

COUNTY OF COLE, MISSOURI
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2015

Prepared by:

Auditor's Office
Kristen Berhorst
County Auditor

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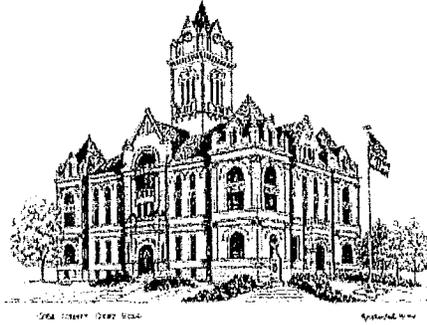
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INTRODUCTION SECTION

**Office of the Auditor
Cole County**

KRISTEN BERHORST
AUDITOR

DANIELLE PATTERSON
DEPUTY AUDITOR



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June 7, 2016

To the Citizens of the County of Cole, Missouri:

The Comprehensive Annual Financial Report of Cole County for the fiscal year ended December 31, 2015, is submitted herewith. This report was prepared by the County Auditor's office in accordance with U.S. generally accepted accounting principles, state law, the Single Audit Act of 1984 and the requirements of Government Finance Officers' Association. Accordingly, this office is responsible for the accuracy, completeness, and fairness of the data and information presented. To the best of our knowledge, the data, as presented, are accurate in all material respects, and are presented in a fair and straight forward manner to reflect clearly the financial position and results of operations of the County as measured by the financial activity reflected in the various County funds. Moreover, all disclosures deemed necessary to enable the reader to gain the maximum understanding of the County's financial affairs have been included.

The organization, form and content of the report including the management's discussion and analysis, accompanying financial statements, and statistical tables conform substantially to the revised standards of the National Council of Governmental Accounting as adopted by the Governmental Accounting Standards Board.

Cole County is required by law to have its financial reports audited by an independent audit firm in accordance with U.S. generally accepted auditing standards. The Single Audit Act of 1984 imposes additional standards for reporting on internal control and financial reporting for recipients of \$750,000, or more in federal funds. The independent audit firm of Williams Keepers LLC, Certified Public Accountants and Consultants, audited our financial statements for the year 2015. I am happy to report that Williams Keepers et al issued an unmodified opinion on the County's financial reports for the fiscal year 2015. The independent auditors' report is included in this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it. The MD&A is prepared by the County Auditor, but is believed to represent the views of management of the County.

Profile of the Government

The County of Cole surrounds and includes the City of Jefferson and is the home of the capital of Missouri. Located on the banks of the Missouri River in the center of the state, Cole County is the hub of state government, its basic employer. The County is also located just 30 miles south of the State's major research university – University of Missouri. In area, the County is made up of more than 400 square miles of space situated in Central Missouri and serves a population of approximately 76,720.

The County of Cole is a first class County and is organized and operating under the Constitution and Laws of the State of Missouri. The County is governed by three County Commissioners, which consists of a Presiding Commissioner, an Eastern and Western District Commissioner. The Presiding Commissioner is elected at large and the two Associate Commissioners are each elected from within their respective districts. In addition to the County Commissioners, other elected officials elected on a county-wide basis to a four-year term include: the Assessor, Auditor, Collector of Revenue, County Clerk, Recorder of Deeds, Prosecuting Attorney, Sheriff, Treasurer, and Public Administrator. The 19th Judicial Circuit Court operations are administered by an elected Circuit Clerk, three Circuit Court Judges and one Associate Court Judge.

The County of Cole provides a full range of services, including judicial services, public safety, roads and bridges and health and welfare services. Judicial services include the operation of the 19th Judicial Circuit Courts. Public safety services include the Prosecuting Attorney's Office, the Juvenile Office and Detention Center, the Cole County Jail, law enforcement services in the unincorporated areas of the County, and civil process service for the entire County. The County also has a Road and Bridge department that maintains all County roads, a Health Department that runs the County Health Center, and general government services which include the collection of property taxes, assessment of county property, voter registration and election services, and various other public services.

The annual budget serves as the foundation for the County of Cole's financial planning and control. The County's fiscal year is the calendar year and the annual budgetary process and timetable is governed by state statute. All departments are required to submit their budget requests for appropriation to the Auditor's office by the 10th of September each year. The County Auditor uses these requests as the starting point for developing a proposed budget. The County Auditor then presents the proposed budget to the County Commission for review no later than the 15th of November each year. The County Commission is required to hold public hearings on the proposed budget and to adopt a final budget at least ten days after the beginning of the fiscal year. In any year in which the term of any commissioner expires, the budget shall be approved within thirty days after the beginning of the fiscal year. The basis of the budgetary control is at the fund level. Departments may not legally exceed their appropriation without County Commission approval.

The County's statutory elective form of government differs significantly from a charter form of government. Independent elected officials are directly accountable to the citizens of Cole County to perform the statutory functions of their offices. The County Commission has no authority to impose its will on the other elected officials except through the adoption of the annual budget and through its exclusive control of County property.

Factors Affecting the County's Financial Condition

The County's financial position, like any economic enterprise, is impacted by general economic conditions including recessions. The County has a General Fund, two Proprietary Funds, one Internal Service Fund and 18 different Special Revenue Funds. Activity in these funds is discussed in detail in the MD&A section. As a cushion against potential emergencies, including economic recessions, the County has maintained reserves equal to at least 10 percent of its basic revenue. However, the economic base of the County and the financing decisions of the County will impact both revenue and expenditures and, finally, financial reserves.

The County of Cole's has a small but stable economic base. Population currently totals approximately 76,720. About half the County's population lives inside the city limits of Jefferson City. Population in both the City and County is expected to continue to grow slightly over the next several years, dependent on the growth of state government and expansion of non-public industries. Both population and income have grown slightly over the past 10 years and both are expected to continue to grow over the next 5 to 10 years depending upon the magnitude of any potential economic problems.

Cole County's economic base is considered diversified although dominated by government. As the center for state government, Cole County has a large number of government agencies and departments and a large number of private associations and organizations directly related to the legislative process. These groups as a whole employ several thousand workers. The light manufacturing industries represented in the County's economic base includes Scholastic and Unilever. The County also houses two large hospitals which have both recently expanded. The service industry includes major retail centers. The downtown and strip retail facilities also offer regional attraction. The County's varied economic base contributes to economic and employment stability. The unemployment rate in Cole County has remained below that of state and national averages.

In 2007, most of the County's revenue was generated by property taxes, but with the addition of the law enforcement sales tax and emergency services sales tax, the largest portion of revenue has been from sales tax since 2008. The Law Enforcement Fund initiated in 2008 and the Ambulance Fund initiated in 2009 are both sales tax dependent. Sales tax revenue is inherently volatile with annual growth rates for sales tax ranging from no growth to 4% growth over the last 15 years. In 2015, over 62% of the County's operating revenues are derived from local sales tax.

Long Term Planning and Major Initiatives

The County of Cole considers its primary mission to be that of protecting the lives and property of its citizens, providing a safe and effective infrastructure, and providing public health services for the needy in order for its citizens to live and work to the fullest of their potential. The County has adopted initiatives for each of the mission components.

The County of Cole has made some major improvements to County facilities in the past few years including upgrading technology. During the past three years that County has migrated to new software for the Collector, Assessor and financial management. The County successfully renewed the Capital Improvement Sales tax initiative in 2016, and will generate over \$5.0 million per year in funds for infrastructure improvements and upgrades. The County has been making improvements to the buildings including new roofs and HVAC systems. The County is also in the process of replacing all the windows in the courthouse and annex buildings.

In 2007, the County incurred obligation to service \$10 million of long term financing to construct the new jail. In 2009, it incurred obligation to service an additional \$25 million in long term financing also to be used for construction of the new jail. The annual charge for the \$35 million in long term financing was about \$3.1 million per year to be paid from the ½ cent Law Enforcement Sales tax. In 2011 the first issuance of COPs was refunded to take advantage of the lower interest rates and to save the County slightly over \$450,000 over the remaining life of the capital lease arrangement. In 2014 the County decided to refund the second issuance of COPs. In connection with the refunding of COPs in 2014 the County obtained a rating from Moody's Investors Service of Aa2 to the County's credit. Moody's cited several factors for the Aa2 rating including "a growing tax base benefiting from the institutional presence of the state capital, well managed financial operations characterized by sound reserves, and a modest debt burden with no future borrowing expected."

Cash Management

The County of Cole is operating under the terms of a depository agreement executed in July of 2013 with Central Trust Bank of Jefferson City to manage "county" money - general and special revenue funds. Under this agreement, the County is paid a 2.55% fixed rate on the first \$15 million and receives the overnight Treasury Bill Coupon Equivalent Yield for the remaining balance. The County is required to maintain an average balance in all its accounts of \$15 million. When the balance exceeds \$15 million, the County can bid the funds considered to be temporarily under separate agreements. All account balances are collateralized by repurchase agreements and treasury bills.

Risk Management

All County employees are covered by worker's compensation. There were no major claims under the policy during 2015. The County promotes accident avoidance, including training, to minimize losses. The County reestablished a Safety Committee to identify and make recommendations to avoid accidents and injury. This program is ongoing and appears to be effective and, it is believed, should go a long way in reducing the liability insurance the County pays over the long term.

Awards and Acknowledgements

County government is considered efficient and effective by most standards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Cole County, Missouri for its comprehensive annual financial report for 16 consecutive years between 1989 through December 31, 2005. The County Commission elected not to participate in the program since then. We believe our current report continues to conform to the Certificate of Achievement Program requirements, although the County is not submitting it to GFOA to determine its eligibility for the year 2015 award.

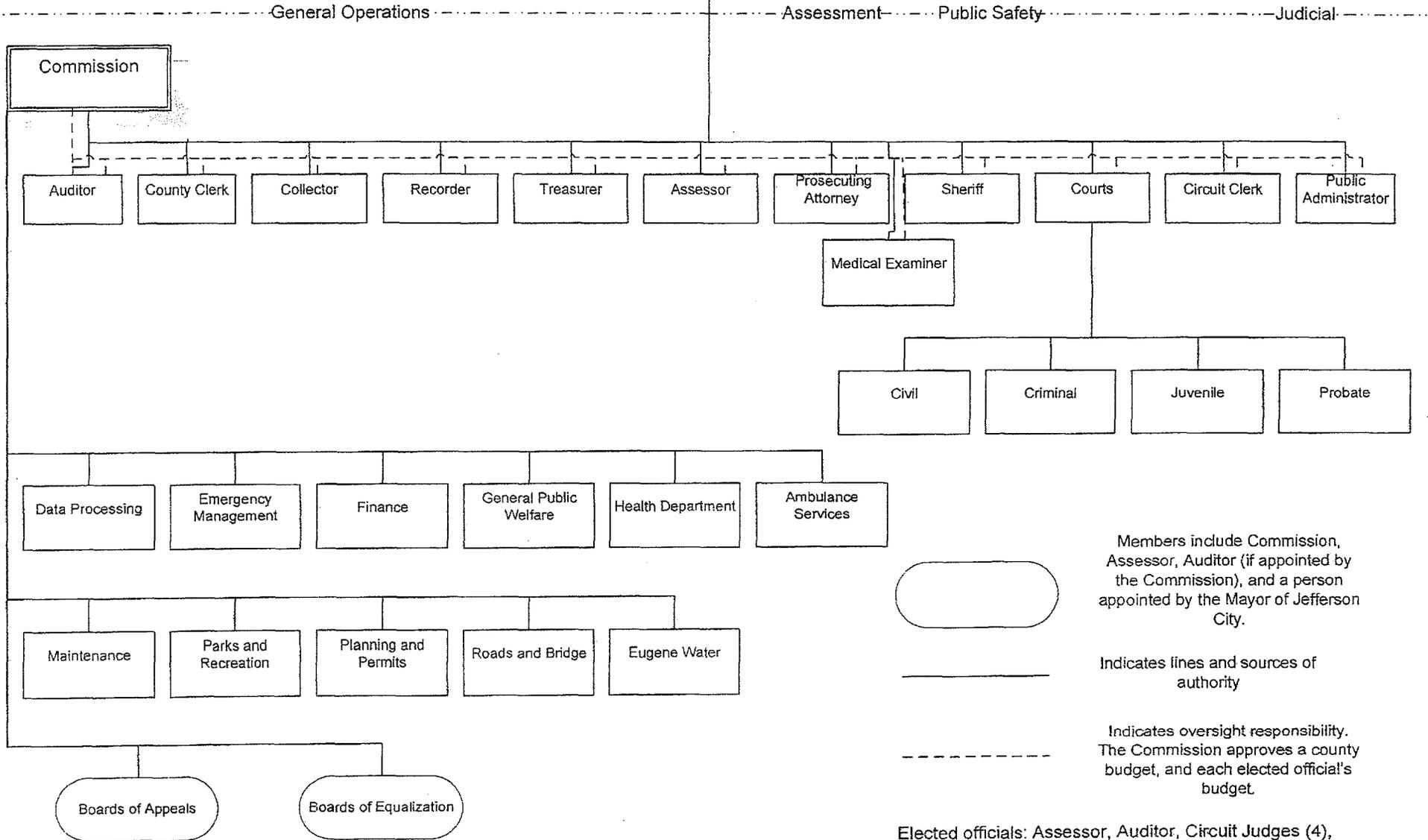
Preparing a comprehensive annual financial report to meet the standard of the Government Finance Officers Association is a challenging goal. As is usually the case, many people contribute to the accomplishment of a challenging goal. In this instance, the following played very critical roles: the County Commission for its support and encouragement and Williams Keepers, LLC, the current independent auditors, for advice, direction and other valuable help in making policy and procedure decisions. Danielle Patterson, the County's Deputy County Auditor, manages the large amount of data collection and review that is required for financial reporting and audit efforts. I am deeply appreciative to all of them.

Respectfully,



Kristen Berhorst
Cole County Auditor

Missouri State Authority



Members include Commission, Assessor, Auditor (if appointed by the Commission), and a person appointed by the Mayor of Jefferson City.

Indicates lines and sources of authority

Indicates oversight responsibility. The Commission approves a county budget, and each elected official's budget.

Elected officials: Assessor, Auditor, Circuit Judges (4), Circuit Clerk, County Clerk, Collector, Commissioners (3), Medical Examiner, Public Administrator, Prosecuting Attorney, Recorder, Sheriff, and Treasurer.

**County of Cole Missouri
Principal Officials
For Year Ended December 31, 2015**

County Commission:

Presiding Commissioner.....	Sam Bushman
Western District.....	Kris Scheperle
Eastern District.....	Jeff Hoelscher
Assessor.....	Christopher Estes
Auditor.....	Kristen Berhorst
Collector.....	Larry Vincent
Circuit Clerk.....	Dawnel Davidson
Circuit Judge – Division I.....	Patricia Joyce
Circuit Judge – Division II.....	John Beetem
Associate Circuit Judge – Division III.....	Thomas Sodergren
Circuit Judge – Division IV (Probate).....	Daniel Green
Clerk of the County Commission.....	Steve Korsmeyer
Prosecuting Attorney.....	Mark Richardson
Public Administrator.....	Marilyn Schmutzler
Recorder of Deeds.....	Ralph Bray
Sheriff.....	Greg White
Treasurer.....	Eric Peters

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

County Commission
County of Cole, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for the County of Cole, Missouri (the County), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the accompanying table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Cole, Missouri as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles.

Change in Accounting Principle

As discussed in Note 12 to the financial statements, in 2015 the County adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis, the budgetary comparison schedules, and the pension plan trend information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory, other supplementary information listed in the table of contents, and statistical sections are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the financial statements.

The other supplementary information and schedule of expenditures of federal awards is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with U.S. generally

accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 7, 2016, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County's internal control over financial reporting and compliance.

Williams Keepers LLC

June 7, 2016

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

INTRODUCTION

The discussion and analysis in this MD&A of Cole County's financial performance provides an overview of the County's financial activities for the fiscal year ended December 31, 2015, based on currently known facts, decisions and conditions. It should be studied in conjunction with the County's basic financial statements, including the footnotes, which follow the MD&A.

HIGHLIGHTS OF THE FINANCIAL STATEMENTS OF THE COUNTY AS A WHOLE

Financial reports reflect the County's performance in carrying out its mission of public service. Financial highlights point to the County's performance during 2015 in managing its financial resources while performing its functions and its ability to perform these activities in the future. Key financial highlights include:

- The County's net position totaled approximately \$94 million at year-end 2015, an increase of about \$10.7 million from the prior year. Of this increase, \$5.7 million was related to operating activities and \$5 million was related to the restatement of beginning net position related to GASB 68 as discussed below.
- The County implemented GASB Statement 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. These statements established standards for measuring and reporting within the financial statements pension plan liabilities, deferred outflows and inflows of resources and expenses/expenditures. As a result, the beginning total net position for the County increased by about \$5 million from the 2014 total net position originally reported.
- The County's primary source of revenue is taxes. During 2015, total taxes collected from all sources amounted to almost \$27.5 million. In addition, the County collected over \$10.9 million in charges and grants referred to as "Program Revenues," including fees of \$8.8 million and grants of \$2.1 million.
- Expenses were approximately \$33.7 million, with the largest portion being spent on public safety, followed by highways, streets and bridges.

MANAGEMENT OF THE COUNTY'S PROGRAMS AND RESOURCES

Management of the County is defined substantially by law. Cole County is a first class non-charter county with 13 elected officials (not including four elected judges), each with statutorily defined responsibilities and each accountable to the citizens of the County. A County-wide budget is adopted through a statutorily defined process that becomes essentially the County's management plan for the year once it is adopted. More specifically, the budget is a summarized version of the management plans of different elected officials and six key department heads. The various elected officials make budget requests to the Budget Officer (County Auditor), who makes recommendations to the County Commission (three elected officials) that has final oversight responsibility for the budget. However, the elected officials define their own goals, objectives and priorities and reflect them in the spending requests made in the annual budgeting process. Some elected officials have responsibility for more than one budget.

The Commission has no direct authority to alter or change this process. While they must evaluate spending requests, the Commission cannot impose its will on elected officials. However, the Commission's influence is made effective in the budgeting process. The resulting Budget Document reflects substantially a package of individual management goals and objectives rather than a unified countywide integrated operating plan for the County. The final set of management plans are summarized into 21 different funds organized into 43 departments. Six of the funds are major funds; 13 are non-major funds, two are proprietary funds and one internal service fund. Four of the six major funds and 12 of the 13 non-major funds are special revenue funds. The General Fund (largest of the major funds) contains 25 different budgets for the various elected officials and departments. Some funds have multiple departments, each with a budget, giving a total of 43 individual spending budgets and related management plans.

ACCOUNTING AND INTERNAL CONTROL PROCEDURES

By statute, the County Auditor is the budgeting and accounting officer for the County. The Auditor is responsible for setting up and managing the accounting system, for maintaining the general ledger and for preparing the County's financial statements and reports. The County Clerk is the bookkeeper of the County and has responsibility for all county financial records, including copies of financial reports. The County has a computerized, integrated accounting and budgeting system. As is required by State statutes, internal control is achieved by separating accounting functions among different elected officials. Statutes require that receipt and payment of funds and authorizing and recording transactions are separated among elected officials. The County Clerk is responsible for processing all payments that have been authorized by elected officials and department heads, approved by the County Commission, and certified by the Accounting Officer. The County Collector collects all real and personal property taxes and turns them over to the County Treasurer, who is responsible for recording these and all other revenue received by the County into the accounting system.

The County prepares its financial statements in accordance with U.S. generally accepted accounting principles (GAAP). Although not required by law, the County publishes a Comprehensive Annual Financial Report (CAFR) that is prepared to meet the standards of the Government Financial Officer's Association (GFOA).

In compliance with GAAP and GFOA standards, the CAFR consists of the following:

- MD&A (this section)
- Basic Financial Statements (includes the government-wide and fund financial statements and footnotes audited by outside independent auditors)
- Required Supplementary Information (budget comparison for major funds and pension plan trend information)
- Supplementary Information (combining statements for non-major funds)

OVERVIEW OF THE FINANCIAL STATEMENT PACKAGE

Management Discussion and Analysis (MD&A)

The MD&A contains an interpretation of the financial data by management whose decisions drove the results represented by the data. In it the statements are summarized in a narrative format to show how the financial statements reflect the policies and priorities of elected officials and department heads during the current year. The objectives of elected officials are substantially defined by state law. What and how revenue is collected and for what it is spent are all defined by statute. However, effectiveness, efficiency, prudent financial reserves and control of costs and priorities assigned to its various programs are key management objectives. The financial statements show how well these management objectives were achieved.

Financial statements of public institutions differ from those of private businesses. In the public sector, quality service is the primary objective. In the private sector, it is profit. In the public sector, an increase in net position is comparable to an increase in profits in the private sector. Net position in the public statement is comparable to net worth in the private sector statement. In most cases, the revenue from the programs public institutions are required by law to provide does not cover the cost of these programs. Consequently, county officials must rely on a variety of fees and taxes over which their control is limited to make up program revenue and cost differences. Likewise, their control over costs, in some cases, is limited. Thus, the primary challenge for county officials is managing costs.

County Wide Statements

As indicated above, County government is organized into activities of 13 different elected officials and six major departments. As required by GAAP and GFOA standards, the County issues financial statements that combine all 22 funds into "government wide" statements designed to report on the financial condition of the County as a

whole, distinguishing between the functions of governmental and business-type activities. The two statements are called the Statement of Net Position and Statement of Activities. Net position is similar to net worth in the private sector and change in net position is similar to net income in the private sector. Also, like the private sector, the government wide statements are prepared using the full accrual basis of accounting.

Governmental activities encompass basic County services such as general government, public safety, road and bridges, etc., while emergency medical services and water services are the County's business-type activities, where the charges for services are intended to cover all costs of operation, including depreciation. The government-wide statements are intended to show the County's financial position from a "long-term" view as well as including short-term information. They show "capital assets" of the County, including infrastructure assets not shown in the individual governmental fund statements and "long-term liabilities," including debt also not shown in the individual governmental fund statements. From a long term perspective, working capital, debt and reserves are key considerations.

Individual Fund Statements

The individual fund statements show a more detailed picture of activities than that reflected in the government wide statements and include three parts: 1) governmental funds statements; 2) proprietary fund statements; and 3) fiduciary fund statements. The funds on each statement are classified into "major" or "non-major," and the County's 22 individual funds are classified into six "major" governmental funds, 13 "non-major" governmental funds, two proprietary funds and one internal service fund. Each major and non major fund is required by law and is designed to facilitate accounting for a special activity usually financed by a special revenue source. The major governmental funds are General Fund, Road and Bridge Fund, Sales Tax Fund, Law Enforcement Sales Tax Fund, Neighborhood Sinking Fund and Emergency Services Sales Tax Fund. Almost 90% of the County's activities are accounted for in the six major funds.

The individual fund statements are intended to indicate financial capability in the short term – usually the next year – and are prepared on the modified accrual basis of accounting. These statements show more detail on revenue and expenses and are considered more focused on program activity in the "short-term." The differences between the accrual basis used in the government-wide financial statements and the modified accrual basis of accounting used in the governmental fund statements are reconciled and shown as a reconciliation report following the governmental fund statements.

The proprietary fund and fiduciary fund statements are prepared on the accrual basis of accounting, similar to that used in the government-wide statements. In July 2009, the County acquired an ambulance service previously operated by Capital Region Medical Center, and the Cole County Emergency Medical Services Fund was created to account for this activity. In 2012, the County added another enterprise fund with the addition of the Water Services Fund, which accounts for the activity of the Eugene water system that was previously run by trustees. In 2014, the County created an internal service fund to account for the County self funding a portion of the employee health insurance costs. The proprietary fund statements include a statement of net position, a statement of revenues, expenses and changes in fund net position, and a statement of cash flows.

The County has other funds, some required by law, to help it manage money for particular purposes including the Assessment Fund, Collector's Fund, Recorder's Trust Fund, and others. Generally the activity in these funds is small and one set of statements is prepared and reported for these small funds grouped together.

BASIS OF ACCOUNTING

The government-wide statements are prepared on a full accrual basis. Under the full accrual basis, revenues are recorded when earned and expenses when incurred, regardless of the timing of the related cash flows.

The accounting approach to the individual governmental funds is called the modified accrual approach. The difference is in how revenue is recognized and recorded. Under the modified accrual accounting approach, the County recognizes only that revenue that is measurable and that it collects within 60 days after year end. It treats as "current expenditures" all payments for current activities, including payments for capital assets, even though

these assets will benefit the County for many years. It also treats principal payments on long-term debt as current expenditures. See Note 1 for a more detailed discussion of the basis of accounting.

Relationships and/or differences between the government-wide activities (reported in the Statement of Net Position and Statement of Activities) and governmental funds statements are described in a reconciliation following the fund financial statements. The differences are due to the GAAP requirement that revenues and expenditures are treated differently in the two sets of statements (see Notes to the Financial Statements).

The County maintains three proprietary funds; two enterprise funds and one internal service fund. The enterprise funds are used to report the activities of the emergency medical services operations and Eugene water service operations presented as the business-type activities in the government-wide statements. The internal service fund is to account for the County self funding a portion of the employee health insurance costs. An individual fund statement is included for both services, which provides the same type of information as the government-wide statement, only in more detail. The proprietary funds are accounted for using the full accrual basis of accounting as required by GAAP.

THE COUNTY AS TRUSTEE

The County acts as a trustee, or fiduciary, for a number of different political subdivisions in the County to facilitate tax collections and disbursements. All of the County's fiduciary activities are reported in a separate statement called the Statement of Fiduciary Net Position. These activities are excluded from the County's other financial statements because the County cannot use these assets to finance its operations. The County is responsible for ensuring that the assets reported in these funds are used for their intended purpose. Collections for and disbursements to these governmental units are not shown in the County-wide statements. Activities accounted for in these funds are not discussed in this part of the financial report.

ANALYSIS OF THE FINANCIAL STATEMENTS OF THE COUNTY AS A WHOLE

The financial position of the County as a whole (including all funds) is shown in the Statement of Net Position and summarized in Table 1. By most standards, the financial position of the County is considered strong and sufficient to carry on operations effectively and efficiently in the future. The Statement of Changes in Net Position indicates the various components of the change in net position from one year to the next and is summarized in Table 2.

Total Net Position and Total Assets

The County's combined net position for 2015 totaled over \$94.0 million (Table 1). Assets exceeded liabilities by this amount. Net investment in capital assets constitutes 56.4% of the County's combined net position and is not considered spendable resources. From a financial position point of view, the County's assets would have to fall in value substantially before it would be in danger of a failure to meet its current financial obligations.

The total of all assets for 2015 was approximately \$114.3 million as compared to \$105.5 million in 2014. Total assets include all of the County's capital assets, including infrastructure assets. Infrastructure assets increased in 2015 due to the completion of multiple road projects, but overall capital assets decreased due to depreciation in 2015. Capital assets account for over half (61%) of the County's total assets and most of this is infrastructure assets and buildings.

Working Capital

As indicated above, the County's financial statements are reported on a full accrual basis. Short term assets (over \$38 million) exceeded short term liabilities (about \$1 million) by approximately \$37 million. Monthly expenses average about \$2.8 million. On an accrual basis, therefore, the County has sufficient working capital to cover expenses for over one year assuming no loss in converting non-cash liquid assets to cash.

Pension Plan

In 2015, the County implemented GASB Statement 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. These statements established standards for measuring and reporting within the financial statements pension plan liabilities or assets, deferred outflows and inflows of resources, and expenses. The changes can be seen in the Statement of Net Position with the addition of a net pension asset for the LAGERS plan and a net pension liability for the CERF plan. The County now also reports deferred outflows and inflows related to the pension plans. For more detailed information on the County's pension plans and GASB 68, please see Note 11 in the notes to the financial statements.

Liabilities

The majority of the County's 2015 liabilities (approximately \$22.8 million) were long term liabilities. Most were associated with jail financing, including a lease-purchase arrangement financed by Certificates of Participation (COPs), with the remaining related to pension plan liabilities. The COPs are similar to a bond, and, in conjunction with the lease-purchase contract, are the method the County has chosen to finance the construction of the law enforcement facility. The remaining 2015 liabilities were related to normal operating obligations, which include compensated absences and the County's contingent liability related to Neighborhood Improvement Districts.

The Statement of Net Position indicates the change in the County's financial position between 2014 and 2015. Current assets increased by about \$4 million, while capital assets decreased by about \$748,000, causing a net increase of over \$8.7 million in total assets from the prior year. Most of the change in total assets was due to additional cash saved by the County during the year in anticipation of funding larger capital projects in the future. Liabilities decreased about \$288,000 from 2014. The decrease in long-term obligations was due to a debt service payment on the COPs of over \$2.3 million in 2015. The total net position changed approximately \$10.7 million between 2014 and 2015, of which \$5.7 million was related to operating activities and \$5 million was related to the restatement of beginning net position related to GASB 68 as shown in Table 2 on the next page.

Table 1
County of Cole, Missouri
Statement of Net Position
For the Years Ended December 31, 2015 and 2014

	2015				2014			
	Governmental Activities	Business-type Activities	Total	Percent of Total Assets	Governmental Activities	Business-type Activities	Total	Percent of Total Assets
Current and other assets	\$ 36,157,496	\$ 1,930,818	\$ 38,088,314	33.3%	\$ 32,513,607	\$ 1,596,266	\$ 34,109,873	32.3%
Net pension asset - LAGERS	4,611,285	912,353	5,523,638	4.8%	-	-	-	0.0%
Capital assets	69,408,595	1,235,610	70,644,205	61.8%	70,407,353	985,202	71,392,555	67.7%
Total assets	105,566,091	3,166,428	114,256,157	100.0%	102,920,960	2,581,468	105,502,428	100.0%
Deferred outflows - pension plan	1,997,599	447,212	2,444,811	2.1%	-	-	-	0.0%
Deferred charge on refunding	1,663,749	-	1,663,749	1.5%	1,903,842	-	1,903,842	1.8%
Total deferred outflows of resources	3,661,348	447,212	4,108,560	3.6%	1,903,842	-	1,903,842	1.8%
Current and accrued liabilities	742,815	117,738	860,553	0.8%	592,104	121,323	713,427	0.7%
Incurred but not reported claims	158,940	-	158,940	0.1%	295,975	-	295,975	0.3%
Noncurrent liabilities:								
Net pension liability - CERF	1,540,137	491,640	2,031,777	1.8%	-	-	-	0.0%
Long - term obligations	20,584,788	147,215	20,732,003	18.1%	22,917,537	143,942	23,061,479	21.9%
Total liabilities	23,026,680	756,593	23,783,273	20.8%	23,805,616	265,265	24,070,881	22.8%
Deferred inflows - pension plan	439,179	89,212	528,391	0.5%	-	-	-	0.0%
Total deferred inflows of resources	439,179	89,212	528,391	0.5%	-	-	-	0.0%
Net investment in capital assets	51,844,458	1,235,610	53,080,068	46.5%	50,733,013	985,202	51,718,215	49.0%
Restricted	25,444,098	912,353	26,356,451	23.1%	18,717,694	-	18,717,694	17.7%
Unrestricted	13,084,309	1,532,225	14,616,534	12.8%	11,568,479	1,331,001	12,899,480	12.2%
Total net position	\$ 90,372,865	\$ 3,680,188	\$ 94,053,053	82.3%	\$ 81,019,186	\$ 2,316,203	\$ 83,335,389	79.0%

Statement of Changes in Net Position

Activities of the County requiring the use of financial resources are classified (by law) and accounted for under different “programs” such as public safety, health, etc. The costs of these programs are financed both with fees and with tax revenue. Fees directly allocated to the program are called “program revenue.” However, in most cases, program revenue (fees) is not sufficient to cover the costs of the programs. The remaining costs are covered by tax revenue called “non-program revenue.” The Statement of Changes in Net Position shows program and non-program revenue and the costs of the various programs. It also reflects what caused the approximately \$5.7 million increase in net position. Normally, the County’s net position increases as assets usually grow faster than liabilities. The reporting requirements for GASB 68 also required the restatement of the prior year’s ending net position; a reconciliation of the restatement due to the prior period adjustment can be found at the bottom of the table.

Table 2
County of Cole, Missouri
Statement of Changes in Net Position
For the Years Ended December 31, 2015 and 2014

	2015				2014			
	Governmental Activities	Business-type Activities	Total	Percent of Total Revenue	Governmental Activities	Business-type Activities	Total	Percent of Total Revenue
Revenues:								
Program Revenues:								
Charges for services	\$ 5,909,242	\$ 2,973,423	\$ 8,882,665	22.5%	\$ 5,296,294	\$ 3,073,818	\$ 8,370,112	21.9%
Operating grants and contributions	1,828,481	-	1,828,481	4.6%	1,865,971	-	1,865,971	4.9%
Capital grants and contributions	271,701	-	271,701	0.7%	308,728	-	308,728	0.8%
Non-Program Revenues:								
Property taxes	5,813,895	-	5,813,895	14.7%	5,941,766	-	5,941,766	15.6%
Sales tax	17,820,458	-	17,820,458	45.1%	17,195,436	-	17,195,436	45.1%
Local use tax	1,529,397	-	1,529,397	3.9%	1,352,521	-	1,352,521	3.5%
Motor vehicle sales tax	342,209	-	342,209	0.9%	322,892	-	322,892	0.8%
Stock insurance	1,126,967	-	1,126,967	2.9%	1,156,203	-	1,156,203	3.0%
County aid road trust	830,783	-	830,783	2.1%	820,683	-	820,683	2.2%
Financial institution tax	95,271	-	95,271	0.2%	100,184	-	100,184	0.3%
Gain/loss on sale of fixed assets	12,681	-	12,681	0.0%	46,901	-	46,901	0.1%
Transfers	(1,584,479)	1,584,479	-	0.0%	(1,349,677)	1,349,677	-	0.0%
Other	904,246	21,552	925,798	2.3%	656,585	24,311	680,896	1.8%
Total revenues	34,900,852	4,579,454	39,480,306	100.0%	33,714,487	4,447,806	38,162,293	100.0%
Expenses:								
General government	5,093,109	-	5,093,109	12.9%	4,866,681	-	4,866,681	12.8%
Public safety	10,110,463	-	10,110,463	25.6%	9,792,470	-	9,792,470	25.7%
Highways, streets and bridges	9,822,901	-	9,822,901	24.9%	11,278,690	-	11,278,690	29.6%
Assessment costs	789,658	-	789,658	2.0%	666,228	-	666,228	1.7%
Judicial	1,009,099	-	1,009,099	2.6%	964,492	-	964,492	2.5%
Health and welfare	2,014,930	-	2,014,930	5.1%	2,067,418	-	2,067,418	5.4%
Parks and recreation	18,127	-	18,127	0.0%	22,061	-	22,061	0.1%
Emergency management	179,927	-	179,927	0.5%	204,732	-	204,732	0.5%
Interest and fiscal fees	789,554	-	789,554	2.0%	829,942	-	829,942	2.2%
Emergency medical services	-	3,904,420	3,904,420	9.9%	-	4,144,626	4,144,626	10.9%
Eugene water services	-	17,088	17,088	0.0%	-	20,194	20,194	0.1%
Total expenses	29,827,768	3,921,508	33,749,276	85.5%	30,692,714	4,164,820	34,857,534	91.3%
Increase in net position	5,073,084	657,946	5,731,030		3,021,773	282,986	3,304,759	
Net position - beginning (as restated)	85,299,780	3,022,242	88,322,022		77,997,413	2,033,217	80,030,630	
Net position - ending	\$ 90,372,864	\$ 3,680,188	\$ 94,053,052		\$ 81,019,186	\$ 2,316,203	\$ 83,335,389	
Net position, ending (as originally reported)					\$ 81,019,186	\$ 2,316,203	\$ 83,335,389	
Effect of prior period adjustment					4,280,594	706,039	4,986,633	
Net position, ending (as restated)					\$ 85,299,780	\$ 3,022,242	\$ 88,322,022	

Changes in Revenues

Total revenue collected by the County (\$39.5 million) increased by approximately \$1.3 million in 2015. Program revenue increased about \$438,000, and non-program revenue increased about \$880,000, reflecting about a \$1.3 million change in overall revenue compared to 2014. The largest changes from 2014 to 2015 occurred in sales tax collections, which increased over \$625,000. The County also had an increase in local use tax collections in 2015 of about \$177,000.

Capital and operation grants and contributions remained fairly consistent with the prior year, with a slight decrease due to a change in the mix of grant funding received. Charges for services increased by almost \$513,000 in 2015, mostly due to an increase in federal prisoner billings and fuel reimbursements. Other revenue increased by approximately \$245,000, mostly due to a \$150,000 reimbursement from the Columbia Regional Airport for funds advanced in a previous year as part of an airport incentive package.

Changes in Expenses

On an accrual basis, the County spent or incurred obligations to spend approximately \$33.7 million in 2015 compared to over \$34.8 million in 2014 to provide the activities it is required by law to provide. Depreciation is included in the expenses of the various programs. For the County as a whole, expenses average about \$2.8 million per month. Total expenditures decreased \$1.1 million from 2014 to 2015.

General government expenses increased approximately \$226,000 in 2015. Most of the increase was the result of an increase in depreciation expense of about \$161,000 due to the purchase of new financial software, new aerial photography, and a new file server in 2015.

Public safety expenses increased in the current year by approximately \$318,000. During 2015, the sheriff purchased new equipment including body cameras, dash camera, and new tablets. As these items did not meet the capitalization threshold on an individual basis, they were expensed instead of capitalized.

Highways, streets and bridges expenses decreased by over \$1.4 million due to work on two joint road projects with the City of Jefferson (which are infrastructure assets of the City of Jefferson) being substantially completed in 2014.

The Emergency Medical Services Fund, which is a proprietary fund and accounts for the activity of the ambulance service, incurred approximately \$3.9 million in expenses in 2015 as compared to \$4.1 million in 2014. Most of this decrease is due to a decrease in bad debt expense and personnel costs.

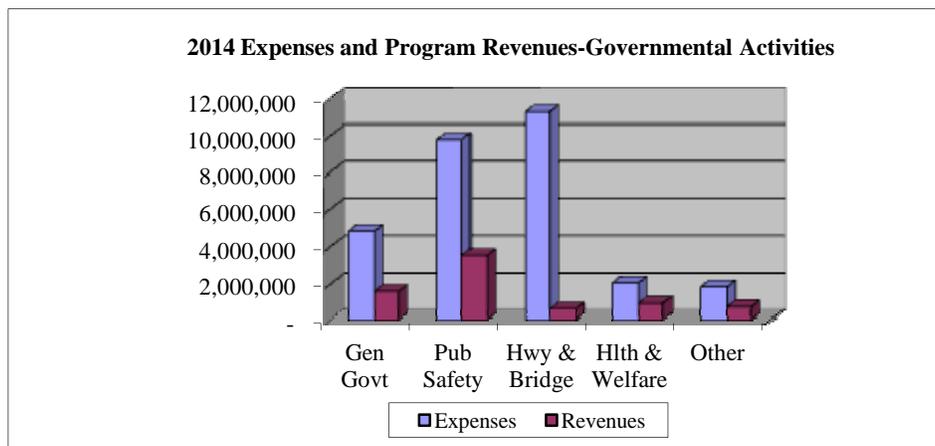
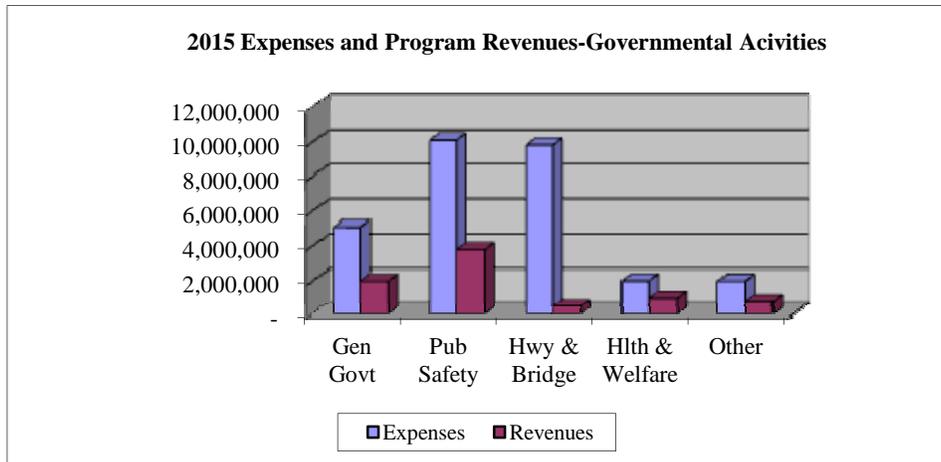
The Eugene Water Services Fund completed its third full year of operations with the County in 2015 with expenses of about \$17,000, as compared to \$20,000 in 2014.

Program Revenue and Expenses

The County has eight different program categories. Program revenue is revenue received when there is an exchange transaction – payment (fee) is charged for a service (program) rendered. The beneficiary pays for some or all of the cost of the service (program) that he/she receives. Typically, fees and grant revenue generated by these programs cover only a small part of the total cost of providing the service. In almost all cases, the fees that the County is required to charge and the program revenue available for programs is not sufficient to cover the full cost. The remainder is financed with tax revenue. Chart I shows this pattern for the major program activities.

In the two major program areas – public safety and highways, streets and bridges – program revenue is substantially less than program expenses (see Chart I). Revenue from property tax and sales tax make up the difference. The excess of program costs over program revenue is highest in the Highways, Streets and Bridges category and relatively low in some other categories. For example, expenses for Highways, Streets and Bridges were over \$9.8 million in 2015, while program revenue was less than \$223,000.

Chart I

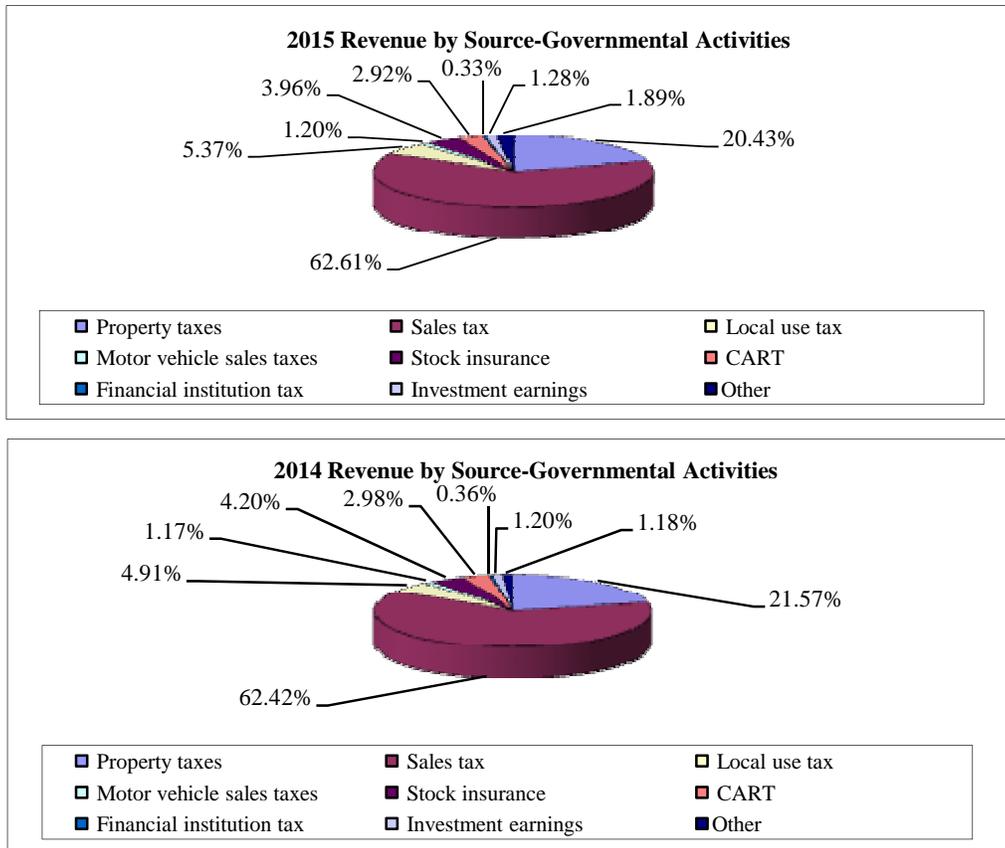


General government expenses include activities directly affecting citizens, including collecting taxes, holding elections, recording documents and other basic governmental activities, including accounting. Expenditures for these activities totaled about \$5.0 million in 2015 – slightly over 15% of the total expenses for all activities. In 2014, these expenses were about \$4.9 million and almost 14% of total expenses. In most cases, the deficiency of program revenue under program expenses was larger in 2015 than in 2014. This has been a trend and most likely will continue, making revenue management critically important because in County government, expenses generally grow at a faster rate than revenues.

Sources of Revenue - Tax Revenue

As indicated above, program revenues in total make up about one-third the cost of program activities. The remainder comes from tax revenue. In 2015, over 69% of the County’s revenue came from some type of tax. In 2008, sales tax revenue became the largest source of non program revenue for the County; prior to 2008, it was property taxes. In 2015, sales tax accounted for about 63% of total revenue compared to over 20% from property tax revenue.

Chart II



The County collects seven different taxes. Chart II shows the revenue the County collects from the different taxes. In total, over 20% of the tax revenue is property tax and the remainder some type of tax related to sales of commodities. The County also receives revenue from insurance companies and financial institutions in lieu of property taxes, including a stock insurance tax and financial institution tax that totaled over \$1.1 million and \$95,000, respectively, in 2015.

ANALYSIS OF THE COUNTY’S INDIVIDUAL FUNDS STATEMENTS

In the short term, the County must manage its financial resources to meet the public’s need for its services in an effective and efficient manner. Short term activities of the County are accounted for in individual funds. The focus of the financial statements for the individual funds is on short-term financial accountability as reflected primarily by revenue compared to expenses and reserves. The fund balance at the end of the year measures the government’s net resources available for spending beyond the end of the fiscal year and funds available for emergency and/or unusual or unexpected events.

THE GENERAL FUND

About 35% of the County’s activities are accounted for in the General Fund. At the end of fiscal year 2015, the General Fund had a reserve (fund balance) of almost \$11.6 million (Table 3) – about 35% of the County’s total fund balance of \$33.3 million.

None of the General Fund’s fund balance has any legal restrictions. Accordingly, as a measure of the General Fund’s liquidity, it represents over 100% of the General Fund total expenditures of approximately \$9.9 million. However, on the modified accrual basis, revenue at year end would reflect much of the revenue collected throughout the year. The General Fund balance increased during the year by about \$709,000 after inter-fund transfers.

General fund total revenue remained relatively consistent with 2014, with an increase of \$87,000. Taxes account for almost half of General Fund revenue and decreased about \$129,000 from 2014, mostly due to the decrease in property tax. The General Fund collects over 50 fees and licenses, fees, and permits increased by about \$83,000 in 2015, but there is not one significant factor that accounted for this increase. Intergovernmental revenue increased in 2015 by about \$24,000 due to new one year grant money received in the current year.

Table 3
COUNTY OF COLE, MISSOURI
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds- General Fund
For the Years Ended December 31, 2015 and 2014

	2015		2014	
	Amount	Percent of Total Revenue	Amount	Percent of Total Revenue
REVENUES				
Taxes	\$ 4,000,494	47.7%	\$ 4,129,531	49.8%
Licenses, fees and permits	2,365,165	28.2%	2,281,938	27.5%
Intergovernmental	1,616,922	19.3%	1,592,483	19.2%
Interest	127,787	1.5%	104,867	1.3%
Other	270,656	3.2%	185,311	2.2%
Total revenues	8,381,024	100.0%	8,294,130	100.0%
EXPENDITURES				
Current:				
General government	4,113,883	49.1%	4,390,421	52.9%
Public safety	3,034,443	36.2%	2,798,179	33.7%
Judicial	906,854	10.8%	852,033	10.3%
Health and welfare	1,697,234	20.3%	1,682,236	20.3%
Parks and recreation	10,074	0.1%	14,008	0.2%
Emergency management	124,425	1.5%	152,139	1.8%
Capital outlay:				
Public safety	-	0.0%	5,065	0.1%
Emergency management	43,000	0.5%	16,700	0.2%
Total expenditures	9,929,913	118.5%	9,910,781	119.5%
Excess (deficiency) of revenues over (under) expenditures	(1,548,889)	-18.5%	(1,616,651)	-19.5%
OTHER FINANCING SOURCES (USES)				
Transfers in	4,271,502	51.0%	3,981,488	48.0%
Transfers out	(2,014,100)	-24.0%	(2,014,100)	-24.3%
Sale of capital assets	537	0.0%	549	0.0%
Total other financing sources (uses)	2,257,939	26.9%	1,967,937	23.7%
Net changes in fund balances	709,050	8.5%	351,286	4.2%
Fund balances - beginning	10,927,032	130.4%	10,575,746	127.5%
Fund balances - ending	\$ 11,636,082	138.8%	\$ 10,927,032	131.7%

General government expenditures, which include personnel costs, insurance, supplies and miscellaneous expenses, also remained relatively stable, with a decrease of approximately \$276,000. Most of the decrease in expenses in general government was due to 2014 being a local election year, where the County had to pay for the local elections; there were no elections in 2015. Public safety expenses increased by over \$236,000 in 2015, mostly due to the addition of an attorney in the Prosecuting Attorney's office and additional part time staff at the Prenger Family Center. Total expenses in the General Fund increased in total only \$19,000 in 2015. Overall, General Fund expenses remain stable compared to the prior year.

ROAD AND BRIDGE FUND

The County's Road and Bridge Fund is a special revenue fund used to account for activity associated with constructing and maintaining the County's transportation infrastructure. The main source of revenue is a special levy property tax. It also receives tax revenue from two other sources – County Aid Road Trust (CART), a tax on motor fuel, and an automobile sales tax. The Fund received revenue of over \$5.2 million in 2015, of which over 95% was from special taxes that can only be used for construction and maintenance of road and bridge systems.

Table 4
COUNTY OF COLE, MISSOURI
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds- Road and Bridge Fund
For the Years Ended December 31, 2015 and 2014

	2015		2014	
	Amount	Percent of Total Revenue	Amount	Percent of Total Revenue
REVENUES				
Taxes	\$ 5,009,538	95.1%	\$ 4,934,252	93.4%
Licenses, fees and permits	207,603	3.9%	301,937	5.7%
Interest	36,296	0.7%	32,385	0.6%
Other	16,381	0.3%	13,788	0.3%
Total revenues	5,269,818	100.0%	5,282,362	100.0%
EXPENDITURES				
Current:				
Highways, streets and bridges	4,721,527	89.6%	4,969,173	94.1%
Total expenditures	4,721,527	89.6%	4,969,173	94.1%
Excess (deficiency) of revenues over (under) expenditures	548,291	10.4%	313,189	5.9%
OTHER FINANCING SOURCES (USES)				
Transfers in	44,970	0.9%	50,320	1.0%
Transfers out	(186,268)	-3.5%	(183,151)	-3.5%
Sale of capital assets	2,066	0.0%	11,629	0.2%
Total other financing sources (uses)	(139,232)	-2.6%	(121,202)	-2.3%
Net changes in fund balances	409,059	7.8%	191,987	3.6%
Fund balances - beginning	5,496,320	104.3%	5,304,333	100.4%
Fund balances - ending	\$ 5,905,379	112.1%	\$ 5,496,320	104.1%

Revenue between 2014 and 2015 decreased slightly (about \$13,000), mostly due to an increase in taxes of about \$75,000 and a decrease in fees of about \$94,000 in 2015. Expenses decreased approximately \$248,000, which is a very small change of less than 5% as compared to 2014, and mostly due to lower fuel costs during 2015. Fund balance increased about \$409,000 after transfers. Typically, the fund balance is large in this fund as most of the revenue is collected near the end of the year and projects are frequently long term, multi-year projects.

SALES TAX FUND (Capital Improvement Sales Tax Fund)

The Sales Tax Fund is also a special revenue fund. The County has had a half-cent capital improvement sales tax for over 27 years, which was renewed by a vote of the people in April 2016 for an additional 5 years. By law, the revenue must be spent on capital improvements. By County policy, 85% of the revenue is allocated to road and bridge capital improvement projects. The remaining 15% is allocated to capital improvements related to courthouse needs.

Total revenue in this fund was over \$6.2 million in 2015. Revenue increased from 2014 by about \$145,000, mostly due to an increase in sales tax collections of \$211,000. The County also received about \$250,000 in intergovernmental revenue from Safe Routes to School Program Funds in the current year.

Table 5
COUNTY OF COLE, MISSOURI
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds- Sales Tax Fund
For the Years Ended December 31, 2015 and 2014

	2015		2014	
	<u>Amount</u>	<u>Percent of Total Revenue</u>	<u>Amount</u>	<u>Percent of Total Revenue</u>
REVENUES				
Taxes	\$ 5,947,114	94.6%	\$ 5,736,306	93.4%
Licenses, fees and permits	14,502	0.2%	31,224	0.5%
Intergovernmental	260,494	4.1%	296,493	4.8%
Interest	45,936	0.7%	67,858	1.1%
Other	19,104	0.3%	10,750	0.2%
Total revenues	6,287,150	100.0%	6,142,631	100.0%
EXPENDITURES				
Current:				
General government	146,873	2.3%	183,344	3.0%
Highways, streets and bridges	1,366,611	21.7%	2,283,968	37.2%
Capital outlay:				
General government	637,384	10.1%	535,442	8.7%
Judicial	-	0.0%	41,707	0.7%
Highways, streets and bridges	3,554,132	56.5%	6,185,455	100.7%
Health and welfare	22,102	0.4%	12,600	0.2%
Total expenditures	5,727,102	91.1%	9,242,516	150.5%
Excess (deficiency) of revenues over (under) expenditures	560,048	8.9%	(3,099,885)	-50.5%
OTHER FINANCING SOURCES (USES)				
Bond proceeds	31,555	0.5%	-	1.1%
Transfers in	-	0.0%	70,000	1.1%
Transfers out	(172,923)	-2.8%	(303,166)	-4.9%
Total other financing sources (uses)	(141,368)	-2.2%	(233,166)	-3.8%
Net changes in fund balances	418,680	6.7%	(3,333,051)	-54.3%
Fund balances - beginning	2,900,593	46.1%	6,233,644	101.5%
Fund balances - ending	\$ 3,319,273	52.8%	\$ 2,900,593	47.2%

Expenditures decreased in 2015 by about \$3.5 million compared to 2014. Highway, streets and bridges current expenditures decreased from 2014 to 2015 by over \$917,000, mostly due to the work on two joint road projects with the City of Jefferson (which are infrastructure assets of the City of Jefferson) being completed in 2014. The two projects during 2014 included an upgrade to Frog Hollow Road and improvements to Lafayette Street. Highway, streets and bridges capital outlay also decreased from 2014 to 2015 by over \$2.6 million due to the work on several completed road upgrade projects. The Business 50 West road upgrade project that was not yet completed as of year-end 2014, but was completed in 2015, had the largest portion of the total \$4.5 million cost in 2014.

LAW ENFORCEMENT SALES TAX FUND

The Law Enforcement Sales Tax Fund is a special revenue fund established in 2008. Revenue from the special sales tax can be used only for law enforcement purposes, including constructing a jail, other capital improvements, acquisition of vehicles and equipment, and for operating the Sheriff's Department. In 2015, the tax accounted for almost 69% of the Fund's revenue. Most of the remainder came from fees and charges (slightly over 26%) and intergovernmental revenue (over 3%).

Revenue between 2014 and 2015 increased approximately \$371,000, mostly due to an increase in taxes of about \$207,000. Licenses, fees, and permits collected also increased by about \$62,000, due to an increase in the board of prisoner fees collected in 2015. There was an increase in intergovernmental revenue of about \$54,000, due to slight changes in grant funding in 2015.

Table 6
COUNTY OF COLE, MISSOURI
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds- Law Enforcement Sales Tax Fund
For the Years Ended December 31, 2015 and 2014

	2015		2014	
	Amount	Percent of Total Revenue	Amount	Percent of Total Revenue
REVENUES				
Taxes	\$ 5,936,718	69.0%	\$ 5,729,941	69.6%
Licenses, fees and permits	2,242,967	26.1%	2,181,370	26.5%
Intergovernmental	275,519	3.2%	220,561	2.7%
Interest	83,978	1.0%	73,132	0.9%
Other	66,716	0.8%	30,333	0.4%
Total revenues	8,605,898	100.0%	8,235,337	100.0%
EXPENDITURES				
Current:				
Public safety	6,544,641	76.0%	6,344,284	77.0%
Capital outlay:				
Public safety	162,960	1.9%	88,405	1.1%
Total expenditures	6,707,601	77.9%	6,432,689	78.1%
Excess (deficiency) of revenues over (under) expenditures	1,898,297	22.1%	1,802,648	21.9%
OTHER FINANCING SOURCES (USES)				
Transfers in	1,978,779	23.0%	2,115,308	25.7%
Transfers out	(2,889,711)	-33.6%	(2,890,341)	-35.1%
Sale of capital assets	12,865	0.1%	39,938	0.5%
Total other financing sources (uses)	(898,067)	-10.4%	(735,095)	-8.9%
Net changes in fund balances	1,000,230	11.6%	1,067,553	13.0%
Fund balances - beginning	6,126,939	71.2%	5,059,386	61.4%
Fund balances - ending	\$ 7,127,169	82.8%	\$ 6,126,939	74.4%

Construction on the new jail began in 2008 with site development work and continued up until completion in 2011. The jail construction totaled about \$28 million and is financed through a lease-purchase agreement with a bank as the trustee. The lease payments are recorded as transfers out in the Law Enforcement Fund.

The expenditures in the Law Enforcement Fund increased in 2015 by about \$275,000, mostly due to the additional equipment purchased in 2015 including new tablets, body cameras and dash cameras. There was about \$162,000 in capital outlay expenditures in 2015, which included new vehicles and an upgraded voice recorder. The ending fund balance increased by slightly over \$1.0 million in 2015.

EMERGENCY SERVICES SALES TAX FUND

The Emergency Services Sales Tax Fund is a special revenue fund established in 2009 to account for a ½ cent sales tax. Revenue from the special sales tax can be used only for emergency medical services and a rollback of General Fund property taxes. The County acquired the county wide ambulance services in 2009 from Capital Region Medical Center.

The ballot language authorizing the sales tax requires that 60% of the tax collected by the emergency services sales tax is transferred to the General Fund to offset a property tax rollback. The rest of the tax collected in this fund is used to finance ambulance and emergency medical services. The balance of the tax after the rollback portion is required to supplement the ambulance service accounted for in the emergency medical services (EMS) enterprise fund.

Table 7
COUNTY OF COLE, MISSOURI
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds- Emergency Services Sales Tax Fund
For the Years Ended December 31, 2015 and 2014

	2015		2014	
	Amount	Percent of Total Revenue	Amount	Percent of Total Revenue
REVENUES				
Taxes	\$ 5,936,625	99.6%	\$ 5,729,189	99.3%
Interest	20,995	0.4%	20,074	0.3%
Other	-	0.0%	19,419	0.3%
Total revenues	<u>5,957,620</u>	<u>100.0%</u>	<u>5,768,682</u>	<u>100.0%</u>
EXPENDITURES				
Current:				
Health and welfare	289,715	4.9%	359,935	6.2%
Capital outlay:				
General government	-	0.0%	1,216,405	21.1%
Health and welfare	661,656	11.1%	371,638	6.4%
Total expenditures	<u>951,371</u>	<u>16.0%</u>	<u>1,947,978</u>	<u>33.8%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,006,249</u>	<u>84.0%</u>	<u>3,820,704</u>	<u>66.2%</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(4,736,040)</u>	<u>-79.5%</u>	<u>(4,607,774)</u>	<u>-79.9%</u>
Total other financing sources (uses)	<u>(4,736,040)</u>	<u>-79.5%</u>	<u>(4,607,774)</u>	<u>-79.9%</u>
Net changes in fund balances	270,209	4.5%	(787,070)	-13.6%
Fund balances - beginning	<u>1,389,370</u>	<u>23.3%</u>	<u>2,176,440</u>	<u>37.7%</u>
Fund balances - ending	<u>\$ 1,659,579</u>	<u>27.9%</u>	<u>\$ 1,389,370</u>	<u>24.1%</u>

In 2015, the County collected more sales tax, an approximate \$207,000 increase from the prior year. Total expenditures in the current year decreased about \$997,000, and almost all of the decrease was due to a remodel of the ambulance bay and offices that was completed in 2014. Current expenditures decreased in 2015 by approximately \$70,000. There was an increase in health and welfare capital outlay as the County purchased new equipment including LUCAS devices, Lifepak 12's and new cots. The County also remounted two ambulances in 2015, as compared to the purchase of two new ambulances in 2014.

NEIGHBORHOOD IMPROVEMENT DISTRICT SINKING FUND

The County has several neighborhood improvements districts (NIDs). Improvements to a NID are paid for by property owners through a special assessment to retire bonds used to finance the improvements. However, the County is required by law to fully back the bonds, making them a contingent liability for the County. Currently, the outstanding debt recorded for the NIDs is \$168,000.

Table 8
COUNTY OF COLE, MISSOURI
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds- Neighborhood Sinking
For the Years Ended December 31, 2015 and 2014

	2015		2014	
	Amount	Percent of Total Revenue	Amount	Percent of Total Revenue
REVENUES				
Licenses, fees and permits	\$ 26,905	71.5%	\$ 46,567	75.8%
Interest	10,748	28.5%	14,850	24.2%
Total revenues	<u>37,653</u>	<u>100.0%</u>	<u>61,417</u>	<u>100.0%</u>
EXPENDITURES				
Debt service:				
General government	58,305	154.8%	58,094	94.6%
Total expenditures	<u>58,305</u>	<u>154.8%</u>	<u>58,094</u>	<u>94.6%</u>
Excess (deficiency) of revenues over (under) expenditures	(20,652)	-54.8%	3,323	5.4%
Net changes in fund balances	(20,652)	-54.8%	3,323	5.4%
Fund balances - beginning	68,091	180.8%	64,768	105.5%
Fund balances - ending	<u>\$ 47,439</u>	<u>126.0%</u>	<u>\$ 68,091</u>	<u>110.9%</u>

The fund's revenue is assessments collected to service the debt, and expenditures are for debt service. During 2015, revenue was approximately \$38,000, and expenditures approximately \$58,000. The revenue decreased by about \$24,000 from prior year due to the NID project for Tall Oaks being paid off in 2015, which also resulted in a decrease in special assessments. The activity for the completed debt service is also reflected in the change in fund balance of approximately \$21,000 from prior year.

PROPRIETARY FUNDS – ENTERPRISE FUNDS AND INTERNAL SERVICE FUNDS

The Emergency Medical Services Fund was created in 2009, when the County acquired the ambulance service previously operated by Capital Region Medical Center (CRMC), and is considered a business-type activity. The County added the Eugene Water Services Fund in July 2012, which is also considered a business-type activity. Business-type activities include services funded primarily through user charges. The activity for these funds is reflected both on the entity-wide statements as a business-type activity and on individual fund statements, which include a statement of net position, a statement of revenues, expenses and changes in fund net position, and a statement of cash flows as an enterprise fund type. In 2014, the County created a partially self-funded health insurance program with the claims processed by a third party administrator on behalf of the County. A separate internal service fund was created to account for and finance the health insurance program.

EMERGENCY MEDICAL SERVICES FUND

The Emergency Medical Services Fund is financed partly through charge for services, which totaled approximately \$3.0 million in 2015 and 2014, and partly through the special revenue ½ cent sales tax discussed previously. Revenue from the special sales tax can be used only for emergency medical services and a rollback of General Fund property taxes.

Table 9
COUNTY OF COLE, MISSOURI
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Fund- Emergency Medical Services Fund
For the Years Ended December 31, 2015 and 2014

	2015		2014	
	Amount	Percent of Total Revenue	Amount	Percent of Total Revenue
OPERATING REVENUES				
Charges for services	\$ 2,946,443	100.0%	\$ 3,046,744	100.0%
Total operating revenues	2,946,443	100.0%	3,046,744	100.0%
OPERATING EXPENSES				
Personnel services	2,957,713	100.4%	3,114,563	102.2%
Administrative	126,242	4.3%	299,378	9.8%
Other supplies and expenses	198,934	6.8%	194,679	6.4%
Repairs and maintenance	187,628	6.4%	190,605	6.3%
Insurance	26,728	0.9%	30,438	1.0%
Depreciation	389,030	13.2%	314,963	10.3%
Total operating expenses	3,886,275	131.9%	4,144,626	136.0%
Operating income	(939,832)	-31.9%	(1,097,882)	-36.0%
NONOPERATING REVENUE (EXPENSES)				
Miscellaneous	5,755	0.2%	9,884	0.3%
Gain/loss sale of fixed assets	(18,145)	-0.6%	-	0.0%
Interest and investment revenue	14,619	0.5%	13,783	0.5%
Total nonoperating revenue	2,229	0.1%	23,667	0.8%
Loss before contributions	(937,603)	-31.8%	(1,074,215)	-35.3%
Transfers in	1,106,000	37.5%	1,105,726	36.3%
Transfers out	(170,420)	-5.8%	(109,580)	-3.6%
Capital contributions	661,656	22.5%	371,638	12.2%
Change in net position	659,633	22.4%	293,569	9.6%
Total net position - beginning (as restated)	2,925,151	99.3%	1,925,543	63.2%
Total net position - ending	\$ 3,584,784	121.7%	\$ 2,219,112	72.8%
Net position, ending (as originally reported)			\$ 2,219,112	
Effect of prior period adjustment			706,039	
Net position, ending (as restated)			\$ 2,925,151	

Total operating expenses totaled almost \$3.9 million in 2015, with a decrease of about \$258,000 from 2014. Most of the change was due to the decrease in bad debt expense by the EMS fund, which includes amounts written off and sent to collections for non-payment. The Fund also experienced a decrease of over \$156,000 in personnel services due to the fluctuating schedules of those employees that work for the ambulance service and the implementation of GASB 68. Almost \$73,000 in personnel services change was due to the recording of pension expense for the County's retirement funds. Almost \$74,000 of the changes was due to an increase in depreciation expense. Net position of the Emergency Medical Services Fund at the end of 2015 totaled approximately \$3.6 million, compared to almost \$2.9 million in 2014. Due to the implementation of GASB 68, the County was required to make a prior period adjustment, which is reflected in the table above.

EUGENE WATER SERVICES FUND

Eugene Water Services Fund completed its third full year of operations with the County in 2015. In 2013, the County gave the Eugene Water Services Fund \$100,000 to complete upgrades to the capital items. The Eugene Water Service has been trying to slowly upgrade different parts of the system. During 2014 and 2015, the County installed new meters, which can be read electronically.

Table 10
COUNTY OF COLE, MISSOURI
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Fund- Eugene Water Services Fund
For the Years Ended December 31, 2015 and 2014

	2015		2014	
	Amount	Percent of Total Revenue	Amount	Percent of Total Revenue
OPERATING REVENUES				
Charges for services	\$ 26,980	100.0%	\$ 27,074	100.0%
Total operating revenues	26,980	100.0%	27,074	100.0%
OPERATING EXPENSES				
Personnel services	7,140	26.5%	7,340	27.1%
Administrative	3,533	13.1%	2,754	10.2%
Other supplies and expenses	510	1.9%	2,902	10.7%
Repairs and maintenance	1,268	4.7%	592	2.2%
Insurance	133	0.5%	132	0.5%
Depreciation	4,075	15.1%	6,186	22.8%
Miscellaneous	429	1.6%	288	1.1%
Total operating expenses	17,088	63.3%	20,194	74.6%
Operating income	9,892	36.7%	6,880	25.4%
NONOPERATING REVENUE (EXPENSES)				
Gain/loss sale of fixed assets	-	0.0%	(500)	-1.8%
Interest and investment revenue	1,178	4.4%	1,144	4.2%
Total nonoperating revenue	1,178	4.4%	644	2.4%
Loss before contributions	11,070	41.0%	7,524	27.8%
Transfers out	(12,757)	-47.3%	(18,107)	-66.9%
Change in net position	(1,687)	-6.3%	(10,583)	-39.1%
Total net position - beginning	97,091	359.9%	107,674	397.7%
Total net position - ending	\$ 95,404	353.6%	\$ 97,091	358.6%

In 2015, charges for services decreased less than \$100. The operating expenses in 2015 decreased about \$3,000, mostly due to a decrease in depreciation. The Eugene Water Service system serves approximately 50 customers.

INTERNAL SERVICE FUND

In 2014, the County created a partially self-funded health insurance program with the claims processed by a third party administrator on behalf of the County. A separate internal service fund was created to account for and finance the health insurance program. All funds from which the County pays employee salaries participate in the health insurance program. These funds make payments to the Health Insurance Fund based on an actuarial estimate of the amount the County will need to pay for claims and establish a reserve for catastrophic losses.

Table 11
COUNTY OF COLE, MISSOURI
Statement of Revenues, Expenses, and Changes in Fund Net Position
Internal Service Fund-Health Insurance
For the Years Ended December 31, 2015 and 2014

	2015		2014	
	<u>Amount</u>	<u>Percent of Total Revenue</u>	<u>Amount</u>	<u>Percent of Total Revenue</u>
OPERATING REVENUES				
Charges for services	\$ 2,178,884	100.0%	\$ 2,424,682	100.0%
Total operating revenues	2,178,884	100.0%	2,424,682	100.0%
OPERATING EXPENSES				
Health claims and insurance fees	1,588,043	72.9%	1,662,416	68.6%
Total operating expenses	1,588,043	72.9%	1,662,416	68.6%
Operating income	590,841	27.1%	762,266	31.4%
NONOPERATING REVENUE (EXPENSES)				
Interest and investment revenue	17,151	0.8%	6,895	0.3%
Total nonoperating revenue	17,151	0.8%	6,895	0.3%
Change in net position	607,992	27.9%	769,161	31.7%
Total net position - beginning	769,161	35.3%	-	0.0%
Total net position - ending	\$ 1,377,153	63.2%	\$ 769,161	31.7%

In 2015, total contributions, which are the premiums paid by the funds, decreased by about \$246,000 as compared to 2014. Total insurance claims paid by the fund also decreased over \$74,000 in 2015. These decreases are mainly attributable to a 3% decrease in plan enrollment and the type of plan coverage selected by participants. The County covers the first \$50,000 in claims on each employee, and pays for a reinsurance policy which covers claims over \$50,000. The total net position changed by almost \$608,000, for a total net position of \$1.4 million at the end of 2015. The County has seen a costs savings with the transition to the partially self-funded plan and has also created a wellness committee to assist employees in making healthy choices.

INDIVIDUAL FUND BUDGET-TO-ACTUAL COMPARISON HIGHLIGHTS

The scope of the budget-to-actual analysis covers five of the six major funds and is part of the Required Supplemental Information (RSI) section included in the statements as required by GAAP and GFOA. The other major fund is a debt service fund type, which is excluded from the RSI. The purpose of the budget-to-actual analysis is to provide a measure of the efficiency of the County's budgeting system. When budget revisions are small and infrequent, the budgeting system is considered efficient and management's ability to plan for the future effective. Also, when actual revenues and expenses are very close to budgeted revenues and expenses, planning and control are considered effective. The County prepares its budgets on the cash basis of accounting so that revenue is recorded when received rather than when earned, and expenditures are recorded when paid rather than when incurred. The funds' modified accrual basis statements are converted to cash basis for the budget comparisons. The cash basis of accounting can cause variances if revenues are not received when anticipated and expenditures are incurred but not paid during the budget year.

The analysis shows that actual plans conformed substantially to budget and reserves were maintained at prudent levels. Since the recession in 2009, the County has taken a more conservative approach to budgeting and spending. As such, expenditures were under budget in all the funds and revenue was greater than expected. In the Road and Bridge Fund and Capital Improvement Fund (Sales Tax Fund), projects are large and frequently multi-year. Generally, budgeting in these two funds must be done from a three to five year perspective rather than the next year. These two funds cause most of the difference in budget to actual numbers. A more detailed analysis of budget-to-actual amounts is shown in the Required Supplemental Information section.

CAPITAL ASSET AND DEBT ADMINISTRATION

CAPITAL ASSETS

The County has capital assets of over \$70.6 million at the end of 2015. Over 80% of the almost \$71 million in capital assets is made up of \$30.4 million in infrastructure and almost \$30 million in buildings. The County also has over \$5.1 million in land and over \$4.1 million in machinery and equipment. Additional information regarding Cole County's capital assets can be found in Note 1I and in Note 6 of this report.

Table 12
County of Cole, Missouri
Schedule of Capital Assets
For the Years Ended December 31, 2015 and 2014
 (net of depreciation)

	2015		2014	
	<u>Total</u>	<u>Percent of Total</u>	<u>Total</u>	<u>Percent of Total</u>
Land	\$ 5,136,340	7.3%	\$ 5,049,526	7.1%
Buildings	29,986,090	42.4%	30,975,140	43.4%
Machinery and equipment	4,166,280	5.9%	4,088,918	5.7%
Infrastructure	30,391,158	43.0%	26,325,118	36.9%
Construction in progress	964,337	1.4%	4,953,853	6.9%
Total	\$ 70,644,205	100.0%	\$ 71,392,555	100.0%

The most significant capital asset changes in 2015 were to infrastructure and construction in progress. The increase in infrastructure of over \$4.0 million was due to the multi-year infrastructure project on Business 50 West that was started in 2011 but not completed until 2015. Most infrastructure projects for the County are multi-year projects. The increase in land in 2015 of about \$87,000 was due to the addition of right of way land. The change to buildings is due to the current year depreciation expense; there were no additions or deletions to the building category in 2015. The County purchased new vehicles for the Sheriff's Department, new financial software, and new equipment for EMS and Public Works during 2015 for a total cost of over \$1.6 million, but the machinery and equipment category only increased by about \$77,000 due to current year depreciation. The County capitalizes only those assets in excess of \$5,000.

DEBT

Special Assessment Bonds - Neighborhood Improvement District Projects

The County has a contingent liability for outstanding debt of \$168,000 in 2015 associated with neighborhood improvement district projects. The County is required by law to give its backing to these obligations although they are retired by a special assessment on property owners. The amount due from property owners has been recorded as a receivable while the amount owed on the bonds is recorded as debt in the County's financial statements. The total is \$45,000 less in 2015 due to retirement of bond principal, which was reimbursed by property owner assessment payments.

Capital Leases

In 2007, the County completed all necessary steps to enter into and finalize a capital lease arrangement to finance the construction of the law enforcement facility, and \$10 million of COPs were issued by the trustee in December 2007. An additional \$25 million of COPs were issued in March 2009. In 2011, the first issuance of COPs was refunded to take advantage of the lower interest rates and to save the County slightly over \$450,000 over the remaining life of the capital lease arrangement. The County refunded the second issuance of COPs in 2014 to save

that County slightly over \$650,000 through lower interest rates. The agreements meet the definition of a capital lease and are recorded in the County's financial statements as debt.

Table 13
County of Cole, Missouri
Schedule of Outstanding Debt
Year Ended December 31, 2015 and 2014

	2015	2014
Outstanding Debt:		
Special Assessment Bonds	\$ 168,000	\$ 213,000
Certificates of Participation (Capital Lease)	18,465,000	20,705,000
Total	\$ 18,633,000	\$ 20,918,000

At December 31, 2015, the County had approximately \$18.6 million in outstanding debt, almost all of which represents COPs. The County will retire the COPs through lease payments from the proceeds of a law enforcement sales tax approved by voters in 2007. A principal payment of \$2,240,000 was made in 2015. Additional information regarding Cole County's long term debt can be found in Note 8 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

County officials consider and study the economic environment of the County in preparing budgets and administering financial activities. Population and income growth are key determinants of the demand for county services and its revenue. The County's population is estimated to be approximately 76,720 in 2015, a small increase from 2014. Both personal income and commercial activity are expected to continue to grow at slow rates. We are also starting to see growth again in Sales Tax collections. As such, County officials plan activities on the assumption that key economic events that drive revenue and expenses will grow slightly.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

The County's budget officer is the County Auditor. The County Auditor also is the accounting officer of the county and is responsible for preparing financial statements. The Auditor can be contacted by phone at (573) 634-9122. The County Auditor's office is located at 311 East High Street, Jefferson City, Missouri.

COUNTY OF COLE, MISSOURI
Statement of Net Position
December 31, 2015

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
ASSETS:			
Cash and cash equivalents	\$ 29,413,530	\$ 1,076,798	\$ 30,490,328
Restricted investments	823,412	-	823,412
Receivables (net of allowance)	4,827,827	821,920	5,649,747
Net pension asset - LAGERS	4,611,285	912,353	5,523,638
Due from agency fund	52,624	-	52,624
Inventory	802,710	-	802,710
Prepaid leases	51,613	-	51,613
Prepaid insurance	185,780	32,101	217,881
Capital assets:			
Non-depreciable	6,095,689	4,988	6,100,677
Depreciable, net	63,312,906	1,230,622	64,543,528
Total assets	110,177,376	4,078,782	114,256,158
DEFERRED OUTFLOWS OF RESOURCES:			
Pension plan contributions - LAGERS	371,545	73,511	445,056
Pension plan contributions - CERF	264,693	84,495	349,188
Pension plan - other - LAGERS	1,197,747	236,977	1,434,724
Pension plan - other - CERF	163,614	52,229	215,843
Deferred charge on refunding	1,663,749	-	1,663,749
Total deferred outflows of resources	3,661,348	447,212	4,108,560
LIABILITIES:			
Accounts payable and other current liabilities	618,342	117,738	736,080
Accrued liabilities	58,627	-	58,627
Incurred but not reported claims	158,940	-	158,940
Due to other governments	34,291	-	34,291
Note payable	31,555	-	31,555
Noncurrent liabilities:			
Net pension liability - CERF	1,540,137	491,640	2,031,777
Debt and compensated absences due within one year	2,381,148	11,702	2,392,850
Debt and compensated absences due in more than one year	18,203,640	135,513	18,339,153
Total liabilities	23,026,680	756,593	23,783,273
DEFERRED INFLOWS OF RESOURCES:			
Pension plan - LAGERS	420,074	83,113	503,187
Pension plan - CERF	19,105	6,099	25,204
Total deferred inflows of resources	439,179	89,212	528,391
NET POSITION:			
Net investment in capital assets	51,844,458	1,235,610	53,080,068
Restricted for:			
Capital improvement	4,142,685	-	4,142,685
Highways, streets, and bridges	5,078,199	-	5,078,199
Public safety	7,714,379	-	7,714,379
Emergency medical services	1,659,580	-	1,659,580
Assessment costs	1,672,519	-	1,672,519
Judicial	226,152	-	226,152
Recorder of deeds	70,589	-	70,589
Domestic violence	656	-	656
Tax maintenance	183,466	-	183,466
Net pension asset	4,611,285	912,353	5,523,638
Election services	37,149	-	37,149
Debt service	47,439	-	47,439
Unrestricted	13,084,309	1,532,226	14,616,535
Total net position	\$ 90,372,865	\$ 3,680,189	\$ 94,053,054

See accompanying notes to the basic financial statements.

COUNTY OF COLE, MISSOURI
Statement of Activities
For the Year Ended December 31, 2015

	Program Revenues				Net (Expenses) Revenues and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary government							
Governmental activities							
General government	\$ 5,093,109	\$ 1,972,237	\$ 10,692	\$ 11,426	\$ (3,098,754)	\$ -	\$ (3,098,754)
Public safety	10,110,463	3,144,800	629,194	10,275	(6,326,194)	-	(6,326,194)
Highways, streets and bridges	9,822,901	222,106	-	250,000	(9,350,795)	-	(9,350,795)
Assessment	789,658	153,967	-	-	(635,691)	-	(635,691)
Judicial	1,009,099	123,899	405,542	-	(479,658)	-	(479,658)
Health and welfare	2,014,930	287,233	692,487	-	(1,035,210)	-	(1,035,210)
Parks and recreation	18,127	-	-	-	(18,127)	-	(18,127)
Emergency management	179,927	5,000	90,566	-	(84,361)	-	(84,361)
Interest and fiscal fees	789,554	-	-	-	(789,554)	-	(789,554)
Total governmental activities	<u>29,827,768</u>	<u>5,909,242</u>	<u>1,828,481</u>	<u>271,701</u>	<u>(21,818,344)</u>	<u>-</u>	<u>(21,818,344)</u>
Business-type activities							
Emergency medical services	3,904,419	2,946,443	-	-	-	(957,976)	(957,976)
Water services	17,088	26,980	-	-	-	9,892	9,892
Total business-type activities	<u>3,921,507</u>	<u>2,973,423</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(948,084)</u>	<u>(948,084)</u>
Total primary government	<u>\$ 33,749,275</u>	<u>\$ 8,882,665</u>	<u>\$ 1,828,481</u>	<u>\$ 271,701</u>	<u>(21,818,344)</u>	<u>\$ (948,084)</u>	<u>\$ (22,766,428)</u>
					5,813,895	-	5,813,895
					17,820,458	-	17,820,458
					1,529,397	-	1,529,397
					342,209	-	342,209
					1,126,967	-	1,126,967
					830,783	-	830,783
					95,271	-	95,271
					364,917	15,797	380,714
					12,681	-	12,681
					(1,584,479)	1,584,479	-
					539,330	5,755	545,085
					<u>26,891,429</u>	<u>1,606,031</u>	<u>28,497,460</u>
					5,073,085	657,947	5,731,032
					85,299,780	3,022,242	88,322,022
					<u>\$ 90,372,865</u>	<u>\$ 3,680,189</u>	<u>\$ 94,053,054</u>

See accompanying notes to the basic financial statements.

COUNTY OF COLE, MISSOURI
Balance Sheet and the Reconciliation of the Governmental
Funds Balance Sheet to the Statement of Net Position
Governmental Funds
December 31, 2015

	Major Funds							Total Governmental Funds
	Special Revenue				Debt Service		Non-Major Funds	
	General	Road and Bridge	Sales Tax	Law Enforcement Sales Tax	Emergency Services Sales Tax	Neighborhood Sinking		
ASSETS								
Cash and cash equivalents	\$ 10,393,694	\$ 4,917,217	\$ 2,432,559	\$ 5,889,836	\$ 1,275,964	\$ 47,425	\$ 2,969,864	\$ 27,926,559
Restricted investments	-	-	-	-	-	-	823,412	823,412
Receivables (net of allowance)								
Intergovernmental	643,805	197,209	1,041,973	1,373,804	955,341	-	30,301	4,242,433
Special assessments	-	-	-	-	-	147,996	-	147,996
Property taxes	58,068	173,569	-	-	-	-	58,543	290,180
Due from other funds	580,351	-	-	44,662	-	-	815	625,828
Due from others	73,878	1,992	3,371	11,444	1,479	14	5,918	98,096
Inventory	-	802,710	-	-	-	-	-	802,710
Prepaid leases	-	-	-	51,613	-	-	-	51,613
Prepaid insurance	105,389	24,470	-	50,239	-	-	5,482	185,780
Total assets	\$ 11,855,385	\$ 6,117,167	\$ 3,477,903	\$ 7,421,598	\$ 2,232,784	\$ 195,435	\$ 3,894,335	\$ 35,194,607
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES								
Liabilities:								
Accounts payable and accrued liabilities	\$ 152,439	\$ 74,225	\$ 158,630	\$ 106,025	\$ -	\$ -	\$ 127,021	\$ 618,340
Due to other funds	-	-	-	-	573,204	-	-	573,204
Due to other governments	-	-	-	34,291	-	-	-	34,291
Total liabilities	152,439	74,225	158,630	140,316	573,204	-	127,021	1,225,835
Deferred inflows of resources:								
Unavailable revenue - property taxes	52,816	137,563	-	-	-	-	78,583	268,962
Unavailable revenue - fees/grants	14,048	-	-	154,113	-	-	-	168,161
Unavailable revenue - special assessments	-	-	-	-	-	147,996	-	147,996
Total deferred inflows of resources	66,864	137,563	-	154,113	-	147,996	78,583	585,119
Fund balances:								
Nonspendable:								
Prepaid items	105,589	24,470	-	101,852	-	-	5,482	237,393
Inventory	-	802,710	-	-	-	-	-	802,710
Restricted for:								
Capital improvements	-	-	3,319,273	-	-	-	823,412	4,142,685
Law enforcement	-	-	-	7,025,317	-	-	170,074	7,195,391
Emergency medical services	-	-	-	-	1,659,580	-	-	1,659,580
Highways, streets and bridges	-	5,078,199	-	-	-	-	-	5,078,199
Domestic violence	-	-	-	-	-	-	656	656
Training costs	-	-	-	-	-	-	3,685	3,685
Prosecuting attorney	-	-	-	-	-	-	515,303	515,303
Assessment costs	-	-	-	-	-	-	1,672,519	1,672,519
Judicial	-	-	-	-	-	-	226,152	226,152
Recorder of deeds	-	-	-	-	-	-	70,589	70,589
Tax maintenance	-	-	-	-	-	-	183,466	183,466
Election services	-	-	-	-	-	-	37,149	37,149
Debt service	-	-	-	-	-	47,439	-	47,439
Unassigned	11,530,493	-	-	-	-	-	(19,756)	11,510,737
Total fund balances	11,636,082	5,905,379	3,319,273	7,127,169	1,659,580	47,439	3,688,731	33,383,653
Total liabilities, deferred inflows, and fund balances	\$ 11,855,385	\$ 6,117,167	\$ 3,477,903	\$ 7,421,598	\$ 2,232,784	\$ 195,435	\$ 3,894,335	\$ 35,194,607
Total fund balances - governmental funds								\$ 33,383,653
Amounts reported for governmental activities in the statement of net position are different because:								
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.								69,408,595
Some of the County's property taxes, grants, and special assessments will be collected after the 60-day availability period and are deferred in the fund financial statements. However, revenue for this amount is recognized in the government-wide financial statements.								585,119
Other long term assets and deferred outflows of resources are not financial resources, and, therefore, are not reported in the fund financial statements.								
Net pension plan asset - LAGERS							4,611,285	
Deferred outflows - pension plan contributions							636,238	
Deferred outflows - pension plan - other							1,361,361	6,608,884
Internal service funds are used by management to charge the costs of various items. The assets and liabilities of the internal service fund are included in the governmental activities in the statement of net assets								1,377,153
Long-term liabilities, including bonds, leases payable, and deferred inflows of resources are not due and payable in the current period and therefore are not reported in the fund financial statements. Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported on the government-wide statement of net assets								
Interest payable								(7,767)
Note payable								(31,555)
Bonds payable								(168,000)
Interest payable								(50,862)
Certificates of Participation payable						(18,465,000)		
Less: Discount on certificates of participation to be amortized as interest expense						33,201		
Plus: Premium on certificates of participation to be amortized as interest expense						(796,087)		
Less: Deferred charge on refunding of certificates of participation to be amortized as interest expense						1,663,749	(17,564,137)	
Compensated absences								(1,188,902)
Net pension plan liability - CERF								(1,540,137)
Deferred inflows - pension plan - other								(439,179)
Net position of governmental activities								\$ 90,372,865

See accompanying notes to the basic financial statements

COUNTY OF COLE, MISSOURI
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2015

	Major Funds							Total Governmental Funds
	Special Revenue					Debt Service		
	General	Road and Bridge	Sales Tax	Law Enforcement Sales Tax	Emergency Services Sales Tax	Neighborhood Sinking	Non-Major Funds	
REVENUES								
Taxes	\$ 4,000,494	\$ 5,009,538	\$ 5,947,114	\$ 5,936,718	\$ 5,936,625	\$ -	\$ 653,127	\$ 27,483,616
Licenses, fees and permits	2,365,165	207,603	14,502	2,242,967	-	26,905	1,029,210	5,886,352
Intergovernmental	1,616,922	-	260,494	275,519	-	-	-	2,152,935
Interest	127,787	36,296	45,936	83,978	20,996	10,748	39,176	364,917
Other	270,656	16,381	19,104	66,716	-	-	82,309	455,166
Total revenues	<u>8,381,024</u>	<u>5,269,818</u>	<u>6,287,150</u>	<u>8,605,898</u>	<u>5,957,621</u>	<u>37,653</u>	<u>1,803,822</u>	<u>36,342,986</u>
EXPENDITURES								
Current:								
General government	4,113,883	-	146,873	-	-	-	492,319	4,753,075
Public safety	3,034,443	-	-	6,544,641	-	-	99,527	9,678,611
Highways, streets and bridges	-	4,721,527	1,366,611	-	-	-	-	6,088,138
Assessment costs	-	-	-	-	-	-	801,992	801,992
Judicial	906,854	-	-	-	-	-	56,730	963,584
Health and welfare	1,697,234	-	-	-	289,715	-	-	1,986,949
Parks and recreation	10,074	-	-	-	-	-	-	10,074
Emergency management	124,425	-	-	-	-	-	-	124,425
Capital outlay:								
General government	-	-	637,384	-	-	-	8,078	645,462
Public safety	-	-	-	162,960	-	-	5,683	168,643
Judicial	-	-	-	-	-	-	12,314	12,314
Health and welfare	-	-	22,102	-	661,656	-	-	683,758
Highways, streets and bridges	-	-	3,554,132	-	-	-	-	3,554,132
Emergency management	43,000	-	-	-	-	-	-	43,000
Debt service:								
Principal	-	-	-	-	-	45,000	2,240,000	2,285,000
Interest	-	-	-	-	-	13,305	649,732	663,037
Total expenditures	<u>9,929,913</u>	<u>4,721,527</u>	<u>5,727,102</u>	<u>6,707,601</u>	<u>951,371</u>	<u>58,305</u>	<u>4,366,375</u>	<u>32,462,194</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,548,889)</u>	<u>548,291</u>	<u>560,048</u>	<u>1,898,297</u>	<u>5,006,250</u>	<u>(20,652)</u>	<u>(2,562,553)</u>	<u>3,880,792</u>
OTHER FINANCING SOURCES (USES)								
Note proceeds	-	-	31,555	-	-	-	-	31,555
Transfers in	4,271,502	44,970	-	1,978,779	-	-	2,889,711	9,184,962
Transfers out	(2,014,100)	(186,268)	(172,923)	(2,889,711)	(4,736,040)	-	(108,743)	(10,107,785)
Sale of capital assets	537	2,066	-	12,865	-	-	-	15,468
Total other financing sources (uses)	<u>2,257,939</u>	<u>(139,232)</u>	<u>(141,368)</u>	<u>(898,067)</u>	<u>(4,736,040)</u>	<u>-</u>	<u>2,780,968</u>	<u>(875,800)</u>
Net changes in fund balances	709,050	409,059	418,680	1,000,230	270,210	(20,652)	218,415	3,004,992
Fund balances - beginning	10,927,032	5,496,320	2,900,593	6,126,939	1,389,370	68,091	3,470,316	30,378,661
Fund balances - ending	<u>\$ 11,636,082</u>	<u>\$ 5,905,379</u>	<u>\$ 3,319,273</u>	<u>\$ 7,127,169</u>	<u>\$ 1,659,580</u>	<u>\$ 47,439</u>	<u>\$ 3,688,731</u>	<u>\$ 33,383,653</u>

See accompanying notes to the basic financial statements.

COUNTY OF COLE, MISSOURI
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balance of Governmental Funds
To the Statement of Activities
For the Year Ended December 31, 2015

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds		\$ 3,004,992
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	5,085,308	
Depreciation expense	(5,503,788)	
Capital contribution to business-type activity	(661,656)	
Loss on sale of governmental fund capital assets	<u>(2,787)</u>	(1,082,923)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Grants	(52,753)	
Taxes	75,365	
Contributions	84,164	
Fees	<u>22,890</u>	129,666

Internal service funds are used by management to charge the costs of health insurance to individual funds. The net revenue (expense) of the internal service fund is reported with the governmental activities.

607,992

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statements of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal payments on Certificates of Participation	2,240,000	
Amortization expense on Certificates of Participation	(129,796)	
Note proceeds	(31,555)	
Change in interest payable	3,280	
Other principal payments	<u>45,000</u>	2,126,929

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Pension plan expense		348,974
Compensated absences expense		<u>(62,545)</u>

Change in net position of governmental activities		<u>\$ 5,073,085</u>
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See accompanying notes to the basic financial statements.

COUNTY OF COLE, MISSOURI

Statement of Net Position

Proprietary Funds

December 31, 2015

	Business-type Activities-Enterprise Funds			Governmental Activities - Internal Service Fund
	Major Fund	Non-Major Fund	Total	
	Emergency Medical Services	Eugene Water District		
ASSETS:				
Cash and cash equivalents	\$ 995,960	\$ 80,838	\$ 1,076,798	\$ 1,486,971
Receivables (net of allowance)	816,716	2,648	819,364	47,467
Intergovernmental receivables	-	1,180	1,180	-
Due from others	1,284	92	1,376	1,655
Prepaid insurance	32,101	-	32,101	-
Net pension asset - LAGERS	912,353	-	912,353	-
Capital assets (net of accumulated depreciation):				
Land	-	4,988	4,988	-
Buildings	18,526	-	18,526	-
Equipment	1,204,109	7,987	1,212,096	-
Total assets	<u>3,981,049</u>	<u>97,733</u>	<u>4,078,782</u>	<u>1,536,093</u>
DEFERRED OUTFLOWS OF RESOURCES:				
Pension plan contributions - LAGERS	73,511	-	73,511	-
Pension plan contributions - CERF	84,495	-	84,495	-
Pension plan - other - LAGERS	236,977	-	236,977	-
Pension plan - other - CERF	52,229	-	52,229	-
Total deferred outflows of resources	<u>447,212</u>	<u>-</u>	<u>447,212</u>	<u>-</u>
LIABILITIES:				
Accounts payable and other				
current liabilities	115,409	2,329	117,738	-
Incurred but not reported claims	-	-	-	158,940
Noncurrent liabilities:				
Net pension liability - CERF	491,640	-	491,640	-
Compensated absences due within one year	11,702	-	11,702	-
Compensated absences due in more than one year	135,513	-	135,513	-
Total liabilities	<u>754,264</u>	<u>2,329</u>	<u>756,593</u>	<u>158,940</u>
DEFERRED INFLOWS OF RESOURCES:				
Pension plan - LAGERS	83,113	-	83,113	-
Pension plan - CERF	6,099	-	6,099	-
Total deferred inflows of resources	<u>89,212</u>	<u>-</u>	<u>89,212</u>	<u>-</u>
NET POSITION:				
Net investment in capital assets	1,222,635	12,975	1,235,610	-
Restricted for net pension asset	912,353	-	912,353	-
Unrestricted	1,449,797	82,429	1,532,226	1,377,153
Total net position	<u>\$ 3,584,785</u>	<u>\$ 95,404</u>	<u>\$ 3,680,189</u>	<u>1,377,153</u>

See accompanying notes to the basic financial statements

COUNTY OF COLE, MISSOURI
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2015

	<u>Business-type Activities-Enterprise Funds</u>			Governmental Activities - Internal Service Funds
	<u>Major Fund</u>	<u>Non-Major Fund</u>	<u>Total</u>	
	<u>Emergency Medical Services</u>	<u>Eugene Water District</u>		
OPERATING REVENUES				
Charges for services	\$ 2,946,443	\$ 26,980	\$ 2,973,423	\$ 2,178,884
Total operating revenues	<u>2,946,443</u>	<u>26,980</u>	<u>2,973,423</u>	<u>2,178,884</u>
OPERATING EXPENSES				
Personnel services	2,957,713	7,140	2,964,853	-
Administrative	126,241	3,533	129,774	-
Other supplies and expenses	198,934	510	199,444	-
Repairs and maintenance	187,628	1,268	188,896	-
Insurance, net of reinsurance reimbursements of \$146,657	26,728	133	26,861	1,588,043
Depreciation	389,030	4,075	393,105	-
Miscellaneous	-	429	429	-
Total operating expenses	<u>3,886,274</u>	<u>17,088</u>	<u>3,903,362</u>	<u>1,588,043</u>
Operating income (loss)	<u>(939,831)</u>	<u>9,892</u>	<u>(929,939)</u>	<u>590,841</u>
NONOPERATING REVENUE (EXPENSE)				
Miscellaneous	5,755	-	5,755	-
Loss on sale of fixed assets	(18,145)	-	(18,145)	-
Interest and investment revenue	14,619	1,178	15,797	17,151
Total nonoperating revenue	<u>2,229</u>	<u>1,178</u>	<u>3,407</u>	<u>17,151</u>
Income (loss) before contributions and transfers	(937,602)	11,070	(926,532)	607,992
Transfers in	1,106,000	-	1,106,000	-
Transfers out	(170,420)	(12,757)	(183,177)	-
Capital contributions	661,656	-	661,656	-
Change in net position	659,634	(1,687)	657,947	607,992
Total net position - beginning (as restated)	<u>2,925,151</u>	<u>97,091</u>	<u>3,022,242</u>	<u>769,161</u>
Total net position - ending	<u>\$ 3,584,785</u>	<u>\$ 95,404</u>	<u>\$ 3,680,189</u>	<u>1,377,153</u>

See accompanying notes to the basic financial statements

COUNTY OF COLE, MISSOURI
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2015

	<u>Business-type Activities-Enterprise Funds</u>			Governmental Activities - Internal Service Funds
	<u>Major Fund</u>	<u>Non-Major Fund</u>	<u>Total</u>	
	<u>Emergency Medical Services</u>	<u>Eugene Water District</u>		
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 2,716,846	\$ 25,858	\$ 2,742,704	\$ 2,183,455
Payments to suppliers	(555,442)	(4,104)	(559,546)	(1,725,078)
Payments to employees	(3,017,322)	(7,140)	(3,024,462)	-
Other operating revenues	5,755	-	5,755	-
Net cash provided (used) by operating activities	<u>(850,163)</u>	<u>14,614</u>	<u>(835,549)</u>	<u>458,377</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Operating subsidies and transfers from other funds	1,106,000	-	1,106,000	-
Operating subsidies and transfers to other funds	(170,420)	(12,757)	(183,177)	-
Net cash provided (used) by noncapital financing activities	<u>935,580</u>	<u>(12,757)</u>	<u>922,823</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends	14,619	1,178	15,797	17,151
Net cash provided by investing activities	<u>14,619</u>	<u>1,178</u>	<u>15,797</u>	<u>17,151</u>
Net change in cash and cash equivalents	100,036	3,035	103,071	475,528
Balances-beginning	895,924	77,803	973,727	1,011,443
Balances-ending	<u>\$ 995,960</u>	<u>\$ 80,838</u>	<u>\$ 1,076,798</u>	<u>\$ 1,486,971</u>
NON CASH ACTIVITY				
Capital contribution	<u>\$ 661,656</u>	<u>\$ -</u>	<u>\$ 661,656</u>	<u>\$ -</u>
Reconciliation of operating income (loss) to net cash used by operating activities				
Operating income (loss)	\$ (939,831)	\$ 9,892	\$ (929,939)	\$ 590,841
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Miscellaneous revenue	5,755	-	5,755	-
Depreciation	389,030	4,075	393,105	-
Change in assets, liabilities, and deferred outflows/inflows:				
Receivables, net of allowance	(229,597)	(1,122)	(230,719)	4,571
Prepaid insurance	(763)	-	(763)	-
Net pension asset - LAGERS	83,643	-	83,643	-
Accounts and other payables	(2,082)	1,769	(313)	-
Deferred outflows - pension plans	(283,271)	-	(283,271)	-
Deferred inflows - pension plans	89,211	-	89,211	-
Incurred but not reported claims	-	-	-	(137,035)
Net pension liability - CERF	37,742	-	37,742	-
Net cash provided (used) by operating activities	<u>\$ (850,163)</u>	<u>\$ 14,614</u>	<u>\$ (835,549)</u>	<u>\$ 458,377</u>

See accompanying notes to the basic financial statements

COUNTY OF COLE, MISSOURI
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2015

	<u>Agency Funds</u>
ASSETS	
Cash and cash equivalents	\$ 57,794,279
Property taxes receivable, net of allowance of \$304,677	3,235,332
Due from other governments	8,493
Due from other funds	12,756
Due from others	587
	<u>61,051,447</u>
Total assets	<u>\$ 61,051,447</u>
LIABILITIES	
Due to other funds	\$ 65,380
Due to other governments	55,173,033
Due to others	5,497,391
	<u>61,051,447</u>
Total liabilities	<u>\$ 61,051,447</u>

See accompanying notes to the basic financial statements.

COUNTY OF COLE, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

County of Cole (the County) is located in central Missouri and home to the state capital and the City of Jefferson. It is a first class county governed by three elected commissioners (western, eastern, and presiding). Other elected County officials are the Assessor, Auditor, Circuit Clerk, Collector, County Clerk, Prosecuting Attorney, Public Administrator, Recorder of Deeds, Sheriff, and Treasurer. These various officials handle different aspects of the County's operations.

The accounting policies and financial reporting practices of the County conform to U.S. generally accepted accounting principles applicable to governmental entities. The more significant of the County's accounting policies are described below.

A. Reporting Entity

The County, for financial purposes, includes all of the funds relevant to the operations of the County. The financial statements presented herein do not include agencies which have been formed under applicable state laws or separate and distinct units of government apart from the County that have been determined not to be component units as defined by Governmental Accounting Standards Board Statement No. 61, "The Financial Reporting Entity: Omnibus" (GASB 61). 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 able to impose its will or the component unit may provide financial benefits or impose a burden on the primary government. In addition, component units can be other organizations for which the nature and significance of the relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading if excluded. Based on the criteria of GASB 61, there are no other agencies or entities for which the County has been determined to be financially accountable and, therefore, should be included in the financial statements of the County.

The County Commission has established Cole County Special Services (CCSS) and appointed a board of directors under Section 205.968 RSMo. Once established, CCSS and its board are considered a political subdivision under section 70.600 RSMo and act independently of the County Commission. It does not meet the definition of a component unit. However, the County does include a levy under Senate Bill 40 for CCSS in the County levy, which is then remitted to CCSS.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the non-fiduciary activities of the County. The effect of interfund activities, except for interfund services provided and used, has been removed from these statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external parties.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or

segment. Taxes, unrestricted interest earnings, gains, and other items not properly included among program revenues are reported instead as general revenues.

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. The County has determined that the General Fund, Road and Bridge Fund, Sales Tax Fund, Law Enforcement Sales Tax Fund, Emergency Services Sales Tax Fund, and Neighborhood Sinking Fund are major governmental funds. All other governmental funds are reported in one column labeled "Other Governmental Funds". The total fund balances for all governmental funds are reconciled to total net position for governmental activities as shown on the statement of net position. The net change in fund balances for all governmental funds is reconciled to the total change in net position as shown on the statement of activities in the government-wide statements.

The County uses funds to report its financial position and results of its operations in the fund financial statements. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Funds are classified into three categories: governmental, proprietary and fiduciary.

The County reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the County. All general tax revenues and other receipts not allocated by law or contractual agreement to another fund are accounted for in this fund. This fund provides for general operating expenditures, fixed charges and the capital improvement costs not paid through other funds.

Road and Bridge Fund – The Road and Bridge Fund is a special revenue fund used to account for the operations of the public works department. Financing is provided by various taxes, intergovernmental grants, revenue from the State of Missouri, and transfers from the General Fund.

Law Enforcement Sales Tax Fund-The Law Enforcement Sales Tax Fund is a special revenue fund used to account for sales tax collections from a .5% sales tax and for the operations of the Cole County Sheriff's department. The sales tax is to be used for the purpose of providing law enforcement services for the County, including construction of a law enforcement facility. When all obligations related to the construction of the County jail have been paid, the sales tax will be reduced to .38%.

Emergency Services Sales Tax Fund-The Emergency Services Sales Tax Fund is a special revenue fund established in 2009 to account for the collections of a .5% cent sales tax. Revenue from the special sales tax can be used only for emergency services and to fund a rollback of General Fund property taxes.

Sales Tax Fund – The Sales Tax Fund is a special revenue fund used to account for sales tax collections from a .5% sales tax due to expire December 31, 2021, and expenditures from such collections can only be used for improvements to roads and bridges and the repair, renovation and acquisition of County facilities.

Neighborhood Sinking Fund – The Neighborhood Sinking Fund is a debt service fund established to account for improvements to a neighborhood improvement district (NID) that are paid for by property owners through a special assessment to retire bonds used to finance improvements.

The County reports the following major proprietary fund:

Emergency Medical Services Fund- This enterprise fund accounts for the operations of the County's emergency medical response service.

The County reports the following major internal service fund:

Health Insurance Fund – The Health Insurance Fund is used to account for internal charges of premiums to the various County departments and for claims and administrative expenses of the County's self-insured health plan for employees.

Additionally, the County includes a fiduciary fund statement for trust and agency funds. Trust and agency funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, or other governmental units. The County has no trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. Agency funds include various taxes and fees collected by County officials which have not yet been remitted to the appropriate governmental entity or person. Only the portion of the funds collected by those officials subsequently remitted to the County are included in the County's financial statements. The remainder are included in the agency funds. The most significant portion of these agency funds are property and other taxes not yet remitted by the County Collector.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the basic financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied as specified by the County Commission. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, interest and principal on general long-term debt are recognized when due.

Certain taxes (including property, sales, motor vehicle, local use, and others), special assessments, charges for services, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

All proprietary funds are accounted for using the accrual basis of accounting. These funds account for operations that are primarily financed by user charges. The economic resource measurement focus concerns determining costs as a means of maintaining the capital investment and management control. Their revenues are recognized when they are earned and their expenses are recognized when they are incurred. Allocations of costs, such as depreciation, are recorded in proprietary funds.

Proprietary funds distinguish operating revenues and expense from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's ongoing operations. Operating expenses include the costs of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The County's general spending prioritization policy is to consider restricted resources to have been used first, followed by committed, assigned, and unassigned amounts when expenditures have been incurred for which resources in more than one classification could be used.

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

D. Budgets

Budgets are adopted on the cash basis of accounting, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles. Annual appropriated budgets are adopted for the General, Road and Bridge, Sales Tax, Law Enforcement Sales Tax, Emergency Services Sales Tax, Capital Improvement, Training, Domestic Shelter, Recorder of Deeds, Election Services, Tax Maintenance, Bad Check Fees and Assessment Funds. The following funds do not adopt budgets because they are not required by Missouri Statutes: Circuit Clerk, Delinquent Tax Fee, Sheriff Revolving, Prosecuting Attorney Administrative Handling Fee, and Neighborhood Improvement Sinking Funds.

All annual appropriations lapse at fiscal year-end. Funds on hand at year-end are considered as available revenue for expenditures and are included in beginning budgetary fund balance for the following year.

The County Commission approves the annual budget at the fund level. However, the appropriations at the departmental object level are closely monitored throughout the year for fluctuations and needed revisions. Budget amendments must be recommended by the County Auditor, who also serves as the Budget Officer, and authorized by the County Commission or other authority, as determined by state statute. Supplemental appropriations are made by the applicable authority throughout the year.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting - under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation - is utilized in the governmental funds. Encumbrances totaled \$1,328,861 at December 31, 2015.

E. Cash and Investments

The County's cash and cash equivalents are defined as cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The County Treasurer maintains a cash and investment pool that is available for use by all funds. Within the financial statements, income from investments is allocated to the underlying fund unless required to be assigned to another fund by contractual or legal reason. In addition, cash and investments are separately maintained by other County officials.

Investments are stated at fair value, determined by quoted market prices.

For purposes of the statement of cash flows, all highly liquid investments with an original maturity of three months or less when purchased are considered to be cash equivalents. Because a statement of cash flows is prepared only for proprietary funds under generally accepted accounting principles, cash and cash equivalents are distinguished only for those funds.

F. Short-Term Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e. the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

G. Receivables

Receivables consist primarily of taxes, grants, emergency medical services charges, water usage charges, and reinsurance reimbursements. They are shown net of an allowance for estimated uncollectible amounts.

H. Inventories

All inventories are recorded in the Road and Bridge Fund and valued at cost using the first-in, first out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not enhance functionality or materially extend the life of an asset are not capitalized.

As permitted by GASB Statement No. 34, general government infrastructure assets (streets, bridges, sidewalks) acquired prior to 2003 were capitalized retroactively to 1980 at estimated historical cost during 2007. Infrastructure acquired prior to 1980 is not recorded.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings	40 years
Office furniture, fixtures, equipment	5 – 10 years
Transportation equipment	5 years
Emergency services equipment	5 – 10 years
Water district equipment	3 years
Infrastructure	10 - 40 years

Fully depreciated fixed assets are included in the capital assets accounts until their disposal.

J. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has three items that qualify for reporting in this

category, which are the deferred charge on refunding (reported in the government-wide statement of net position) and the pension plan contributions and pension plan – other (reported in both the government-wide statement of net position and the proprietary funds statement of net position). A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The County has four items that qualify for reporting in this category, which are the unavailable revenue – property taxes, unavailable revenue – fees/grants, and unavailable revenue – special assessments reported in the governmental funds balance sheet, and the pension plan - other reported in both the government-wide statement of net position and the proprietary funds statement of net position.

K. Compensated Absences

Under terms of the County’s personnel policy, County employees are granted vacation and sick leave in varying amounts. However, no liability is recorded for non-vesting rights to receive sick pay benefits. All vested or accumulated vacation leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, and are expected to be liquidated with expendable financial resources.

L. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term obligations are reported as liabilities in the applicable governmental or business-type activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in all statements as incurred.

In the governmental fund financial statements, general long-term obligations are not reported as liabilities because they do not require the use of current resources. Governmental fund types recognize bond premiums and discounts during the current period. The face amount of the debt issued is reported as other financing sources while discounts on debt issuance are reported as other financing uses. Principal repayments are reported as debt service expenditures.

M. Equity

In the governmental fund financial statements, equity is displayed in five components as follows:

Nonspendable - This consists of amounts that are not in a spendable form or are legally or contractually required to be maintained intact.

Restricted – This consists of amounts that are constrained to specific purposes by their providers, through constitutional or contractual provisions or by enabling legislation.

Committed - This consists of amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision-making authority (the County Commission) by the end of the fiscal year. The County Commission can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken to remove or revise the limitation.

Assigned - This consists of amounts that are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. The County Commission can assign fund balance; however, an additional formal action does not have to be taken for the removal of the assignment.

Unassigned – This consists of amounts that are available for any purpose and can only be reported in the General Fund.

In the government-wide and proprietary fund financial statements, equity is displayed in three components as follows:

Net investment in capital assets – This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

Restricted – This consists of amounts that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Unrestricted – This consists of amounts that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

N. Emergency Medical Services

Charges for services in the Emergency Medical Services fund are reported net of contractual adjustments. Generally, services provided to Medicare and Medicaid eligible individuals results in contractual adjustments, which are known by the County at the time of billing. Such adjustments were \$1,859,924 for the year ended December 31, 2015.

O. Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The most significant estimates used by management are the useful lives of fixed assets, allowance for uncollectible receivables, amounts related to the pension plans, liability for incurred but not reported health claims, and infrastructure.

P. Pensions

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

2. LEGAL COMPLIANCE - BUDGET

The County budget process is governed by the Revised Statutes of Missouri (RSMo) 50.525-50.641. The County is a first class non-charter county where the County Auditor serves as Budget Officer. The following provides an overview of the budget process and a timetable of dates:

- (1) On or before September 1st, County agencies and department heads submit budget requests to the County Auditor.
- (2) During September and October, the County Auditor reviews budget requests and schedules work sessions with elected officials and department directors as necessary.
- (3) Prior to November 15th, the County Auditor submits to the County Commission a proposed operating budget for the fiscal period commencing the following January 1st based on budgets submitted by agencies and department heads. The operating budget includes proposed expenditures and the means of financing them.
- (4) The County Commission may add to, subtract from or change appropriations. During November and December, public hearings are conducted to obtain taxpayer comments on the original proposed budget and subsequent revisions.
- (5) No later than January 10th, the budget is legally adopted by the County Commission through majority approval. However, in the year any commissioner's new term of office begins, the statutory deadline is January 31.

RSMo 50.540 and 50.550 require all department, offices, institutions, commissions, or courts receiving its revenues in whole or in part from the County, except for collection fees on delinquent taxes per RSMo 56.312, to prepare budgets of their anticipated receipts and disbursements.

The reported budgetary data represents the final approved budget after amendments as adopted by the County Commissioners. The budget was amended during the year.

3. CASH AND INVESTMENTS

Cash

The County's investment policies are governed by County Commission Order, state statutes, and management policies. Missouri State Statutes authorize the County to deposit funds in open accounts, U.S. Treasury securities, U.S. Agency securities, repurchase agreements, collateralized certificates of deposit, banker's acceptance, and commercial paper.

Collateral is required for demand deposits and certificates of deposit. Custodial credit risk is the risk that in event of a bank failure, the government's deposits may not be returned to it. Statues required the collateral pledged must have a fair market value equal to 100% of the funds on deposit, less insured amounts. Obligations that may be pledged as collateral are of the same type in which the County may invest.

The County's deposits are categorized to give an indication of the level of custodial risk assumed by the County at December 31, 2015.

Deposits, categorized by level of custodial risk, were as follows as of December 31, 2015:

Bank balance	
Insured by FDIC	\$ 511,237
Collateralized with securities pledged by the financial institution	<u>78,053,472</u>
	<u>\$ 78,564,709</u>

A reconciliation of cash and cash equivalents as shown in the financial statements is as follows:

Carrying value	
Government-wide Statement of Net Position	\$ 30,490,328
Fiduciary Funds Statement of Net Position	<u>57,794,279</u>
	<u>\$ 88,284,607</u>

Investments

The County had the following investments as of December 31, 2015:

	<u>Investment Maturities (in years)</u>			<u>Fair Value</u>	<u>Carrying Value</u>
	<u>Less than 1</u>	<u>1-5</u>	<u>Over 5</u>		
Restricted:					
U.S. Treasury Notes	\$ 806,935	\$ -	\$ -	\$ 806,935	\$ 806,935
Restricted - Money Market Funds:					
Federated Treasury Obligations Funds	<u>16,477</u>	<u>-</u>	<u>-</u>	<u>16,477</u>	<u>16,477</u>
	<u>\$ 823,412</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 823,412</u>	<u>\$ 823,412</u>

Investments of \$823,412 are restricted in the Capital Improvement Fund for bond requirements.

Interest rate risk – Interest rate risk is the risk that the fair values of investments will be adversely affected by a change in interest rates. The County does not have a formal interest rate risk policy.

Credit risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit risk is measured using credit quality ratings of investments in debt securities as described by nationally recognized rating agencies such as Standard & Poor’s and Moody’s. State statutes authorize the County to invest in U.S. Treasury securities, U.S. Agency securities, repurchase agreements, collateralized certificates of deposit, banker’s acceptance, and commercial paper. The County has no investment policy that would further limit its investment choice. The money market funds are invested primarily in a portfolio of U.S. Treasury securities maturing in 397 days or less.

Concentration of credit risk – Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single issuer. The County places no limit on the amount the County may invest in any one issuer. All of the County’s investments are held in money market funds and U.S. Treasuries.

Custodial credit risk – investments – For an investment, this is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investment or collateral securities that are in possession of an outside party. The County does not have any custodial risk in investments.

4. PROPERTY TAXES

The County's property tax is levied by the County on September 1 based on the assessed value of all real and personal property located in the County and appropriate taxing districts as of the prior January 1, the lien date. Taxes are billed by November 1 and are considered delinquent after December 31. Assessed values are established by the County Assessor, and any appeals are reviewed by the Board of Equalization.

Property tax revenue is recognized independent of receivable recognition. A receivable is recognizable as of the lien date when the County has an enforceable legal claim while revenue is recognized in the period for which the taxes are levied on the government-wide statements. Taxes expected to be received later than 60 days after the close of the fiscal year are classified as unearned revenue within the governmental fund financial statements because they do not meet the criteria of being available as described in Note 1.

Property taxes levied in the current fiscal year are recognized as receivable as of that fiscal year end because they meet the recognition criteria. In addition, property taxes levied in the current fiscal year are also recognized as revenue on the government-wide statements in that year because the levies, as approved by the County Commission, are also for the current fiscal year.

The County is permitted by the Missouri State Constitution to levy taxes up to \$0.50 per \$100 of assessed valuation for general governmental services.

The County's assessed valuations and tax levies per \$100 assessed valuation of those properties for the 2015 calendar year are as follows:

Assessed valuation:

Real estate	\$ 1,059,844,620
Personal property	234,407,275
Railroad and utilities	<u>70,057,927</u>
	<u>\$ 1,364,309,822</u>

In addition to the tax levies described below, various independent taxing districts within the County, including school, library, fire, special road and levee districts, levy a tax which is collected by the County Collector. The property tax collections resulting from these levies are disbursed by the County Collector to the appropriate taxing districts. These amounts collected but not yet disbursed are included in the agency funds.

Tax rates per \$100 assessed valuation:

General Fund	\$ 0.0752
Road and Bridge Fund	0.2700
Library Fund	0.2000
Cole County Special Services (Senate Bill 40)	0.0903
State of Missouri (certain pension funds)	<u>0.0300</u>
	<u>\$ 0.6655</u>

5. RECEIVABLES

Receivables are composed of the following as of December 31, 2015:

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Receivables:			
Property taxes	\$ 260,260	\$ -	\$ 260,260
Accounts receivable	-	1,361,020	1,361,020
Intergovernmental	4,448,195	1,180	4,449,375
Special assessments	147,996	-	147,996
	<u>4,856,451</u>	<u>1,362,200</u>	<u>6,218,651</u>
Less allowance for estimated uncollectible amounts	(28,624)	(540,280)	(568,904)
Net receivables	<u>\$ 4,827,827</u>	<u>\$ 821,920</u>	<u>\$ 5,649,747</u>

Interfund receivable and payable balances at December 31, 2015, in the fund financial statements resulting from interfund transfers and interfund loans were as follows:

	Receivable	Payable
Governmental Funds:		
Major:		
General Fund	\$ 580,351	\$ -
Law Enforcement Sales Tax Fund	44,662	-
Emergency Services Sales Tax Fund	-	573,204
Non-Major:		
Domestic Violence Fund	451	-
Training Fund	364	-
Subtotal Governmental	<u>625,828</u>	<u>573,204</u>
Agency Funds:		
Sheriff Fund	-	36,030
Circuit Clerk Fund	-	29,350
School Fund	12,756	-
Subtotal Agency	<u>12,756</u>	<u>65,380</u>
Total	<u>\$ 638,584</u>	<u>\$ 638,584</u>

The due to/from amount between the General Fund and Emergency Services Sales Tax Fund represents the General Fund's forty percent portion of the emergency medical services sales tax collections not yet remitted by the Emergency Services Sales Tax Fund as of December 31, 2015. The due to/from amount between the Law Enforcement Sales Tax Fund and Sheriff Fund represents the portion of civil supplement fees collected by the Sheriff Fund in December, but not yet remitted to the Law Enforcement Sales Tax Fund as of December 31, 2015. The remaining amounts are due to miscellaneous transactions.

6. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2015 was as follows:

	Beginning	Increases	Decreases	Transfers	Ending
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 5,044,538	\$ 86,814	\$ -	\$ -	\$ 5,131,352
Construction in progress	4,953,853	449,264	-	(4,438,780)	964,337
Total capital assets not being depreciated	<u>9,998,391</u>	<u>536,078</u>	<u>-</u>	<u>(4,438,780)</u>	<u>6,095,689</u>
Capital assets being depreciated:					
Buildings and improvements	37,454,044	-	-	-	37,454,044
Machinery and equipment	11,620,600	1,489,609	(974,599)	112,994	12,248,604
Infrastructure	110,119,110	3,143,785	-	4,325,786	117,588,681
Total capital assets being depreciated	<u>159,193,754</u>	<u>4,633,394</u>	<u>(974,599)</u>	<u>4,438,780</u>	<u>167,291,329</u>
Accumulated depreciation:					
Buildings and improvements	(6,502,598)	(983,881)	-	-	(7,486,479)
Machinery and equipment	(8,488,201)	(1,116,375)	310,157	-	(9,294,419)
Infrastructure	(83,793,993)	(3,403,532)	-	-	(87,197,525)
Total accumulated depreciation	<u>(98,784,792)</u>	<u>(5,503,788)</u>	<u>310,157</u>	<u>-</u>	<u>(103,978,423)</u>
Net capital assets being depreciated	<u>60,408,962</u>	<u>(870,394)</u>	<u>(664,442)</u>	<u>4,438,780</u>	<u>63,312,906</u>
Capital assets, net	<u>\$ 70,407,353</u>	<u>\$ (334,316)</u>	<u>\$ (664,442)</u>	<u>\$ -</u>	<u>\$ 69,408,595</u>
	Beginning	Increases	Decreases	Transfers	Ending
Business-type activities:					
Capital assets not being depreciated:					
Land	\$ 4,988	\$ -	\$ -	\$ -	\$ 4,988
Total capital assets not being depreciated	<u>4,988</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,988</u>
Capital assets being depreciated:					
Buildings and improvements	51,700	-	-	-	51,700
Machinery and equipment	1,924,530	661,657	(418,525)	-	2,167,662
Total capital assets being depreciated	<u>1,976,230</u>	<u>661,657</u>	<u>(418,525)</u>	<u>-</u>	<u>2,219,362</u>
Accumulated depreciation:					
Buildings and improvements	(28,004)	(5,171)	-	-	(33,175)
Machinery and equipment	(968,012)	(387,934)	400,381	-	(955,565)
Total accumulated depreciation	<u>(996,016)</u>	<u>(393,105)</u>	<u>400,381</u>	<u>-</u>	<u>(988,740)</u>
Net capital assets being depreciated	<u>980,214</u>	<u>268,552</u>	<u>(18,144)</u>	<u>-</u>	<u>1,230,622</u>
Capital assets, net	<u>\$ 985,202</u>	<u>\$ 268,552</u>	<u>\$ (18,144)</u>	<u>\$ -</u>	<u>\$ 1,235,610</u>

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 1,079,310
Public safety	506,724
Highway, streets and bridges	3,776,150
Health and welfare	33,121
Assessment	1,899
Judicial	43,480
Parks and recreation	8,053
Emergency management	55,051
Total depreciation expense - governmental activities	<u>\$ 5,503,788</u>
Business-type activities:	
Emergency medical services	\$ 389,030
Eugene water district	4,075
Total depreciation expense - business-type activities	<u>\$ 393,105</u>

7. LIMITED GENERAL OBLIGATION TEMPORARY NOTE PAYABLE

During 2015, the County issued a Limited General Obligation Temporary Note in an amount not to exceed \$515,000 for the Parkview Meadows Neighborhood Improvement Project. As of December 31, 2015, \$31,555 had been drawn on this loan. The loan bears interest at 1.48% and matures December 11, 2016. Upon approval of a construction bid of no greater than \$759,766 and subsequent completion of the construction, the note payable will be refinanced into bonds that will be repaid from special assessments levied upon the property owners within the Project. If the construction bids are higher than the approved Project amount, the \$31,555 will be repaid by the County.

8. LONG-TERM OBLIGATIONS

The following is a summary of long-term obligation transactions of the County for the year:

	For the year ended December 31, 2015				Due within one year
	Beginning	Additions	Retirements	Ending	
Governmental Funds					
Special assessment debt	\$ 213,000	\$ -	\$ 45,000	\$ 168,000	\$ 29,000
Certificates of Participation	20,705,000	-	2,240,000	18,465,000	2,280,000
Less: Unamortized discount	(38,001)	-	4,800	(33,201)	-
Add: Unamortized premium	911,183	-	(115,096)	796,087	-
Compensated absences	1,126,355	132,594	70,047	1,188,902	72,148
Net pension plan liability - CERF	-	1,540,137	-	1,540,137	-
Enterprise Fund					
Compensated absences	143,942	14,635	11,362	147,215	11,702
Net pension plan liability - CERF	-	491,640	-	491,640	-
	<u>\$ 23,061,479</u>	<u>\$ 2,179,006</u>	<u>\$ 2,256,113</u>	<u>\$ 22,763,780</u>	<u>\$ 2,392,850</u>

Special Assessment Debt: Bonds issued to fund Neighborhood Improvement District projects are as follows:

	Issued	Rate	Balance	
			Original	Current
Maturing 3/1/1996 to 3/1/2015	3/1/1995	5.5% to 6.15%	\$ 265,000	\$ -
Maturing 3/1/2001 to 3/1/2020	9/15/2000	5% to 6%	93,000	34,000
Maturing 3/1/2002 to 3/1/2020	02/15/2000	5.25% to 6.625%	267,000	105,000
Maturing 3/1/2003 to 3/1/2022	11/01/2002	4.25% to 5.25%	60,000	29,000
			<u>\$ 685,000</u>	<u>\$ 168,000</u>

Certificates of Participation: In December 2007 and March 2009, the County entered into lease/purchase agreements with UMB Bank, N.A. (UMB) as trustee, lessor, and grantor. The lease/purchase agreements cover the construction and operation of a new jail facility. On those dates, UMB issued \$10,000,000 and \$25,000,000, respectively, in Certificates of Participation to third-party investors for undivided, proportionate interests in the rental payments made by the County. The County makes the required payments to UMB, who in turn, repays the holders of the certificates. In October 2011, an advanced refunding occurred related to the December 2007 Certificates of Participation. In March 2014, an advanced refunding occurred related to the December 2009 Certificates of Participation.

The County is not obligated to levy any form of taxation or otherwise appropriate for the payments. The lease/purchase agreements are secured by certain property and equipment financed with the agreement. The County intends to satisfy its obligation to make rental payments under the lease/purchase agreements from the law enforcement sales tax.

Incremental sales taxes are projected to produce more than 100% of the debt service requirements over the life of the bond as the sales tax will also be used to fund jail operations. The Certificates bear interest at rates of .7% to 4.5%. Principal and interest payments are due annually and semi-annually, respectively, through December 1, 2022. For the current year, principal and interest paid and total law enforcement sales tax revenues for the Certificates are \$2,889,732 and \$5,936,718, respectively.

These lease/purchase agreements qualify as a capital lease for accounting purposes because ownership transfers at the end of the lease term. Therefore, it has been recorded as debt at the present value of the future minimum lease payments as of the date of its inception. As of December 31, 2015, improvements of \$25,435,167 have been made and are included in building and improvements on the Statement of Net Position. Accumulated depreciation for these assets was \$2,755,476 as of December 31, 2015. As a result of the lease/purchase agreements, the County is required to have certain funds held in trust at UMB in various accounts for reserve and other requirements. At December 31, 2015, restricted investments totaled \$823,412.

Advanced Refundings: The County issued \$8,878,400 of 2011 Certificates of Participation to advance refund \$8,185,000 of outstanding 2007 Certificates of Participation. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2007 Certificates of Participation. As a result, the refunded bonds are considered to be defeased, and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$585,792. This amount is being amortized over the life of the new debt.

The County issued \$16,305,000 of 2014 Certificates of Participation to advance refund \$19,582,400 of outstanding 2009 Certificates of Participation. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2009 Certificates of Participation. As a result, the refunded bonds are considered to be defeased, and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$1,638,764. This amount is being amortized over the life of the new debt.

The annual requirements to amortize all debt outstanding as of December 31, 2015, including interest payments, are as follows:

	Special Assessment		Certificates of Participation		Total Payments
	Principal	Interest	Principal	Interest	
Year Ending December 31:					
2016	29,000	9,598	2,280,000	610,370	2,928,968
2017	30,000	7,729	2,355,000	537,545	2,930,274
2018	31,000	5,804	2,435,000	460,108	2,931,912
2019	31,000	3,849	2,515,000	377,430	2,927,279
2020	37,000	1,698	2,600,000	288,765	2,927,463
2021 through 2023	10,000	525	6,280,000	310,585	6,601,110
Total debt payments	<u>\$ 168,000</u>	<u>\$ 29,203</u>	<u>\$ 18,465,000</u>	<u>\$ 2,584,803</u>	<u>\$ 21,247,006</u>

The following summarizes the expected repayment sources for long-term obligations:

Fund	Obligation	Amount
General Fund	Compensated absences and net pension liability	\$ 2,128,355
Road and Bridge Fund	Compensated absences and net pension liability	485,971
Assessment Fund	Compensated absences and net pension liability	114,713
Neighborhood Improvement District Fund	Special assessment debt	168,000
Capital Improvement Fund	Certificates of participation	19,227,886
Emergency Services Fund	Compensated absences and net pension liability	638,855
		<u>\$ 22,763,780</u>

9. INTERFUND TRANSFERS

A summary of interfund transfers for the year ended December 31, 2015, follows:

	Transferred from:								Total
	Governmental Funds					Enterprise Funds			
Transferred to:	General Fund	Road and Bridge Fund	Sales Tax Fund	Law Enforcement Sales Tax Fund	Emergency Services Sales Tax Fund	Nonmajor Funds	Emergency Medical Services Fund	Eugene Water District	
Governmental Funds:									
General Fund	\$ -	\$ 186,268	\$ 172,923	\$ -	\$ 3,630,040	\$ 105,184	\$ 170,420	\$ 6,667	\$ 4,271,502
Road and Bridge Fund	38,880	-	-	-	-	-	-	6,090	44,970
Law Enforcement Sales Tax Fund	1,975,220	-	-	-	-	3,559	-	-	1,978,779
Capital Improvement Fund	-	-	-	2,889,711	-	-	-	-	2,889,711
	2,014,100	186,268	172,923	2,889,711	3,630,040	108,743	170,420	12,757	9,184,962
Enterprise Fund:									
Emergency Services Fund	-	-	-	-	1,106,000	-	-	-	1,106,000
	\$ 2,014,100	\$ 186,268	\$ 172,923	\$ 2,889,711	\$ 4,736,040	\$ 108,743	\$ 170,420	\$ 12,757	\$ 10,290,962

Proceeds from the emergency medical services sales tax are first received by the Emergency Services Sales Tax Fund. Sixty percent of sales tax collections are then transferred to the General Fund as required to support the rollback of property taxes that was part of the sales tax resolution. The remaining forty percent is to fund emergency medical services and is transferred to the Emergency Medical Services Fund for operations as needed. The remaining portion of collections not transferred to the Emergency Medical Services Fund as of December 31, 2015, is shown as a restricted fund balance on the governmental fund Balance Sheet.

The transfer of \$1,975,220 from the General Fund to the Law Enforcement Sales Tax Fund is to subsidize law enforcement operations and was promised to the taxpayers during the original law enforcement sales tax issuance.

All other transfers are routine in nature and represent a reallocation of resources as approved by the County Commissioners.

10. COMMITMENTS AND CONTINGENCIES

A. Risk Management

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has obtained coverage from commercial insurance companies for these risks of losses. There were no significant reductions in insurance coverage from the prior year. In addition, no settlements have exceeded insurance coverage in the previous three fiscal years.

B. Construction

As of December 31, 2015, the County has entered into contracts in process totaling \$8,504,366 for the construction of buildings, roads and other infrastructure. As of December 31, 2015, billings on these contracts totaled \$2,654,241, leaving a remaining contract liability of \$5,850,125.

The County signed an intergovernmental agreement, which automatically renews July 1 of each year, with the City of Jefferson where the County will remit monies obligated under Section 137.556 RSMo to the City. This section requires the County to spend not less than 25% of the moneys accruing to it from the County's special road and bridge tax levied upon property situated within the limits of any city within the County for the repairs and improvement of existing road, etc. from which the money accrued. In return, the City will perform repairs and improvements of roads, streets and bridges within the City's boundaries sufficient to

cover the County's obligation under Section 137.556 RSMo. Amounts paid under this agreement for 2015 total \$550,644.

C. Intergovernmental Revenue

The County receives significant financial assistance from numerous federal, state, and local governmental agencies in the form of grants. Federal grants and assistance awards made on the basis of entitlement periods are recorded as intergovernmental receivables and revenues when entitlement occurs. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements or the individual fund-types included herein or on the overall financial position of the County as of December 31, 2015.

D. Litigation

The County is a defendant in a number of claims, lawsuits, and disputes regarding the assessed valuation of property. The County Attorney has reviewed these claims, lawsuits, and disputes in order to evaluate the likelihood of an unfavorable outcome to the County and arrive at an estimate, if any, of the amount or range of potential loss to the County. The County Attorney has indicated that the resolutions of any lawsuits pending are covered by the County's insurance carrier and are not expected to have a material adverse effect on the basic financial statements of the County. No amount has been provided in these financial statements for any such claims, lawsuits, or disputes regarding the assessed valuation of property.

E. Surtax

During 2009, the County discovered the surtax calculation was done incorrectly in prior years, resulting in the improper distribution of surtax. The calculation was corrected for the 2009 tax year, but the error occurring in prior years resulted in both underpaid and overpaid districts. Settlements were reached during 2012, with the agreement that all overpaid districts will reimburse the County, who will in turn reimburse the underpaid districts. The repayments and subsequent reimbursements will occur over a period of 15 years.

F. Health Insurance Plan

The County maintains a self-funded health insurance program with claims processed by a third party administrator on behalf of the County. A separate insurance fund (an internal service fund) was created to account for and finance the health insurance program.

All funds of the County from which employees' salaries are paid participate in the health insurance program and make payments to the Health Insurance Fund based on actuarial estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses. Total contributions and transfers to the program during 2015 were \$2,178,884. An estimate of the liability for claims outstanding at the end of the fiscal year has been reported in the Health Insurance Fund.

Changes in the Health Insurance Fund's claims liability amount for the last two fiscal years were:

Fiscal Year	Beginning of Fiscal Year Liability	Current Year Claims and Changes In Estimates	Less Claim Payments	Balance at Fiscal Year End
2014	\$ -	\$ 1,958,391	\$ (1,662,416)	\$ 295,975
2015	295,975	1,235,675	(1,372,710)	158,940

11. EMPLOYEE BENEFIT PLANS

General Information about the Pension Plans

The following information is presented in accordance with Governmental Accounting Standards Board Statement 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

A. Plan Description - LAGERS

The County's defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The County participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer, statewide public employee pension plan established in 1967 and administered in accordance with RSMo. 70.600-70.755. As such, it is LAGERS' responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and is tax exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS website at www.molagers.org.

Benefits Provided

LAGERS provides retirement, death and disability benefits. Benefit provisions are adopted by the governing body of the employer, within the options available in the state statutes governing LAGERS. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 (55 for police and fire) with 5 or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for police and fire) and receive a reduced allowance.

	<u>2015 Valuation</u>
Benefit multiplier	2%
Final average salary	5 years
Member contributions	0%

Benefit terms provide for annual post retirement adjustments to each member's retirement allowance subsequent to the member's retirement date. The annual adjustment is based on the increase in the Consumer Price Index and is limited to 4% per year.

Employees Covered by Benefit Terms

At June 30, 2015, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	131
Inactive employees entitled to but not yet receiving benefits	134
Active employees	274
Total	<u><u>539</u></u>

Contributions

The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the employer do not contribute to the pension plan. Employer contribution rates are 7.6% (General), and 8.4% (Police) of annual covered payroll.

Net Pension Liability (Asset)

The employer's net pension liability (asset) was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of February 28, 2015.

Actuarial Assumptions

The total pension liability in the February 28, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.5%
Salary increase	3.5% to 6.8% including inflation
Investment rate of return	7.25%

Mortality rates were based on the 1994 Group Annuity Mortality Table set back 3 years for both males and females.

The actuarial assumptions used in the February 28, 2015, valuation were based on the results of an actuarial experience study for the period March 1, 2005 through February 28, 2010.

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

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	48.50%	5.50%
Fixed income	25.00%	2.25%
Real assets	20.00%	4.50%
Strategic assets	6.50%	7.50%

Discount Rate

The discount rate used to measure the total pension liability is 7.25%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2014	\$ 27,817,314	\$ 33,847,345	\$ (6,030,031)
Changes for the year:			
Service cost	946,369	-	946,369
Interest	2,011,557	-	2,011,557
Difference between expected and actual experience	(613,344)	-	(613,344)
Contributions - employer	-	924,293	(924,293)
Contributions - employee	-	-	-
Net investment income	-	663,462	(663,462)
Benefit payments, including refunds	(1,092,335)	(1,092,335)	-
Administrative expense	-	(47,629)	47,629
Other changes	-	298,063	(298,063)
Net changes	1,252,247	745,854	506,393
Balances at June 30, 2015	\$ 29,069,561	\$ 34,593,199	\$ (5,523,638)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability of the employer, calculated using the discount rate of 7.25%, as well as what the employer's net pension liability would be using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate.

	Current Single Discount		
	1% Decrease (6.25%)	Rate Assumption (7.25%)	1% Increase (8.25%)
Total pension liability	\$ 33,368,116	\$ 29,069,561	\$ 25,533,631
Plan fiduciary net position	\$ 34,593,199	\$ 34,593,199	\$ 34,593,199
Net pension liability/(asset)	\$ (1,225,083)	\$ (5,523,638)	\$ (9,059,568)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's net position is available in the separately issued LAGERS financial report.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2015, the employer recognized pension expense of \$499,149. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between:		
Expected and actual experience	\$ -	\$ (503,187)
Projected and actual earnings on investments	1,434,724	-
Contributions subsequent to the measurement date*	445,056	-
Total	<u>\$ 1,879,780</u>	<u>\$ (503,187)</u>

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension asset for the year ending June 30, 2016.

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending:	
2016	\$ 248,524
2017	248,524
2018	248,524
2019	248,524
2020	(62,559)
Total	<u>\$ 931,537</u>

Payable to the Pension Plan

At December 31, 2015, the County did not report a payable to LAGERS.

B. Plan Description – County Employees’ Retirement Fund

In addition to LAGERS, benefit eligible employees of the County are provided with pensions through County Employees’ Retirement Fund (CERF) – a mandatory cost-sharing, multiple-employer defined benefit pension plan established in 1994. Laws governing CERF are found in Sections 50.1000-50.1300 of the Missouri Revised Statutes. As such, it is CERF’s responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and is tax exempt. The responsibility for the operations and administration of CERF is vested in the the Board of Directors consisting of eleven members. CERF issues a publicly available Annual Financial Report that can be obtained at www.mocerf.org.

Benefits Provided

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

Contributions

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

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

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

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

The County’s required contribution rate for the year ended December 31, 2015, was 4% of annual payroll. Contributions and statutory charges remitted to the pension plan from the County were \$349,188 and \$349,199, respectively, for the year ended December 31, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2015, the County reported a liability of \$2,031,777 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2014, and was based on the most recent actuarial valuation by CERF's independent actuary as of December 31, 2013, projected forward to December 31, 2014, and financial information of the Plan as of December 31, 2014.

The County's proportion of the net pension liability was based on the County's actual share of contributions to the pension plan relative to the actual contributions of all participating employers for CERF plan year ended December 31, 2014. At December 31, 2014, the County's proportion was 1.74%, which remained unchanged from the percentage used to allocate the liability as of December 31, 2013, the date at which the prior period adjustment described in Note 11 was determined, since this was the initial implementation year.

There were no changes in benefit terms during the CERF plan year ended December 31, 2014, that affected the measurement of total pension liability.

For the year ended December 31, 2015, the County recognized pension expense of \$309,743. At December 31, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Differences between:		
Expected and actual experience	\$ -	\$ (25,204)
Projected and actual earnings on investments	215,843	-
Contributions subsequent to the measurement date*	349,188	-
	<u> </u>	<u> </u>
Total	<u>\$ 565,031</u>	<u>\$ (25,204)</u>

*Deferred outflows of resources related to pensions totaling \$349,188 resulting from County contributions subsequent to the measurement date through December 31, 2015 will be recognized as a reduction of the net pension liability in the year ending December 31, 2016.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in the County's fiscal year following CERF's fiscal year as follows:

Year ending:	
2016	\$ 47,753
2017	47,753
2018	47,753
2019	47,753
2020	(373)
	<u> </u>
Total	<u>\$ 190,639</u>

Actuarial assumptions

The total pension liability in the December 31, 2014, actuarial valuation, which is also the date of measurement for GASB 68 purposes, was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0%
Salary increase	5.3%, average, including inflation
Investment rate of return	8%, including inflation

Mortality rates were based on the RP-2000 table separately for males and females, projected for mortality improvement through 2010.

The actuarial assumptions used in the December 31, 2014 valuation were based on the results of an actuarial experience study for the period January 1, 2002 to December 31, 2007. A new experience study was recently completed for the period January 1, 2008 to December 31, 2013. However, assumption changes that were otherwise indicated have not been adopted because of the aberrant economic conditions during that time period.

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

Best estimates of arithmetic real rates of return for each major asset class included in CERF target asset allocation as of June 30, 2013 are summarized in the following table.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Core Plus	15.00%	3.11%
Absolute Return	15.00%	4.35%
U.S. Large Cap Equity	25.00%	7.77%
U.S. Small Cap Equity	10.00%	9.03%
Non-U.S. Equity	15.00%	8.99%
Long/Short Equity	10.00%	7.64%
Private Equity	5.00%	1.65%
Core Real Estate	5.00%	5.30%

Discount rate

The discount rate used to measure the total pension liability was 8%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current statutory rates and that contributions from employers will be made based on the Plan's current revenue sources (various fees and penalties collected by the counties). Such revenue was assumed to increase at the rate of 1% per year. This increase assumption has been used by the Plan in prior funding status projections. Historically, revenue increase has averaged more than 1% per year. Based on the assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. The projections covered an 80-year period into the future. The long-term expected rate of return on the Plan's investments was applied to projected benefit payments.

Sensitivity of the County’s proportionate share of the net pension liability to changes in the discount rate

The following presents the County’s proportionate share of the net pension liability calculated using the discount rate of 8%, as well as what the County’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7%) or 1-percentage-point higher (9%) than the current rate:

	Current Single Discount		
	1% Decrease (7.00%)	Rate Assumption (8.00%)	1% Increase (9.00%)
County's proportionate share of the net pension liability	\$ 3,292,079	\$ 2,031,777	\$ 1,040,442

Pension plan fiduciary net position

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

Payable to the Pension Plan

At December 31, 2015, the County reported a payable of \$94,296 for the outstanding amount of contributions and statutory charges to the pension plan required for the year then ended.

C. Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with IRC Section 457. The deferred compensation plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the employees or other beneficiary) held in trust for the exclusive benefit of employees. As the County does not have fiduciary responsibility for these assets, the trust account and related liability are not included in the accompanying basic financial statements.

12. CHANGE IN ACCOUNTING PRINCIPLE

During the fiscal year ended December 31, 2015, the County implemented GASB Statement 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. These statements established standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expenses/expenditures.

As a result of the implementation, net position as of December 31, 2014, was restated as follows:

	Governmental Activities	Business-type Activities	EMS Fund
Net position, as previously reported	\$ 81,019,186	\$ 2,316,203	\$ 2,219,112
Prior period adjustment			
Net pension asset (measurement date of June 30, 2014)	5,034,065	995,996	995,996
Net pension liability (measurement date of December 31, 2014)	(1,421,901)	(453,896)	(453,896)
Deferred outflows (contributions between the measurement date and the County's fiscal year end)	668,430	163,939	163,939
Net position, as restated	<u>\$ 85,299,780</u>	<u>\$ 3,022,242</u>	<u>\$ 2,925,151</u>

REQUIRED SUPPLEMENTARY INFORMATION

Cole County
Required Supplementary Information
Notes to the Budgetary Comparison Schedules

For The Year Ended December 31, 2015

Budgetary Information

Budgets are adopted on the cash basis of accounting, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles. Annual appropriated budgets are adopted for the General, Road and Bridge, Sales Tax, Law Enforcement Sales Tax, Emergency Services Sales Tax, Neighborhood Improvement Sinking, Training, Domestic Violence, Recorder Preservation, Election Services, Tax Maintenance, Bad Check, Sheriff Revolving, Prosecuting Attorney Administrative Handling Fee, and Assessment Funds. The following funds do not adopt budgets because they are not required by Missouri Statutes: Circuit Clerk, Prosecuting Attorney Tax Collection, and Capital Improvement Funds.

The County budget process is governed by the Revised Statutes of Missouri (RSMo) 50.525-50.641. The County is a first class non-charter county where the County Auditor serves as Budget Officer. The following provides an overview of the budget process and a timetable of dates:

- (1) On or before September 1st, County agencies and department heads submit budget requests to the County Auditor.
- (2) During September and October, the County Auditor reviews budget requests and schedules work sessions with elected officials and department directors as necessary.
- (3) Prior to November 15th, the County Auditor submits to the County Commission a proposed operating budget for the fiscal period commencing the following January 1st based on budgets submitted by agencies and department heads. The operating budget includes proposed expenditures and the means of financing them.
- (4) The County Commission may add to, subtract from or change appropriations. During November and December, public hearings are conducted to obtain taxpayer comments on the original proposed budget and subsequent revisions.
- (5) No later than January 10th, the budget is legally adopted by the County Commission through majority approval. However, in the year any commissioner's new term of office begins, the statutory deadline is January 31.

RSMo 50.540 and 50.550 require all department, offices, institutions, commissions, or courts receiving its revenues in whole or in part from the County, except for collection fees on delinquent taxes per RSMo 56.312, to prepare budgets of their anticipated receipts and disbursements.

The reported budgetary data represents the final approved budget after amendments as adopted by the County Commissioners. The budget was amended during the year.

COUNTY OF COLE, MISSOURI
General Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budget Basis</u>	<u>Budget to GAAP Differences</u>	<u>Actual Amount GAAP Basis</u>
	<u>Original</u>	<u>Final</u>			
REVENUES					
Taxes	\$ 4,000,500	\$ 4,000,500	\$ 4,127,002	\$ (126,508)	\$ 4,000,494
Licenses, fees and permits	2,264,636	2,264,636	2,116,050	249,115	2,365,165
Intergovernmental	1,758,729	1,829,125	1,772,752	(155,830)	1,616,922
Interest	100,000	100,000	117,481	10,306	127,787
Other	399,033	399,033	586,889	(316,233)	270,656
Total revenues	<u>8,522,898</u>	<u>8,593,294</u>	<u>8,720,174</u>	<u>(339,150)</u>	<u>8,381,024</u>
EXPENDITURES					
Current:					
General government	12,238,662	12,183,468	4,355,312	(241,429)	4,113,883
Public safety	3,066,964	3,131,937	3,232,259	(197,816)	3,034,443
Judicial	1,055,246	1,060,361	885,023	21,831	906,854
Health and welfare	1,861,158	1,910,097	1,799,108	(101,874)	1,697,234
Parks and recreation	15,534	15,534	10,088	(14)	10,074
Emergency management	191,823	198,386	174,426	(7,001)	167,425
Total expenditures	<u>18,429,387</u>	<u>18,499,783</u>	<u>10,456,216</u>	<u>(526,303)</u>	<u>9,929,913</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,906,489)</u>	<u>(9,906,489)</u>	<u>(1,736,042)</u>	<u>187,153</u>	<u>(1,548,889)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	3,942,009	3,942,009	4,172,509	98,993	4,271,502
Transfers out	(2,014,100)	(2,014,100)	(2,014,100)	-	(2,014,100)
Sale of capital assets	-	-	537	-	537
Total other financing sources	<u>1,927,909</u>	<u>1,927,909</u>	<u>2,158,946</u>	<u>98,993</u>	<u>2,257,939</u>
Net changes in fund balances	<u>(7,978,580)</u>	<u>(7,978,580)</u>	<u>422,904</u>	<u>286,146</u>	<u>709,050</u>
Fund balances - beginning	<u>7,978,580</u>	<u>7,978,580</u>	<u>10,609,208</u>	<u>317,824</u>	<u>10,927,032</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,032,112</u>	<u>\$ 603,970</u>	<u>\$ 11,636,082</u>

COUNTY OF COLE, MISSOURI
Road and Bridge Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts Budget Basis	Budget to GAAP Differences	Actual Amount GAAP Basis
	Original	Final			
REVENUES					
Taxes	\$ 4,847,343	\$ 4,847,343	\$ 4,993,321	\$ 16,217	\$ 5,009,538
Licenses, fees and permits	322,000	322,000	208,212	(609)	207,603
Interest	35,000	35,000	34,405	1,891	36,296
Other	11,000	11,000	16,383	(2)	16,381
Total revenues	5,215,343	5,215,343	5,252,321	17,497	5,269,818
EXPENDITURES					
Current:					
Highways, streets and bridges	6,526,481	6,477,781	4,851,035	(129,508)	4,721,527
Capital outlay:					
Highways, streets and bridges	74,165	122,865	86,438	(86,438)	-
Total expenditures	6,600,646	6,600,646	4,937,473	(215,946)	4,721,527
Excess (deficiency) of revenues over (under) expenditures	(1,385,303)	(1,385,303)	314,848	233,443	548,291
OTHER FINANCING SOURCES (USES)					
Transfers in	52,480	52,480	44,970	-	44,970
Transfers out	(186,268)	(186,268)	(186,268)	-	(186,268)
Sale of capital assets	12,000	12,000	2,066	-	2,066
Total other financing (uses)	(121,788)	(121,788)	(139,232)	-	(139,232)
Net changes in fund balances	(1,507,091)	(1,507,091)	175,616	233,443	409,059
Fund balances - beginning	1,507,091	1,507,091	4,915,170	581,150	5,496,320
Fund balances - ending	\$ -	\$ -	\$ 5,090,786	\$ 814,593	\$ 5,905,379

COUNTY OF COLE, MISSOURI
Sales Tax Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budget Basis</u>	<u>Budget to GAAP Differences</u>	<u>Actual Amount GAAP Basis</u>
	<u>Original</u>	<u>Final</u>			
REVENUES					
Taxes	\$ 5,641,581	\$ 5,641,581	\$ 5,920,795	\$ 26,319	\$ 5,947,114
Licenses, fees and permits	65,000	187,393	234,188	-	14,502
Intergovernmental	250,000	250,000	172,293	88,201	260,494
Interest	57,500	57,500	42,565	3,371	45,936
Other	-	6,928	19,104	-	19,104
	<u>6,014,081</u>	<u>6,143,402</u>	<u>6,388,945</u>	<u>117,891</u>	<u>6,287,150</u>
EXPENDITURES					
Current:					
General government and other	436,513	328,023	11,117	135,756	146,873
Highways, streets and bridges	250,000	46,000	-	1,366,611	1,366,611
Capital outlay:					
General government and other	925,000	525,417	797,049	(137,563)	659,486
Highways, streets and bridges	6,269,680	7,111,074	5,015,331	(1,461,199)	3,554,132
	<u>7,881,193</u>	<u>8,010,514</u>	<u>5,823,497</u>	<u>(96,395)</u>	<u>5,727,102</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,867,112)</u>	<u>(1,867,112)</u>	<u>565,448</u>	<u>214,286</u>	<u>560,048</u>
OTHER FINANCING SOURCES (USES)					
Note proceeds	-	-	-	31,555	31,555
Transfers out	(172,923)	(172,923)	(172,923)	-	(172,923)
	<u>(172,923)</u>	<u>(172,923)</u>	<u>(172,923)</u>	<u>31,555</u>	<u>(141,368)</u>
Net changes in fund balances	(2,040,035)	(2,040,035)	392,525	245,841	418,680
Fund balances - beginning	2,040,035	2,040,035	2,040,034	860,559	2,900,593
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,432,559</u>	<u>\$ 1,106,400</u>	<u>\$ 3,319,273</u>

COUNTY OF COLE, MISSOURI
Law Enforcement Sales Tax
Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budget Basis</u>	<u>Budget to GAAP Differences</u>	<u>Actual Amount GAAP Basis</u>
	<u>Original</u>	<u>Final</u>			
REVENUES					
Taxes	\$ 5,635,301	\$ 5,635,301	\$ 5,918,824	\$ 17,894	\$ 5,936,718
Licenses, fees and permits	2,235,687	2,245,687	2,448,842	(205,875)	2,242,967
Intergovernmental	124,028	328,577	274,181	1,338	275,519
Interest	65,000	65,000	76,956	7,022	83,978
Other	11,000	39,349	42,767	23,949	66,716
Total revenues	<u>8,071,016</u>	<u>8,313,914</u>	<u>8,761,570</u>	<u>(155,672)</u>	<u>8,605,898</u>
EXPENDITURES					
Current:					
Public safety	11,801,828	12,038,426	6,612,551	(67,910)	6,544,641
Capital outlay:					
Public safety	391,500	397,800	396,157	(233,197)	162,960
Total expenditures	<u>12,193,328</u>	<u>12,436,226</u>	<u>7,008,708</u>	<u>(301,107)</u>	<u>6,707,601</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,122,312)</u>	<u>(4,122,312)</u>	<u>1,752,862</u>	<u>145,435</u>	<u>1,898,297</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	1,975,220	1,975,220	1,978,779	-	1,978,779
Transfers out	(2,897,733)	(2,897,733)	(2,892,411)	2,700	(2,889,711)
Sale of capital assets	30,000	30,000	15,870	(3,005)	12,865
Total other financing (uses)	<u>(892,513)</u>	<u>(892,513)</u>	<u>(897,762)</u>	<u>(305)</u>	<u>(898,067)</u>
Net changes in fund balances	(5,014,825)	(5,014,825)	855,100	145,130	1,000,230
Fund balances - beginning	5,014,825	5,014,825	5,034,736	1,092,203	6,126,939
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,889,836</u>	<u>\$ 1,237,333</u>	<u>\$ 7,127,169</u>

COUNTY OF COLE, MISSOURI
Emergency Services Sales Tax Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		Actual Amounts Budget Basis	Budget to GAAP Differences	Actual Amount GAAP Basis
	<u>Original</u>	<u>Final</u>			
REVENUES					
Taxes	\$ 5,634,507	\$ 5,634,507	\$ 5,918,671	\$ 17,954	\$ 5,936,625
Interest	15,000	15,000	19,516	-	20,996
Total revenues	<u>5,649,507</u>	<u>5,649,507</u>	<u>5,938,187</u>	<u>17,954</u>	<u>5,957,621</u>
EXPENDITURES					
Current:					
Health and welfare	1,421,501	1,131,853	225,537	64,178	289,715
Capital outlay:					
Health and welfare	700,000	819,149	738,181	(76,525)	661,656
Total expenditures	<u>2,121,501</u>	<u>1,951,002</u>	<u>963,718</u>	<u>(12,347)</u>	<u>951,371</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,528,006</u>	<u>3,698,505</u>	<u>4,974,469</u>	<u>30,301</u>	<u>5,006,250</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	<u>(4,554,768)</u>	<u>(4,725,267)</u>	<u>(4,725,267)</u>	<u>(29,954)</u>	<u>(4,736,040)</u>
Total other financing (uses)	<u>(4,554,768)</u>	<u>(4,725,267)</u>	<u>(4,725,267)</u>	<u>(29,954)</u>	<u>(4,736,040)</u>
Net changes in fund balances	(1,026,762)	(1,026,762)	249,202	347	270,210
Fund balances - beginning	1,026,762	1,026,762	1,026,762	362,608	1,389,370
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,275,964</u>	<u>\$ 362,955</u>	<u>\$ 1,659,580</u>

COLE COUNTY

PENSION PLAN – LAGERS

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS**

December 31, 2015

Total pension liability	
Service cost	\$ 946,369
Interest on the total pension liability	2,011,557
Benefit changes	-
Difference between expected and actual experience	(613,344)
Assumption changes	-
Benefit payments	(1,092,335)
Refunds	-
	<hr/>
Net change in total pension liability	1,252,247
Total pension liability beginning	<hr/> 27,817,314
Total pension liability ending	<u><u>\$ 29,069,561</u></u>
Plan fiduciary net position	
Contributions - employer	\$ 924,293
Contributions - employee	-
Pension plan net investment income	663,462
Benefit payments	(1,092,335)
Refunds	-
Pension plan administrative expense	(47,629)
Other	298,063
	<hr/>
Net change in plan fiduciary net position	745,854
Plan fiduciary net position beginning	<hr/> 33,847,345
Plan fiduciary net position ending	<u><u>\$ 34,593,199</u></u>
Employer's net pension liability/(asset)	<u><u>\$ (5,523,638)</u></u>
Plan fiduciary net position as a percentage of the total pension liability	119.00%
Covered employee payroll	\$ 11,351,342
Employer's net pension liability/(asset) as a percentage of covered employee payroll	-48.66%

Note: This schedule will ultimately contain ten years of data.

COLE COUNTY

PENSION PLAN – CERF

SCHEDULE OF THE COUNTY’S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY

December 31, 2015

	<u>December 31, 2015*</u>
County's proportion of the net pension liability	1.74%
County's proportionate share of the net pension liability	\$ 2,031,777
County's covered-employee payroll	\$ 8,412,554
County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	24.15%
Plan fiduciary net position as a percentage of the total pension liability	78.83%

*Based on a measurement date and actuarial valuation as of the end of the preceding fiscal year.

Note: This schedule will ultimately contain 10 years of data.

COLE COUNTY
PENSION PLANS
SCHEDULES OF CONTRIBUTIONS

December 31, 2015

LAGERS:

	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 881,352	\$ 968,996	\$ 1,009,129	\$ 1,048,560	\$ 971,949
Contributions in relation to the actuarially determined contribution	881,352	968,996	982,777	898,581	751,947
Contribution deficiency (excess)	\$ -	\$ -	\$ 26,352	\$ 149,979	\$ 220,002
Covered employee payroll	\$ 11,351,342	\$ 11,103,630	\$ 11,030,934	\$ 11,079,165	\$ 10,547,328
Contributions as a percentage of covered employee payroll	7.76%	8.73%	8.91%	8.11%	7.13%

	2010	2009	2008	2007	2006
Actuarially determined contribution	\$ 886,403	\$ 437,076	\$ 443,590	\$ 471,342	\$ 500,160
Contributions in relation to the actuarially determined contribution	610,619	437,076	443,495	471,342	500,160
Contribution deficiency (excess)	\$ 275,784	\$ -	\$ 95	\$ -	\$ -
Covered employee payroll	\$ 9,971,184	\$ 8,301,646	\$ 7,467,265	\$ 7,088,180	\$ 7,052,758
Contributions as a percentage of covered employee payroll	6.12%	5.26%	5.94%	6.65%	7.09%

CERF:

	2015	2014	2013	2012	2011
Required contribution	\$ 344,403	\$ 393,551	\$ 392,772	\$ 362,527	\$ 368,854
Contributions in relation to the required contribution	344,403	393,551	392,772	362,527	368,854
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered employee payroll	\$ 8,412,554	\$ 7,922,694	\$ 7,705,486	\$ 7,286,955	\$ 6,692,379
Contributions as a percentage of covered-employee payroll	4.09%	4.97%	5.10%	4.98%	5.51%

	2010	2009	2008	2007	2006
Required contribution	\$ 379,471	\$ 372,766	\$ 351,096	\$ 338,272	\$ 326,072
Contributions in relation to the required contribution	379,471	372,766	351,096	338,272	326,072
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered employee payroll	\$ 5,935,822	\$ 4,653,176	\$ 3,383,966	\$ 2,571,202	\$ 2,174,198
Contributions as a percentage of covered-employee payroll	6.39%	8.01%	10.38%	13.16%	15.00%

SUPPLEMENTARY INFORMATION

OTHER SUPPLEMENTARY INFORMATION

The other supplementary information contains data beyond that included in the basic financial statements. This data is presented to provide additional financial information in order to better inform the users of the basic financial statements.

COUNTY OF COLE, MISSOURI
Neighborhood Sinking
Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budget Basis</u>	<u>Budget to GAAP Differences</u>	<u>Actual Amount GAAP Basis</u>
	<u>Original</u>	<u>Final</u>			
REVENUES					
Licenses, fees and permits	\$ 50,000	\$ 50,000	57,182	\$ (30,277)	\$ 26,905
Interest	200	200	212	10,536	10,748
Total revenues	<u>50,200</u>	<u>50,200</u>	<u>57,394</u>	<u>(19,741)</u>	<u>37,653</u>
EXPENDITURES					
Debt service:					
Principal	45,000	45,000	45,000	-	45,000
Interest	19,510	19,510	13,305	-	13,305
Total expenditures	<u>64,510</u>	<u>64,510</u>	<u>58,305</u>	<u>-</u>	<u>58,305</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,310)</u>	<u>(14,310)</u>	<u>(911)</u>	<u>(19,741)</u>	<u>(20,652)</u>
Net changes in fund balances	(14,310)	(14,310)	(911)	(19,741)	(20,652)
Fund balances - beginning	<u>14,310</u>	<u>14,310</u>	<u>48,336</u>	<u>19,755</u>	<u>68,091</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,425</u>	<u>\$ 14</u>	<u>\$ 47,439</u>

NON-MAJOR GOVERNMENTAL FUNDS

COLE COUNTY, MISSOURI NON MAJOR GOVERNMENTAL FUNDS

Domestic Violence Fund - This fund is established and governed by RSMo 451.151; 455.200-455.305; 488.445; 488.607. It accounts for statutory fees that are collected and expended to provide shelter for victims of domestic violence. The County Commission approves the budget and administers the fund.

Record Preservation Fund - This fund is established and governed by RSMo 59.319. It accounts for fees authorized and collected for record storage, microfilming, and preservation. The Recorder of Deeds approves the budget and administers the fund.

Assessment Fund - This fund is established and governed by RSMo 137.750. It accounts for the operations of the Cole County Assessor's Office. The County Commission approves the budget for this fund, subject to certain statutory provisions. The Assessor administers the fund.

Sheriff's and Prosecuting Attorney Training Fund - The Sheriff's fund is established and governed by RSMo 590.178. It accounts for the revenues and expenditures for peace officer training authorized by state statute. The revenues may be expended solely for peace officer training. The Prosecuting Attorney's fund is established and governed by RSMo 56.765. It accounts for fees authorized and collected for the purpose of providing additional training for prosecuting attorneys and their staff.

Circuit Clerk Fund - The Circuit Clerk's fund accounts for revenues and expenditures associated with family court. The law provides for the collection of a fee for each family court case which is deposited into this fund. This fund accounts for the fee charged to those cases that pay on a time payment basis as governed by RSMo 488.5025. This fund also accounts for the interest earned on the Circuit Clerk's general fund and governed by RSMo 483.310.

Prosecuting Attorney Tax Collection Fund - This fund is established and governed by RSMo 136.150. It accounts for revenues and expenditures associated with the collection of certain delinquent taxes, licenses, and fees on behalf of the State of Missouri. The Prosecuting Attorney approves the budget and administers the fund.

Election Services Fund - This fund is established and governed by RSMo 115.065. It accounts for revenues derived from a charge, not to exceed 5%, that is levied to all political subdivisions participating in any election. Fund resources may be used for training programs, election supplies and equipment, and any other costs incurred for the general improvement of elections. The County Clerk approves the budget and administers the fund.

Collector Tax Maintenance Fund - This fund is established and governed by RSMo 52.312-317. It accounts for the additional delinquent fees and commissions authorized by state statute. The Cole County Collector of Revenue approves the budget and administers the fund.

Sheriff Revolving Fund - This fund is established and governed by RSMo 50.535. It accounts for fees collected to process applications for concealed carry endorsements and renewals. The Cole County Sheriff approves the budget and administers this fund.

Prosecuting Attorney Bad Check Fund - This fund is established and governed by RSMo 570.120. It accounts for revenues derived from Prosecuting Attorney Fees for the collection of non-sufficient funds (NSF) checks. The Prosecuting Attorney approves the budget and administers the fund.

Prosecuting Attorney Administrative Handling Fee Fund - This fund is established and governed by RSMo 559.100. It accounts for revenues derived from Prosecuting Attorney Fees for the collection of an administrative handling cost on the collection of restitution funds. The Prosecuting Attorney approves the budget and administers the fund.

Employee's Retirement Fund – To account for the moneys collected and disbursed to the County Employee Retirement Fund (CERF). Pursuant to legislation enacted in August 1994, special fees are collected by various County offices and recorded in this fund, together with employee contributions. The moneys are subsequently transferred to the statewide fund, where they are invested.

Capital Improvement Fund – This is a debt service fund used to account for proceeds from Certificates of Participation and subsequent debt service payments.

COUNTY OF COLE, MISSOURI
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2015

	Domestic Violence Fund	Record Preservation Fund	Assessment Fund	Training Fund	Circuit Clerk Fund	Prosecuting Attorney Tax Collection Fund	Election Services Fund	Tax Maintenance Fund	Sheriff Revolving Fund	Bad Check Fund	Prosecuting Attorney Administrative Handling Fee Fund	Employee Retirement Fund	Capital Improvement Fund	Total Nonmajor Governmental Funds
ASSETS														
Cash and cash investments	\$ 7,130	\$ 72,243	\$ 1,670,013	\$ 2,747	\$ 226,152	\$ 459,278	\$ 37,108	\$ 183,466	\$ 169,300	\$ 44,192	\$ 4,132	\$ 94,103	\$ -	\$ 2,969,864
Restricted investments	-	-	-	-	-	-	-	-	-	-	-	-	823,412	823,412
Receivables (net of allowance)														
Property taxes	-	-	-	-	-	-	-	-	-	-	-	58,543	-	58,543
Due from other governments	198	-	22,894	571	-	6,638	-	-	-	-	-	-	-	30,301
Due from other funds	451	-	-	364	-	-	-	-	-	-	-	-	-	815
Due from others	7	428	1,271	3	-	513	41	-	1,182	1,992	4	477	-	5,918
Prepaid insurance	-	-	5,482	-	-	-	-	-	-	-	-	-	-	5,482
Total assets	\$ 7,786	\$ 72,671	\$ 1,699,660	\$ 3,685	\$ 226,152	\$ 466,429	\$ 37,149	\$ 183,466	\$ 170,482	\$ 46,184	\$ 4,136	\$ 153,123	\$ 823,412	\$ 3,894,335
LIABILITIES														
Accounts and contracts payable	\$ 7,130	\$ 2,082	\$ 21,659	\$ -	\$ -	\$ 1,334	\$ -	\$ -	\$ 408	\$ 112	\$ -	\$ 94,296	\$ -	\$ 127,021
Total liabilities	7,130	2,082	21,659	-	-	1,334	-	-	408	112	-	94,296	-	127,021
DEFERRED INFLOWS OF RESOURCES														
Unavailable revenue - property taxes	-	-	-	-	-	-	-	-	-	-	-	78,583	-	78,583
Total deferred inflows of resources	-	-	-	-	-	-	-	-	-	-	-	78,583	-	78,583
FUND BALANCES														
Nonspendable:														
Prepaid items	-	-	5,482	-	-	-	-	-	-	-	-	-	-	5,482
Restricted for:														
Domestic violence	656	-	-	-	-	-	-	-	-	-	-	-	-	656
Capital improvements	-	-	-	-	-	-	-	-	-	-	-	-	823,412	823,412
Training costs	-	-	-	3,685	-	-	-	-	-	-	-	-	-	3,685
Prosecuting attorney	-	-	-	-	-	465,095	-	-	-	46,072	4,136	-	-	515,303
Assessment costs	-	-	1,672,519	-	-	-	-	-	-	-	-	-	-	1,672,519
Judicial	-	-	-	-	226,152	-	-	-	-	-	-	-	-	226,152
Law enforcement	-	-	-	-	-	-	-	-	170,074	-	-	-	-	170,074
Recorder of deeds	-	70,589	-	-	-	-	-	-	-	-	-	-	-	70,589
Tax maintenance	-	-	-	-	-	-	-	183,466	-	-	-	-	-	183,466
Election services	-	-	-	-	-	-	37,149	-	-	-	-	-	-	37,149
Unassigned	-	-	-	-	-	-	-	-	-	-	-	(19,756)	-	(19,756)
Total fund balances	656	70,589	1,678,001	3,685	226,152	465,095	37,149	183,466	170,074	46,072	4,136	(19,756)	823,412	3,688,731
Total liabilities, deferred inflows, and fund balances	\$ 7,786	\$ 72,671	\$ 1,699,660	\$ 3,685	\$ 226,152	\$ 466,429	\$ 37,149	\$ 183,466	\$ 170,482	\$ 46,184	\$ 4,136	\$ 153,123	\$ 823,412	\$ 3,894,335

COUNTY OF COLE, MISSOURI
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances with Budget Information
Nonmajor Governmental Funds
For the Year Ended December 31, 2015

	Domestic Violence Fund		Record Preservation Fund		Assessment Fund		Training Fund		Circuit Clerk Fund	Prosecuting Attorney Tax Collection Fund	Election Services Fund	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Actual	Actual	Budget
REVENUES												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 653,127	\$ 642,734	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, fees and permits	13,888	15,000	74,862	75,000	153,967	148,500	11,059	11,770	-	193,685	13,373	6,000
Interest	95	70	760	200	18,224	16,000	69	47	-	6,581	491	400
Other	-	-	-	-	905	118,906	-	-	81,199	-	-	-
Total revenues	13,983	15,070	75,622	75,200	826,223	926,140	11,128	11,817	81,199	200,266	13,864	6,400
EXPENDITURES												
Current:												
General government	21,140	22,287	25,507	108,797	-	-	-	-	-	-	11,379	41,064
Public safety	-	-	-	-	-	-	13,316	17,117	-	70,159	-	-
Assessment costs	-	-	-	-	801,992	2,027,850	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	-	-	56,730	-	-	-
Capital outlay:												
General government	-	-	8,078	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	5,683	-	-
Judicial	-	-	-	-	-	-	-	-	12,314	-	-	-
Debt service:												
Principal	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	21,140	22,287	33,585	108,797	801,992	2,027,850	13,316	17,117	69,044	75,842	11,379	41,064
Excess (deficiency) of revenues over (under) expenditures	(7,157)	(7,217)	42,037	(33,597)	24,231	(1,101,710)	(2,188)	(5,300)	12,155	124,424	2,485	(34,664)
OTHER FINANCING SOURCES (USES)												
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	(3,083)	-	(16,964)	-	-	-	-	(85,137)	-	-
Total other financing sources (uses)	-	-	(3,083)	-	(16,964)	-	-	-	-	(85,137)	-	-
Net changes in fund balances	(7,157)	(7,217)	38,954	(33,597)	7,267	(1,101,710)	(2,188)	(5,300)	12,155	39,287	2,485	(34,664)
Fund balances - beginning	7,813	7,217	31,635	33,597	1,670,734	1,101,710	5,873	5,300	213,997	425,808	34,664	34,664
Fund balances (deficit) - ending	\$ 656	\$ -	\$ 70,589	\$ -	\$ 1,678,001	\$ -	\$ 3,685	\$ -	\$ 226,152	\$ 465,095	\$ 37,149	\$ -

(Continued on next page)

COUNTY OF COLE, MISSOURI
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances with Budget Information (Continued)
Nonmajor Governmental Funds
For the Year Ended December 31, 2015

	<u>Tax Maintenance Fund</u>		<u>Sheriff Revolving Fund</u>		<u>Bad Check Fund</u>		<u>Prosecuting Attorney Administrative Handling Fee</u>		<u>Employee Retirement Fund</u>	<u>Capital Improvement Fund</u>	<u>Total</u>
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>
REVENUES											
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 653,127
Licenses, fees and permits	91,344	95,000	98,001	60,000	26,684	32,100	3,148	1,500	349,199	-	1,029,210
Interest	-	-	1,707	350	550	300	29	10	275	10,395	39,176
Other	-	-	-	-	205	-	-	-	-	-	82,309
Total revenues	91,344	95,000	99,708	60,350	27,439	32,400	3,177	1,510	349,474	10,395	1,803,822
EXPENDITURES											
Current:											
General government	65,063	246,959	-	-	-	-	-	-	369,230	-	492,319
Public safety	-	-	4,761	137,007	11,291	62,702	-	2,469	-	-	99,527
Assessment costs	-	-	-	-	-	-	-	-	-	-	801,992
Judicial	-	-	-	-	-	-	-	-	-	-	56,730
Capital outlay:											
General government	-	-	-	-	-	-	-	-	-	-	8,078
Public safety	-	-	-	-	-	-	-	-	-	-	5,683
Judicial	-	-	-	-	-	-	-	-	-	-	12,314
Debt service:											
Principal	-	-	-	-	-	-	-	-	-	2,240,000	2,240,000
Interest	-	-	-	-	-	-	-	-	-	649,732	649,732
Total expenditures	65,063	246,959	4,761	137,007	11,291	62,702	-	2,469	369,230	2,889,732	4,366,375
Excess (deficiency) of revenues over (under) expenditures	26,281	(151,959)	94,947	(76,657)	16,148	(30,302)	3,177	(959)	(19,756)	(2,879,337)	(2,562,553)
OTHER FINANCING SOURCES (USES)											
Transfers in	-	-	-	-	-	-	-	-	-	2,889,711	2,889,711
Transfers out	-	-	(3,559)	-	-	-	-	-	-	-	(108,743)
Total other financing sources (uses)	-	-	(3,559)	-	-	-	-	-	-	2,889,711	2,780,968
Net changes in fund balances	26,281	(151,959)	91,388	(76,657)	16,148	(30,302)	3,177	(959)	(19,756)	10,374	218,415
Fund balances - beginning	157,185	151,959	78,686	76,657	29,924	30,302	959	959	-	813,038	3,470,316
Fund balances (deficit) - ending	\$ 183,466	\$ -	\$ 170,074	\$ -	\$ 46,072	\$ -	\$ 4,136	\$ -	\$ (19,756)	\$ 823,412	\$ 3,688,731

FIDUCIARY FUNDS

COLE COUNTY, MISSOURI FIDUCIARY FUNDS

Agency Funds account for money's and properties held by the County as a trustee, custodian, or agent for individuals, for other governmental units, or for private organizations.

Special Taxing Districts

General School Fund – To account for fines and forfeitures collected by the circuit court and remitted to all County schools once a year based on the percentage of enrollment in the County. Also the railroad and utility taxes for the schools are held in this account until distributed to the County schools.

Tax Overplus Fund – To account for excess proceeds from property sold by the County over the tax liability owed. These moneys must be kept for 3 years and, if not claimed, are then remitted to County schools.

Circuit Clerk Fund – To account for all the fees collected by the Circuit Clerk and the subsequent distribution of those fees to the State, County, or other entities.

Other Funds

Sheriff Fund – To account for the moneys held by the County on behalf of inmates. To account for the bond moneys collected at the Cole County Jail pertaining to other counties outstanding warrants.

Prosecuting Attorney Restitution Fund – To account for restitution moneys collected from defendants by the Prosecuting Attorney which then is distributed to the victims.

Tax Collector Funds

Protest Tax Fund – To account for the taxes collected under protest until the case has been resolved and then the taxes are distributed to the rightful recipients.

Collector Tax Fund – To account for all property taxes collected in the County and the subsequent distribution to the various taxing entities.

Financial Institution Tax Fund – To account for all financial institution taxes collected in the County and the subsequent distribution to the various taxing entities.

COUNTY OF COLE, MISSOURI
Combining Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2015

	<u>Special Taxing Districts</u>	<u>Circuit Clerk</u>	<u>Tax Collector</u>	<u>Other</u>	<u>Total</u>
ASSETS					
Cash and cash investments	\$ 377,419	\$ 1,597,677	\$ 55,210,131	\$ 609,052	\$ 57,794,279
Property taxes receivable, net of allowance	-	-	3,235,332	-	3,235,332
Due from other governments	8,493	-	-	-	8,493
Due from other funds	12,756	-	-	-	12,756
Due from others	587	-	-	-	587
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 399,255</u>	<u>\$ 1,597,677</u>	<u>\$ 58,445,463</u>	<u>\$ 609,052</u>	<u>\$ 61,051,447</u>
LIABILITIES					
Accounts payable	\$ 315,643	\$ -	\$ -	\$ -	\$ 315,643
Due to other funds	-	29,350	-	36,030	65,380
Due to other governments	-	-	55,173,033	-	55,173,033
Due to others	83,612	1,568,327	3,272,430	573,022	5,497,391
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>\$ 399,255</u>	<u>\$ 1,597,677</u>	<u>\$ 58,445,463</u>	<u>\$ 609,052</u>	<u>\$ 61,051,447</u>

COUNTY OF COLE, MISSOURI
Combining Statement of Changes in Assets and Liabilities
Agency Funds
December 31, 2015

	Balance December 31, 2014	Additions	Deductions	Balance December 31, 2015
TOTAL ALL AGENCY FUNDS				
Assets				
Cash and cash investments	\$ 17,253,456	\$ 120,226,568	\$ 79,685,745	\$ 57,794,279
Investments	38,997,500	-	38,997,500	-
Property taxes receivable, net of allowance	3,336,000	24,795	125,463	3,235,332
Due from other governments	7,147	1,346	-	8,493
Due from other funds	13,165	-	409	12,756
Due from others	368	587	368	587
Total assets	<u>\$ 59,607,636</u>	<u>\$ 120,253,296</u>	<u>\$ 118,809,485</u>	<u>\$ 61,051,447</u>
Liabilities				
Accounts payable	\$ 95	\$ 315,548	\$ -	\$ 315,643
Due to other governments	53,840,295	1,332,738	-	55,173,033
Due to other funds	86,229	65,380	86,229	65,380
Due to others	5,681,018	782,365	965,992	5,497,391
Total liabilities	<u>\$ 59,607,637</u>	<u>\$ 2,496,031</u>	<u>\$ 1,052,221</u>	<u>\$ 61,051,447</u>
SPECIAL TAXING DISTRICTS				
Assets				
Cash and cash investments	\$ 888,199	\$ 641,232	\$ 1,152,012	\$ 377,419
Due from other governments	7,147	1,346	-	8,493
Due from other funds	13,165	-	409	12,756
Due from others	-	587	-	587
Total assets	<u>\$ 908,511</u>	<u>\$ 643,165</u>	<u>\$ 1,152,421</u>	<u>\$ 399,255</u>
Liabilities				
Accounts payable	\$ 95	\$ 315,548	\$ -	\$ 315,643
Due to others	908,416	1,400	826,204	83,612
Total liabilities	<u>\$ 908,511</u>	<u>\$ 316,948</u>	<u>\$ 826,204</u>	<u>\$ 399,255</u>
CIRCUIT CLERK				
Assets				
Cash and cash investments	\$ 825,618	\$ 3,854,477	\$ 3,082,418	\$ 1,597,677
Total assets	<u>\$ 825,618</u>	<u>\$ 3,854,477</u>	<u>\$ 3,082,418</u>	<u>\$ 1,597,677</u>
Liabilities				
Due to other funds	\$ 28,498	\$ 29,350	\$ 28,498	\$ 29,350
Due to others	797,120	771,207	-	1,568,327
Total liabilities	<u>\$ 825,618</u>	<u>\$ 800,557</u>	<u>\$ 28,498</u>	<u>\$ 1,597,677</u>

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COUNTY OF COLE, MISSOURI
Combining Statement of Changes in Assets and Liabilities (Continued)
Agency Funds
December 31, 2015

	Balance December 31, 2014	Additions	Deductions	Balance December 31, 2015
TAX COLLECTOR				
Assets				
Cash and cash investments	\$ 14,888,131	\$ 110,537,095	\$ 70,215,095	\$ 55,210,131
Investments	38,997,500	-	38,997,500	-
Property taxes receivable, net of allowance	3,336,000	24,795	125,463	3,235,332
Due from others	368	-	368	-
Total assets	<u>\$ 57,221,999</u>	<u>\$ 110,561,890</u>	<u>\$ 109,338,426</u>	<u>\$ 58,445,463</u>
Liabilities				
Due to other governments	\$ 53,840,295	\$ 1,332,738	\$ -	\$ 55,173,033
Due to others	3,381,704	-	109,274	3,272,430
Total liabilities	<u>\$ 57,221,999</u>	<u>\$ 1,332,738</u>	<u>\$ 109,274</u>	<u>\$ 58,445,463</u>
OTHER AGENCY FUNDS				
Assets				
Cash and cash investments	\$ 651,508	\$ 5,193,764	\$ 5,236,220	\$ 609,052
Total assets	<u>\$ 651,508</u>	<u>\$ 5,193,764</u>	<u>\$ 5,236,220</u>	<u>\$ 609,052</u>
Liabilities				
Due to other funds	\$ 57,731	\$ 36,030	\$ 57,731	\$ 36,030
Due to others	593,777	9,758	30,513	573,022
Total liabilities	<u>\$ 651,508</u>	<u>\$ 45,788</u>	<u>\$ 88,244</u>	<u>\$ 609,052</u>

COUNTY OF COLE, MISSOURI
Combining Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2015

	<u>Special Taxing Districts</u>			<u>Other</u>		<u>Tax Collector</u>		<u>Financial</u>	<u>Total</u>
	<u>General</u>	<u>Tax</u>	<u>Circuit Clerk</u>	<u>Sheriff</u>	<u>Prosecuting</u>	<u>Protest Tax</u>	<u>Tax Collector</u>	<u>Institution</u>	
	<u>School Fund</u>	<u>Overplus</u>							
ASSETS									
Cash and cash investments	\$ 294,394	\$ 83,025	\$ 1,597,677	\$ 597,527	\$ 11,525	\$ 2,118,388	\$ 53,091,743	\$ -	\$ 57,794,279
Property taxes receivable, net of allowance	-	-	-	-	-	-	3,235,332	-	3,235,332
Due from other governments	8,493	-	-	-	-	-	-	-	8,493
Due from other funds	12,756	-	-	-	-	-	-	-	12,756
Due from others	587	-	-	-	-	-	-	-	587
Total assets	<u>316,230</u>	<u>83,025</u>	<u>1,597,677</u>	<u>597,527</u>	<u>11,525</u>	<u>2,118,388</u>	<u>56,327,075</u>	<u>-</u>	<u>61,051,447</u>
LIABILITIES									
Accounts payable	\$ 315,643	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 315,643
Due to other funds	-	-	29,350	36,030	-	-	-	-	65,380
Due to other governments	-	-	-	-	-	2,118,388	53,054,645	-	55,173,033
Due to others	587	83,025	1,568,327	561,497	11,525	-	3,272,430	-	5,497,391
Total liabilities	<u>\$ 316,230</u>	<u>\$ 83,025</u>	<u>\$ 1,597,677</u>	<u>\$ 597,527</u>	<u>\$ 11,525</u>	<u>\$ 2,118,388</u>	<u>\$ 56,327,075</u>	<u>\$ -</u>	<u>\$ 61,051,447</u>

COUNTY OF COLE, MISSOURI
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2015

	<u>Special Taxing Districts</u>			<u>Other</u>		<u>Tax Collector</u>		<u>Financial Institution</u>	<u>Total</u>
	<u>General School Fund</u>	<u>Tax Overplus</u>	<u>Circuit Clerk</u>	<u>Sheriff</u>	<u>Prosecuting Attorney</u>	<u>Protest Tax</u>	<u>Tax Collector</u>	<u>Tax</u>	
ADDITIONS									
Taxes	\$ 323,768	\$ 1,400	\$ -	\$ -	\$ -	\$ -	\$ 69,402,898	\$ -	\$ 69,728,066
Licenses, fees and permits	308,656	-	3,854,477	4,048,491	1,145,273	847,917	-	-	10,204,814
Interest	8,345	-	-	-	-	-	-	-	8,345
Other	-	-	-	-	-	-	-	67,701	67,701
Total additions	<u>640,769</u>	<u>1,400</u>	<u>3,854,477</u>	<u>4,048,491</u>	<u>1,145,273</u>	<u>847,917</u>	<u>69,402,898</u>	<u>67,701</u>	<u>80,008,926</u>
DEDUCTIONS									
General government	640,769	1,400	3,854,477	4,048,491	1,145,273	847,917	69,402,898	67,701	80,008,926
Total deductions	<u>640,769</u>	<u>1,400</u>	<u>3,854,477</u>	<u>4,048,491</u>	<u>1,145,273</u>	<u>847,917</u>	<u>69,402,898</u>	<u>67,701</u>	<u>80,008,926</u>
Change in net position	-	-	-	-	-	-	-	-	-
Net position - beginning	-	-	-	-	-	-	-	-	-
Net position - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

COLE COUNTY, MISSOURI STATISTICAL SECTION

This section of the comprehensive annual financial report for Cole County, Missouri presents detailed information to help understand the information presented in the financial statements, notes to the financial statements, and required supplementary information and how it relates to the governments overall financial standing.

Financial Trends – These schedules contain trend information for the last ten years to help understand how the county’s financial performance has changed in those ten years.

Revenue Trends – These schedules contain information regarding property tax and sales tax for the last ten years. Property tax and sales tax make up the county’s largest revenue sources.

Debt Capacity – These schedules contain information on the county’s current levels of outstanding debt and the county’s ability to issue additional debt in the future if needed.

Demographic Information –These schedules present the demographic and economic indicators for the county and help to understand the environment in which the county operates.

Operating Information – These schedules contain information about the county and its services to help understand how the financial report relates to the services the county offers and the activities that it performs.

COUNTY OF COLE, MISSOURI
Net Position by Component
Last Ten Fiscal Years 2006 - 2015

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities										
Net investment in capital assets	\$ 27,293,931	\$ 49,125,358	\$ 48,778,941	\$ 48,307,125	\$ 46,931,749	\$ 42,355,969	\$ 42,072,233	\$ 43,634,905	\$ 50,733,013	\$ 51,844,458
Restricted for:										
Capital improvement	-	13,034,818	8,324,067	12,119,777	10,788,716	11,140,925	9,078,634	9,552,558	3,713,631	4,142,685
Highways, streets and bridges	5,077,295	-	4,562,448	4,843,244	5,167,203	4,363,283	4,604,503	4,693,456	4,907,503	5,078,199
Public safety	-	-	2,425,207	2,366,374	2,167,671	2,377,643	5,349,462	5,477,388	6,529,234	7,714,379
Emergency medical services	-	-	-	748,053	983,400	1,273,364	1,686,704	2,176,440	1,389,370	1,659,580
Assessment costs	-	-	-	-	-	1,425,442	1,500,282	1,572,776	1,664,571	1,672,519
Judicial	-	-	-	-	-	153,706	190,106	236,954	213,997	226,152
Recorder of deeds	-	-	-	-	-	7,544	11,599	7,229	31,635	70,589
Domestic violence	-	-	-	-	-	-	-	-	7,813	656
Tax maintenance	-	-	-	-	-	93,484	121,479	164,345	157,185	183,466
Net pension asset	-	-	-	-	-	-	-	-	-	4,611,285
Election services	-	-	-	-	-	19,257	35,832	37,982	34,664	37,149
Debt service	171,179	73,859	74,195	75,318	71,495	70,554	68,247	64,768	68,091	47,439
Unrestricted	9,465,524	2,752,521	3,319,581	1,775,007	4,850,193	9,960,218	10,142,713	10,378,612	11,568,479	13,084,309
Total net position	42,007,929	64,986,556	67,484,439	70,234,898	70,960,427	73,241,389	74,861,794	77,997,413	81,019,186	90,372,865
Business-type activities										
Net investment in capital assets	-	-	-	387,011	604,863	565,007	679,734	935,215	985,202	1,235,610
Restricted for:										
Net pension asset	-	-	-	-	-	-	-	-	-	912,353
Unrestricted	-	-	-	652,788	968,488	1,105,843	1,191,187	1,098,002	1,331,001	1,532,226
Total net position	-	-	-	1,039,799	1,573,351	1,670,850	1,870,921	2,033,217	2,316,203	3,680,189
Primary government										
Net investment in capital assets	27,293,931	49,125,358	48,778,941	48,694,136	47,536,612	42,920,976	42,751,967	44,570,120	51,718,215	53,080,068
Restricted for:										
Capital improvement	-	13,034,818	8,324,067	12,119,777	10,788,716	11,140,925	9,078,634	9,552,558	3,713,631	4,142,685
Highways, streets and bridges	5,077,295	-	4,562,448	4,843,244	5,167,203	4,363,283	4,604,503	4,693,456	4,907,503	5,078,199
Public safety	-	-	2,425,207	2,366,374	2,167,671	2,377,643	5,349,462	5,477,388	6,529,234	7,714,379
Emergency medical services	-	-	-	748,053	983,400	1,273,364	1,686,704	2,176,440	1,389,370	1,659,580
Assessment costs	-	-	-	-	-	1,425,442	1,500,282	1,572,776	1,664,571	1,672,519
Judicial	-	-	-	-	-	153,706	190,106	236,954	213,997	226,152
Recorder of deeds	-	-	-	-	-	7,544	11,599	7,229	31,635	70,589
Domestic violence	-	-	-	-	-	-	-	-	7,813	656
Tax maintenance	-	-	-	-	-	93,484	121,479	164,345	157,185	183,466
Net pension asset	-	-	-	-	-	-	-	-	-	5,523,638
Election services	-	-	-	-	-	19,257	35,832	37,982	34,664	37,149
Debt service	171,179	73,859	74,195	75,318	71,495	70,554	68,247	64,768	68,091	47,439
Unrestricted	9,465,524	2,752,521	5,744,788	2,427,795	5,818,681	11,066,061	11,333,900	11,476,614	12,899,480	14,616,535
Total net position	\$ 42,007,929	\$ 64,986,556	\$ 67,484,439	\$ 71,274,697	\$ 72,533,778	\$ 74,912,239	\$ 76,732,715	\$ 80,030,630	\$ 83,335,389	\$ 94,053,054

Data Source

Statement of Net Position

Note: Government-wide statements This is the third year the County has prepared the Comprehensive Annual Financial Statement following the new financial reporting model requirements promulgated by GASB Statement No. 54.

Note: The County implemented GASB 65 for the fiscal year ending December 31, 2013. As a result, beginning net position for the governmental activities was reduced by \$70,371. However, prior years were not restated.

Note: The County implemented GASB 68 for the fiscal year ending December 31, 2015. However, prior years were not restated.

COUNTY OF COLE, MISSOURI
COUNTY OF COLE, MISSOURI
Changes in Net Position
Last Ten Fiscal Years 2006 - 2015

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental activities:										
General government	\$ 4,280,528	\$ 3,766,827	\$ 4,397,489	\$ 4,519,053	\$ 4,546,191	\$ 4,737,321	\$ 5,709,420	\$ 5,286,828	\$ 4,866,681	\$ 5,093,109
Public safety	5,814,014	6,048,027	7,540,692	8,964,238	10,051,521	8,155,050	10,055,696	9,936,342	9,792,470	10,110,463
Highways, streets & bridges	6,043,638	10,020,529	10,934,724	9,462,367	11,249,797	11,691,480	10,143,743	9,102,701	11,278,690	9,822,901
Assessment	637,377	647,930	527,689	817,567	619,083	646,327	648,417	691,522	666,228	789,658
Judicial	652,086	653,231	743,324	753,715	751,879	825,797	900,409	1,044,073	964,492	1,009,099
Health and welfare	1,774,871	1,685,018	1,690,600	2,196,749	1,941,656	2,141,565	1,920,835	2,040,940	2,067,418	2,014,930
Parks and recreation	4,588	39,170	10,695	10,677	10,877	11,547	10,861	10,037	22,061	18,127
Emergency management	93,340	405,194	354,989	329,185	262,650	293,589	222,227	322,367	204,732	179,927
Interest and fiscal fees	34033	32461	458,092	1,176,414	1,293,367	1,081,503	1,108,119	1,043,165	829,942	789,554
Total governmental activities expenses:	19,334,475	23,298,387	26,668,294	28,229,985	30,727,021	29,584,179	30,719,727	29,477,975	30,692,714	29,827,768
Business-type activities:										
Emergency medical services	-	-	-	1,522,441	3,469,175	3,789,417	3,716,316	4,434,003	4,144,626	3,904,419
Water services	-	-	-	-	-	-	11,109	23,184	20,194	17,088
Total business-type activities expenses:	-	-	-	1,522,441	3,469,175	3,789,417	3,727,425	4,457,187	4,164,820	3,921,507
Total primary government expenses	\$ 19,334,475	\$ 23,298,387	\$ 26,668,294	\$ 29,752,426	\$ 34,196,196	\$ 33,373,596	\$ 34,447,152	\$ 33,935,162	\$ 34,857,534	\$ 33,749,275
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 1,709,048	\$ 1,698,779	\$ 1,828,094	\$ 1,790,513	\$ 1,800,919	\$ 1,721,407	\$ 1,930,240	\$ 1,804,887	\$ 1,586,367	\$ 1,972,237
Public safety	1,397,684	1,566,672	1,847,877	1,860,706	1,965,511	2,018,347	1,929,001	2,901,838	2,837,433	3,144,800
Highways, streets & bridges	79,902	146,332	205,358	998,205	227,574	359,101	278,406	309,618	333,161	222,106
Assessment	311,601	257,180	231,526	223,147	149,884	209,990	147,793	147,761	148,348	153,967
Judicial	117,969	117,695	128,211	133,411	135,370	115,406	130,184	127,595	124,143	123,899
Health and welfare	391,020	296,569	412,920	365,250	316,348	244,354	258,716	232,980	266,842	287,233
Emergency management	-	-	-	-	-	-	-	-	-	5,000
Operating grants and contributions:	2,231,054	2,155,563	1,890,181	1,967,698	2,111,055	2,069,133	1,993,078	2,008,912	1,865,971	1,828,481
Capital grants and contributions:	41,000	179,086	28,088	5,243	-	-	289,130	3,527	308,728	271,701
Total governmental activities program revenue	6,279,278	6,417,876	6,572,255	7,344,173	6,706,661	6,737,738	6,956,548	7,537,118	7,470,993	8,009,424
Business-type activities:										
Charges for services:										
Emergency medical services	-	-	-	1,545,688	2,769,359	2,937,738	2,834,319	3,076,495	3,046,744	2,946,443
Water services	-	-	-	-	-	-	5,130	19,761	27,074	26,980
Capital grants and contributions:	-	-	-	-	-	-	31,988	70,400	-	-
Total business-type activities program revenue	-	-	-	1,545,688	2,769,359	2,937,738	2,871,437	3,166,656	3,073,818	2,973,423
Total primary government program revenue	\$ 6,279,278	\$ 6,417,876	\$ 6,572,255	\$ 8,889,861	\$ 9,476,020	\$ 9,675,476	\$ 9,827,985	\$ 10,703,774	\$ 10,544,811	\$ 10,982,847
Net (expense) revenue										
Governmental activities	\$(13,055,197)	\$(16,880,511)	\$(20,096,039)	\$(20,885,812)	\$(24,020,360)	\$(22,846,441)	\$(23,763,179)	\$(21,940,857)	\$(23,221,721)	\$(21,818,344)
Business-type activities	-	-	-	23,247	(699,816)	(851,679)	(855,988)	(1,290,531)	(1,091,002)	(948,084)
Total primary government net expense	\$(13,055,197)	\$(16,880,511)	\$(20,096,039)	\$(20,862,565)	\$(24,720,176)	\$(23,698,120)	\$(24,619,167)	\$(23,231,388)	\$(24,312,723)	\$(22,766,428)
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes:										
Property taxes	\$ 7,867,071	\$ 8,211,669	\$ 8,870,255	\$ 7,121,570	\$ 6,174,484	\$ 6,138,124	\$ 6,037,446	\$ 5,960,150	\$ 5,941,766	\$ 5,813,895
Sales tax	5,288,318	5,434,669	10,103,217	13,720,164	15,534,859	15,718,088	16,112,800	16,201,801	17,195,436	17,820,458
Local use tax	537,110	466,639	756,827	985,600	1,184,170	1,079,931	1,506,676	1,408,804	1,352,521	1,529,397
Motor vehicle sales taxes	349,832	319,631	241,036	239,980	248,597	256,176	279,708	294,062	322,892	342,209
Stock insurance	948,954	1,054,646	813,279	978,150	1,082,353	1,242,305	859,463	925,286	1,156,203	1,126,967
County Aid Road Trust (CART)	852,205	873,614	806,626	787,468	814,559	788,667	788,881	787,607	820,683	830,783
Financial institution tax	57,076	28,714	25,625	24,395	34,082	63,522	71,009	101,400	100,184	93,271
Unrestricted investment earnings	475,965	576,968	339,147	219,056	346,126	289,595	298,379	340,327	331,269	364,917
Gain (loss) on sale of fixed assets	9,069	(37,399)	(11,527)	(22,845)	(15,723)	6,537	6,855	43,207	46,901	12,681
Transfers	-	-	-	(1,014,497)	(1,223,280)	(924,450)	(1,036,036)	(1,413,209)	(1,349,677)	(1,584,479)
Other	684,613	554,807	649,437	597,230	565,662	468,908	458,403	497,412	325,316	539,330
Total governmental activities:	17,070,413	17,483,958	22,593,922	23,656,271	24,745,889	25,127,403	25,383,584	25,146,847	26,243,494	26,891,429
Business-type activities:										
Unrestricted investment earnings	-	-	-	772	7,977	11,397	14,250	12,665	14,927	15,797
Transfers	-	-	-	1,014,497	1,223,280	924,450	1,036,036	1,413,209	1,349,677	1,584,479
Other	-	-	-	1,283	2,111	13,331	5,773	26,953	9,384	5,755
Total business-type activities:	-	-	-	1,016,552	1,233,368	949,178	1,056,059	1,452,827	1,373,988	1,606,031
Total primary government	\$ 17,070,413	\$ 17,483,958	\$ 22,593,922	\$ 24,672,823	\$ 25,979,257	\$ 26,076,581	\$ 26,439,643	\$ 26,599,674	\$ 27,617,482	\$ 28,497,460
Change in Net Position										
Governmental activities	\$ 40,152,117	\$ 603,447	\$ 2,497,883	\$ 2,750,459	\$ 725,529	\$ 2,280,962	\$ 1,620,405	\$ 3,205,990	\$ 3,021,773	\$ 5,073,085
Business-type activities	-	-	-	1,039,799	533,552	97,499	200,071	162,296	282,986	657,947
Total primary government	\$ 40,152,117	\$ 603,447	\$ 2,497,883	\$ 3,790,258	\$ 1,259,081	\$ 2,378,461	\$ 1,820,476	\$ 3,368,286	\$ 3,304,759	\$ 5,731,032

Note: The County implemented GASB 68 for the fiscal year ending December 31, 2015. However, prior years were not restated.

COUNTY OF COLE, MISSOURI
General Governmental Tax Revenues by Source
Last Ten Fiscal Years 2006 - 2015

Fiscal Year	Property Tax	Sales Tax	Local Use Tax	Motor Vehicle Sales Tax	Stock Insurance	CART	Financial Institution Tax	Total
2006	\$ 7,867,071	\$ 5,288,518	\$ 537,110	\$ 349,832	\$ 948,954	\$ 852,205	\$ 57,076	\$ 15,900,766
2007	8,211,669	5,434,669	466,639	319,631	1,054,646	873,614	28,714	16,389,582
2008	8,870,255	10,103,217	756,827	241,036	813,279	806,626	25,625	21,616,865
2009	7,121,570	13,720,164	985,600	239,980	978,150	787,468	24,395	23,857,327
2010	6,174,484	15,534,859	1,184,170	248,597	1,082,353	814,559	34,082	25,073,104
2011	6,138,124	15,718,088	1,079,931	256,176	1,242,305	788,667	63,522	25,286,813
2012	6,037,449	16,112,800	1,506,676	279,708	859,463	788,881	71,009	25,655,986
2013	5,960,150	16,201,801	1,408,804	294,062	925,286	787,607	101,400	25,679,110
2014	5,941,766	17,195,436	1,352,521	322,892	1,156,203	820,683	100,184	26,889,685
2015	\$ 5,813,895	\$ 17,820,458	\$ 1,529,397	\$ 342,209	\$ 1,126,967	\$ 830,783	\$ 95,271	\$ 27,558,980

Data Source
Statement of Activities

COUNTY OF COLE, MISSOURI
Fund Balances of Governmental Funds
Last Ten Fiscal Years 2011 - 2015

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Nonspendable:										
Prepaid items	\$ 65,577	\$ 126,032	\$ 95,768	\$ 86,496	\$ 86,203	\$ 85,606	\$ 90,188	\$ 111,838	\$ 107,425	\$ 105,589
Unassigned/Unreserved	6,204,512	6,064,402	6,644,697	7,229,404	8,597,895	9,681,363	10,237,254	10,463,908	10,819,607	11,530,493
Total General Fund	<u>6,270,089</u>	<u>6,190,434</u>	<u>6,740,465</u>	<u>7,315,900</u>	<u>8,684,098</u>	<u>9,766,969</u>	<u>10,327,442</u>	<u>10,575,746</u>	<u>10,927,032</u>	<u>11,636,082</u>
Road and Bridge										
Nonspendable:										
Prepaid items	19,589	19,108	17,898	19,389	22,379	22,926	24,515	25,703	26,295	24,470
Inventory	377,585	434,892	489,397	530,408	577,468	561,326	558,967	585,174	562,522	802,710
Restricted/Reserved for:										
Highways, streets and bridges	4,680,121	4,664,423	4,055,153	4,293,447	4,567,356	4,363,283	4,604,503	4,693,456	4,907,503	5,078,199
Total Road and Bridge	<u>5,077,295</u>	<u>5,118,423</u>	<u>4,562,448</u>	<u>4,843,244</u>	<u>5,167,203</u>	<u>4,947,535</u>	<u>5,187,985</u>	<u>5,304,333</u>	<u>5,496,320</u>	<u>5,905,379</u>
Sales Tax										
Restricted/Reserved for:										
Capital improvements	3,264,372	4,146,369	3,963,190	5,586,509	5,945,068	4,570,599	5,759,767	6,233,644	2,900,593	3,319,273
Total Sales Tax	<u>3,264,372</u>	<u>4,146,369</u>	<u>3,963,190</u>	<u>5,586,509</u>	<u>5,945,068</u>	<u>4,570,599</u>	<u>5,759,767</u>	<u>6,233,644</u>	<u>2,900,593</u>	<u>3,319,273</u>
Neighborhood Sinking										
Restricted/Reserved for:										
Debt service	73,575	73,859	74,195	75,318	71,495	70,554	68,247	64,768	68,091	47,439
Total Neighborhood Sinking	<u>73,575</u>	<u>73,859</u>	<u>74,195</u>	<u>75,318</u>	<u>71,495</u>	<u>70,554</u>	<u>68,247</u>	<u>64,768</u>	<u>68,091</u>	<u>47,439</u>
Emergency Services Sales Tax										
Restricted/Reserved for:										
Emergency medical services	-	-	-	748,053	983,400	1,273,364	1,686,704	2,176,440	1,389,370	1,659,580
Total Emergency Services Sales Tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>748,053</u>	<u>983,400</u>	<u>1,273,364</u>	<u>1,686,704</u>	<u>2,176,440</u>	<u>1,389,370</u>	<u>1,659,580</u>
Law Enforcement Sales Tax										
Nonspendable:										
Prepaid items	-	-	25,412	29,753	40,218	38,812	42,367	50,245	138,956	101,852
Restricted/Reserved for:										
Law enforcement	-	-	2,425,207	2,366,374	2,127,453	1,838,411	4,896,373	5,009,141	5,987,983	7,025,317
Total Law Enforcement Sales Tax	<u>-</u>	<u>-</u>	<u>2,450,619</u>	<u>2,396,127</u>	<u>2,167,671</u>	<u>1,877,223</u>	<u>4,938,740</u>	<u>5,059,386</u>	<u>6,126,939</u>	<u>7,127,169</u>
Capital Improvement										
Restricted/Reserved for:										
Capital Improvement	-	9,825,901	7,480,749	20,489,541	10,448,192	6,570,326	3,318,867	3,318,914	813,038	-
Total Capital Improvement	<u>-</u>	<u>9,825,901</u>	<u>7,480,749</u>	<u>20,489,541</u>	<u>10,448,192</u>	<u>6,570,326</u>	<u>3,318,867</u>	<u>3,318,914</u>	<u>813,038</u>	<u>-</u>
Non Major Funds										
Nonspendable:										
Prepaid items	5,622	3,921	3,867	4,190	6,154	5,275	5,781	6,163	6,163	5,482
Restricted/Reserved for:										
Domestic violence	-	-	-	-	-	-	-	668	7,813	656
Capital improvements	-	-	-	-	-	-	-	-	-	823,412
Training costs	-	-	-	-	-	6,349	3,072	5,636	5,873	3,685
Prosecuting attorney	-	-	-	-	-	532,883	450,017	445,893	456,692	515,303
Assessment costs	-	-	-	-	-	1,425,442	1,500,282	1,572,776	1,664,571	1,672,519
Judicial	-	-	-	-	-	153,706	190,106	236,954	213,997	226,152
Law enforcement	-	-	-	-	-	-	-	16,718	78,686	170,074
Recorder of deeds	-	-	-	-	-	7,544	11,599	7,229	31,635	70,589
Tax maintenance	-	-	-	-	-	93,484	121,479	164,345	157,185	183,466
Election services	-	-	-	-	-	19,257	35,832	37,982	34,664	37,149
Unassigned/Unreserved	817,359	1,045,744	1,766,801	1,903,775	2,061,133	-	-	-	-	(19,756)
Total Non Major Funds	<u>\$ 822,981</u>	<u>\$ 1,049,665</u>	<u>\$ 1,770,668</u>	<u>\$ 1,907,965</u>	<u>\$ 2,067,287</u>	<u>\$ 2,243,940</u>	<u>\$ 2,318,168</u>	<u>\$ 2,494,364</u>	<u>\$ 2,657,279</u>	<u>\$ 3,688,731</u>

Note: GASB 54 became effective for the County for the year ended December 31, 2011.

Note: As of December 31, 2015, the Capital Improvement Fund changed from a major fund to a non major fund.

COUNTY OF COLE, MISSOURI
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years 2006 - 2015

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Taxes	\$ 15,878,292	\$ 16,352,428	\$ 21,635,621	\$ 23,899,824	\$ 25,117,493	\$ 25,329,196	\$ 25,609,997	\$ 25,721,876	\$ 26,883,317	\$ 27,483,616
Licenses, fees and permits	3,722,123	4,111,277	4,684,512	5,403,539	4,630,644	4,705,559	4,709,560	5,368,751	5,437,357	5,886,352
Intergovernmental	2,603,665	2,319,753	2,049,081	1,839,597	2,215,145	2,145,513	2,219,738	2,119,227	2,109,537	2,152,935
Interest	475,966	576,968	339,147	219,056	346,126	289,595	298,379	340,327	331,269	364,917
Other	689,440	486,143	605,673	507,352	281,990	348,981	484,735	562,546	322,529	455,166
Total revenues	23,369,486	23,846,569	29,314,034	31,869,368	32,591,398	32,818,844	33,322,409	34,112,727	35,084,009	36,342,986
Expenditures										
Current:										
General government	4,022,898	3,489,030	4,349,405	4,382,935	4,322,638	4,317,014	4,852,848	4,383,974	4,730,845	4,753,075
Public safety	5,659,474	5,893,361	7,107,533	7,757,928	9,742,197	9,218,514	9,627,467	9,507,021	9,305,335	9,678,611
Highways, streets & bridges	4,164,766	4,885,398	6,449,247	4,360,810	6,743,813	6,982,004	5,681,410	4,804,907	7,253,141	6,088,138
Assessment costs	631,665	643,608	540,599	812,986	611,949	640,494	639,776	691,425	665,253	801,992
Judicial	598,302	598,552	688,706	701,284	689,650	766,068	841,406	993,593	921,782	963,584
Health & welfare	1,795,445	1,678,174	1,651,018	2,186,746	1,922,267	2,121,914	1,882,244	2,035,854	2,042,171	1,986,949
Parks & recreation	2,737	31,799	1,584	1,566	1,766	2,957	2,532	3,059	14,008	10,074
Emergency management	12,022	263,919	151,178	145,495	81,589	142,764	63,983	207,777	152,139	124,425
Capital outlay:										
General government	409,406	1,695,774	448,253	103,558	83,064	1,232,056	215,148	929,532	1,751,847	645,462
Public safety	82,846	119,902	2,165,785	11,306,025	9,271,766	3,825,073	139,222	253,009	93,470	168,643
Judicial	22,265	39,728	10,464	14,167	-	-	-	-	41,707	12,314
Health & welfare	34,538	54,830	-	449,551	403,896	142,038	287,180	497,895	384,238	683,758
Highways, streets & bridges	4,093,712	3,222,439	4,045,816	4,211,127	2,410,664	3,392,992	2,717,096	4,189,652	6,185,455	3,554,132
Emergency management	669,894	40,018	11,570	25,808	41,000	86,859	157,377	-	16,700	43,000
Debt service:										
Principal	-	-	-	-	-	1,448,000	2,165,000	2,121,000	2,437,000	2,285,000
Interest and fees	-	-	-	-	-	1,048,279	1,022,309	962,209	514,256	663,037
Issuance costs	-	-	-	-	-	65,548	-	-	217,778	-
General government	59,626	60,054	59,222	57,958	63,364	-	-	-	-	-
Public safety	-	-	902,203	3,070,265	3,068,935	-	-	-	-	-
Highways, streets & bridges	100,000	100,000	100,000	100,000	100,000	-	-	-	-	-
Total expenditures	22,359,596	22,816,586	28,682,583	39,688,209	39,558,558	35,432,574	30,294,998	31,580,907	36,727,125	32,462,194
Excess (deficiency) of revenues over (under) expenditures	1,009,890	1,029,983	631,451	(7,818,841)	(6,967,160)	(2,613,730)	3,027,411	2,531,820	(1,643,116)	3,880,792
Other financing sources (uses)										
COPS issuance	-	10,000,000	-	25,000,000	-	-	-	-	-	-
Refunding on COPS proceeds	-	-	-	-	-	8,185,000	-	-	16,305,000	-
Discount on COPS issuance	-	(140,490)	-	(382,417)	-	(53,203)	-	-	997,506	-
Payment to refunded bond escrow agent	-	-	-	-	-	(8,878,400)	-	-	(19,582,400)	-
Transfers in (out)	-	-	-	(584,672)	(865,420)	(797,905)	(748,856)	(925,317)	(978,039)	(922,823)
Note proceeds	-	-	-	-	-	-	-	-	-	31,555
Sale of capital assets	69,614	6,845	6,232	30,935	8,160	15,829	6,855	15,172	52,116	15,468
Total other financing sources (uses)	69,614	9,866,355	6,232	24,063,846	(857,260)	(1,528,679)	(742,001)	(910,145)	(3,205,817)	(875,800)
Net changes in fund balances	\$ 1,079,504	\$ 10,896,338	\$ 637,683	\$ 16,245,005	\$ (7,824,420)	\$ (4,142,409)	\$ 2,285,410	\$ 1,621,675	\$ (4,848,933)	\$ 3,004,992

COUNTY OF COLE, MISSOURI
General Governmental Revenues by Source
Last Ten Fiscal Years 2006 - 2015

Fiscal Year	Taxes	Licenses Fees and Permits	Intergovernmental	Interest	Other	Total
2006	\$ 15,878,292	\$ 3,722,123	\$ 2,603,665	\$ 475,966	\$ 689,440	\$ 23,369,486
2007	16,352,428	4,111,277	2,319,753	576,968	486,143	23,846,569
2008	21,635,621	4,684,512	2,049,081	339,147	605,673	29,314,034
2009	23,899,824	5,403,539	1,839,597	219,056	507,352	31,869,368
2010	25,117,493	4,630,644	2,215,145	346,126	281,990	32,591,398
2011	25,329,196	4,705,559	2,145,513	289,595	348,981	32,818,844
2012	25,609,997	4,709,560	2,219,738	298,379	484,735	33,322,409
2013	25,721,876	5,368,751	2,119,227	340,327	562,546	34,112,727
2014	26,883,317	5,437,357	2,109,537	331,269	322,529	35,084,009
2015	\$ 27,483,616	\$ 5,886,352	\$ 2,152,935	\$ 364,917	\$ 455,166	\$ 36,342,986

Data Source

Statement of Revenues, Expenditures, and Changes in Fund Balances-
Governmental Funds.

COUNTY OF COLE, MISSOURI
Sales Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years 2006 - 2015

Fiscal Year	Cole County			City of Jefferson					State Rate	Total Direct & Overlapping Rate
	Capital Improvement Rate	Law Enforcement Rate	Emergency Services Rate	Total County Rate	General Fund Rate	Capital Improvement Rate	Parks Rate	Total City Rate		
2006	0.500%	-	-	0.500%	1.000%	0.500%	0.500%	2.000%	4.225%	6.725%
2007	0.500%	-	-	0.500%	1.000%	0.500%	0.500%	2.000%	4.225%	6.725%
2008	0.500%	0.500%	-	1.000%	1.000%	0.500%	0.500%	2.000%	4.225%	7.225%
2009	0.500%	0.500%	0.500%	1.500%	1.000%	0.500%	0.500%	2.000%	4.225%	7.725%
2010	0.500%	0.500%	0.500%	1.500%	1.000%	0.500%	0.500%	2.000%	4.225%	7.725%
2011	0.500%	0.500%	0.500%	1.500%	1.000%	0.500%	0.500%	2.000%	4.225%	7.725%
2012	0.500%	0.500%	0.500%	1.500%	1.000%	0.500%	0.500%	2.000%	4.225%	7.725%
2013	0.500%	0.500%	0.500%	1.500%	1.000%	0.500%	0.500%	2.000%	4.225%	7.725%
2014	0.500%	0.500%	0.500%	1.500%	1.000%	0.500%	0.500%	2.000%	4.225%	7.725%
2015	0.500%	0.500%	0.500%	1.500%	1.000%	0.500%	0.500%	2.000%	4.225%	7.725%

Cole County Law Enforcement one-half cent sales tax was effective January 1, 2008.

Cole County Emergency Services one-half cent sales tax was effective April 1, 2009.

COUNTY OF COLE, MISSOURI
Assessed and Estimated Actual Value of Property
Last Ten Fiscal Years 2006 - 2015
(amounts expressed in thousands)

Fiscal Year	Real Property		Personal Property		Total		Ratio of Total Assessed Value to Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
2006	\$ 919,090	\$ 4,190,729	\$ 248,751	\$ 747,000	\$ 1,167,841	\$ 4,937,729	23.27%
2007	984,864	4,490,635	255,528	767,351	1,240,392	5,257,986	23.22%
2008	1,009,731	4,604,020	274,131	823,216	1,283,862	5,427,236	21.93%
2009	1,037,333	4,729,875	256,682	770,817	1,294,015	5,500,692	21.93%
2010	1,054,818	4,729,875	253,383	760,910	1,308,201	5,490,785	23.83%
2011	1,070,727	4,801,212	242,338	727,742	1,313,065	5,528,954	23.75%
2012	1,079,962	4,842,622	244,438	734,048	1,324,400	5,576,670	23.75%
2013	1,093,206	4,902,009	241,141	724,147	1,334,347	5,626,156	23.72%
2014	1,100,175	4,933,258	246,152	739,195	1,346,327	5,672,453	23.73%
2015	\$ 1,113,201	\$ 4,991,667	\$ 251,109	\$ 754,081	\$ 1,364,310	\$ 5,745,749	23.74%

Data Source

Cole County Clerk Assessed Valuation Letter

COUNTY OF COLE, MISSOURI
Property Tax Rates (Per \$100 Assess Valuation)
Direct and Overlapping Governments
Last Ten Fiscal Years 2006 - 2015

County of Cole

Fiscal Year	General Revenue	Road and Bridge	Library	Home for Handicapped	State	Total County	City of Jefferson	School District	Total
2006	0.3355	0.2700	0.1921	0.0866	0.0300	0.9142	0.5560	3.6770	5.1472
2007	0.3347	0.2700	0.1913	0.0862	0.0300	0.9122	0.5553	3.6770	5.1445
2008	0.3347	0.2700	0.1913	0.0862	0.0300	0.9122	0.6353	3.6770	5.2245
2009	0.2054	0.2700	0.1938	0.0873	0.0300	0.7865	0.5561	3.6770	5.0196
2010	0.1176	0.2700	0.1956	0.0881	0.0300	0.7013	0.5561	3.8016	5.0590
2011	0.1151	0.2700	0.1977	0.0890	0.0300	0.7018	0.5561	3.8063	5.0642
2012	0.1096	0.2700	0.1984	0.0893	0.0300	0.6973	0.5561	3.8116	5.0650
2013	0.1000	0.2700	0.1994	0.0897	0.0300	0.6891	0.5561	3.8024	5.0476
2014	0.1000	0.2700	0.2000	0.0901	0.0300	0.6901	0.5561	3.7862	5.0324
2015	0.0752	0.2700	0.2000	0.0903	0.0300	0.6655	0.5561	3.6928	4.9144

Data Source
Cole County Assessor

COUNTY OF COLE, MISSOURI
Principal Real Estate Property Taxpayers
December 31, 2015

Taxpayer	Type of Business	2015			2006		
		Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Union Electric Company	Gas Distribution	\$ 14,332,930	1	1.05%			
Jefferson City Medical Group	Medical center	6,072,000	2	0.45%	4,992,740	2	0.43%
Scholastic, Inc.	Publishing company	4,752,000	3	0.35%	6,969,150	1	0.60%
Wildwood Crossing Shopping Center	Shopping mall	4,640,000	4	0.34%	4,571,360	4	0.39%
Wal-Mart Real Estate Business Trust	Discount store	4,512,000	5	0.33%			
Wal-Mart Real Estate Business	Discount store	4,320,000	6	0.32%	4,059,900	6	0.35%
Menard Inc.	Discount store	4,151,940	7	0.30%			
Atrium Finance I	Hotel	3,680,000	8	0.27%	3,158,340	8	0.27%
Missouri American Water Co.	Water Company	3,276,420	9	0.24%			
Lowes Home Centers Inc	Home improvement store	3,266,720	10	0.24%	4,344,860	5	0.37%
Central Missouri Reality Co.	Reality Company				3,152,000	9	0.27%
GGP Limited Partnership	Shopping mall				4,896,000	3	0.42%
Von Hoffman Press, Inc.	Publishing company				3,604,740	7	0.31%
Chesebrough-Ponds, Inc.	Cosmetic Manufacturer				2,791,360	10	0.24%
Totals		\$ 53,004,010		3.89%	\$ 42,540,450		3.65%

Data Source
Cole County Information Systems

COUNTY OF COLE, MISSOURI
Property Tax Levies and Collections
Last Ten Fiscal Years 2006 - 2015
(amounts expressed in thousands)

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
2006	\$ 8,908	\$ 8,402	94.3%	\$ 605	\$ 9,007	101.1%	\$ 506	5.7%
2007	8,831	8,537	96.7%	827	9,364	106.0%	294	3.3%
2008	9,834	9,220	93.8%	730	9,950	101.2%	615	6.3%
2009	8,184	7,664	93.6%	589	8,253	100.8%	520	6.4%
2010	7,604	6,621	87.1%	535	7,156	94.1%	448	5.9%
2011	7,423	6,682	90.0%	311	6,993	94.2%	429	5.8%
2012	7,403	6,624	89.5%	356	6,980	94.3%	424	5.7%
2013	7,299	6,582	90.2%	257	6,839	93.7%	459	6.3%
2014	6,164	5,577	90.5%	216	5,793	94.0%	371	6.0%
2015	\$ 7,566	\$ 6,815	90.1%	\$ 262	\$ 7,077	93.5%	\$ 489	6.5%

Data Source
 Cole County Collector Form 205

COUNTY OF COLE, MISSOURI
Computation of Direct and Overlapping Bonded Debt
General Obligation Bonds
December 31, 2015

<u>Jurisdiction</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable to Government</u>	<u>Amount Applicable to Government</u>
Direct:			
Neighborhood Improvement District	\$ 168,000	100%	\$ 168,000
Certificates of Participation	18,465,000	100%	18,465,000
Overlapping:	-	100%	-
Total*	<u>\$ 18,633,000</u>	100%	<u>\$ 18,633,000</u>

Data Source

Cole County Clerk

*The total includes a capital lease obligation.

COUNTY OF COLE, MISSOURI
Legal Debt Margin
Last Ten Fiscal Years 2006 - 2015

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Assessed valuations:										
Total assessed value	\$ 1,167,840,956	\$ 1,240,391,934	\$ 1,283,862,799	\$ 1,294,015,087	\$ 1,308,201,268	\$ 1,313,064,701	\$ 1,324,400,350	\$ 1,334,347,441	\$ 1,346,326,600	\$ 1,364,309,822
Legal debt margin										
Debt limitation - 10 percent of total assessed value	116,784,096	124,039,193	128,386,280	129,401,509	130,820,127	131,306,470	132,440,035	133,434,744	134,632,660	136,430,982
Less: Special assessment bonds	501,000	472,000	442,000	411,000	374,000	336,000	296,000	255,000	213,000	168,000
Total debt applicable to limitation	501,000	472,000	442,000	411,000	374,000	336,000	296,000	255,000	213,000	168,000
Legal debt margin	\$ 116,283,096	\$ 123,567,193	\$ 127,944,280	\$ 128,990,509	\$ 130,446,127	\$ 130,970,470	\$ 132,144,035	\$ 133,179,744	\$ 134,419,660	\$ 136,262,982

COUNTY OF COLE, MISSOURI
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years 2006 - 2015

Fiscal Year	Governmental Activities				Total Primary Government	Population	Per Capita
	General Obligation Bonds	Special Assessment Bonds	Capital Leases	Certificates of Participation			
2006	\$ -	\$ 501,000	\$ -	\$ -	\$ 501,000	73,208	7
2007	-	472,000	-	10,000,000	10,472,000	73,506	142
2008	-	442,000	-	9,485,000	9,927,000	74,313	134
2009	-	411,000	-	32,460,000	32,871,000	75,018	438
2010	-	374,000	-	30,625,000	30,999,000	75,990	408
2011	-	336,000	-	29,095,000	29,431,000	76,792	383
2012	-	296,000	-	27,070,000	27,366,000	76,363	358
2013	-	255,000	-	24,990,000	25,245,000	76,699	329
2014	-	213,000	-	20,705,000	20,918,000	76,362	274
2015	\$ -	\$ 168,000	\$ -	\$ 18,465,000	\$ 18,633,000	77,263	241

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements. See Schedule of Demographic Statistics for personal income and population data.

COUNTY OF COLE, MISSOURI
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years 2006 - 2015

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Percentage of Estimated Actual Taxable Value of Property</u>	<u>Population</u>	<u>Per Capita</u>
2006	\$ -	0.0%	73,208	\$ -
2007	-	0.0%	73,506	-
2008	-	0.0%	74,313	-
2009	-	0.0%	75,018	-
2010	-	0.0%	75,990	-
2011	-	0.0%	76,792	-
2012	-	0.0%	76,363	-
2013	-	0.0%	76,699	-
2014	-	0.0%	76,362	-
2015	\$ -	0.0%	77,263	\$ -

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
See Schedule of Demographic Statistics for personal income and population data.

COUNTY OF COLE, MISSOURI
Law Enforcement Sales Tax Fund
Pledged Revenue Coverage
Last Ten Fiscal Years 2006 - 2015

Fiscal Year	Operating Revenue	Direct Operating Expense	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage Ratio	Law Enforcement Sales Tax
				Principal	Interest	Total		
2006	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -
2007	-	-	-	-	-	-	-	-
2008	6,206,105	4,567,096	1,639,009	515,000	387,203	902,203	1.82	4,935,027
2009	6,298,613	5,093,632	1,204,981	2,025,000	1,045,265	3,070,265	0.39	5,048,783
2010	6,749,075	5,952,539	796,536	1,835,000	1,233,935	3,068,935	0.26	5,176,264
2011	6,850,867	6,142,277	708,590	1,310,000	857,573	2,167,573	0.33	5,235,500
2012	7,308,875	6,405,470	903,405	2,025,000	1,001,404	3,026,404	0.30	5,371,213
2013	7,877,805	6,740,432	1,137,373	2,080,000	943,663	3,023,663	0.38	5,397,453
2014	8,235,337	6,432,689	1,802,648	2,395,000	498,162	2,893,162	0.62	5,729,941
2015	\$ 8,605,898	\$ 6,707,601	\$ 1,898,297	\$ 2,240,000	\$ 649,732	\$ 2,889,732	0.66	\$ 5,936,718

Note: In 2007 a Law Enforcement 1/2 cent sales tax was passed by the voters to pay for the construction of a new law enforcement facility and the operations of the sheriff's department.
Certificates of Participation were issued for the construction costs of the new facility.
Gross Revenue includes interest income.
Direct operating expense excludes depreciation expense.

COUNTY OF COLE, MISSOURI
Demographic and Economic Statistics
Last Ten Fiscal Years 2006 - 2015

Fiscal Year	State of Missouri		Cole County				Unemployment Rate			
	Population	Percentage of Growth	Population	Percentage of Growth	Per Capita Personal Income	Personal Income (thousands)	Total Labor Force	Cole County	State of Missouri	USA
2006	5,842,713	0.73%	73,509	0.76%	36,013	2,647,245	40,076	3.8%	4.8%	4.6%
2007	5,878,415	0.61%	73,977	0.63%	37,643	2,784,753	40,331	3.9%	5.0%	4.6%
2008	5,911,605	0.56%	74,760	1.05%	40,184	3,004,149	40,447	4.3%	5.9%	5.8%
2009	5,987,580	1.27%	75,408	0.86%	39,060	2,945,459	40,825	6.9%	9.4%	9.3%
2010	5,988,927	0.02%	76,120	0.94%	39,755	3,026,181	40,492	6.8%	9.4%	9.6%
2011	6,010,688	0.36%	76,792	0.88%	40,147	3,069,148	40,532	6.4%	8.6%	8.9%
2012	6,021,988	0.19%	76,363	-0.56%	41,243	3,149,402	39,395	5.3%	6.7%	8.1%
2013	6,044,171	0.37%	76,699	0.44%	43,560	3,341,002	39,542	5.2%	6.1%	7.5%
2014	6,063,589	0.32%	76,362	-0.44%	N/A	N/A	39,762	4.1%	5.4%	5.6%
2015	6,083,672	0.33%	76,720	0.47%	N/A	N/A	39,573	3.9%	4.4%	5.0%

Data Sources

US Department of Labor-Bureau of Labor Statistics
Missouri Department of Economic Development
US Department of Commerce-Bureau of Economic Analysis

COUNTY OF COLE, MISSOURI

**Principal Employers
December 31, 2015**

<u>Employer</u>	<u>2015</u>		<u>2006</u>	
	<u># of Employees</u>	<u>Rank</u>	<u># of Employees</u>	<u>Rank</u>
State of Missouri	14,223	1	16,373	1
Capitol Region Medical Center	1,573	2	1,800	3
Scholastics	1,500	3	1,358	2
Jefferson City Public Schools	1,489	4	1,106	5
SSM Health - St. Mary's Hospital	1,154	5	1,203	4
Central Bancompany	967	6	704	7
ABB, Inc	775	7	786	6
City of Jefferson	661	8	-	
Quaker Window Products	660	9	-	
Jefferson City Medical Group	633	10	559	9
Wal-mart Supercenter	-		515	10
Von Hoffinan Press Inc	-		694	8
Totals	<u>23,635</u>		<u>25,098</u>	

Data Source

Jefferson City Area Chamber of Commerce

COUNTY OF COLE, MISSOURI
Full-time Equivalent County Government Employee by Function
Last Ten Fiscal Years 2006 - 2015

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Primary government										
Governmental activities:										
General government										
Auditor	2	2	2	2	2	2	2	2	2	2
Collector	5	5	5	5	5	4	4	4	4	4
Treasurer	2	2	2	2	2	2	2	2	2	2
County Clerk	5	5	5	5	5	6	6	6	6	6
Commission	6	6	7	8	9	9	9	9	9	9
Recorder	6	6	6	6	6	6	6	6	6	5
GIS	-	-	1	1	1	1	1	1	1	1
Information Systems	2	2	2	2	2	1	1	1	1	1
Building Maintenance	4	4	4	5	5	5	7	7	7	7
County Planning	4	4	4	4	4	4	4	4	4	4
Public safety										
Juvenile Center	24	23	29	30	30	30	29	29	30	28
Prosecuting Attorney	14	15	15	15	15	15	15	15	15	16
Sheriff	50	51	64	64	79	79	80	80	80	80
Highways, streets & bridges										
Public Works	40	40	41	42	42	42	42	42	42	42
Assessment										
Assessor	11	11	11	11	11	11	11	11	11	12
Judicial										
Circuit Court	2	-	-	-	-	-	-	-	-	-
Circuit Court Bailiffs	3	3	4	4	4	4	4	4	4	4
Child Support	4	4	5	5	5	5	6	6	5	5
Health & welfare										
Health Department	28	27	28	27	27	25	25	25	24	23
Public Administrator	3	3	4	4	4	4	4	4	4	4
Emergency management										
Emergency management	1	1	1	1	1	1	1	1	1	1
Total governmental activities FT Employees	216	214	240	243	259	256	259	259	258	256
Business-type activities:										
Health & welfare										
Emergency medical services	-	-	-	44	44	44	45	45	45	45
Total business-type activities FT Employees	-	-	-	44	44	44	45	45	45	45
Total primary government FT Employees	216	214	240	287	303	300	304	304	303	301

COUNTY OF COLE, MISSOURI
Special Assessment Billings and Collections
Last Ten Fiscal Years 2006 - 2015

<u>Fiscal Year</u>	<u>Special Assessment Billings</u>	<u>Special Assessment Collected</u>
2006	\$ 60,737	\$ 59,602
2007	60,347	58,880
2008	60,347	59,223
2009	60,347	59,981
2010	60,347	59,159
2011	60,347	59,034
2012	60,347	58,904
2013	60,347	58,529
2014	60,347	59,626
2015	\$ 38,000	\$ 36,736

Data Source
Cole County Clerk

COUNTY OF COLE, MISSOURI
General Governmental Expenditures by Function
Last Ten Fiscal Years 2006 - 2015
(amounts expressed in thousands)

Fiscal Year	General Government	Public Safety	Highways Streets & Bridges	Assessment Costs	Judicial	Health & Welfare	Parks & Recreation	Emergency Mgmt	Total
2006	\$ 4,492	\$ 5,742	\$ 8,359	\$ 632	\$ 620	\$ 1,830	\$ 3	\$ 682	\$ 22,360
2007	5,245	6,013	8,208	644	638	1,733	32	303	22,816
2008	4,857	10,176	10,595	541	699	1,651	1	163	28,683
2009	4,487	19,064	8,572	813	716	2,636	1	171	36,460
2010	4,469	22,083	9,254	612	690	2,326	2	123	39,559
2011	5,610	15,445	10,475	640	766	2,264	3	230	35,433
2012	5,129	12,793	8,499	640	841	2,169	3	221	30,295
2013	5,314	12,843	8,995	691	994	2,534	3	207	31,581
2014	6,541	12,510	13,439	665	963	2,426	14	169	36,727
2015	\$ 5,457	\$ 12,737	\$ 9,642	\$ 802	\$ 976	\$ 2,671	\$ 10	\$ 167	\$ 32,462

SINGLE AUDIT REPORTS

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

To the County Commissioners of the
County of Cole, Missouri

We have audited, in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Cole, Missouri (the County), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 7, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Williams Keepers LLC

June 7, 2016

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

To the County Commissioners of the
County of Cole, Missouri

Report on Compliance for Each Major Federal Program

We have audited the County of Cole, Missouri (the County's) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the County's major federal program for the year ended December 31, 2015. The County's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on the Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2015.

Report on Internal Control Over Compliance

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

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

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

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

Williams Keepers LLC

June 7, 2016

COUNTY OF COLE, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2015

	Federal CFDA Number	Pass Through Number	Passed Through to Subrecipients	Expenditures
U.S. Department of Agriculture:				
Passed Through Missouri Department of Health:				
Special Supplemental Food Program for Women, Infants, and Children (WIC)	10.557	ERS04514125	-	\$ 276,893
Special Supplemental Food Program for Women, Infants, and Children (WIC) - BFPC	10.557	ERS04514125	-	16,710
Special Supplemental Food Program for Women, Infants, and Children (WIC) - BF Friendly Clinic	10.557	ERS04514125	-	13,088
Passed Through Missouri Department of Health: Maternal and Child Health Services:				
Passed Through Missouri Department of Health and Senior Services:				
Food and Nutrition Service Kids in Kitchen	10.574	DH160005012	-	808
Child Care Food Program	10.553	820-014	-	6,327
Child Care Food Program	10.555	820-015	-	12,365
State Administrative Expenses for Child Nutrition	10.560	DH150008075	-	<u>12</u>
Total U.S. Department of Agriculture				<u>326,203</u>
U.S. Department of Health and Human Services:				
Passed Through Missouri Department of Social Services:				
Child Support Enforcement	93.563	ER10214C021, ER10214C022	-	317,819
Passed Through Missouri Department of Health: Maternal and Child Health Services				
Public Health Emergency Preparedness	93.069	AOC14380113	-	52,583
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	DH160015005		3,623
Well-Integrated Screening and Evaluation for Women Across the Nation	93.094	ERS16114021	-	1,730
Nursing Consultation to Child Care Facilities	93.575	DH150008075	-	4,010
Local Sanitation Inspections for Child Care Facilities	93.575	ERS220-14022	-	2,940
Cancer Prevention and Control Programs for States	93.752	ERS16114021	-	5,653
Preventive Health & Services Block Grant	93.758	DHI50009004	-	3,643
Medical Assistance Program	93.778	ERS16013003	-	23,242
Maternal and Child Health Program	93.994	DH150008075, AOC15380040	-	<u>32,315</u>
Total U.S. Department of Health and Human Services				<u>447,558</u>
U.S. Department of Justice:				
Direct Program:				
Bulletproof Vest Grant	16.607	N/A	-	10,275
Drug Court Enhancement Grant	16.585	N/A	-	87,723
Passed Through Missouri Department of Public Safety:				
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	2014-DJ-BX-1220	-	8,180
JAG Program - Mustang Task Force	16.738	2014-JAG-001	65,994	103,077

(continued on next page)

COUNTY OF COLE, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
For the Year Ended December 31, 2015

	Federal CFDA Number	Pass Through Number	Passed Through to Subrecipients	Expenditures
COPS Secure Our Schools Grant	16.710	2010-CK-WX-0614	26,754	26,754
Total U.S. Department of Justice				236,009
U.S. Department of Transportation				
Passed Through Missouri Department of Transportation:				
Alcohol Open Container Requirements	20.607	14-154-AL-028, 15-154-AL-080	-	19,949
State and Community Highway Safety	20.600	14-PT-02-026, 15-PT-02-102	-	6,741
Highway Planning and Construction (Safe Routes to School)	20.205	SRTS-INF-H32D(102)	-	250,000
Passed Through Missouri Department of Public Safety:				
Highway Planning and Construction (LEPC - HMEP)	20.703	61456	-	11,655
Total U.S. Department of Transportation				288,345
U.S. Election Assistance Commission:				
Passed Through Missouri Secretary of State's Office:				
Accessible & Second Chance Voting Systems (HAVA)	90.401	2015-2016 HAVA Op	-	1,353
Total U.S. Election Assistance Commission				1,353
Department of Homeland Security:				
Passed Through Missouri Department of Public Safety:				
Emergency Management Assistance	97.042	2015-EP-00043-030	-	42,503
Total Department of Homeland Security				42,503
General Services Administration				
Passed Through Secretary of State's Office Election Division				
Federal Voting Equipment Maintenance and Security Grant	39.011	Not available	-	11,426
Total General Services Administration				11,426
Total Expenditures of Federal Awards			\$ 92,748	\$ 1,353,397

1. BASIS OF PRESENTATION

The schedule of expenditures of federal awards includes only the current year federal grant activity of the County and is presented on the accrual basis of accounting. This information is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Amounts presented in this schedule as expenditures may differ from amounts presented in, or used in the preparation of, the basic financial statements, although such differences are not material.

2. INDIRECT COST RATES

Cole County has elected to use the 10% de minimis indirect cost rate all allowed under the Uniform Guidance.

COUNTY OF COLE, MISSOURI

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2015

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unmodified opinion on whether the financial statements of the County were prepared in accordance with U.S. GAAP.
2. No deficiencies relating to the audit of the financial statements are reported in the "Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*."
3. No instances of noncompliance material to the financial statements of the County, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No deficiencies relating to the audit of the major federal award programs is reported in the "Independent Auditors' Report on Compliance for Each Major Program and Report on Internal Control Over Compliance Required by the Uniform Guidance."
5. The auditors' report on compliance for the major federal award programs for the County expresses an unmodified opinion on the major federal program.
6. No audit findings relative to the major federal award programs for the County, that are required to be reported in accordance with 2 CFR section 200.516(a), are reported in Part C of this Schedule.
7. The programs tested as major programs include:

	<u>Federal CFDA Number</u>
Special Supplemental Food Program for Women, Infants, and Children (WIC)	10.557
Special Supplemental Food Program for Women, Infants, and Children (WIC) - BFPC	10.557
Special Supplemental Food Program for Women, Infants, and Children (WIC) - BF Friendly Clinic	10.557

8. The dollar threshold used to distinguish between Type A and B programs was \$750,000.
9. The County qualified as a low-risk auditee for the year ended December 31, 2015.

B. FINDINGS--FINANCIAL STATEMENT AUDIT

None.

C. FINDINGS AND QUESTIONED COSTS--MAJOR FEDERAL AWARD PROGRAMS AUDIT

None.

COUNTY OF COLE, MISSOURI

**SUMMARY SCHEDULE OF PRIOR YEAR'S AUDIT FINDINGS
For the Year Ended December 31, 2015**

There were no audit findings for the prior year.