- 2.3.5 April 7, 2014 – April 14, 2014 - Proposal Review and Reference Checking.
- 2.3.6 April 17, 2014 - Contract Award Recommendation to Commission.
- 2.3.7 July 31, 2014 – Audit Completion Deadline.

BIDDER'S INITIALS: \_\_\_\_\_

2.4 **Engagement Contract Requirements**

2.4.1 **Duration and Renewal** - The initial audit services contract shall be for the fiscal year ending December 31, 2013. Taney County shall have the right to renew the audit services contract, and all terms thereof, year by year, for the fiscal years 2014, 2015, 2016 and 2017, by providing written notice of the renewal to the Respondent, said written notice to be provided no later than December one of the fiscal year for which the audit services contract is renewed.

2.4.2 **Provisions for Termination** - Taney County may terminate the audit services contract by providing written notice of termination to the Respondent if Taney County determines any of the circumstances described in Sections 2.4.3, 2.4.4, or 2.4.5 (below) have occurred and termination is appropriate. The termination shall be effective the date written notice of termination is provided to the Respondent.

2.4.3 Due to a material breach of any term or condition of this agreement.

2.4.4 If in the opinion of the Taney County Auditor's Office, delivery of product/s services are delayed or product/services delivered are not in conformity with the contract documents.

2.4.5 If appropriations are not made available and budgeted for in any calendar year.

2.4.6 **Contract Documents** – The successful respondent shall be obligated to enter into a written contract with the County within 15 days of award on contract forms provided by the County. If respondents desire to contract under their own written agreement, any such proposed agreement shall be submitted in blank with their response. County reserves the right to modify any proposed form agreement or withdraw its award to a successful respondent if any proposed agreement contains terms and conditions inconsistent with its request or are unacceptable to county legal counsel.

2.5 **Minimum Respondent Qualifications**

2.5.1 Respondents must be independent certified public accountants, licensed in the State of Missouri.

2.5.2 Respondents must have qualified personnel with governmental accounting background, experience in MAS90 (or software capability to get data from MAS90), and be familiar with GASB.

2.6 **Contractor Responsibilities**

2.6.1 Prepare a detailed management letter of County issues with recommendations for improvement in internal controls, accounting systems, and procedures. This letter shall be issued under separate cover and presented to the Taney County Auditor.

2.6.2 To obtain and compile component unit information and insure that same is appropriately presented in the general purpose financial statements; to prepare footnotes and other required supplementary disclosures, subject to County Auditor approval.

2.6.3 Prepare and complete the data collection form SF-SAC for remittance to the Single Audit Clearing House.

2.7 **County Responsibilities**

2.7.1 Prepare draft and final camera-ready general purpose financial statements, these should also be provided in electronic format, individual fund and combining schedules, draft Schedule of Expenditures of Federal Awards, and statistical tables as well as supply previous audit information upon request. (Cost, man hours, etc.)

2.8 **Anticipated Project Schedule** – The anticipated schedule for completing this project should include a pre-audit planning meeting, a schedule for field work, and presentation of the management letter to the Taney County Commission. During the pre-audit planning meeting a final schedule will be developed and agreed to by both parties. Both parties will be required to adhere to this schedule. Changes or deviations from the schedule are not allowed unless authorized by the Taney County Auditor in writing.

2.9 **Insurance** – The respondent shall purchase and maintain in force, at its own expense, such insurances that will protect the respondent and County from claims which may arise out of or result from the respondents execution of the work, whether such execution be by himself, his employees, agents, or by anyone for whose acts any of them may be liable. The insurance shall be such as to fully cover the County and the general public from any and all claims for injury and damage resulting by any actions on the part of the respondent or their agents and employees as enumerated above. Respondent shall provide the County proof of this coverage.

2.10 **RFP Questions** – See item #s 1.2.5 & 2.3.2 on previous page.

2.11 **Billing and Payment** – All invoices must be submitted to the Taney County Auditor's Office. The County will issue progress payments based upon the percentage of work completed and accepted throughout the engagement and upon receipt of correct invoice. Complete and final payment shall be due and payable thirty (30) days after completion and acceptance of all items required by the contract and upon receipt of a request for said payment.

2.12 **Designee** – Taney County Auditor's Office, PO Box 1407, Forsyth, MO 65653.

BIDDER'S INITIALS: \_\_\_\_\_

**3.0 Response Presentation and Review**

- 3.1 **Response Content** – In order to enable direct comparison of competing responses, you must submit your response in strict conformity to the requirements stated here. Failure to adhere to all requirements may result in your response being disqualified as non-responsive. Every question must be answered and if not applicable, the section must contain “N/A”.
- 3.2 **Submittal of Responses** – Responses must be received by the date and time noted on the title page under “PROPOSAL DEADLINE”. We are not responsible for late or incorrect deliveries from the US Postal Service or any other mail carrier.
- 3.3 **Opening** – On the date, time and location specified on the title page under “OPENING DATE / TIME”, all timely responses will be opened.
- 3.4 **Response Clarification** – We reserve the right to reject any or all responses.
- 3.5 **Evaluation Process** – The responses will be reviewed by County officials. Our sole purpose in the evaluation process is to determine from among the responses received which one is best suited to meet the County’s needs at the lowest possible cost.
- 3.6 **Method of Evaluation** – The criteria used in evaluating the responses to this RFP include, cost, skill and experience, prior experience and reputation, respondents understanding of County requirements, knowledge of GASB, and familiarity with MAS90.
- 3.7 **Acceptability** – All proposals will be reviewed to ensure compliance with the design concept and for compliance with the specifications. The County reserves the sole right to determine whether goods and/or services offered are acceptable for our use.

**4.0 Response Form**

**4.1 Cost**

4.2.1 Audit including all required reports 2013: \$\_\_\_\_\_ single audit cost if required \$\_\_\_\_\_

4.2.2 Renewable for: 2014 \$\_\_\_\_\_ 2015 \$\_\_\_\_\_ 2016 \$\_\_\_\_\_

4.3 **Response Information** – Respondents are subject to written proposals, which present the respondents qualifications and understanding of the work to be performed. Respondents are required to address all evaluation criteria and to be specific in presenting their qualifications.

4.4 **Proposal Format** – The format should include a title page, RFP number, firm name, firm address, phone number, and contact person.

4.5 **Proposal Content** – At a minimum the proposal should contain a history of the firm, office which will serve as the managing office, a statement of understanding of the work to be done, a description of the audit approach, staff whom will be performing the audit and their credentials, and experience of both the auditing staff and of the firm itself.

BIDDER'S INITIALS: \_\_\_\_\_

**5.0 INSTRUCTIONS AND GENERAL REQUIREMENTS**

5.1 **Delivery of:** Sealed Proposals, subject to Instructions and General Conditions and any special conditions set forth herein, will be received at the: Taney County Purchasing Office until the Proposal closing date and time indicated herein for furnishing the County with goods, and or, services as detailed within this RFP. Mail to:

Taney County Purchasing Department  
Attn: Ron Erickson, Director of Purchasing  
132 David Street / P. O. Box 1630  
Forsyth, Missouri 65653

PHONE: 417-546-7281 / FAX: 417-546-3931  
[rone@co.taney.mo.us](mailto:rone@co.taney.mo.us)

- 5.2 **Closing:** Sealed Proposals must be delivered before 2:00 P.M. central time on Friday April 4, 2014 to the Taney County Purchasing Department as listed above. Bidders should take into account all possible risks of their Proposal not arriving in time when electing to mail in Proposals too close to the above closing date. Often the Post Office leaves a "pick up slip" in our PO Box which may / may not allow us time to retrieve said item. It is the Bidder's responsibility, not the county, nor the Post Office – to ensure their sealed Proposals are **delivered** in time to the Purchasing Department. (Be extra careful when your Proposal response involves a large package or box.)
- 5.3 The County will not accept any Proposals received after the above listed closing date/time and will consider such late Proposals as **NON-RESPONSIVE**. They will either be; filed, returned, or discarded.
- 5.4 **Opening:** Proposals will be opened publicly at 9:15 AM on Monday April 7, 2014 and read aloud. (Vendor Names only.)
- 5.5 Proposals may be withdrawn on written request from the Offeror at the address shown in this RFP prior to the time of acceptance of the Proposal.
- 5.6 Sealed Proposals **must** include three (3) complete copies and one (1) original of your response in a single sealed envelope, clearly marked on the outside with your company name and return address, the proposal number and the due date and time. (Indicate "COPY" vs. "ORIGINAL") **No fax or electronic transmitted Proposals will be accepted.**
- 5.7 This County is not responsible for any expenses which proposers may incur in estimating, inspecting, nor preparing and submitting Proposals called for in this Request for Proposal.
- 5.8 The County reserves the right to conduct personal interviews or require presentations of any or all proposers prior to selection. The County will not be liable for any costs incurred by the proposer in connection with such interviews or presentations (i.e. travel accommodations, etc.)
- 5.9 All Proposals submitted shall be binding, and remain firm for ninety (90) calendar days following the opening. Pricing / Costs submitted within this response **MUST BE HONORED** within that set timeframe, **NO EXCEPTIONS**. Offerors should NOT respond unless certain on this point.
- 5.10 The Taney County Commission reserves the right to reject any or all Proposals, when such rejection is in the best interest of the County.
- 5.11 Proposals may be awarded to one company or multiple companies; when such award is deemed in the best interest of the County.
- 5.12 County standard payment terms are Net 30 after receipt of invoice.
- 5.13 This agreement shall take effect upon the approval by the Taney County Commission.
- 5.14 Sunshine Laws: Due to applicable sunshine laws and regulations concerning public documents, all Proposal responses will be considered public information **AFTER AWARD** and then become a part of public record releasable to any person or firm that requests it. Requests for copies, of Proposal responses, must be made through the Taney County Clerk's Office (417-546-7202) requiring a Public Service Request Form (PSR). By law charges for time spent as well as a cost per page apply. Payment for copying fees is required prior to the making of copies. (Section 610.026, RSMo.)

BIDDER'S INITIALS: \_\_\_\_\_



**Taney County, Missouri**  
**Independent Audit Services RFP #201403-252**  
**Addendum #1**

This addendum is issued in accordance with the Scope of Services in this Request for Proposal and is hereby incorporated into and made a part of the RFP Documents. Offerors are reminded that receipt of this addendum **shall** be acknowledged and submitted with Offeror's *Response Page*.

Specifications for the above noted RFP and the work covered thereby are herein modified as follows, and except as set forth herein, otherwise remain unchanged and in full force and effect:

This office has received the following questions as listed below. Answers, provided by Taney County Auditor Rick Findley via attached documents, are listed below in red.

1. Do you need an A-133 audit and, if so, could you please just send a copy of your SEFA schedule prepared for 2013 to get an idea of what type of federal grants that you received.  
**ANSWER: See attached. The SEFA does not include moneys that we have spent and do not expect to be reimbursed.**
2. The county website does not have the 2012 audit on it please provide a copy – if possible.  
**ANSWER: See attached document which will also be posted on our website soon.**
3. Any reason why the county did not renew the yearly contract with the previous auditor for a few more years?  
**ANSWER: No.**

Thank you.

By,  
**Ron Erickson, Director of Purchasing**  
132 David Street / P.O. Box 1630 Forsyth, Mo. 65653  
Phone: 417-546-7281 Fax: 417-546-3931  
E-mail: [rone@co.taney.mo.us](mailto:rone@co.taney.mo.us)

OFFEROR has examined copy of Addendum #1 to **Independent Audit Services RFP #201403-252**, receipt of which is hereby acknowledged:

Company Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

E-mail address: \_\_\_\_\_

Authorized Representative Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Authorized Representative Printed Name: \_\_\_\_\_

Federal Grantor Pass Through Grantor/ Program Title	Federal CFDA Number	Pass-through Grantor's Number	Federal Expenditures
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
State of Missouri Emergency Management Agency			
Hazard Mitigation Grant Program (Flood Buyout)	97.039	FEMA 1980-DR-MO, Project #0002	3,375
Public Assistance Grant	97.036	FEMA-4144-DR-MO	61,352
Emergency Management Performance Grant	97.042	EMW-2013-EP-00028-107-5686	19,162
MOSCAP	97.042	EMW-2011-EP-00004	1,485
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			85,374
<u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u>			
Missouri Department of Natural Resources			
Biosolids State Revolving Fund Grant	66.458	C295538.01	227,714
TOTAL U.S. ENVIRONMENTAL PROTECTION AGENCY			227,714
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
Missouri Department of Economic Development (MoDED)			
Community Development Block Grant (Flood Buyout)	14.228	2011-EM-30	1,125
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			1,125
<u>U.S. DEPARTMENT OF ENERGY</u>			
Missouri Department of Natural Resources			
Energize Missouri Communities (Taney County Retrofit)	81.128	G10-EECBG-02-052955267	-
TOTAL U.S. DEPARTMENT OF ENERGY			-
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Direct			
Bullet Proof Vest Partnership Grant	16.607	N/A	1,313
2010 COPS Grant	16.710	2010CKWXO512	40,904
JAG Grant- 2011	16.738	2011-DJ-BX-3374	12,592
JAG Grant- 2012	16.738	2012-DJ-BX-0954	10,420
TOTAL U.S. DEPARTMENT OF JUSTICE			65,230
<u>U.S. ELECTION ASSISTANCE COMMISSION</u>			
MO Secretary of State			
Voter List Efficiency Grant	39.011		6,310
Voting Systems Grant	39.011		7,151
TOTAL US ELECTION ASSISTANCE COMMISSION			13,461
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 392,904

N/A - Not Applicable

Taney County, Missouri  
December 31, 2012  
Financial Statements

Prepared by:  
Lisa C. Wright, CPA, LLC  
Certified Public Accountant  
Columbia, MO



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Lisa C. Wright, CPA, LLC  
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## INDEPENDENT AUDITOR'S REPORT

Taney County Commission  
Taney County  
Forsyth, Missouri

I have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of Taney County, Missouri (The County) as of December 31, 2012 and for the year then ended, and the related notes to the financial statements, which collectively comprise the basic financial statements of the County's primary government as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and presentation of these financial statements in accordance with the modified cash basis accounting principles as described in Note 1 of these financial statements; this includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

My responsibility is to express an opinion on these statements based upon the findings of my audit. My report contains reference to other auditors who audited the financial statements of Taney County Regional Sewer District, the County's component unit, as described in my report on Taney County financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

I conducted my audit in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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 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 internal control. Accordingly, I 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.



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As described in Note 1, the basic financial statements of the Primary Government of Taney County were prepared on the modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Opinion**

In my opinion, based on my audit and the report of other auditors, the basic financial statements referred to above present fairly, in all material respects, the financial position of the government activities and business-type activities of the Primary Government of Taney County, each major fund, and the aggregate remaining fund information of Taney County, Missouri as of December 31, 2012 and the respective changes in the financial position and cash flows, where applicable, thereof for the year then ended, in conformity with the basis of accounting described in Note 1.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Taney County's financial statements are free from material misstatement, I 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 my audit, and accordingly, I express no such opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### *Internal Control Deficiencies*

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, detect, or 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 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. My 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 a material weakness or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, due to the inherent limitations of an audit, material weaknesses may exist that have not been identified, even though my audit was properly planned and performed.

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4-8 and 36-37 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the governmental Accounting Standard Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, and historical context. I have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management's methods of preparing information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements,

and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express such an opinion or provide any assurance.

### *Other Information*

My audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Taney County, Missouri's basic financial statements. The introductory section, combining major and individual non-major funds financial statements, and statistical section are presented for purposes of additional analysis and are not part of the basic financial statements.

The combined and individual non-major funds financial statements are the responsibility of management, and were derived for and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements, or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards described in Note 1. In my opinion, the combined and individual and non-major fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

As discussed in Note A of the separately issued financial statements, Taney County Sewer District adopted the provisions of GASB Statement No. 63 – *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No 65 – *Items Previously Reported as Assets and Liabilities* during the year ended December 31, 2012. Taney County also adopted these same GASB Statements for the year ended December 31, 2012.

### **Purpose of this Report**

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

Lisa C. Wright, CPA  
October 24, 2013



**Management Discussion and Analysis**  
**Taney County, Missouri**  
**December 31, 2012**

This discussion and analysis of Taney County's financial performance provides an overview of the County's financial activities for the year ended December 31, 2012, within the limitations of the County's modified cash basis of accounting. Please read it in conjunction with the County's financial statements.

**FINANCIAL HIGHLIGHTS**

- The overall net assets of the County increased by \$2,162,959. This increase is due to an increase in general receipts.
- The fund balance for the General Fund decreased by \$303,603.
- The fund balance for the Road and Bridge Fund increased by \$1,777,768. This was due in part to a reclassification of assets from the Road and Bridge Trust Fund.
- The total costs of the county's governmental activities were slightly less than the prior year. Still balance forward increased due to the following:
  - Public works and roads capital projects expenditures were in maintenance mode and only a few capital projects were undertaken this year. We did make some improvements that we feel will make the department more efficient.
  - Debt service payments on the long-term debt remained the same.
  - Sales tax collections for 2012 were down slightly, but higher than anticipated.

**USING THIS ANNUAL REPORT**

This annual report is presented in a format consistent with the presentation requirements of the Governmental Accounting Standards Board (GASB) Statement No. 34 as applicable to the County's modified cash basis of accounting.

**Report Components**

**Government – Wide Financial Statements:** The Statement of Net Assets and the Statement of Activities provide information about the activities of the County as a whole and present a longer-term view of the County's finances.

**Fund Financial Statements:** Fund financial statements focus on the individual parts of the County government. Fund financial statements also report the County's operations in more detail than the government-wide statements by providing information about the county's major funds. These statements tell how these services were financed in the short term as well as what remains for future spending.

**Notes to the Financial Statements:** The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

**Required Supplementary Information:** The Management’s Discussion and Analysis and the budgetary comparison schedules represent financial information required by GASB to be presented. Such information provides users of this report with additional data that supplements the government-wide statements, fund financial statements, and notes (referred to as “the basic financial statements”).

**Other financial information:** This part of the annual report includes optional financial information, which includes the combining statements for the county’s non-major funds and reports required by the Federal Government. This other financial information is provided to address certain needs of various users of the County’s annual report.

### Basis of Accounting

The county has elected to present its financial statements on the modified cash basis of accounting. This modified cash basis of accounting is a basis of accounting other than accounting principles generally accepted in the United States of America. Basis of accounting is a reference to *when* financial events are recorded, such as the timing for recognizing receipts, disbursements, and their related assets and liabilities. Under the county’s modified cash basis of accounting, receipts and disbursements and the related assets are recorded when they result from cash transactions. The modification to the cash basis is related to the presentation of investments.

As a result of the use of the modified cash basis of accounting, certain assets and their related revenue (such as accounts receivable for revenue billed or services provided not yet collected) and liabilities and their related expenses (such as accounts payable for goods and services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader should keep in mind the limitations resulting from the use of the modified cash basis of accounting.

### Government-Wide Statement of Net Assets and the Statement of Activities

The financial analysis of the County as a whole begins on page 9. The government – wide financial statements are presented on pages 12-14. One of the most important questions asked about the County’s finances is “Is the County as a whole better or worse off as a result of the year’s activities?” The Statement of Net Assets and the Statement of Activities report information about the County as a whole and about its activities in a way that helps answer this question. These statements include all of the County’s assets resulting from the use of the modified cash basis of accounting.

The statements report the county’s net assets and changes in them. Over time, increases and decreases in the County’s net assets are one indicator of whether its financial health is improving or deteriorating. The reader will need to consider other non-financial factors, however, such as changes in the county tax base, and the condition of the County’s facilities, to assess the overall health of the county.

The Statement of Activities is presented by its governmental functions which include general government, judicial, public safety, public works, health and welfare, highway and roads, other activities and transfer station. The Statement of Activities shows the net cost of these functions before considering the general receipts of the County.

Fund Financial Statements

Our analysis of the County's funds begins on page 11. The fund financial statements begin on page 17 and provide detailed information about the County's funds. These funds are required to be established by state law and by bond covenants. These fund financial statements help the reader to determine whether there are more or fewer financial resources that can be spent in the near future for County programs.

- Governmental Funds – Most of the County's basic services are reported on governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. The governmental fund statements provide a detailed short term view of the general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs.
- Proprietary Funds - When the County charges customers for the services it provides - whether to outside customers or to the other units of the county - these services are generally reported in proprietary funds. The Internal Revenue Service Fund is used to account for charges made to other units of government for dental insurance premiums and certain other employee benefits.

**FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE**

Net Assets - Modified Cash Basis

	December 31	
	2012	2011
ASSETS		
Cash and Investments	\$22,300,105	\$20,137,146
TOTAL ASSETS	<u>\$22,300,105</u>	<u>\$20,137,146</u>
NET POSITION		
Unrestricted	\$22,300,105	\$20,137,146
TOTAL NET POSITION	<u>\$22,300,105</u>	<u>\$20,137,146</u>

**Changes in Net Assets – Modified Cash Basis**

	Year Ended December 31	
	2012	2011
PROGRAM RECEIPTS:		
Charges for Services	\$ 1,035,813	\$ 5,418,009
Operating Grants and Contributions	7,870,848	1,321,115
Capital Grants and Contributions	383,170	189,764
General Receipts:		
Tax Receipts	17,569,801	16,545,246
Interest	128,602	284,227
Other Receipts	1,163,295	250,794
TOTAL RECEIPTS	<u>28,151,629</u>	<u>24,072,155</u>
DISBURSEMENTS		
General Government	15,803,683	13,864,958
Public Safety and Judicial	6,185,658	4,902,165
Tax Administration	1,217,493	805,534
Debt Service	1,722,913	1,434,075
Transfer Station	1,058,923	1,042,268
TOTAL DISBURSEMENTS	<u>25,989,670</u>	<u>22,049,000</u>
CHANGE IN NET ASSETS	<u>\$ 2,162,959</u>	<u>\$ 2,023,155</u>

Overall receipts of the county increased by \$4,079,474 from the previous year. The County received several additional grants, and tax revenues were up \$1,024,555, which represents a .06% increase from the prior year. Overall disbursements of the county were up \$3,940,670.

**FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS**

Certain funds experienced noteworthy changes from the prior year, and are highlighted as follows:

- The General Fund balance decreased by \$303,603 for the year ended December 31, 2012.
- The Road and Bridge Fund balance increased by \$1,777,768 for the year ended December 31, 2012 due to a reclassification of assets from the Road & Bridge Trust Fund.
- Major changes in management focus have allowed the combined funds for Road and Bridge to increase.



## FINANCIAL ANALYSIS BUDGET VERSUS ACTUAL RESULTS - GENERAL FUND

	2012 BUDGET		Actual
	Original	Final	
<b>RECEIPTS</b>			
Taxes	\$8,160,800	\$8,160,800	\$8,395,905
Licenses and Permits	146,000	146,000	64,304
Intergovernmental Revenues	998,535	998,535	1,144,820
Fees and Charges	2,848,250	2,848,250	3,462,741
Miscellaneous	288,000	288,000	393,635
<b>TOTAL RECEIPTS</b>	<u>\$12,441,585</u>	<u>\$12,441,585</u>	<u>\$13,401,465</u>
<b>DISBURSEMENTS</b>			
General Government	\$3,676,231	\$3,676,231	\$3,327,612
Judicial	999,567	999,567	1,031,381
Public Safety	3,205,702	3,205,702	3,034,470
Public Works	25,644,521	25,644,521	4,962,773
Airport	5,47,000	547,000	539,592
Debt Service	1,454,000	1,454,000	1,439,270
<b>TOTAL DISBURSEMENTS</b>	<u>\$35,561,563</u>	<u>\$35,561,563</u>	<u>\$14,344,098</u>

Management was of the opinion that we would not have as much revenue and slightly underestimated the revenues for 2012. It was expected that we might spend more. Thanks to efforts of employees and elected officials, we did not. We have budgeted for capital improvements that were expected to allow a good balance forward into 2013.

### ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Next year will be another challenging budget cycle. The County is like many others, not confident about what our economy will do. Management recognized that we have much more control over what we spent than what we bring in in revenue. Therefore, the challenge will be decreasing those expenses without decreasing the quality of service provided to the constituents.

### CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

You may contact the Auditor's office at PO Box 1407, Forsyth, MO 65653 for more information about the contents of this report. The phone number is 417-546-7201.

TANEY COUNTY, MISSOURI  
 STATEMENT OF NET POSITION  
 MODIFIED CASH BASIS  
 DECEMBER 31, 2012

	PRIMARY GOVERNMENT		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 21,836,970	\$ 463,135	\$ 22,300,105
Total Assets	<u>\$ 21,836,970</u>	<u>\$ 463,135</u>	<u>\$ 22,300,105</u>
<b>NET POSITION:</b>			
Unrestricted	\$ 21,836,970	\$ 463,135	\$ 22,300,105
Total Net Position	<u>\$ 21,836,970</u>	<u>\$ 463,135</u>	<u>\$ 22,300,105</u>

The Accompanying Notes are an Integral Part of these Financial Statements.

TANEY COUNTY, MISSOURI  
STATEMENT OF NET POSITION  
TANEY COUNTY REGIONAL SEWER DISTRICT  
DECEMBER 31, 2012

	<u>COMPONENT UNIT</u>
	Taney County Regional Sewer District
<b>ASSETS</b>	
Current Assets	
Cash and Cash Equivalents	\$ 1,135,907
Investments	112,527
Net Utilities Receivable	128,472
Prepaid Expenses	4,987
<b>Total Current Assets</b>	<b>1,381,893</b>
Restricted Assets	
Cash and Cash Equivalents	1,529,948
Investments	101,528
<b>Total Restricted Assets</b>	<b>1,631,476</b>
Deferred Bond Issuance Costs	
Capital Assets	
Non-depreciable	2,511,267
Depreciable, Net	48,420,954
<b>Total Capital Assets</b>	<b>50,932,221</b>
<b>TOTAL ASSETS</b>	<b>53,945,590</b>
<b>LIABILITIES AND NET POSITION</b>	
Current Liabilities	
Accounts Payable	541,060
Accrued Expenses	11,230
Deposits Payable	132,700
Accrued Interest Payable	244,560
Current Maturities of Long-term Debt	810,000
<b>Total Current Liabilities</b>	<b>1,739,550</b>
Long-term Liabilities	
Arbitrage payable	61,690
Revenue Bonds Payable	9,300,000
<b>Total Long-term Liabilities</b>	<b>9,361,690</b>
<b>TOTAL LIABILITIES</b>	<b>11,101,240</b>
<b>NET POSITION</b>	
Invested in Capital Assets, Net of Related Debt	40,822,221
Restricted for Debt Service	1,435,422
Unrestricted	586,707
<b>TOTAL NET POSITION</b>	<b>\$ 42,844,350</b>

The Accompanying Notes are an Integral Part of these Financial Statements.

TANEY COUNTY, MISSOURI  
STATEMENT OF ACTIVITIES - TANEY COUNTY REGIONAL SEWER DISTRICT  
FOR THE YEAR ENDED DECEMBER 31, 2012

FUNCTIONS AND PROGRAMS	Component Unit						TOTAL
	Program Revenues			Net (Revenues) Expenditures and Changes in Net Position		BUSINESS TYPE ACTIVITIES	
	EXPENDITURES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES		
Component Unit							
Governmental Activities							
Intergovernmental Agreements	\$ 269,379	\$ 3,810,916	\$ -	\$ -	\$ 3,541,537	\$ -	\$ 3,541,537
Tax Incremental Financial Payments	-	-	-	-	-	-	-
Other	453,195	38,851	-	-	(424,344)	-	(424,344)
Total Governmental Activities	732,574	3,849,767	-	-	3,117,193	-	3,117,193
Business Type Activities							
Sewer	3,660,336	1,446,277	-	-	-	(2,214,059)	(2,214,059)
Total Business Type Activities	3,660,336	1,446,277	-	-	-	(2,214,059)	(2,214,059)
Total Component Unit	\$ 4,392,910	\$ 5,296,044	\$ -	\$ -	\$ 3,117,193	(2,214,059)	\$ 903,134
General Revenue							
Taxes							
Licenses and Permits							
Investment Income							
Gain on Sale of Assets							
Miscellaneous							
Transfers to Taney County							
Transfers							
Total General Receipts, Transfers, and Other Items							
Change in Net Position					3,117,193	(2,214,059)	903,134
Net Position, Beginning of Year						41,941,216	41,941,216
Net Position, End of Year					\$ 3,117,193	\$ 39,727,157	\$ 42,844,350

The Accompanying Notes are an Integral Part of these Financial Statements.

TANEY COUNTY, MISSOURI  
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Primary Government			Net (Receipts) Expenditures and Changes in Net Position		
FUNCTIONS AND PROGRAMS	Program Revenues			GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS			
Primary Government						
Governmental Activities						
General Government	\$ 21,678,224	\$ 3,542,829	\$ 82,359	\$ (18,025,316)	\$ -	\$ (18,025,316)
Tax Administration	1,217,493	10,263,228	300,811	9,346,546	-	9,346,546
Public Safety and Judicial	1,692,194	2,416,053	-	723,859	-	723,859
Debt Service	1,722,913	2,203,812	-	480,899	-	480,899
Total Governmental Activities	<u>26,310,825</u>	<u>18,425,922</u>	<u>383,170</u>	<u>(7,474,013)</u>	<u>-</u>	<u>(7,474,013)</u>
Business Type Activities						
Transfer Station	1,058,923	-	-	(50,830)	(50,830)	(50,830)
Total Business type Activities	<u>1,058,923</u>	<u>-</u>	<u>-</u>	<u>(50,830)</u>	<u>(50,830)</u>	<u>(50,830)</u>
Total Primary Government	<u>\$ 27,369,748</u>	<u>\$ 18,425,922</u>	<u>383,170</u>	<u>(7,474,013)</u>	<u>(50,830)</u>	<u>(7,524,843)</u>
General Revenue						
Taxes						
Licenses and Permits						
Investment Income						
Gain on Sale of Assets						
Miscellaneous						
Transfers						
Total General Receipts, Transfers, and Other Items						
Change in Net Assets						
Net Position - Beginning of Year						
Net Position - End of Year						

The Accompanying Notes are an Integral Part of these Financial Statements.

TANEY COUNTY, MISSOURI  
 STATEMENT OF ASSETS AND FUND BALANCES  
 ARISING FROM MODIFIED CASH BASIS TRANSACTIONS  
 GOVERNMENTAL FUND TYPES  
 DECEMBER 31, 2012

	GENERAL FUND	ROAD AND BRIDGE TRUST FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS</b>				
Cash and Cash Equivalents:				
Cash and Investments	\$ 9,814,825	\$ 9,374,917	\$ 2,647,228	\$ 21,836,970
Total Assets	<u>\$ 9,814,825</u>	<u>\$ 9,374,917</u>	<u>\$ 2,647,228</u>	<u>\$ 21,836,970</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Due to Others	\$ -	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Reserved for Encumbrances	-	-	-	-
Reserved for Construction	-	-	-	-
Unreserved	9,814,825	9,374,917	2,647,228	21,836,970
Total Fund Balances	<u>9,814,825</u>	<u>9,374,917</u>	<u>2,647,228</u>	<u>21,836,970</u>
Total Liabilities and Fund Balances	<u>\$ 9,814,825</u>	<u>\$ 9,374,917</u>	<u>\$ 2,647,228</u>	<u>\$ 21,836,970</u>

The Accompanying Notes are an Integral Part of these Financial Statements.

TANEY COUNTY MISSOURI  
 STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID,  
 AND CHANGES IN FUND BALANCES- MODIFIED CASH BASIS  
 GOVERNMENTAL FUND TYPES  
 FOR THE YEAR ENDED DECEMBER 31, 2012

	GENERAL FUND	ROAD AND BRIDGE FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES COLLECTED</b>				
Taxes	\$ 8,224,315	\$ 6,926,113	\$ 2,419,373	\$ 17,569,801
Intergovernmental	973,224	592,917	952,672	2,518,813
Fees, Fines, and Forfeitures	3,291,145	1,034,492	2,416,053	6,741,690
Miscellaneous	393,635	153,054	203,812	750,501
Total Revenues Collected	<u>12,882,319</u>	<u>8,706,576</u>	<u>5,991,911</u>	<u>27,580,806</u>
<b>EXPENDITURES PAID</b>				
Current				
General Government	6,789,846	6,967,934	2,045,903	15,803,683
Tax Administration	989,892	-	1,752,809	2,742,701
Public Safety and Judicial	4,473,464	-	1,692,194	6,165,658
Debt Service	1,511,808	-	86,975	1,598,783
Total Expenditures Paid	<u>13,765,010</u>	<u>6,967,934</u>	<u>5,577,882</u>	<u>26,310,826</u>
Excess (Deficit) of Revenues Paid over Expenditures Paid	<u>(882,691)</u>	<u>1,738,642</u>	<u>414,029</u>	<u>1,269,980</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	676,617	43,822	387,429	1,107,868
Transfers Out	(97,529)	(4,696)	(75,000)	(177,225)
Total Other Financing Sources (Uses)	<u>579,088</u>	<u>39,126</u>	<u>312,429</u>	<u>930,643</u>
Excess (Deficit) of Revenues Paid over Expenditures Paid and Other Sources (Uses)	<u>(303,603)</u>	<u>1,777,768</u>	<u>726,458</u>	<u>2,200,623</u>
Fund Balance - Beginning	<u>10,118,428</u>	<u>7,597,149</u>	<u>1,920,770</u>	<u>19,636,347</u>
Fund Balance - End of Year	<u>\$ 9,814,825</u>	<u>\$ 9,374,917</u>	<u>\$ 2,647,228</u>	<u>\$ 21,836,970</u>

The Accompanying Notes are an integral Part of these Financial Statements.

TANEY COUNTY, MISSOURI  
STATEMENT OF NET POSITION, MODIFIED CASH BASIS  
PROPRIETY FUNDS  
DECEMBER 31, 2012

	<u>ENTERPRISE FUND</u>
	<u>TRANSFER STATION FUND</u>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 463,135
Total Current Assets	<u>463,135</u>
Total Assets	<u>\$ 463,135</u>
<b>NET ASSETS</b>	
Unrestricted	<u>\$ 463,135</u>
Total Net Assets	<u>\$ 463,135</u>

The Accompanying Notes are an Integral Part of these Financial Statements.



TANEY COUNTY, MISSOURI  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION -  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>ENTERPRISE FUND TRANSFER STATION</u>
<b>OPERATING RECEIPTS</b>	
Charges for Services	\$ 1,008,093
Total Operating Receipts	<u>1,008,093</u>
<b>OPERATING DISBURSEMENTS</b>	
Salaries and Employee Benefits	235,354
Supplies	1,729
Telephone and Utilities	4,064
Repair and Maintenance	131,849
Landfill Services	666,487
Other Operating Expenses	<u>19,441</u>
Total Operating Disbursements	<u>1,058,923</u>
Operating Income (Loss)	(50,830)
<b>NON-OPERATING RECEIPTS</b>	
Interest Income	5,281
Other Receipts	<u>22,439</u>
Total Non-Operating Receipts	<u>27,720</u>
Increase (Decrease) Before Transfers	(23,110)
Transfers In (Out)	-
Net Income (Loss)	(23,110)
Total Net Position - Beginning	<u>486,245</u>
Total Net Position - Ending	<u>\$ 463,135</u>

The Accompanying Notes are an Integral Part of these Financial Statements.

TANEY COUNTY, MISSOURI  
STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>ENTERPRISE FUND TRANSFER STATION</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Received from Customers	\$ 1,008,093
Payments to Employees and Fringe Benefits	(235,354)
Payments to Vendors and Suppliers	<u>(823,569)</u>
Net Cash Provided by Operating Activities	(50,830)
<b>CASH FLOWS FROM NON-CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Transfers From (To) Other Funds	<u>-</u>
Net Cash (Used) by Non-Capital and Related Financing Activities	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Investment Income	<u>5,281</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(45,549)
Cash and Cash Equivalents - Beginning of Year	<u>486,245</u>
Cash and Cash Equivalents - End of Year	<u>\$ 440,696</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES</b>	
Operating Income (Loss)	(50,830)
Adjustments to reconcile operating Income to Net Cash Used by Operating Activities	-
Other Receipts	<u>22,439</u>
Total Adjustments	<u>22,439</u>
Net Cash (Used) by Operating Activities	<u>\$ (28,391)</u>

The Accompanying Notes are an Integral Part of these Financial Statements.

TANEY COUNTY, MISSOURI  
 STATEMENT OF ASSETS AND LIABILITIES - MODIFIED CASH BASIS  
 AGENCY FUNDS  
 DECEMBER 31, 2012

Pg 1 of 2

	School Fund	DSS Supplemental Fund	Cities Finance Int. Fund	Drug Fund	Vest Grant	Domestic Violence Fund	Sheriff's Revolving Fund	Recorder Fund
<b>ASSETS</b>								
Cash and Investments	\$ 11,871	\$ 2,333	\$ 22,458	\$ 1,599	\$ 1,514	\$ 9,778	\$ 64,894	\$ 431,473
Total Assets	<u>\$ 11,871</u>	<u>\$ 2,333</u>	<u>\$ 22,458</u>	<u>\$ 1,599</u>	<u>\$ 1,514</u>	<u>\$ 9,778</u>	<u>\$ 64,894</u>	<u>\$ 431,473</u>
<b>LIABILITIES</b>								
Due to Others								
Due to Other Governments	\$ 11,871	\$ 2,333	\$ 22,458	\$ 1,599	\$ 1,514	\$ 9,778	\$ 64,894	\$ 431,473
Total Liabilities	<u>\$ 11,871</u>	<u>\$ 2,333</u>	<u>\$ 22,458</u>	<u>\$ 1,599</u>	<u>\$ 1,514</u>	<u>\$ 9,778</u>	<u>\$ 64,894</u>	<u>\$ 431,473</u>

The Accompanying Notes are an Integral Part of these Financial Statements.

TANEY COUNTY, MISSOURI  
 STATEMENT OF ASSETS AND LIABILITIES - MODIFIED CASH BASIS  
 AGENCY FUNDS  
 DECEMBER 31, 2012

Pg 2 of 2

Land Sales Surplus Fund	Unclaimed Fee Fund	Prosecuting Attorney Restitution Fund	Prosecuting Attorney Bad Check Fund	Fines and Forfeitures Fund	Miscellaneous Agency Funds	TOTAL AGENCY FUNDS
\$ 78,765	\$ 7,332	\$ 90,421	\$ 119,474	\$ 73,664	\$ 2,293	\$ 917,869
<u>\$ 78,765</u>	<u>\$ 7,332</u>	<u>\$ 90,421</u>	<u>\$ 119,474</u>	<u>\$ 73,664</u>	<u>\$ 2,293</u>	<u>\$ 917,869</u>
\$ 78,765	\$ 7,332	\$ 90,421	\$ 119,474	\$ 73,664	\$ 2,293	\$ 917,868
<u>\$ 78,765</u>	<u>\$ 7,332</u>	<u>\$ 90,421</u>	<u>\$ 119,474</u>	<u>\$ 73,664</u>	<u>\$ 2,293</u>	<u>\$ 917,868</u>

The Accompanying Notes are an Integral Part of these Financial Statements.

TANEY COUNTY, MISSOURI  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2012

**NOTE 1— SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Taney County, Missouri (the County) is a first class county operating under a three member County Commission and the guidelines established by the Revised Statutes of Missouri. The County commission establishes policies and procedures, enacts ordinances, supervises the activities of County Departments, adopts county budgets, and provides various other services. Taney County serves a population of approximately 53,000 people. The County is headquartered in Forsyth, Missouri, just south of Branson, Missouri.

The accounting methods and procedures adopted by the primary government of Taney County, Missouri conform to the modified cash basis of accounting as applied to government entities. This is a method of accounting other than methods generally accepted in the United States of America. The following is a summary of the more significant policies.

**Financial Reporting Entity**

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. Financially accountable means the primary government is accountable for the component unit and the primary government is able to impose its will on the unit. The Component unit may also provide financial benefits or burdens on the primary government. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The County is a primary government, and per accounting principles generally accepted in the United States of America, has evaluated the above criteria to determine whether another entity meets the definition of a component unit and must be included in these financial statements. The component unit discussed below is included in the County's reporting entity because of the significance of their operational funds financial relationships with the County.

**Component Unit:**

***Taney County Regional Sewer District***

The Taney County Regional Sewer District (the District) is a public utility responsible for the construction, operation and maintenance of sanitary sewer facilities in the unincorporated portion of Taney County, Missouri. The District is a component unit of Taney County (the County) government, and members of the District's Board of Trustees are appointed by the County Commission.

TANEY COUNTY, MISSOURI  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2012

**NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The Capital Improvement Sales Tax revenues are provided by a countywide sales tax of one-half of one percent. Sales tax revenues are collected and accounted for by the County on behalf of the District. The tax revenues are used for construction and improvement of wastewater collection and treatment and facilities benefiting the County as a whole and repayment of long-term debt for which the tax receipts are pledged.

The Taney County Regional Sewer District issues separate financial statements that may be obtained by calling (417) 546-7220.

**Government-Wide Financial Statements**

The government-wide statements display information about the primary government and its component units. Inter-fund activity has been eliminated from these statements to minimize the duplication of internal activities. Governmental activities, which are supported by taxes and intergovernmental receipts, are reported separately from business-type activities, which rely on fees and charges for services for support.

In the government-wide Statement of Net Position, both the governmental and business-type activities are consolidated and presented on the modified cash basis of accounting. The government - wide Statement of Activities presents a comparison between direct disbursements and program receipts for each function of the county's governmental and business-type activities. Direct disbursements are those that are specifically associated with a program or a function. Program receipts include charges for goods and services offered by the programs and grants and contributions that are restricted to meet operating and capital disbursements of a particular program. Receipts that are not classified as program receipts, including all taxes, are presented as general receipts.

**Fund Financial Statements**

Separate fund financial statements report information on the County's governmental and proprietary funds. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining funds are aggregated and reported as non-major funds in their respective categories.

The County reports the following major governmental funds:

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

**Road and Bridge Fund:** The Road and Bridge Fund is used to account for motor vehicle and gas tax receipts designated for highway and road improvements.

TANEY COUNTY, MISSOURI  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2012

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The County also reports the following fund types:

Agency funds account for miscellaneous assets held by the County for other funds, governmental units, and individuals. The agency funds are custodial in nature and do not involve measurement of results of operations.

The County reports the following major proprietary fund:

The Transfer Station Fund accounts for the County waste collection operations.

**Basis of Accounting:**

The government-wide Statement of Net Position and Statement of Activities and the fund financial statements for the primary government of Taney County are presented using the modified cash basis of accounting. This basis recognizes assets, net assets/fund equality, receipts, and disbursements when they result from cash transactions. The cash basis has been modified to include investments of the county. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) *are not recorded* in these financial statements. Also, as a result of the modified cash basis, capital assets and long-term debt of the primary government of Taney County are not presented in the financial statements.

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

The Taney County Regional Sewer District's basic financial statements are consistent with enterprise fund accounting. Enterprise funds are established to account for the financing of self-supporting activities, which render services on a user charge basis to the general public. Their financial statements are presented on the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America.

TANEY COUNTY, MISSOURI  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2012

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**New Pronouncements**

The Governmental Accounting Standards Board (GASB) issued Statement No. 63 - *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* (GASB 63) effective for periods beginning after December 15, 2011. This statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. This statement also amends the net assets reporting requirements of Statement No. 34 - *Basic Financial Statements and Management's Discussion and Analysis*, by incorporating deferred inflows and deferred outflows into the definition of the required components of residual measure and by renaming that measure as net position, rather than net assets.

GASB also issued Statement No 65 - *Items Previously Reported as Assets and Liabilities* (GASB 65) effective for periods beginning after December 15, 2011. This statement establishes accounting and financial reporting standards that reclassify, as deferred outflows or resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources, certain items that were previously reported as assets and liabilities.

Taney County and the Taney County Regional Sewer District adopted both of the above statements for the year ended December 31, 2012.

**Cash and Investments**

The county pools cash and investment resources of various funds in the County Treasurer's office in order to facilitate the management of cash and investments. Cash applicable to a particular fund is readily identifiable. Some County offices also hold cash and investments in their own separate bank accounts as required by state statute. The balance in the pooled cash account is available to meet current operating requirements. Investments of the County are carried at cost and include U. S. Government Agency obligations and certificates of deposit.

**Property Tax Revenue**

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and payable by December 31. Taxes paid after December 31 are subject to penalties. The County bills and collects its own property taxes and also taxes for most other local governments within the county. Collections for other governments and remittance of them to those governments are accounted for in various Agency Funds. Property tax revenue is recognized when collected.



TANEY COUNTY, MISSOURI  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2012

**Fund Equality**

The unreserved and undesignated fund balances for Governmental Fund Types represent the amount available for budgeting future operations.

**Government-Wide Statements**

Equity is classified as net assets and displayed in two components:

- a) Restricted net assets— Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislations.
- b) Unrestricted net assets—all other assets that do not meet the definition of “restricted”.

It is the County’s policy to first use restricted net assets prior to the use of unrestricted net assets when a disbursement is made for purposes for which both restricted and unrestricted net assets are available.

**Compensated Absences**

The County has a county-wide policy on vacation and sick leave for all employees. Leave is taken at the direction of each officeholder. The accumulated liability for compensated absences is not expected to be liquidated with expendable available financial resources.

**Cash and Cash Equivalents**

For purposes of the statement cash flows, the county considers all accounts subject to withdrawal by check or on demand to be cash and cash equivalents. All other deposits are considered to be investments.

**NOTE 2—CASH AND INVESTMENTS**

**Primary government**

The County maintains a cash and investment pool that is available for use by all funds. Each type’s portion of this pool is displayed as “Cash and Investments”. In addition, investments are separately held by several of the County’s funds. State statutes require that County deposits be fully collateralized in the name of the County. As of December 31, 2012, all bank balances on deposit are entirely insured or collateralized with securities.

TANEY COUNTY, MISSOURI  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2012

**NOTE 2—CASH AND INVESTMENTS (Continued)**

The County's investments at December 31, 2012, are as follows:

<b>Investment Type</b>	<b>Maturity</b>	<b>Carrying Value</b>	<b>Fair Value</b>
Certificates of Deposit	6/30/2013-6/20/2014	\$17,687,050	\$17,687,050
FHLB Global Bonds	8/22/13-12/5/2014	2,494,687	2,494,687
Freddie Mac Global Notes	6/30/2014	2,000,000	2,000,000
		<u>22,181,737</u>	<u>22,181,737</u>
Less: Investments held for the Taney County Regional Sewer District		<u>22,181,737</u>	<u>22,181,737</u>
Total Investments Primary Government		<u>\$ -</u>	<u>\$ -</u>

***Certificates of Deposit***

Certificates of deposit are classified as investments but are considered deposits for custodial risk determination. State statutes require that the County's deposits be collateralized in the name of the County by the trust department of a bank that does not hold the collateralized deposits. As of December 31, 2012 all certificates of deposit are entirely insured or collateralized with securities.

***U.S. Government Agency Obligations***

The County also holds investments in several U.S. Government agency obligations. These investments are stated at historical cost.

The County does not have a policy for interest rate risk.

**Taney County Regional Sewer District**

State statutes require that the District's deposits be insured or collateralized in the name of the District by the trust department of a bank that does not hold the collateralized deposits. As of December 31, 2012 all bank balances on deposit are entirely insured or collateralized.

The Regional Sewer District's investments as of December 31, 2012 were as follows:

<b>Investment Type</b>	<b>Maturity</b>	<b>Fair Value</b>
Certificates of Deposit	7/28/2013	<u>\$ 214,055</u>

TANEY COUNTY, MISSOURI  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2012

**NOTE 2—CASH AND INVESTMENTS (continued)**

***Certificates of Deposit***

Certificates of deposit are classified as investments but are deposits for custodial risk determination. State statutes that require that the County's deposits on behalf of the Regional Sewer District be collateralized in the name of the County by the trust department of a bank that does not hold the collateralized deposits. As of December 31, 2012, all certificates of deposit are entirely insured or collateralized with securities. Certificates of deposit are held to maturity.

***U.S. Government Agency Obligations***

The Regional Sewer District also holds investments in several U.S. Government agency obligations. These investments are stated at historical cost.

The Regional Sewer District does not have a policy for interest rate risk.

**NOTE 3—CLAIMS, JUDGMENTS AND CONTINGENCIES**

**Federal and State Grants**

The County participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Disbursements financed by grants are subject to audit by the appropriate grantor government. If disbursements are disallowed due to noncompliance with grant program regulations, the County may be required to reimburse the grantor government. As of December 31, 2012, significant amounts of grant disbursements have not been audited by grantor governments, but the County believes that the disallowed disbursements, if any, based on subsequent audits will not have a material effect on any of the individual government funds or the overall financial position of the County.

**Legal Matters**

There are a number of claims and/or lawsuits to which the County is a party as a result of certain injuries and various matters and complaints arising in the ordinary course of County activities. The County's management and legal counsel anticipate that the potential claims, if any, against the County resulting from such litigation would not have a material effect on the financial position of the County.

TANEY COUNTY, MISSOURI  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2012

**NOTE 4—PENSION PLAN—CERF**

**State Of Missouri County Employees' Retirement Fund**

***Plan Description***

Taney County participates in the County Employees' Retirement Fund (CERF), a cost-sharing multiple employer pension plan. CERF is a defined benefit pension plan which provides retirement and death benefits to plan members and beneficiaries. CERF was created and is governed by state statute, RSMo 50.1000 to 50.1200. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan qualified under the Internal Revenue Code Section 401(a) and it is tax exempt.

The County Employees' Retirement Fund issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to CERF, Boone County National Bank, P.O. Box 577, Columbia, MO 65202 or by calling 1-800-357-8557.

***Funding Policy***

Taney County's full-time employees hired before February 25, 2002 and not a member of LAGERS are required by state statute to contribute 4% of their annual payroll to the pension plan. Non-LAGERS members hired after February 25, 2002, contribute 6% and LAGERS members hired after February 25, 2002, contribute 4%. LAGERS members hired before February 25, 2002, do not contribute to CERF. The County is required by state statute to remit the fees collected under RSMo Sections 52.290, 150.150, 137.280, 137.345 and Chapters 59 and 54, RSMo, plus interest. The required contributions have been made.

**Note 5—PENSION PLAN—LAGERS**

**Plan Description**

Taney County participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries. LAGERS was created and is governed by statute, section 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 401a and it is tax exempt.

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

TANEY COUNTY, MISSOURI  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2012

Note 5—PENSION PLAN—LAGERS (continued)

**Funding Status:**

Taney County's full-time employees do not contribute to the pension plan. The political subdivision is required to contribute at an actuarially determined rate; the current rate is 11.4% (general), and 12.8% (police) of annual overall payroll. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute.

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

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

Annual required contribution	\$1,072,089
Interest on net pension obligation	0
Adjustment to annual required contribution	0
Annual pension cost	1,072,089
Actual contributions	1,072,089
Increase (decrease) in NPO	0
NPO beginning of the year	0
NPO end of the year	\$ 0

The annual required contribution (ARC) was determined as a part of the February 28, 2010 and February 28, 2011 annual actuarial valuation using the entry age actuarial cost method. The actuarial assumptions as of February 29, 2012 included: (a) a rate of return on the investment of present and future assets of 7.25% per year, compounded annually, (b) projected salary increases of 3.5% per year, compounded annually, attributable to inflation, (c) additional projected salary increases ranging from 0.0% to 6.0% per year, depending on age and division, attributable to seniority/merit, (d) pre-retirement mortality based on 75% of the RP-2000 Combined Healthy table set back 0 years for men and 0 years for women and (e) post-retirement mortality based on 105% of the 1994 Group Annuity Mortality table set back 0 years for men and 0 years for women. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls on an open basis. The amortization period at February 28, 2010, was 12 years for the General division and 12 years for the Police division. The amortization period at February 28, 2011, was 15 years for the General division and 15 years for the police division.

TANEY COUNTY, MISSOURI  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2012

Note 5—PENSION PLAN—LAGERS (continued)

Fiscal Year Ending	Three Year Trend Information		Net Pension Obligation
	Annual Pension Cost (APC)	Percentage of APC Contributed	
6/30/10	\$ 1,116,987	100%	\$ --
6/30/11	\$ 1,172,593	100%	\$ --
6/30/12	\$ 1,072,089	100%	\$ --

REQUIRED SUPPLEMENTAL INFORMATION

Schedule of Funding Progress

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Entry Age Actuarial Accrued Liability	(b-a) Unfunded Accrued Liability (UAL)	(a/b) Funded Ratio	(c) Annual Covered Payroll	[(b-a)/c] UAL as a Percentage of Covered Payroll
2/28/10	\$10,270,272	\$13,317,256	\$ 3,046,984	77%	\$ 9,950,757	31%
2/28/11	11,600,854	14,517,186	2,916,332	80%	9,600,841	30%
2/28/12	\$12,029,405	\$14,217,025	\$2,187,620	85%	\$8,808,205	25%

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, Missouri.

The required schedule of funding progress immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

TANEY COUNTY, MISSOURI  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2012

**NOTE 6 — TAX LEVY AND LEGAL DEBT MARGIN**

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1, and are payable by December 31.

The 2012 assessed valuation of the tangible taxable property and the tax levies per \$100 assessed valuation of that property were as follows:

ASSESSED VALUATION	
Real Estate	\$897,198,599
Personal Property	147,872,624
Railroad and Utilities	2,246,170
	\$1,047,317,393
TAX LEVY	
General Fund	\$ --
Constitutional debt limit	\$ 102,546,240
General obligation bonds payable	--
LEGAL DEBT MARGIN	\$ 102,546,240

(1) Under Article VI, Section 26 (b) and (c), Missouri Constitution, the County, by a vote of its qualified electors voting therein, may incur an indebtedness for any purpose authorized by law of the County or by any general law of the State of Missouri. The borrowings authorized by this section shall not exceed ten percent of the value of the taxable tangible property in the County.

**NOTE 7—LONG-TERM DEBT—TANEY COUNTY REGIONAL SEWER DISTRICT**

**2004 Water Pollution Control Revenue Bonds:**

During 2004, the District entered into an agreement with the Missouri Leveraged State Water Pollution Control Revolving Fund Program to sell \$15,590,000 in Wastewater System Revenue Bonds, Series 2004C. The bonds bear interest at 3.0% to 5.25%.

The interest paid is offset by an interest subsidy from the State of Missouri's 50% bond reserves. Interest payments are due semi-annually on January 1 and July 1 of each year with annual principal payments due January 1 of each year. The bonds also require an administrative fee payable annually on January 1 of each year at .714% of the outstanding principal balance. The bonds outstanding at December 31, 2012 are due as follows:

TANEY COUNTY, MISSOURI  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2012

**NOTE 7-LONG-TERM DEBT-TANEY COUNTY SEWER DISTRICT (continued)**

Year Ended December 31	Principal	Interest	Administrative Fee	Total
2013	\$ 810,000	\$ 474,945	\$ 72,185	\$ 1,357,130
2014	820,000	446,010	66,402	1,332,412
2015	840,000	410,250	60,547	1,310,797
2016	865,000	367,625	54,550	1,287,175
2017	885,000	323,875	48,374	1,257,249
2018	910,000	279,000	42,055	1,231,055
2019	940,000	231,575	35,557	1,207,132
2020	965,000	181,568	28,846	1,175,414
2021	995,000	130,119	21,956	1,147,075
2022	1,025,000	78,375	14,851	1,118,226
2023	1,055,000	26,375	7,533	1,088,908
<b>TOTAL</b>	<b>\$10,110,000</b>	<b>\$2,949,717</b>	<b>\$452,856</b>	<b>\$13,512,573</b>

The following table is a summary of the changes in the long-term debt for the year ended December 31, 2012:

	Balance December 31, 2011	New Obligations	Retired	Balance December 31, 2012
2004 SRF Revenue Bonds Payable	\$ 10,910,000	\$ --	\$ 800,000	\$10,110,000

**NOTE 8—LONG TERM DEBT—PRIMARY GOVERNMENT**

On November 15, 2006, the County issued Lease Certificates of Participation Series 2006 for the construction of a new judicial facility. The County intends to make principal and interest payments on the lease from revenues generated from the 1/8 cent law enforcement sales tax passed by voters on November 8, 2005. The sales tax will continue until December 31, 2022.

The lease agreement requires principal payments ranging from \$655,000 to \$1,500,000 plus interest ranging from 4.00% to 4.50%. Principal payments are due April 1 of each year with interest due semi-annually on April 1 and October 1.



TANEY COUNTY, MISSOURI  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2012

**NOTE 8—LONG TERM DEBT—PRIMARY GOVERNMENT (continued)**

The lease agreement provides for the cancellation of the lease should the County fail to appropriate funds on the annual renewal dates. However, the County does not foresee exercising its options to cancel.

The total annual minimum lease payments required at December 31, 2012, are as follows:

Year Ended December 31,	Amount Due
2013	\$1,494,681
2014	1,520,393
2015	1,545,844
2016-2023	<u>14,405,322</u>
Total Minimum Lease Payments	<u>18,966,240</u>
Less Amount Representing Interest	<u>(4,551,898)</u>
Principal Balance December 31, 2012	<u>\$14,414,342</u>

The following schedule presents the changes in the long-term debt for the year ended December 31, 2012:

	Balance at December 31, 2011	Additions	Retirements	Balance at December 31, 2012
2006 Certificates of Participation	\$15,820,000	\$ --	\$835,000	\$14,985,000
Compensated Absences	95,333	--	81,300	14,033
<b>Total</b>	<u>\$15,915,333</u>	<u>\$ --</u>	<u>\$916,300</u>	<u>\$14,999,033</u>

**NOTE 9—RISK ASSESSMENT**

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has transferred its risk by obtaining coverage from commercial insurance companies. In addition, it has effectively managed risk through various employee education and prevention programs. There has been no significant reduction in insurance coverage from the previous year.

**NOTE 10-2002 BOND PROPOSITIONS**

On April 2, 2002, the Taney County Regional Sewer District passed a \$30,000,000 bond issue for the purpose of extending and improving the sewage system of the District. The Capital Improvement Sales Tax passed by voters on April 4, 2000, has been pledged for the repayment of these bonds. As of December 31, 2012, only 15,590,000 of these bonds have been issued.

TANEY COUNTY, MISSOURI  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2012

**NOTE 11—CAPITAL ASSETS—TANEY COUNTY REGIONAL SEWER DISTRICT**

Capital asset activity for the year ended December 31, 2012, was as follows:

	Balance December 31, 2011	Additions	Deletions	Balance December 31, 2012
<b>Non-depreciable Capital Assets:</b>				
Land	\$ 106,576	\$ --	\$ --	\$ 106,576
Construction in Progress	452,231	1,952,460	-	452,231
<b>Total Non-depreciable Capital Assets</b>	<b>1,672,058</b>	<b>1,952,460</b>	<b>--</b>	<b>1,672,058</b>
<b>Depreciable Capital Assets</b>				
Sewer System	61,319,356	--	--	61,319,356
Equipment	252,090	--	--	252,090
<b>Total Depreciable Assets</b>	<b>59,989,286</b>	<b>--</b>	<b>--</b>	<b>59,989,286</b>
<b>Less Accumulated Depreciation:</b>				
Sewer System	10,913,311	2,043,978	--	12,957,289
Equipment	175,796	17,407	--	193,203
<b>Total Depreciation</b>	<b>9,074,216</b>	<b>\$2,061,385</b>	<b>\$ --</b>	<b>13,150,492</b>
<b>Net Depreciable Capital Assets</b>	<b>50,915,070</b>			<b>48,420,954</b>
<b>Total Capital Assets</b>	<b>\$52,587,128</b>			<b>\$50,932,221</b>

TANEY COUNTY, MISSOURI  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2012

**NOTE 12—INTER - FUND TRANSFERS**

Inter-fund transfers for the year ended December 31, 2012, consisted of the following:

	Transfers In (Out)
General Fund	\$ 592,092
Road and Bridge Trust Fund	(45,582)
Road and Bridge Fund	39,126
Assessment Fund	75,000
Tax Maintenance Fund	(130,000)
E-911 Fund	(232,132)
Prosecuting Attorney Bad Check Fund	(85,600)
Recorder User Fee Fund	(54,871)
Land Sales Fund	(27,474)
Elections	(55)
County Fines	(267,066)
Unclaimed Funds	9526
School Funds	294,480
Sewer Fund	(69,974)
TOTAL	\$ --

Transfers are used to (1) move receipts from the fund that statute or budget requires to collect the fees to the fund that statute or budget requires to disburse the income, and (2) use unrestricted receipts in the General Fund to finance various problems accounted for in other funds in accordance with budgetary authorizations.

**NOTE 13—JUDICIAL FACILITY RESERVE FUND**

A Reserve Fund is established pursuant to the Indenture and is required to be funded on the date of initial delivery of the Series 2006 Certificates in an amount equal to \$1,926,000 (the "Reserve Requirement"). Money in the Reserve Fund may be used solely (a) to make up any deficiencies in the Certificate Payment Fund and, if the money in the Certificate Payment Fund is insufficient to pay the principal component or the interest component of the Base Rentals as the same become due, the Trustee is required to transfer from Reserve Fund to the Certificate Payment Fund an amount sufficient to make up such deficiency or (b) to make Base Rentals or to make deposits to the Certificate Payment Fund to make such payments, in the amounts and at the times specified in a written request of the County given to the Trustee. If the Trustee receives any such request, the Trustee must transfer the amount specified therein on the date or dates specified therein. As of December 31, 2012 the Reserve Account balance was \$1,969,223.

TANEY COUNTY, MISSOURI  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2012

**NOTE 14—COMMITMENTS**

At December 31, 2012, the County was committed to the following contracts:

- Sewer improvement project for the Village of Bull Creek in the amount of \$208,000.
- Animal Control Services from the Taney County Health Center for \$204,550.
- 30.16% of the cost of the Ozarks Regional Juvenile Detention Center.
- Provide \$8,800 to the Women's Crisis Center of Taney County.
- Improvements to the City of Forsyth Wastewater Treatment Facility totaling \$36,360.

**NOTE 15—COMMITMENTS—TANEY COUNTY REGIONAL SEWER DISTRICT**

The District was committed to contracts for sewer system additions and improvements with Rosetta Construction, LLC in the amount of \$724,591, and Great River Associates in the amount of \$26,100, as of December 31, 2012.

**Taney County Missouri**

**December 31, 2012**

**REQUIRED SUPPLEMENTARY INFORMATION**

TANEY COUNTY, MISSOURI  
STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND  
YEAR ENDED DECEMBER 31, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES COLLECTED</b>				
Taxes	\$ 8,160,800	\$ 8,160,800	\$ 8,395,903	\$ 235,103
Licenses and Permits	146,000	146,000	64,304	(81,696)
Intergovernmental Revenues	1,144,820	1,144,820	1,144,820	-
Fees and Charges	2,848,250	2,848,250	3,462,745	614,495
Miscellaneous	288,000	288,000	393,635	105,635
<b>TOTAL REVENUES COLLECTED</b>	<b>12,587,870</b>	<b>12,587,870</b>	<b>13,461,407</b>	<b>873,537</b>
<b>EXPENDITURES PAID</b>				
<b>General Government</b>				
University Extension	45,033	45,033	44,976	(57)
Collector of Revenue	233,032	233,032	231,447	(1,585)
Treasurer	84,480	84,480	91,112	6,632
Recorder of Deeds	259,437	259,437	256,509	(2,928)
County Commission	219,650	219,650	189,466	(30,184)
Employee Benefits	1,144,457	1,144,457	1,179,021	34,564
Information Technology	389,061	389,061	330,033	(59,028)
Planning and Zoning	200,502	200,502	201,060	558
Election and Voter Registration	45,033	45,033	44,976	(57)
County Clerk	123,752	123,752	131,578	7,826
Auditor	141,222	141,222	138,057	(3,165)
Building and Grounds	760,372	760,372	461,705	(298,667)
Purchasing	30,200	30,200	27,672	(2,528)
<b>TOTAL</b>	<b>3,676,231</b>	<b>3,676,231</b>	<b>3,327,612</b>	<b>(348,619)</b>
<b>Judicial</b>				
Court Administration	47,000	47,000	48,680	1,680
Circuit Clerk	95,194	95,194	93,041	(2,153)
Circuit Judge	59,114	59,114	60,852	1,738
Coroner	41,830	41,830	55,983	14,153
Court Reporter	4,865	4,865	444	(4,421)
Public Administrator	93,298	93,298	91,029	(2,269)
Juvenile	126,621	126,621	125,075	(1,546)
Prosecuting Attorney	531,645	531,645	566,267	24,622
<b>TOTAL</b>	<b>999,567</b>	<b>999,567</b>	<b>1,031,381</b>	<b>31,814</b>
<b>Public Safety</b>				
Sheriff	1,794,801	1,794,801	1,674,413	(120,388)
Jail	1,180,616	1,180,616	1,119,337	(61,279)
Animal Control	180,895	180,895	209,375	28,480
Emergency Management	49,390	49,390	40,345	(9,045)
<b>TOTAL</b>	<b>3,205,702</b>	<b>3,205,702</b>	<b>3,043,470</b>	<b>(162,232)</b>
<b>Other</b>				
<b>Public Works</b>				
Sewer	25,644,521	25,644,521	4,962,773	(20,681,748)
Airport	581,542	581,542	539,592	(41,950)
<b>Debt Service</b>				
Principal and Interest	1,454,000	1,454,000	1,439,270	(14,730)
<b>TOTAL OTHER EXPENSES</b>	<b>27,680,063</b>	<b>27,680,063</b>	<b>6,941,635</b>	<b>(20,738,428)</b>
<b>TOTAL EXPENDITURES PAID</b>	<b>35,561,563</b>	<b>35,581,563</b>	<b>14,344,098</b>	<b>(21,217,465)</b>
<b>Excess (Deficit) of Revenues Collected Over Expenditures Paid</b>	<b>(22,973,693)</b>	<b>(22,973,693)</b>	<b>(882,691)</b>	<b>22,091,002</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
<b>Operating Transfers in (out)</b>				
Transfers In	450,000	450,000	676,618	226,618
Transfers Out	(100,000)	(100,000)	(97,530)	2,470
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>350,000</b>	<b>350,000</b>	<b>579,088</b>	<b>229,088</b>
<b>Excess (Deficit) of Revenues Collected over Expenditures Paid and Other Sources (Uses)</b>	<b>\$ (22,623,693)</b>	<b>\$ (22,623,693)</b>	<b>(303,603)</b>	<b>\$ 22,320,090</b>
<b>Fund Balance, Beginning of Year, Restated</b>			<b>10,118,428</b>	
<b>Fund Balance, End of Year, Restated</b>			<b>\$ 9,814,825</b>	

The Accompanying Notes are an Integral Part of these Financial Statements.

TANEY COUNTY, MISSOURI  
 REQUIRED SUPPLEMENTARY INFORMATION  
 STATEMENT OF REVENUES COLLECTED, EXPENSES PAID AND  
 CHANGES IN FUND BALANCE - BUDGET TO ACTUAL  
 YEAR ENDED DECEMBER 31, 2012

	ROAD AND BRIDGE FUND			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
<b>REVENUES COLLECTED</b>				
Taxes	\$ 6,802,000	\$ 6,802,000	\$ 7,055,054	\$ 253,054
Intergovernmental	382,500	382,500	592,921	210,421
Other Receipts	935,300	935,300	1,058,601	123,301
Total Revenues Collected	<u>8,119,800</u>	<u>8,119,800</u>	<u>8,706,576</u>	<u>586,776</u>
<b>EXPENDITURES</b>				
Highway & Roads	10,705,607	10,705,607	6,967,934	(3,737,673)
Total Expenditures	<u>10,705,607</u>	<u>10,705,607</u>	<u>6,967,934</u>	<u>(3,737,673)</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(2,585,807)</u>	<u>(2,585,807)</u>	<u>1,738,642</u>	<u>4,324,449</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	25,000	25,000	43,822	18,822
Transfers Out	(25,000)	(25,000)	(4,697)	20,303
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>39,125</u>	<u>39,125</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (2,585,807)</u>	<u>\$ (2,585,807)</u>	<u>1,777,767</u>	<u>\$ 4,363,574</u>
<b>FUND BALANCE, Beginning of Year</b>			<u>7,597,150</u>	
<b>FUND BALANCE, End of Year</b>			<u>\$ 9,374,917</u>	

The Accompanying Notes are an Integral Part of these Financial Statements.

**Taney County, Missouri**

**December 31, 2012**

**OTHER FINANCIAL INFORMATION**



TANEY COUNTY, MISSOURI  
 OTHER FINANCIAL INFORMATION  
 COMBINING SCHEDULE OF ASSETS, LIABILITIES, AND FUND BALANCES  
 ARISING FROM MODIFIED CASH TRANSACTIONS  
 DECEMBER 31, 2012

NON-MAJOR SPECIAL REVENUE FUNDS, pg 1 of 3

	Assessment Fund	Election Services Fund	Inmate Security Fund	Local Emergency Planning Commission	Law Enforcement Training Fund	Prosecutor Training Fund	E-911 Telephone Fund
ASSETS							
Cash and Investments	\$ 32,491	\$ 27,147	\$ 5,414	\$ 9,217	\$ 751	\$ 4,798	\$ 404,724
Total Assets	<u>\$ 32,491</u>	<u>\$ 27,147</u>	<u>\$ 5,414</u>	<u>\$ 9,217</u>	<u>\$ 751</u>	<u>\$ 4,798</u>	<u>\$ 404,724</u>
LIABILITIES AND FUND BALANCES							
Liabilities							
Due to Other Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances							
Unreserved							
Special Revenue Funds	32,491	27,147	5,414	9,217	751	4,798	404,724
Total Fund Balances	<u>32,491</u>	<u>27,147</u>	<u>5,414</u>	<u>9,217</u>	<u>751</u>	<u>4,798</u>	<u>404,724</u>
Total Liabilities and Fund Balances	<u>\$ 32,491</u>	<u>\$ 27,147</u>	<u>\$ 5,414</u>	<u>\$ 9,217</u>	<u>\$ 751</u>	<u>\$ 4,798</u>	<u>\$ 404,724</u>

The Accompanying Notes are an Integral Part of these Financial Statements.

TANEY COUNTY, MISSOURI  
 OTHER FINANCIAL INFORMATION  
 COMBINING SCHEDULE OF ASSETS, LIABILITIES, AND FUND BALANCES  
 ARISING FROM MODIFIED CASH TRANSACTIONS  
 DECEMBER 31, 2012

NON-MAJOR SPECIAL REVENUE FUNDS, pg 2 of 3

ASSETS	Sheriff Civil Fees Fund	Collector's Fund	Prosecutor Bad Check Fund	Recorder Tech Fund	Prosecutor Delinquent Tax Fund	Drug Forfeiture Fund	Sheriff Revolving Fund
Cash and Investments	\$ 74,900	\$ 166,984	\$ 119,474	\$ 295,985	\$ 90,421	\$ 1,599	\$ 64,894
Total Assets	<u>\$ 74,900</u>	<u>\$ 166,984</u>	<u>\$ 119,474</u>	<u>\$ 295,985</u>	<u>\$ 90,421</u>	<u>\$ 1,599</u>	<u>\$ 64,894</u>
LIABILITIES AND FUND BALANCES							
Liabilities							
Due to Other Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances							
Unreserved							
Special Revenue Funds	74,900	166,984	119,474	295,985	90,421	1,599	64,894
Total Fund Balances	74,900	166,984	119,474	295,985	90,421	1,599	64,894
Total Liabilities and Fund Balances	<u>\$ 74,900</u>	<u>\$ 166,984</u>	<u>\$ 119,474</u>	<u>\$ 295,985</u>	<u>\$ 90,421</u>	<u>\$ 1,599</u>	<u>\$ 64,894</u>

The Accompanying Notes are an Integral Part of these Financial Statements.

TANEY COUNTY, MISSOURI  
 OTHER FINANCIAL INFORMATION  
 COMBINING SCHEDULE OF ASSETS, LIABILITIES, AND FUND BALANCES  
 ARISING FROM MODIFIED CASH TRANSACTIONS  
 DECEMBER 31, 2012

NON-MAJOR SPECIAL REVENUE FUNDS, pg 3 of 3

	Vest Grant Fund	Domestic Violence Fund	Senior Services Fund	TOTAL NON-MAJOR GOVERNMENTAL FUNDS
ASSETS				
Cash and Investments	\$ 4,401	\$ 9,778	\$ 532,317	\$ 1,845,295
Total Assets	\$ 4,401	\$ 9,778	\$ 532,317	\$ 1,845,295
LIABILITIES AND FUND BALANCES				
Liabilities				
Due to Other Funds	\$ -	\$ -	\$ -	\$ -
Total Liabilities	-	-	-	-
Fund Balances				
Unreserved				
Special Revenue Funds	4,401	9,778	532,317	1,845,295
Total Fund Balances	4,401	9,778	532,317	1,845,295
Total Liabilities and Fund Balances	\$ 4,401	\$ 9,778	\$ 532,317	\$ 1,845,295

The Accompanying Notes are an Integral Part of these Financial Statements.

TANEY COUNTY, MISSOURI  
 OTHER FINANCIAL INFORMATION  
 COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 DECEMBER 31, 2012

pg 1 of 3

	Assessment Fund	Election Services Fund	Inmate Security Fund	Local Emergency Planning Commission	Law Enforcement Training Fund	Prosecutor Training Fund	E-911 Telephone Fund
<b>REVENUES</b>							
Taxes	\$ -	\$ -	\$ 4,532	\$ -	\$ -	\$ -	\$ 562,994
Fees & Fines	994	-	-	-	6,922	1,181	-
Intergovernmental	487,137	46,500	-	4,274	-	-	-
Miscellaneous	4,035	316	48	100	96	56	3,320
<b>Total Revenues</b>	<b>492,165</b>	<b>46,815</b>	<b>4,580</b>	<b>4,374</b>	<b>7,018</b>	<b>1,237</b>	<b>566,314</b>
<b>EXPENSES</b>							
General Government	-	47,046	2,398	-	-	-	-
Tax Administration	622,291	-	-	5,039	16,062	1,345	687,690
Public Safety & Judicial	-	-	-	-	-	-	-
Debt Service	-	47,046	2,398	5,039	16,062	1,345	687,690
<b>Total Expenses</b>	<b>622,291</b>	<b>47,046</b>	<b>2,398</b>	<b>5,039</b>	<b>16,062</b>	<b>1,345</b>	<b>687,690</b>
<b>Excess (Deficiency) of Revenues over Expenses</b>	<b>(130,126)</b>	<b>(230)</b>	<b>2,182</b>	<b>(665)</b>	<b>(9,044)</b>	<b>(108)</b>	<b>(121,376)</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers In	75,000	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-
<b>Total Other Financing Sources</b>	<b>75,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(55,126)</b>	<b>(230)</b>	<b>2,182</b>	<b>(665)</b>	<b>(9,044)</b>	<b>(108)</b>	<b>(121,376)</b>
<b>Fund Balance, Beginning</b>	<b>87,617</b>	<b>27,377</b>	<b>3,232</b>	<b>9,882</b>	<b>9,795</b>	<b>4,906</b>	<b>526,100</b>
<b>Fund Balance, Ending</b>	<b>\$ 32,491</b>	<b>\$ 27,147</b>	<b>\$ 5,414</b>	<b>\$ 9,217</b>	<b>\$ 751</b>	<b>\$ 4,798</b>	<b>\$ 404,724</b>

The Accompanying Notes are an Integral Part of these Financial Statements.  
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TANEY COUNTY, MISSOURI  
 OTHER FINANCIAL INFORMATION  
 COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 DECEMBER 31, 2012

pg 2 of 3

	Sheriff Civil Fees Fund	Collector's Fund	Prosecutor Bad Check Fund	Recorder User Fund	Prosecutor Delinquent Tax Fund	Sheriff Drug Forfeiture Fund	Sheriff Revolving Fund
<b>REVENUES</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees & Fines	50,000	143,327	27,552	66,743	7,535	-	39,077
Intergovernmental	-	-	-	-	-	9,041	-
Miscellaneous	4,058	2,121	1,939	4,836	1,292	397	708
Total Revenues	<u>54,058</u>	<u>145,448</u>	<u>29,491</u>	<u>71,580</u>	<u>8,828</u>	<u>9,439</u>	<u>39,785</u>
<b>EXPENSES</b>							
General Government	-	-	-	152,285	-	-	-
Tax Administration	-	229,642	-	-	-	-	-
Public Safety & Judicial	162,069	-	101,155	-	24,878	42,794	32,410
Debt Service	-	-	-	-	-	-	-
Total Expenses	<u>162,069</u>	<u>229,642</u>	<u>101,155</u>	<u>152,285</u>	<u>24,878</u>	<u>42,794</u>	<u>32,410</u>
Excess (Deficiency) of Revenues over Expenses	<u>(108,011)</u>	<u>(84,194)</u>	<u>(71,664)</u>	<u>(80,715)</u>	<u>(16,050)</u>	<u>(33,355)</u>	<u>7,375</u>
<b>OTHER FINANCIAL SOURCES (USES)</b>							
Transfers In	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-
Total Other Financing Sources	-	-	-	-	-	-	-
Net Change in Fund Balances	<u>(108,011)</u>	<u>(84,194)</u>	<u>(71,664)</u>	<u>(80,715)</u>	<u>(16,050)</u>	<u>(33,355)</u>	<u>7,375</u>
Fund Balance, Beginning	<u>182,911</u>	<u>251,178</u>	<u>191,138</u>	<u>376,700</u>	<u>108,471</u>	<u>34,954</u>	<u>57,519</u>
Fund Balance, Ending	<u>\$ 74,900</u>	<u>\$ 166,984</u>	<u>\$ 119,474</u>	<u>\$ 295,985</u>	<u>\$ 90,421</u>	<u>\$ 1,599</u>	<u>\$ 64,894</u>

The Accompanying Notes are an Integral Part of these Financial Statements.

TANEY COUNTY, MISSOURI  
 OTHER FINANCIAL INFORMATION  
 COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE  
 NON- MAJOR SPECIAL REVENUE FUNDS  
 DECEMBER 31, 2012

pg 3 of 3

	Vest Grant Fund	Domestic Violence Fund	Senior Services Fund	TOTAL NON-MAJOR GOVERNMENTAL FUNDS
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ 490,490	\$ 1,068,016
Fees & Fines	-	8,714	-	352,045
Intergovernmental	4,304	-	-	551,256
Miscellaneous	30	63	7,653	31,067
Total Revenues	<u>4,334</u>	<u>8,777</u>	<u>498,143</u>	<u>1,992,384</u>
<b>EXPENSES</b>				
General Government	-	-	423,208	624,946
Tax Administration	-	-	-	851,932
Public Safety & Judicial	2,820	8,896	-	1,085,157
Debt Service	-	-	-	-
Total Expenses	<u>2,820</u>	<u>8,896</u>	<u>423,208</u>	<u>2,562,035</u>
Excess (Deficiency) of Revenues over Expenses	<u>1,514</u>	<u>(119)</u>	<u>74,935</u>	<u>(569,651)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	75,000
Transfers Out	-	-	-	-
Total Other Financing Sources	-	-	-	<u>75,000</u>
Net Change in Fund Balances	<u>1,514</u>	<u>(119)</u>	<u>74,935</u>	<u>(494,651)</u>
Fund Balance, Beginning	<u>2,887</u>	<u>9,897</u>	<u>457,378</u>	<u>2,339,942</u>
Fund Balance, Ending	<u>\$ 4,401</u>	<u>\$ 9,778</u>	<u>\$ 532,313</u>	<u>\$ 1,845,291</u>

The Accompanying Notes are an Integral Part of these Financial Statements.



**Taney County, Missouri**  
**Independent Audit Services RFP #201403-252**  
**Addendum #2**

This addendum is issued in accordance with the Scope of Services in this Request for Proposal and is hereby incorporated into and made a part of the RFP Documents. Offerors are reminded that receipt of this addendum **shall** be acknowledged and submitted with Offeror's *Response Page*.

Specifications for the above noted RFP and the work covered thereby are herein modified as follows, and except as set forth herein, otherwise remain unchanged and in full force and effect:

This office has received the following questions as listed below. Answers, provided by Taney County Auditor Rick Findley, are listed below in red.

1. How long has your current audit firm been engaged by the County? Does the County have a mandatory rotation policy for audit firms, or have they been invited to bid? **ANSWER: We have used different firms the last three years. Before that we had one firm for several years in a row. We felt like we needed to at least offer a change and got really good bids. Everyone is invited to bid.**
2. Has there been any significant turnover in the accounting staff over the past year or any changes you'd expect would impact fieldwork? **ANSWER: No we have made small changes, but nothing that would affect the field work.**
3. Have the auditors historically been on-site to perform interim fieldwork? If so, how many auditors have been on site and for how long? **ANSWER: Yes depending on the number as to the time frame.**
4. How long and how many auditors have historically been on site during final fieldwork? **ANSWER: Last year there were three here for less than two weeks.**
5. What, if anything, would the County like to see changed and/or improved about their current audit process? **ANSWER: Time frame to finish should be better than last year.**
6. Who drafts the audit report, has it historically been the auditors or the County? **ANSWER: The auditors.**
7. Were there any journal entries proposed by the audit firm during 2012 audit? Is there a list of these journal entries available? **ANSWER: None were proposed.**
8. Was a management letter issued during the 2012 audit, if so, is this available for review? Were there any significant deficiencies or material weaknesses reported? **ANSWER: Yes, see website.**
9. Who audits the Taney County Regional Sewer District component unit? What has historically been the timing of their audit report release? **ANSWER: Davis Lyn Moots I think they may have changed names now.**
10. Does the County prepare the schedule of federal awards (SEFA)? Was there a single audit performed during 2012 (if so, is a copy of the single audit report available for review)? How much in federal expenditures did the County spend during 2013? **ANSWER: No A-133 in 12 we don't expect to have one in 13 either.**
11. Please provide fees for the financial statement audit and Single Audit (if separate fee) for the last 3 years. **ANSWER: 2013 = \$14000, 2012 = \$19000, 2011 = \$22500 (These are total costs we did not have single audit in 12 or 13)**

Thank you.

By,  
**Ron Erickson, Director of Purchasing**  
132 David Street / P.O. Box 1630 Forsyth, Mo. 65653  
Phone: 417-546-7281 Fax: 417-546-3931  
E-mail: [rone@co.taney.mo.us](mailto:rone@co.taney.mo.us)

OFFEROR has examined copy of Addendum #2 to **Independent Audit Services RFP #201403-252**, receipt of which is hereby acknowledged:

Company Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_  
E-mail address: \_\_\_\_\_

Authorized Representative Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Authorized Representative Printed Name: \_\_\_\_\_



**Taney County, Missouri**  
**Independent Audit Services RFP #201403-252**  
**Addendum #3**

This addendum is issued in accordance with the Scope of Services in this Request for Proposal and is hereby incorporated into and made a part of the RFP Documents. Offerors are reminded that receipt of this addendum **shall** be acknowledged and submitted with Offeror's *Response Page*.

Specifications for the above noted RFP and the work covered thereby are herein modified as follows, and except as set forth herein, otherwise remain unchanged and in full force and effect:

This office has received the following questions as listed below. Answers, provided by Taney County Auditor Rick Findley, are listed below in red.

1. Per the 2013 budget document, there is a budget for the Senior Services Fund and 911 fund? Do these entities have their own elected boards and separate financial information? They do not seem to be presented in the prior 2 audits. Are they to be included in the Taney County audit as a non-major fund since they are not component units of the county? **ANSWER: There are appointed boards for the SSF and the 911 fund. Those funds should be included in the financial of the county as non major funds and by auditors determination may be included as major.**
2. What funding is provided in the budget to these entities? **ANSWER: The 911 budget is funded by fees collected by landlines as provided by statute. Also, there is legislation in the works which would allow similar fees collected on cell lines. The SSF is funded by a levy on property voted in by the people.**
3. There is a budget for the Road and Bridge Fund but is there also a Road and Bridge Trust Fund since this has been shown separately in prior audits except for 2012? **ANSWER: In 2012 we combined the road and bridge and the road and bridge trust to make it easier for the public and the department to interpret.**

Thank you.

By,

**Ron Erickson, Director of Purchasing**  
132 David Street / P.O. Box 1630 Forsyth, Mo. 65653  
Phone: 417-546-7281 Fax: 417-546-3931  
E-mail: [rone@co.taney.mo.us](mailto:rone@co.taney.mo.us)

OFFEROR has examined copy of Addendum #3 to **Independent Audit Services RFP #201403-252**, receipt of which is hereby acknowledged:

Company Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_  
E-mail address: \_\_\_\_\_

Authorized Representative Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Authorized Representative Printed Name: \_\_\_\_\_