

TERM OF COMMISSION: August Session of the July Adjourned Term

PLACE OF MEETING: Roger B. Wilson Boone County Government Center
Chambers

PRESENT WERE: Presiding Commissioner Dan Atwill
District I Commissioner Fred Parry
District II Commissioner Janet Thompson
Auditor June Pitchford
Buyer Robert Wilson
Chief Engineer Jeff McCann
Deputy County Clerk Michelle Thompson

The meeting was called to order at 1:32 p.m.

Proclamation

1. Proclamation Recognizing Dewey M. Riehn, CW2, US Army Retired

Commissioner Atwill read the following proclamation:

Whereas, Dewey M. Riehn spend his adult life serving our Country and its citizens, beginning in 1956, when he enlisted in the U.S. Marine Corps after his graduation from Jackson High School in Jackson, Mo.; and,

Whereas, following Boot Camp, Dewey was assigned to the 3rd Marine Regiment, 3rd Marine in Japan and Okinawa, where he served until his discharge in 1958; and

Whereas, in 1958, Dewey enlisted in the U.S. Army, where he was assigned to the Air Defense Artillery, Nike Missiles and served as Crew Chief in various locations in the United States and Okinawa until 1966; and

Whereas, Dewey was recruited in the U.S. Army Counter Intelligence Corps (CIC) and attended the Special Agent Course in Baltimore, Maryland, after which he served as a Special Agent at various places in the U.S. including Enid, Okla.; St. Louis, Mo.; and Columbia, Mo.; and

Whereas, Dewey also served as the Special Agent in Charge (SAC) of a special operations team in Vietnam from 1968 to 1969, and in Munich, Germany, from 1970 to 1975; and

Whereas, during his years of service in Munich, Germany, Dewey worked toward his Associate Degree, Criminal Justice from University of Maryland, Munich Campus, which he earned in 1973; and

Whereas, Awards and Decorations earned by Dewey included the Bronze Star, Vietnam Service and Campaign with four Bronze Stars, Marine Corps Good Conduct Medal, Army Commendation Medal and the Army Good Conduct Medal; and

Whereas, following his retirement from the U.S. Army in 1976, Dewey became a Special Investigator for the Missouri Department of Social Services, where he worked 24 years in the areas of Fraud and Abuse and specialized in Crimes Against Kids and Child Abuse, until he retired as Special Investigations Administrator in 2000; and

Whereas, Dewey served as the Legislative Chairman, Missouri Department of the VFW; as a member of the National VFW Legislative Committee from 2001 to 2017; and as the Vice Chairman and Chairman of the National Legislative Committee; and

Whereas, Dewey has been honored to serve his fellow veterans by testifying

hundreds of times before legislative committees in Jefferson City on bills pertaining to veterans' issues, lobbying congress in Washington DC on matters concerning veterans, and representing the VFW and MAVO (Missouri Association of Veterans Organizations) at meetings around the state; and

Whereas, Dewey has enjoyed volunteering through various organizations, including service on the Board of Directors of the Missouri State Credit Union for eight years and service as a deacon in every church in which he has been associated since his ordination in 1966; and

Whereas, Dewey's dedication to service and his community has impacted the lives of thousands of children of Boone County through his six years of service on the Boone County Children's Services Board, on which he has served since its inception in 2013; and

Whereas, Dewey and his wife, Virginia (Sides) Riehn, married in 1958 and have five children, four grandchildren and seven great-grandchildren, and are proud to be Americans, yet also enjoy traveling together around the world, experiencing countries like Greece, Turkey, Spain, Egypt and others; and

Whereas, Dewey considers it a privilege to have helped those who could not help themselves and gives praise to God for the abilities and opportunities to share the blessings he has been given.

Therefore, we do hereby recognize the contributions of Dewey M. Riehn, CW2, U.S. Army Retired, to his nation and the citizens of Boone County, and honor him for his dedication to service.

Commissioner Parry moved now on this day, the County Commission of the County of Boone does hereby recognize Dewey M. Riehn, CW2, U.S. Army Retired, for his contributions to his nation and honor him for his dedication to service.

Commissioner Thompson seconded the motion.

The motion carried 3 to 0. **Order #339-2019**

Dewey Riehn thanked the Commission for recognizing him. It is truly overwhelming. His six years of service with Community Services was such an experience and he enjoyed working with everyone.

Les Wagner said the pleasure was all theirs to be able to work with him. Riehn displayed such character and commitment to everything and seemed to have insight that would shift gears on things in a good way. He has such amazing devotion and creativity to make a better world for people.

Auditor

2. Presentation of Fiscal Year 2018 Financial Audit Report and Single Audit Reports

Ted Williamson and Brandy Lawyer from Rubin Brown, the outside audit team, presented the 2018 Financial Audit Report via booklet handout. That handout is included at the end of these minutes.

June Pitchford said that the whole team really carried the weight on this. Caryn and Jason showed remarkable leadership.

Commissioner Atwill says the County relies on the Auditor for nearly everything that is done, and they truly appreciate all the hard work the office does.

Purchasing

3. First Reading; Purchase Agreement: 55-06AUG19C – DocuSign Enterprise Pro

Robert Wilson read the following memo:

Attached for signature is contract # 55-06AUG19C for DocuSign Enterprise Pro. These are the licenses that allow Purchasing to route contracts through DocuSign for electronic signature.

Total cost of agreement is \$3,202.50 and will be paid from department 1170 - Information Technology, account 70100 - Software Subscriptions. \$3,500 was budgeted.

There were no comments or questions from the Commission.

Commission Atwill stated this is a first reading and requested the Deputy County Clerk to schedule this item for a second reading at the next available commission meeting with appropriate order for approval.

4. First Reading; Bid Award: 43-23JUL19 – Juror Hotel Accommodation Service – Term & Supply

Robert Wilson read the following memo:

43-23JUL19- Juror Hotel Accommodation Services – Term & Supply opened on July 23, 2019. Two (2) bids were received. Purchasing recommends a multi-vendor award. The department will order based on the lowest price and room availability from the two (2) awarded vendors.

KCP Hospitality Inc. DBA Hilton Garden Inn
Executive Hotel Management Inc. DBA Holiday Inn Executive Center

This is a term and supply contract and will be paid from department 1230 – Jury Services & Court Costs, account 84000 – Food/Lodging Juries

There were no comments or questions from the Commission.

Commissioner Atwill stated this is a first reading and requested the Deputy County Clerk to schedule this item for a second reading at the next available commission meeting with appropriate order for approval.

5. Second Reading; Bid Award: 44-18JUL19 – First Christian Church Parking Lot Mill & Overlay (1st read 8-13-19)

Commissioner Thompson moved now on this day, the County Commission of the County of Boone does hereby award bid 44-18JUL19 – First Christian Church Parking Lot Mill & Overlay to Capital Paving & Construction LLC.

Terms of the award are stipulated in the attached Contract Agreement. It is further ordered the Presiding Commissioner is hereby authorized to sign said Contract Agreement.

Commissioner Parry seconded the motion.

The motion carried 3 to 0. **Order #340-2019**

6. Second Reading; Surplus Disposal (1st read 8-13-19)

Commissioner Parry moved now on this day, the County Commission of the County of

Boone does hereby approve the request by the Purchasing Department to dispose of the following list of surplus equipment by auction on GovDeals or by destruction for whatever is not suitable for auction.

It is further ordered the Presiding Commissioner is hereby authorized to sign said Request for Disposal Forms.

Commissioner Thompson seconded the motion.

The motion carried 3 to 0. **Order #341-2019**

7. Second Reading; Surplus Disposal: Sheriff Equipment (1st read 8-13-19)

Commissioner Thompson moved now on this day, the County Commission of the County of Boone does hereby approve the request by the Purchasing Department to dispose of the following list of surplus Sheriff Equipment by auction on GovDeals or by destruction for whatever is not suitable for auction.

It is further ordered the Presiding Commissioner is hereby authorized to sign said Request for Disposal Forms.

Commissioner Parry seconded the motion.

The motion carried 3 to 0. **Order #342-2019**

Resource Management

8. First Reading; Missouri Highways and Transportation Commission Off-System Bridge Program Agreement: Hartsburg Bottom Road Bridge Project

Jeff McCann explained this agreement is the standard agreement provided by MoDOT to

use the Off-System Bridge Program to replace a bridge that is on an eligibility list that is determined by MoDOT and the Federal Highway Administration. Signing this agreement lets the progress move forward to replace the bridge following the program protocol. So, this agreement is the first step in the process. Then, the County has 23 months to get a construction contract signed, go through design, and hire a contractor to replace the bridge. This is for the Hartsburg Bottom Road Bridge over Hart Creek. The bridge that is currently there was constructed in 1930 and is a steel truss bridge that is now limited to a 10-ton weight limit and is frequently flooded. That is why it is on the eligibility list for full funding for replacement. It is expected to have enough BRO fund balance and the 20 percent local match would come from the soft match credit that is associated with the BRO program. This should all equal a no or extremely low cost for the project.

There were no comments or questions from the Commission.

Commissioner Atwill stated this is a first reading and requested the Deputy County Clerk to schedule this item for a second reading at the next available commission meeting with appropriate order for approval.

9. Second Reading; Approve a Cost Apportionment Agreement with MoDOT for the I-70 Bridge Replacement near Rocheport (1st read 8-13-19)

Commissioner Thompson moved now on this day, the County Commission of the County of Boone does hereby approve the Cost Apportionment Agreement with the Missouri Highways and Transportation Commission (MoDOT) regarding the Interstate 70 (I-70) Bridge Replacement project near Rocheport.

The Commission requests that the County Auditor in her capacity as Budget Officer, include an appropriation from the Road & Bridge Fund of Two Million Dollars (\$2,000,000) in the FY2020 Budget to provide the payment to MoDOT as contemplated in the attached agreement.

Terms of the agreement are stipulated in the attached Agreement. It is further ordered Boone County Commissioners are hereby authorized to sign said Agreement.

Commissioner Parry seconded the motion.

The motion carried 3 to 0. **Order #343-2019**

Commission

10. First & Second Reading; Application for Organizational Use of Boone County Conference Rooms: Missouri Women’s Political Caucus

Commissioner Parry moved now on this day, the County Commission of the County of Boone does hereby approve the Organizational Use of the Boone County Government Center Chambers by Missouri Women’s Political Caucus on October 20, 2019 from 11:00 am to 3:00 pm.

Commissioner Thompson seconded the motion.

The motion carried 3 to 0. **Order #344-2019**

11. First & Second Reading; Board Re-Appointment: Bill Lloyd, Planning & Zoning Commission

Commissioner Thompson moved now on this day, the County Commission of the County of Boone does hereby re-appoint the following:

Name	Board	Period
Bill Lloyd	Planning & Zoning Commission	September 1, 2019 thru August 31, 2023

Commissioner Parry seconded the motion.

The motion carried 3 to 0. **Order #345-2019**

12. Public Comment

None

13. Commission Reports


Commissioner Thompson said this morning she attended and was an usher for the celebration of life for Bill Berry, who was a prominent member of the community. He was a local historian, a long-term member of Calvary Episcopal Church, and an integral part of so many aspects of the community. He was born in 1933 and that the church was filled to capacity says volumes about the people's lives that he touched.

Commissioner Parry said this morning they were able to meet with the Road & Bridge folks and some of the farmers down in the river bottoms on Harold Cunningham Road and Rippetto Road. The staff has done an incredible job at getting those roads reopened. The mammoth amount of work that needed to be done was substantial, but the Road & Bridge Department has been able to partner with a lot of the famers down there and have done the work together.

Commissioner Atwill said he agreed. The farmers have contributed very significantly to the effort. Right after the flood the road at the end of the bridge over Bonne Femme Creek had a hole that was a big as at least half a football field and probably 40 feet deep. That has been completely filled by the farmers with very limited support from Road & Bridge.

The meeting adjourned at 2:06 p.m.

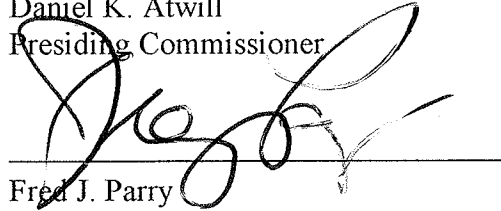
Attest:



Brianna L. Lennon
Clerk of the County Commission



Daniel K. Atwill
Presiding Commissioner

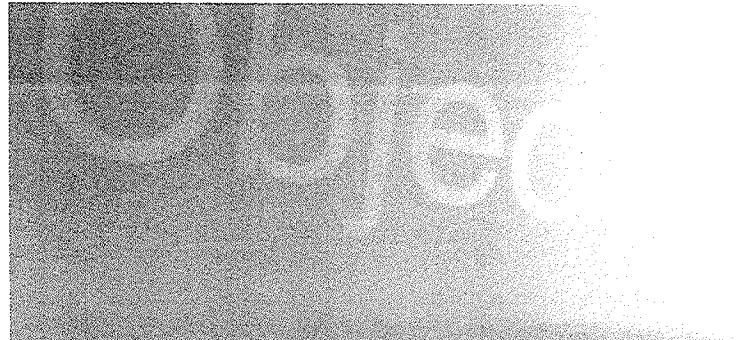
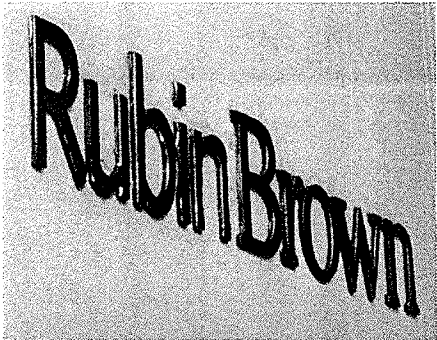


Fred J. Parry
District I Commissioner



Janet M. Thompson
District II Commissioner

Boone County, Missouri



...ives

Presentation On Results Of The Annual Audit



for the year ended
December 31, 2018

The County Commissioners
Boone County, Missouri

We are pleased to have the opportunity to present to you the results of our audit engagement of Boone County, Missouri for the year ended December 31, 2018. The accompanying report presents information regarding the scope of our audit and other matters, which summarizes the results of our audit engagement.

We thank you for the opportunity to be of continued service to the County. We have received excellent cooperation and assistance from both management and staff with respect to access to records, supporting documentation and responses to inquiries. No limitations were placed upon our ability to perform the audit.

RubinBrown LLP

June 28, 2019



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Engagement Team

Boone County, Missouri

Ted Williamson
Engagement Partner

Brandi Lawyer
Engagement Manager

Steven Hays
Engagement In-Charge

Sam Meara, Andy Riek, Mat Kuehnle
Engagement Staff

Auditor Communications

Boone County, Missouri

County Commissioners
Boone County, Missouri

We have audited the basic financial statements of Boone County, Missouri (the County) for the year ended December 31, 2018. Our audit was performed in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Auditor Requirements for Federal Awards* (Uniform Guidance). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement and presented in accordance with accounting principles generally accepted in the United States of America and the County complied, in all material respects, with the applicable compliance requirements of its major federal program. Our audit involved performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. We also evaluated the appropriateness of accounting policies used by the County and the reasonableness of significant accounting estimates made by the County's management, as well as evaluated the overall presentation of the financial statements.

Auditing standards require the auditor to ensure that those charged with corporate governance receive additional information regarding the scope and results of the audit that may assist the governing body in overseeing the financial reporting and disclosure process for which management is responsible. The following section describes matters which are required to be reported to you.

This information is intended solely for the use of the County Commissioners, elected officials and management and is not intended to be and should not be used by anyone other than these specified parties.

RubinBrown LLP

June 28, 2019

For County Commissioners, Elected Officials And
Management Use Only

Auditor Communications (Continued)

Boone County, Missouri

AREA

COMMENTS

Auditors' Responsibility Under U.S. Generally Accepted Auditing Standards and Scope of Services

Our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with our assistance are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and the County complied, in all material respects, with the applicable compliance requirements of its major federal programs. Our audit of the financial statements does not relieve you or management of responsibility for the accuracy of the financial statements.

Professional standards also require that we obtain an understanding of the County's internal control. However, such understanding is required for the purpose of assessing the risks of material misstatement of the financial statements and to design the nature, timing, and extent of our audit procedures and not to provide any assurance concerning such internal control. Accordingly, we express no such assurance.

Other Information In Documents Containing Audited Financial Statements

We have issued:

- An unmodified opinion on the County's financial statements for the year ended December 31, 2018.
- A report on compliance and on internal control over financial reporting based on an audit of the financial statements in accordance with *Government Auditing Standards*.
- An unmodified opinion on compliance and a report on internal controls over federal financial assistance in accordance with Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*.
- Report to the Governing Body.

To our knowledge, the 2018 audited financial statements are not included in any other document.

Auditor Communications (Continued)

Boone County, Missouri

AREA	COMMENTS
<p>Planned Scope And Timing Of The Audit</p>	<p>We performed the audit as stated in our engagement letter dated January 25, 2019 regarding the nature, timing and extent of our audit procedures.</p>
<p>Qualitative Aspects Of Accounting Practices Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about appropriateness of accounting policies and their application.</p>	<ul style="list-style-type: none"> ■ Significant accounting policies are described in Note 1. ■ During 2018, the County implemented GASB Statement No. 75, <i>Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions</i>. ■ Aside from this, no new accounting policies were adopted and the application of existing policies was not changed. ■ We noted no transactions entered into during the year for which there was a lack of authoritative guidance or consensus. ■ No significant transactions have been recognized in a different period than when the transactions occurred.

Auditor Communications (Continued)

AREA

Management Judgments And Accounting Estimates

The preparation of the financial statements requires the use of accounting estimates. Certain estimates are particularly sensitive due to their significance to the financial statements and the possibility that future events may differ significantly from management's expectations.

We evaluated the key factors and assumptions used to develop the estimates noted at right in determining that these amounts are reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

The disclosures are neutral, consistent and clear. Certain disclosures are particularly sensitive because of their significance to the financial statements' users.

COMMENTS

- Depreciation and useful lives of capital assets
- Fair value of investments
- Estimated property taxes collectible
- Period of availability for revenue recognition purposes
- Actuarial assumptions utilized in the calculation of pension and other post-employment benefit liabilities and related accounts
- Estimated liability for payment of incurred (both reported and unreported) but unpaid insurance claims

The most sensitive disclosures affecting the financial statements are:

- Note 2 - Cash and investments
- Note 7 - Capital assets
- Note 8 - Long-term liabilities
- Note 10 - Employee benefit plans
- Note 11 - Other postemployment benefit plan
- Note 13 - Risk management

Auditor Communications (Continued)

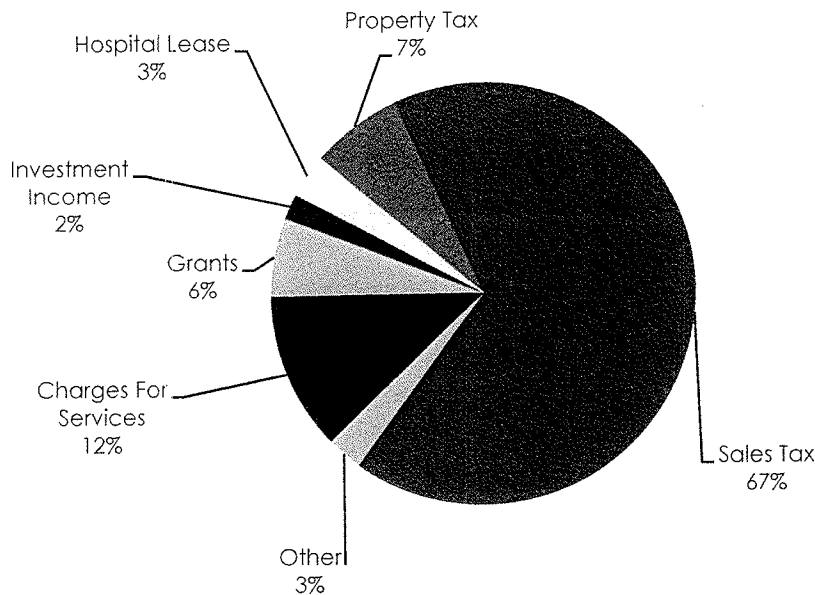
Boone County, Missouri

AREA	COMMENTS
<p>Corrected And Uncorrected Misstatements Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.</p>	<p>We identified no corrected or uncorrected misstatements during the audit.</p>
<p>Difficulties Encountered In Performing The Audit</p>	<p>There were no difficulties encountered in dealing with management related to the performance of the audit.</p>
<p>Disagreements With Management</p>	<p>None</p>
<p>Management Representations</p>	<p>Management representation letter dated June 28, 2019. A copy is included as an exhibit.</p>
<p>Management Consultations With Other Independent Accountants</p>	<p>In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to an entity's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.</p>
<p>Other Audit Findings Or Issues</p>	<p>There were no matters of significant discussion that affected our retention as the County's auditors.</p>

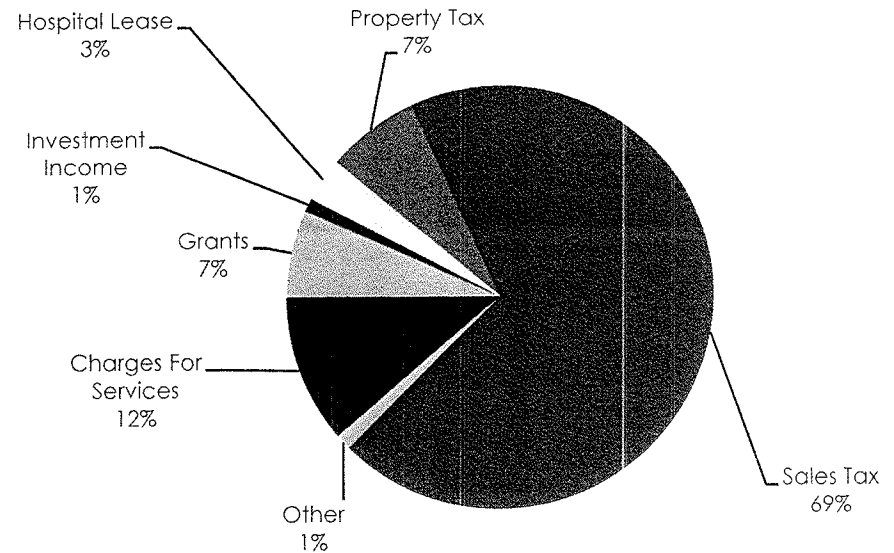
Government-Wide Revenues

Boone County, Missouri

2018 = \$74,616,453



2017 = \$72,565,973

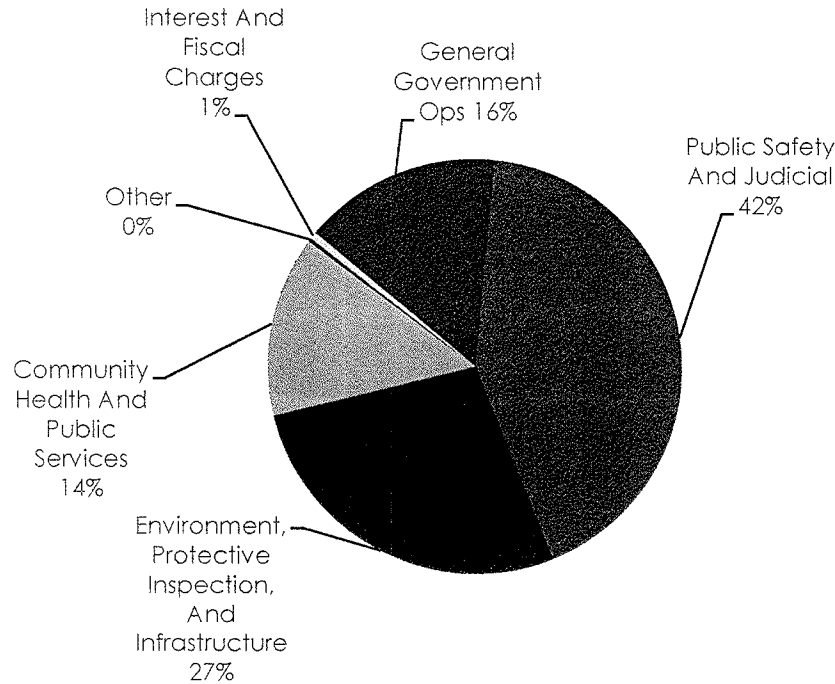


NOTE: Total revenue on a government-wide basis was \$74.6 million, an increase of \$2.1 million over the previous fiscal year. The increase is despite a decrease in sales tax revenue, which declined approximately 2.0% during 2018. The decline in sales tax revenue has continued over the past few years and is related to the associated increase in untaxed e-commerce. In addition, Capital Grants and Contributions, Charges for Services, Investment income increased \$1.37M, \$755K and \$738k, respectively, during 2018. Other revenue sources that increased during 2018 included property taxes and hospital leases.

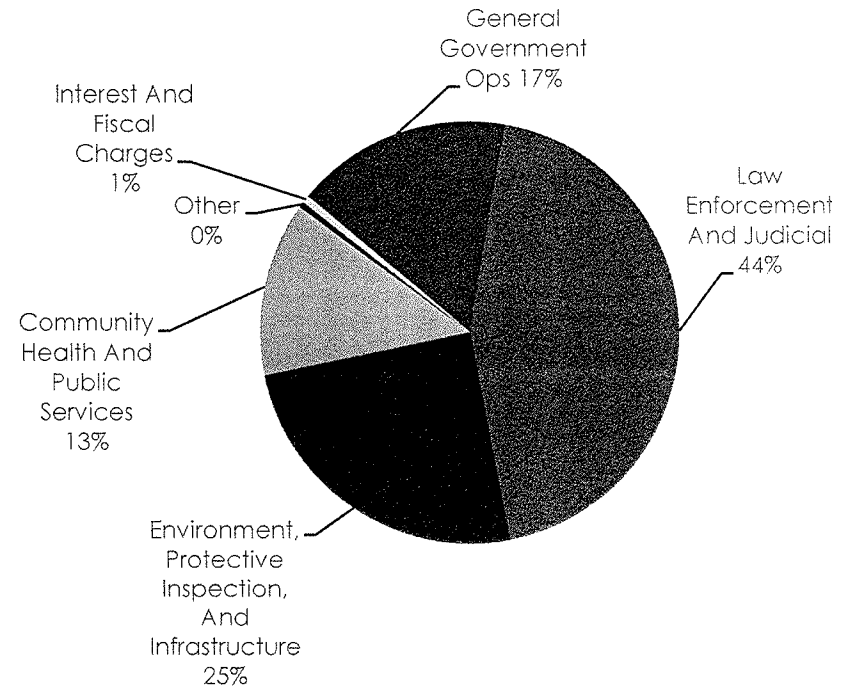
Government-Wide Expenses

Boone County, Missouri

2018 = \$70,282,867



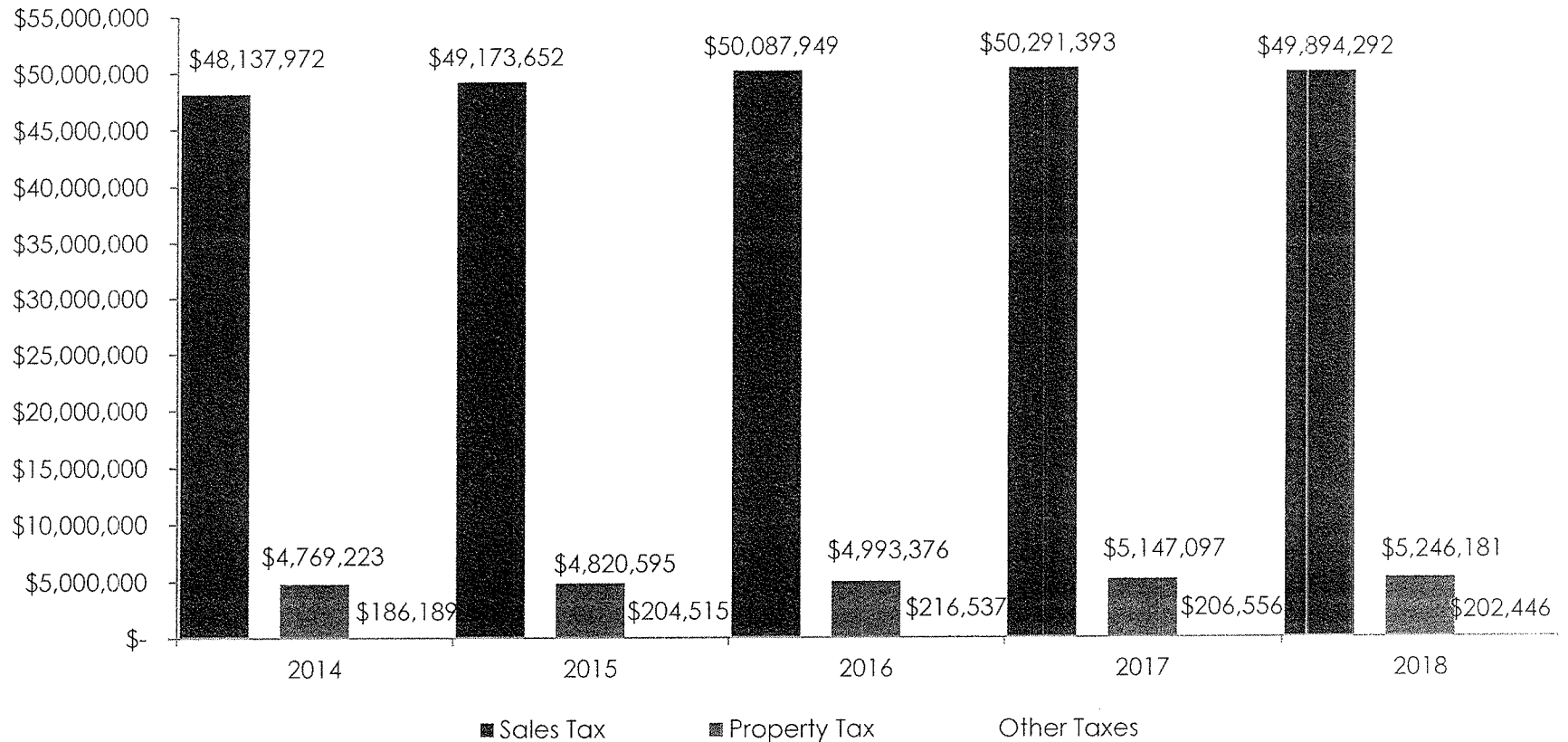
2017 = \$65,420,628



NOTE: The total cost of all programs and services was \$70.3 million, an increase of approximately \$4.9 million. This increase is primarily attributable to increased Environment, Protective Inspection, and Infrastructure spending which experienced an increase of approximately \$3 million and included a significant grant-funded project (Route Z infrastructure improvements). Community Children's Services activities and 911 and Emergency Management activities also increased; these are two new service areas funded by sales tax levies approved by voters.

Tax Revenues

Boone County, Missouri



NOTE: Locally-enacted sales tax is the County's single largest operating revenue. Expected annual growth in local sales tax has flattened. The on-going erosion of this tax base is the result of growth in untaxed e-commerce.

Independent Auditors' Report On Additional Information

Boone County, Missouri

The County Commissioners
Boone County, Missouri

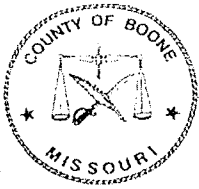
Our report, dated June 28, 2019, on our audit of the basic financial statements of Boone County, Missouri for the year ended December 31, 2018 appears in the financial statements of the County. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Boone County, Missouri's basic financial statements. The additional information presented on the preceding pages is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

RubinBrown LLP

June 28, 2019

Exhibit

Management Representation Letter



BOONE COUNTY AUDITOR

JUNE E. PITCHFORD, CPA

BOONE COUNTY GOVERNMENT CENTER

801 East Walnut, Room 304 • Columbia, MO 65201-7729 • (573) 886-4275 OFFICE • (573) 886-4280 FAX

June 28, 2019

RubinBrown LLP
One North Brentwood Boulevard
Saint Louis, Missouri 63105

We are providing this letter in connection with your audit of the financial statements of Boone County, Missouri as of December 31, 2018 and for the year then ended for the purpose of expressing opinions as to whether the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Boone County, Missouri and the respective changes in financial position and, where applicable, cash flows thereof in conformity with U.S. generally accepted accounting principles. We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with U.S. generally accepted accounting principles.

We understand we are responsible for management decisions and functions, for designating a qualified employee to oversee any nonattest services you provide, for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

We confirm, to the best of our knowledge and belief the following representations made to you during your audit.

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter.
2. The financial statements referred to above are fairly presented in conformity with U.S. generally accepted accounting principles and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates are reasonable.
6. Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
7. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed. No events, including instances of noncompliance, have occurred subsequent to the balance sheet date and

- through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements or in the schedule of findings and questioned costs.
8. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
 9. Guarantees, whether written or oral, under which the county commission is contingently liable, if any, have been properly recorded or disclosed.
 10. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of the County Commission or summaries of actions of recent meetings for which minutes have not yet been prepared.
 11. All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal awards.
 12. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
 13. We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
 14. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity's financial statements communicated by employees, former employees, regulators, or others.
 15. We have disclosed to you all known instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
 16. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
 17. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
 18. We have made available to you all financial records and related data and all audit or relevant monitoring reports, if any, received from funding sources.
 19. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
 20. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
 21. The County Commission has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
 22. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit

objectives, including legal and contractual provisions for reporting specific activities in separate funds.

23. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
24. As part of your audit, you assisted with preparation of the financial statements and related notes, the Schedule of Expenditures of Federal Awards and the auditee section of the Data Collection Form. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have made all management decisions and performed all management functions. We have reviewed, approved, and accepted responsibility for those financial statements and related notes, the Schedule of Expenditures of Federal Awards and the auditee section of the Data Collection Form.
25. The County Commission has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
26. The County Commission has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
27. We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
28. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
29. The financial statements properly classify all funds and activities.
30. All funds that meet the quantitative criteria in GASB Statement Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
31. Components of net position (net investment in capital assets; restricted; and unrestricted) and equity amounts are properly classified and, if applicable, approved.
32. Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
33. Provisions for uncollectible receivables have been properly identified and recorded.
34. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
35. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
36. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
37. Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
38. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
39. We have appropriately disclosed the County Commission's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available and have determined that net assets were properly recognized under the policy.
40. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of

measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

41. With respect to the supplementary information included in the comprehensive annual financial report and the Schedule of Expenditures of Federal Awards (supplementary information):

- a. We acknowledge our responsibility for presenting the supplementary information in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
- b. If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

42. With respect to federal award programs:

- a. We are responsible for understanding and complying with and have complied with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), including requirements relating to preparation of the schedule of expenditures of federal awards.
- b. We acknowledge our responsibility for presenting the schedule of expenditures of federal awards (SEFA) in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.
- c. If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditor's report thereon.
- d. We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance and included in the SEFA made during the audit period for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
- e. We are responsible for understanding and complying with, and have complied with, the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of our federal programs and have identified and disclosed to you the requirements of laws, regulations, and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each major program.
- f. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance requirements applicable to federal programs that provides reasonable assurance that we are managing our

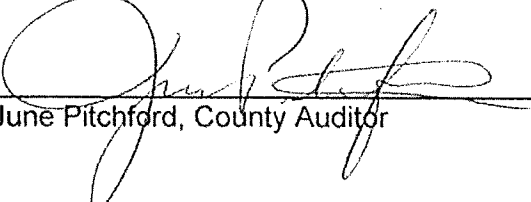
federal awards in compliance with laws, regulations, and the provisions of contracts and grant agreements that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.

- g. We have made available to you all contracts and grant agreements (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.
- h. We have received no requests from a federal agency to audit one or more specific programs as a major program.
- i. We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the Compliance Supplement, relating to federal awards and have identified and disclosed to you all amounts questioned and all known noncompliance with the requirements of federal awards.
- j. We have disclosed any communications from grantors and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
- k. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- l. Amounts claimed or used for matching were determined in accordance with relevant guidelines in the Uniform Guidance.
- m. We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- n. We have made available to you all documentation related to compliance with the direct material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- o. We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- p. There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
- q. No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies in internal control over compliance (including material weaknesses in internal control over compliance), have occurred subsequent to the date as of which compliance was audited.
- r. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- s. The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- t. We have monitored subrecipients to determine that they have expended pass-through assistance in accordance with applicable laws and regulations and have met the requirements of the Uniform Guidance.

- u. We have taken appropriate action, including issuing management decisions, on a timely basis after receipt of subrecipients' auditor's reports that identified noncompliance with laws, regulations, or the provisions of contracts or grant agreements and have ensured that subrecipients have taken the appropriate and timely corrective action on findings.
- v. We have considered the results of subrecipient audits and have made any necessary adjustments to our books and records.
- w. We have charged costs to federal awards in accordance with applicable cost principles.
- x. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- y. We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.



Dan Atwill, Presiding Commissioner



June Pitchford, County Auditor