

# **CLAY COUNTY, MISSOURI**



## **BASIC FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
December 31, 2015**

**Prepared by Clay County  
Finance Department**



**CLAY COUNTY, MISSOURI**  
**BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**  
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## Independent Auditor's Report

To the Honorable County Commissioners  
Clay County, Missouri  
Liberty, Missouri

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Clay County, 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 table of contents.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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.

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

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Clay County, 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 accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As explained in Note 13 to the basic financial statements, the County adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, which restated beginning net position of the governmental activities to record a net pension asset, net pension liability, and deferred outflows of resources. Our opinions are not modified with respect to this matter.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 11, budgetary comparison schedules on pages 68 through 72, the OPEB schedule of funding progress on page 73 and the pension information on pages 74 through 77 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 auditing standards generally accepted in the United States of America, 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 Clay County, Missouri's basic financial statements. The combining and individual nonmajor fund financial statements and other schedules, listed in the table of contents as supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

***RSM US LLP***

Kansas City, Missouri  
June 30, 2016

**CLAY COUNTY, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

Our discussion and analysis of Clay County, Missouri financial performance provides an overview of the County's financial activities for the fiscal year ended December 31, 2015. Please read it in conjunction with the County's letter of transmittal and the financial statements which are included in this report.

**FINANCIAL HIGHLIGHTS**

- The County implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, which restated governmental activities net position as of December 31, 2014 from \$97,170,266 to \$105,711,109 to record a net pension asset, net pension liability, and deferred outflows of resources.
- Net position increased to \$112,020,127 in FY15 from the restated FY14 net position of \$105,711,109.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$41.0 million, an increase of \$4.3 million over the previous year.
- Revenues from governmental activities remained approximately the same at \$63.8 million in 2014 and 2015.
- Clay County's total debt decreased from \$7.1 million to \$6.5 million or 10% for FY15.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of four parts: management discussion and analysis (this section), the basic financial statements, required supplementary information, and additional supplementary information. The basic financial statements include two kinds of financial statements that present different views of the County and the notes to the basic financial statements.

**Government-Wide Financial Statements:**

The government-wide financial statements are designed to provide readers with broad information about the County's finances, similar to those used by private-sector companies. The two government-wide statements, Statement of Net position and Statement of Activities report the County's net position and how they have changed. The Statement of Net Position presents information on all of the County's assets, deferred outflows/inflows of resources and liabilities, with the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources reported as net position. Increases and decreases in net position may serve as a useful indicator of whether or not the financial position of the County is improving or deteriorating.

## CLAY COUNTY, MISSOURI

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### Management's Discussion and Analysis (Continued)

The Statement of Net Position also provides information on the County's net investment in capital assets, restricted net position and unrestricted net position.

The Statement of Activities presents information on how the County's net position changed during the year. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of the timing of related cash flows.

The Statement of Activities presents the various functions of the County and the degree to which they are supported by charges for services, operating and capital grants and contributions, tax revenues and investment income.

The governmental activities of the County include general government, public safety and judicial, highways and traffic, health and welfare, parks and recreation, property, valuation, and recording, facilities repair and maintenance, and interest on long-term debt.

### **Fund Financial Statements:**

The fund financial statements provide information about grouping of related accounts that are used to maintain control over resources for specific activities or objectives. The County uses fund accounting to demonstrate compliance with finance-related legal requirements. The fund financial statements provide more detailed information about the County's most significant funds. The funds of the County can be divided into the following three categories: governmental funds, proprietary funds and fiduciary funds.

**Governmental Funds:** Governmental funds are used to account for essentially the same functions as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the reader may better understand the long-term impact of the government's near-term financing decisions. Both the Governmental Fund balance sheet and the Governmental Fund Statement of Revenues, Expenditures and Changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.



## **CLAY COUNTY, MISSOURI**

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### Management's Discussion and Analysis (Continued)

The County maintains multiple individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances, for the General, Road & Bridge, Reassessment, Law Enforcement Tax, and Debt Service fund, all of which are considered to be major funds. Data from the other nonmajor governmental funds are combined into a single, aggregate presentation. Individual fund data for these nonmajor funds is provided in the form of combining statements elsewhere in the report.

Proprietary funds are generally used to account for supplies or services which the County charges customers. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. The County uses an Internal Service Fund to report activities that account for its self-insured health care. Because these services predominantly benefit governmental rather than business-type functions, they have been included with governmental activities in the government-wide financial statements. The internal service fund is combined into a single, aggregated presentation in the proprietary fund financial statements.

The County is a trustee, custodian, or agent for individuals, for other governmental units, or for private organizations. The operations of agency funds are generally governed by statutes, or other legal requirements, which regulate the receipt and disbursement of resources. The County's agency funds are reported as fiduciary funds. Since the resources of these funds are not available to support the County's own programs, they are not reflected in the government-wide financial statements.

#### **Notes to the Financial Statements:**

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements. The notes to basic financial statements can be found on pages of this report.

#### **Required Supplementary Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that includes budgetary presentations and schedules of funding progress for postemployment benefits and other pension information. Budgetary comparison schedules have been provided for the general and major special revenue funds to demonstrate compliance with their respective budgets.

#### **Additional Supplementary Information**

This section includes combining statements and budgetary comparison schedules for certain budgeted nonmajor funds. The combining statements provide fund level detail for all nonmajor governmental funds and agency Funds.

## CLAY COUNTY, MISSOURI

Management's Discussion and Analysis (Continued)

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The County's combined net position for FY15 is \$112,020,127 an increase from FY14's restated net position of \$105,711,109. At the end of 2015, the County had positive balances in all categories of the primary government's net position.

The largest category of the County's net position reflects its investment of \$63.8 million in capital assets (e.g. land, infrastructure, buildings, machinery and equipment), net of any related outstanding debt used to acquire those assets. This category was approximately 57% of net position in 2015. The County uses these capital assets to provide services to citizens; consequently these assets are not available for future spending. Although the County's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the assets themselves cannot be used to liquidate these liabilities.

The second largest category of the County's net position of \$34.3 million (31%) represents resources that can be used at the County's discretion.

The remaining category of the County's net position of \$13.9 million represents resources that are subject to external restriction on how they may be used. External restrictions include those imposed by grantors, contributors, laws/regulations of other governments, or restrictions imposed by law through constitutional provisions or legislation.

#### Condensed Statement of Net Position-Governmental Activities (in millions)

	2015 (as restated)	2014 (not restated)	Change
Current and other assets	\$ 66.4	\$ 43.9	\$ 22.5
Capital assets, net	70.2	70.2	0.0
Total assets	136.6	114.1	22.5
Deferred outflows of resources	7.5	0.7	6.8
Current liabilities	8.2	8.2	(0.0)
Long-term liabilities	16.3	8.8	7.5
Total liabilities	24.5	17.0	7.5
Deferred inflows of resources	7.6	0.6	7.0
Net investment in capital assets	63.8	63.1	0.7
Restricted	13.9	14.9	(1.0)
Unrestricted	34.3	19.2	15.1
Total net position	\$ 112.0	\$ 97.2	\$ 14.8

## CLAY COUNTY, MISSOURI

Management's Discussion and Analysis (Continued)

### Changes in Net Position

Revenues for governmental activities totaled \$63.8 million while expenses equaled \$57.4 million, resulting in an increase in net position of \$6.3 million for the year ended December 31, 2015. Two revenue sources, namely (a) taxes and (b) charges for services, accounted for most revenues or 89%. The remainder came from grants, investments and other miscellaneous sources.

#### Changes in Net Position-Governmental Activities (in millions)

	2015 (as restated)	2014 (not restated)	Change
<b>REVENUES</b>			
Program Revenues			
Charges for Services	\$ 15.9	\$ 15.6	\$ 0.3
Operating grants and contributions	5.6	5.0	0.6
Capital grants and contributions	0.0	1.0	(1.0)
General revenues:			
Taxes	40.9	40.7	0.2
Investment income	0.5	0.5	(0.0)
Miscellaneous	0.9	1.0	(0.1)
<b>Total revenues</b>	<b>63.8</b>	<b>63.8</b>	<b>(0.0)</b>
<b>EXPENSES</b>			
General government	12.2	12.9	(0.7)
Public safety and judicial	24.6	23.5	1.1
Highways and traffic	9.7	9.8	(0.1)
Health and welfare	0.4	0.4	(0.0)
Parks and recreation	4.2	4.9	(0.7)
Property, valuation and recording	6.1	4.4	1.7
Capital outlay	-	0.7	(0.7)
Interest on long-term debt	0.3	0.3	(0.0)
<b>Total expenses</b>	<b>57.4</b>	<b>56.9</b>	<b>0.5</b>
Change in net position	6.3	6.9	(0.6)
Net position, beginning of year	105.7	90.3	15.4
Net position, end of year	\$ 112.0	\$ 97.2	\$ 14.8

## CLAY COUNTY, MISSOURI

Management's Discussion and Analysis (Continued)

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### FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

#### Governmental Funds

The focus of the County's funds is to provide information on near term inflows, outflows, and balances of available expendable resources. Such information is used in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At the end of 2015, total governmental funds reported combined ending fund balances of \$41.0 million.

Unassigned fund balance represents approximately \$23.8 million of the total fund balance at December 31, 2015 and is available for spending at the County's discretion. Restricted fund balance represents approximately \$13.9 million and is restricted for a specific purpose through contract, law or regulation and cannot be used for any other purpose. Prepaids are considered non-spendable and represent approximately \$0.2 million. The remainder of fund balance is committed by County Commission actions into several types of commitments, of which, the significant commitments are as follows: \$1.6 million for TIF reserve and judicial and other major items, \$1.1 million for capital reserve.

#### *General Fund*

The General Fund is the chief operating fund of the County. At the end of 2015, total fund balance of the General Fund was \$27.0 million, while the total governmental fund balance was \$41.0 million. As a measure of the General funds liquidity, it may be useful to compare both unassigned and total fund balance to total fund expenditures. In 2015, unassigned fund balance represents 100% of General Fund expenditures, while General Fund total fund balance represents 113% of General Fund expenditures.

#### *Other Major Funds*

Changes in fund balances for other major governmental funds can be described as follows:

-The Road & Bridge fund balance increased from \$418 thousand in FY14 to \$601 thousand in FY15 due to revenue increases from taxes and charges for services.

-The Law Enforcement Tax Fund's fund balance decreased \$0.4 million from \$3.2 million in 2014 to \$2.8 million in 2015. For the year, the law enforcement expenditures exceeded the sum of law enforcement revenues and allocated funds from the general fund for law enforcement purposes.

## CLAY COUNTY, MISSOURI

### Management's Discussion and Analysis (Continued)

-The Reassessment fund increased by \$0.3 million in FY15 due to efforts to reduce costs due to decreases in reimbursements from the state.

-The Debt Service Fund is primarily supported from transfers in from other funds. Expenditures reflect the agreed upon repayment schedule as well as changes due to the advanced refunding of bonds. The fund balance remained consistent for FY15.

### BUDGETARY ANALYSIS OF THE COUNTY'S GENERAL FUND

Final results for any given year will generally differ from that year's adopted budget. The final expenditures budget of the County's General Fund for 2015 was \$33.4 million, which differs from the FY15 original budget of \$29.7 million.

The final revenues budget of the County's General Fund for 2015 was \$35.5 million, which differs from the original budget of \$34.3 million by approximately \$1.2 million which is primarily due to increases in sales and use taxes.

Before transfers, the General Fund ended the year with revenues exceeding expenditures by \$4.8 million.

### CAPITAL ASSETS AND DEBT ADMINISTRATION

As of December 31, 2015 the County invested, net of accumulated depreciation, \$70.2 million in a broad range of capital assets, including land and buildings, furniture and equipment, vehicles, infrastructure, and other improvements. This amount represents a slight decrease from last year due to the net effect of less improvements and current year depreciation.

#### Capital Assets (in millions)

Category	2015	2014	Change
Land and land improvements	\$ 18.0	\$ 17.8	\$ 0.2
Buildings and building improvements	56.2	55.8	0.4
Furniture and equipments	15.9	15.9	0.0
Vehicles	7.1	8.2	(1.1)
Infrastructure	49.3	48.6	0.7
Construction in Progress	2.4	1.5	0.9
Accumulated depreciation	(78.6)	(77.6)	(1.0)
Capital assets, net	\$ 70.2	\$ 70.2	\$ 0.0

## CLAY COUNTY, MISSOURI

### Management's Discussion and Analysis (Continued)

For government-wide financial presentation, all depreciable assets were depreciated from acquisition date to the end of the year. Governmental fund financial statements record capital asset purchases as expenditures. Additional information on the County's capital assets can be found in Note 5 to the financial statements.

### Long-Term Debt

As of December 31, 2015 the County had \$18.5 million in revenue bonds and other outstanding long-term debt obligations, including a long-term obligation on park property at Smithville Lake and capital leases. More detailed information about long-term liabilities is presented in Note 7 to the financial statements.

#### Outstanding Long-term Obligations (in millions)

<b>Category</b>	<b>2015</b>
Compensated absences	\$ 2.9
Obligations under agreement with the US Government	3.7
Certificates of participation	0.5
PBA leasehold revenue bonds	1.9
Capital lease obligation	0.3
Other long-term obligations	9.1
Total	<u>\$ 18.5</u>

During 2015, the County paid down debt by retiring \$0.6 million in outstanding long-term obligations through principal payments.

### OTHER FACTORS BEARING ON THE FUTURE OF CLAY COUNTY

The annual budget is developed to provide efficient, effective and controlled uses of County Resources as a means to accomplish the highest priority objectives.

Clay County will collect two property tax levies in 2016: an 8.3-cent General Fund Levy and an 8-cent Road and Bridge Levy. The General Fund Levy reduced this year to \$0.0839/\$100 of assessed valuation due to the required sales tax rollback approved by voters in 1979. Lowering the General Fund Levy continues to have a negative impact on Clay County resources. However, increases in assessed valuation and new construction should help offset this.

## **CLAY COUNTY, MISSOURI**

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### Management's Discussion and Analysis (Continued)

The County is fortunate to have a Use Tax approved by voters in November 2001. Use Tax continues to support capital projects.

Upon expiration of the original bond payments for the detention center in 2010, a portion of the General Fund funding for bond payments was diverted to the Park Department for a trails project; those projects were substantially completed over the past three years. The remaining balance of that funding was diverted to a separate capital account set aside in the "LE Capital Reserve Fund" (289) for future capital improvements.

### **CONTACTING CLAY COUNTY ADMINISTRATION**

This financial report is designed to provide a general overview of the Clay County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report should be addressed to:

**Dean Brookshier**  
**Clay County Administrator**  
Administration Building  
1 Courthouse Square  
Liberty, Missouri 64068  
816-407-3600





## **BASIC FINANCIAL STATEMENTS**



**CLAY COUNTY, MISSOURI**  
**Statement of Net Position**  
**December 31, 2015**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Current assets	
Cash and cash equivalents	\$ 38,443,591
Taxes receivable	11,054,719
Fees and other receivables	5,345,028
Intergovernmental receivables	519,642
Prepaid Items	190,627
Total current assets	55,553,607
Noncurrent assets	
Restricted cash and cash equivalents	223,375
Service concession arrangement receivable	564,497
Net pension asset	10,054,465
Capital assets:	
Land and other capital assets, non-depreciable	12,806,674
Other capital assets, net of depreciation	57,431,882
Total capital assets, net of depreciation	70,238,556
Total assets	136,634,500
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred charges on refunding	51,983
Pension-related amounts	7,425,142
Total deferred outflows of resources	7,477,125
<b>LIABILITIES</b>	
Current liabilities	
Accounts payable	4,469,880
Accrued liabilities	1,053,104
Accrued interest payable	107,289
Insurance claims payable	377,100
Current portion of compensated absences	1,600,000
Current portion of long-term debt	573,519
Total current liabilities	8,180,892
Long-term liabilities	
Compensated absences	1,296,000
Other post-employment benefits obligation	639,066
Net pension liability	8,491,337
Long-term debt	5,931,229
Total noncurrent liabilities	16,357,632
Total liabilities	24,538,524
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Unavailable revenue - property taxes	6,243,587
Deferred service concession arrangement	564,497
Pension-related amounts	744,890
Total deferred inflows of resources	7,552,974
<b>NET POSITION</b>	
Net investment in capital assets	63,785,791
Restricted for:	
Capital projects	4,618,789
Debt Service	223,375
Other Purposes	9,039,701
Unrestricted	34,352,471
Total net position	\$ 112,020,127

See accompanying notes to basic financial statements

**CLAY COUNTY, MISSOURI**  
**Statement of Activities**  
**For year ended December 31, 2015**

Functions/Programs	Program Revenues				Net (Expense)
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
General government	\$ 12,172,317	\$ 2,370,904	\$ -	\$ -	\$ (9,801,413)
Public safety and judicial	24,576,504	1,139,778	5,594,720	-	(17,842,006)
Highways and traffic	9,724,261	291,465	-	36,271	(9,396,525)
Health and welfare	398,262	-	-	-	(398,262)
Parks and recreation	4,168,712	3,099,932	-	-	(1,068,780)
Property, valuation and recording	6,149,439	8,948,911	-	-	2,799,472
Interest on long term debt	253,581	-	-	-	(253,581)
Total government activities	\$ 57,443,076	\$ 15,850,990	\$ 5,594,720	\$ 36,271	\$ (35,961,095)

**General Revenues**

Taxes	
Property taxes, levied for general purposes	\$ 3,692,993
Property taxes, levied for road and bridge	2,955,618
Sales and use taxes	33,031,266
Surtaxes	591,297
Other taxes	584,628
Unrestricted investment earnings	486,996
Miscellaneous	927,315
Total general revenues	42,270,113
Changes in net position	6,309,018
Net position, beginning of year, as restated	105,711,109
Net position, end of year	\$ 112,020,127

See accompanying notes to basic financial statements

**CLAY COUNTY, MISSOURI**  
**Balance Sheets - Governmental Funds**  
**December 31, 2015**

	General	Road & Bridge	Law Enforcement	Reassessment	Debt Service	Nonmajor Governmental	Total
<b>ASSETS</b>							
Cash and cash equivalent	\$ 23,967,252	\$ 2,700,882	\$ 1,124,915	\$ 1,391,586	\$ -	\$ 6,762,960	\$ 35,947,595
Taxes receivable	4,979,339	3,257,195	1,938,588	-	-	879,597	11,054,719
Fees and other receivables	3,061,406	12,345	319,291	1,858,958	-	89,536	5,341,536
Intergovernmental receivables	453,685	64,893	-	-	-	1,064	519,642
Due from other funds	5,211	-	189,738	290,060	-	5,108	490,117
Prepaid items	18,441	120,930	41,772	1,420	-	8,064	190,627
Restricted cash and cash equivalents	-	-	-	-	223,375	-	223,375
Total assets	\$ 32,485,334	\$ 6,156,245	\$ 3,614,304	\$ 3,542,024	\$ 223,375	\$ 7,746,329	\$ 53,767,611
<b>LIABILITIES</b>							
Accounts payable	\$ 1,309,309	\$ 2,447,672	\$ 257,419	\$ 63,837	\$ -	\$ 391,643	\$ 4,469,880
Accrued liabilities	419,655	53,428	413,415	72,086	-	94,520	1,053,104
Due to other funds	418,178	21,299	121,678	23,520	-	220,784	805,459
Total liabilities	2,147,142	2,522,399	792,512	159,443	-	706,947	6,328,443
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable revenue-property taxes	3,205,456	3,032,289	-	-	-	5,842	6,243,587
Unavailable revenue-other receivables	181,511	-	41,417	-	-	-	222,928
Total deferred inflows of resources	3,386,967	3,032,289	41,417	-	-	5,842	6,466,515
<b>FUND BALANCES</b>							
Nonspendable	18,441	120,930	41,772	1,420	-	8,064	190,627
Restricted	-	480,627	2,738,603	3,381,161	223,375	7,058,099	13,881,865
Committed	3,010,217	-	-	-	-	-	3,010,217
Assigned	81,579	-	-	-	-	-	81,579
Unassigned	23,840,988	-	-	-	-	(32,623)	23,808,365
Total fund balances	26,951,225	601,557	2,780,375	3,382,581	223,375	7,033,540	40,972,653
Total liabilities, deferred inflows of resources and fund balances	\$ 32,485,334	\$ 6,156,245	\$ 3,614,304	\$ 3,542,024	\$ 223,375	\$ 7,746,329	\$ 53,767,611

See accompanying notes to basic financial statements

**CLAY COUNTY, MISSOURI**  
**Reconciliation of the Balance Sheet - Governmental Funds**  
**to the Statement of Net Position**  
**December 31, 2015**

Fund Balances of governmental funds	\$	40,972,653
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities, net of accumulated depreciation are not current financial resources and therefore are not reported in fund financial statements, but are reported in the Statement of Net Position.</p>		70,238,556
<p>Net pension asset not reported in the funds (LAGERS)</p>		10,054,465
<p>Other receivables not collected within the period of availability are reported as deferred inflow of resources for the fund financial statements, but are reported as revenue in the Statement of Net Position.</p>		222,928
<p>Some liabilities such as Notes Payable, Capital Lease Contracts Payable, Compensated Absences, and Bonds Payable are not due and payable in the current period and are not included in the fund financial statement, but are included in the Statement of Net Position.</p>		
Deferred charges on refunding	51,983	
Accrued interest payable	(107,289)	
Compensated absences	(2,896,000)	
Other post-employment benefits	(639,066)	
Long-term debt	(6,504,748)	
Net pension liability not reported in the funds (CERF)	(8,491,337)	(18,586,457)
<p>Pension-related deferred outflows and inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds:</p>		
Deferred outflows of resources - pension-related amounts	7,425,142	
Deferred inflows of resources - pension-related amounts	(744,890)	6,680,252
<p>An internal service fund is used by management to charge costs of self-insured health care to the individual funds. The assets and liabilities of the internal service fund are included in the Statement of Net Position.</p>		2,437,730
Net position of governmental activities	\$	112,020,127

See accompanying notes to basic financial statements

**CLAY COUNTY, MISSOURI**  
**Statements of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds**  
For the year ended December 31, 2015

	General	Road & Bridge	Law Enforcement	Reassessment	Debt Service	Nonmajor Governmental	Total
<b>REVENUES</b>							
Taxes	\$ 18,324,831	\$ 5,113,683	\$ 12,104,939	\$ -	\$ -	\$ 5,403,342	\$ 40,946,795
Fees and Fines	7,250,879	-	376,808	2,477,151	-	1,099,491	11,204,329
Licenses and permits	411,909	12,464	-	-	-	258,570	682,943
Charges for services	677,010	-	100,544	-	-	2,130,557	2,908,111
Intergovernmental	1,981,714	1,320,103	1,861,790	290,060	-	87,909	5,541,576
Leases	362,855	-	-	-	-	694,533	1,057,388
Investment income (loss)	293,698	25,326	29,398	24,998	(696)	94,178	466,902
Other	611,148	22,856	27,997	18,020	-	247,293	927,314
Total Revenues	29,914,044	6,494,432	14,501,476	2,810,229	(696)	10,015,873	63,735,358
<b>EXPENDITURES</b>							
Current							
General Government	13,309,691	-	-	-	-	-	13,309,691
Public Safety and Judicial	7,380,174	-	15,219,205	-	-	1,355,365	23,954,744
Highways and traffic	1,005,460	6,299,600	-	-	-	2,179,848	9,484,908
Health and welfare	398,262	-	-	-	-	-	398,262
Parks and recreation	-	-	-	-	-	5,103,630	5,103,630
Property, valuation and recording	1,676,220	-	-	2,576,745	-	1,104,260	5,357,225
Debt service							
Principal	173,952	-	-	-	285,000	170,397	629,349
Interest and fiscal charges	5,022	-	-	-	111,659	142,982	259,663
Capital Outlay	-	-	-	-	-	944,702	944,702
Total expenditures	23,948,781	6,299,600	15,219,205	2,576,745	396,659	11,001,184	59,442,174
Excess of revenues over (under) expenditures	5,965,263	194,832	(717,729)	233,484	(397,355)	(985,311)	4,293,184
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	-	38,072	346,127	57,074	383,356	277,158	1,101,787
Transfers out	(787,953)	(50,289)	-	-	-	(263,545)	(1,101,787)
Total other financing sources (uses)	(787,953)	(12,217)	346,127	57,074	383,356	13,613	-
Net change in fund balances	5,177,310	182,615	(371,602)	290,558	(13,999)	(971,698)	4,293,184
Fund balance, beginning of year	21,773,915	418,942	3,151,977	3,092,023	237,374	8,005,238	36,679,469
Fund balance, end of year	\$ 26,951,225	\$ 601,557	\$ 2,780,375	\$ 3,382,581	\$ 223,375	\$ 7,033,540	\$ 40,972,653

See accompanying notes to basic financial statements

**CLAY COUNTY, 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**

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Net changes in fund balances of governmental funds \$ 4,293,184

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

Governmental funds report capital outlay 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. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital outlay	4,484,866
Depreciation expense	(4,384,608)
Loss on disposal capital assets	(60,601)

The Statement of Activities report revenues that do not provide current financial resources and are not reported as revenues in governmental funds.

Unavailable delinquent property taxes	(92,775)
Changes in deferred revenue for other items	89,413

The issuance of long-term debt 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 has any effect on net position. 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 Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Change in deferred charges on refunding	(10,670)
Change in accrued interest expense	13,587
Payments on long-term debt (bonded debt, capital lease, obligations, and other debt)	629,349
Amortization of premium/discount	3,165

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.

Change in compensated absences	(54,931)
Change in other post-employment benefits obligation	(95,463)
Pension expense	287,990

An internal service fund is used by management to charge costs of self-insured health care to the individual funds. The net revenue (expense) of the internal service fund is reported in the Statement of Activities

1,206,512

Change in net position of governmental activities. \$ 6,309,018

See accompanying notes to basic financial statements



**CLAY COUNTY, MISSOURI**  
**Statement of Net Position**  
**Proprietary Fund**  
**December 31, 2015**

	<u>Governmental Activities- Internal Service Fund</u>
<b>ASSETS</b>	
Current assets	
Cash and cash equivalents	\$ 2,495,996
Fees and other receivables	3,492
Due from other funds	315,342
Total current assets	<u>2,814,830</u>
Total assets	<u>2,814,830</u>
<b>LIABILITIES</b>	
Current liabilities	
Insurance claims payable	377,100
Total current liabilities	<u>377,100</u>
Total liabilities	<u>377,100</u>
<b>NET POSITION</b>	
Unrestricted	2,437,730
Total net position	<u>\$ 2,437,730</u>

See accompanying notes to basic financial statements

**CLAY COUNTY, MISSOURI**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Fund**  
**For the year ended December 31, 2015**

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	<b>Governmental Activities- Internal Service Fund</b>
	Fund
<b>OPERATING REVENUES</b>	
Charges for services	\$ 4,860,520
Total operating revenues	4,860,520
<b>OPERATING EXPENSES</b>	
Contractual services	3,674,102
Total operating expenses	3,674,102
Operating income	1,186,418
<b>NONOPERATING REVENUES</b>	
Investment income	20,094
Total nonoperating revenues	20,094
Change in net position	1,206,512
Net position, beginning of year	1,231,218
Net position, end of year	\$ 2,437,730

See accompanying notes to basic financial statements

**CLAY COUNTY, MISSOURI**  
**Statement of Cash Flows**  
**Proprietary Fund**  
**For the year ended December 31, 2015**

	<b>Governmental Activities- Internal Service Fund</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers	\$ 4,698,420
Claims paid	(3,781,696)
Net cash provided by operating activities	<u>916,724</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest received	<u>20,262</u>
Net cash provided by investing activities	<u>20,262</u>
 Net increase in cash and cash equivalents	 936,986
Cash and cash equivalents at beginning of year	<u>1,559,010</u>
Cash and cash equivalents at end of year	<u>\$ 2,495,996</u>
 <b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Operating income	\$ 1,186,418
Adjustments to reconcile operating income to net cash provided by operating activities:	
Changes in assets and liabilities:	
(Increase) in due from other funds	(162,100)
(Decrease) in insurance claims payable	(107,594)
Total adjustments	<u>(269,694)</u>
Net cash provided by operating activities	<u>\$ 916,724</u>

See accompanying notes to basic financial statements

**CLAY COUNTY, MISSOURI**  
**Statement of Assets and Liabilities**  
**Agency Funds**  
**December 31, 2015**

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	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash, cash equivalents, and investments	\$ 293,317,456
	<u>\$ 293,317,456</u>
<b>LIABILITIES</b>	
Due to others	\$ 293,317,456
Total liabilities	<u>\$ 293,317,456</u>

See accompanying notes to basic financial statements

**NOTES TO BASIC FINANCIAL STATEMENTS**



**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements**

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**1. Summary of Significant Accounting Policies**

The financial statements the County have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) applicable to local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. More significant County accounting policies are described below:

**Financial Reporting Entity**

Clay County, Missouri (the County) is a county of the first class governed by a County Commission comprised of a Western District Commissioner, Eastern District Commissioner, and the Presiding Commissioner.

Elected officials are responsible for the operations of certain County offices including the Assessor, Auditor, Collector, Treasurer, County Clerk, Sheriff, Prosecuting Attorney, Public Administrator and the Recorder of Deeds. The County provides the full range of services contemplated by statute. These include public safety and judicial, highways and traffic, community health and social services, parks and recreation, public improvements, planning and zoning, and general administration.

The County's financial reporting entity has been determined in accordance with governmental standards for defining the financial reporting entity and identifying entities to be included in its basic financial statements. These standards identify the County's financial accountability for potential component units as the primary, but not only, criteria for inclusion. The accompanying financial statements present all activities of Clay County and its blended component units over which the County is financially accountable. Financial accountability is based primarily on operational or financial relationships with the County (as distinct from legal relationships).

**Blended Component Unit**

The Public Building Authority (PBA), although legally separate from the County, is reported as if it were part of the primary government because its sole function is to finance, through issuance of bonds, facilities for the County. The activities of the PBA are included in the accompanying financial statements as part of the Debt Service Fund. The PBA does not issue separate financial statements.

**Related Organization**

The governing body of the Mental Health Board of Trustees (Mental Health Board) for Clay, Platte and Ray Counties is appointed by the participating counties. The Clay County Commission appoints a voting majority of the governing body. The Mental Health Board does not meet the definition of a component unit. However, the County does include a levy in the County levy, which is then remitted to the Mental Health Board. Collections held by the County as of December 31, 2015 are reported as an agency fund.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**1. Summary of Significant Accounting Policies (Continued)**

The governing body of the Developmental Disabilities Resources Board of Clay County (Developmental Disabilities Resource Board) and the Clay County Senior Citizens' Services Board (Senior Citizens' Board) are appointed by the Clay County Commission. The Developmental Disabilities Resource Board and Senior Citizens' Board does not meet the definition of a component unit. However, the County does include a levy for the Developmental Disabilities Resource Board and Senior Citizens' Board in the County levy. Collections for the Developmental Disabilities Resource Board are remitted to that entity and do not pass through the County. Collections for the Senior Citizens Board are reported as an agency fund of the County.

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services. Although the County charges fees for certain services, all of the County's activities are reported as governmental activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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 and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes, unrestricted interest earnings, and other miscellaneous revenues that are not included among program revenues are reported instead as general revenues.

Following the government-wide financial statements are separate financial statements 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 & Bridge Fund, Law Enforcement Tax Fund, Reassessment Fund, and Debt Service Fund are major governmental funds. All nonmajor governmental funds are reported in one column labeled "Nonmajor Governmental". The total fund balance for all governmental funds is reconciled to total net position for governmental activities as shown on the Statement of Net Position in the government-wide financial statements. The net change in fund balance for all governmental funds is reconciled to the total change in net position as shown on the Statement of Activities in the government-wide financial statements.



**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**1. Summary of Significant Accounting Policies (Continued)**

The fund financial statements of the County are organized on the basis of funds, each of which is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, deferred outflows/inflows of resources, fund balances, revenues, expenditures and other financing sources and uses. 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. The various funds are summarized by type in the basic financial statements. The following types are used by the County:

**Governmental Fund Types**

Governmental fund types are those through which most governmental functions are financed. The acquisition, uses and balances of the County's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is on the determination of and changes in financial position rather than upon net income.

The following are the County's governmental major funds:

*-General Fund* - the General Fund is the general operating fund of the County. It is used to account for all financial resources, except those required to be accounted for in another fund. Its revenue consists primarily of property, sales and use taxes, investment income, fines, fees, license and permit revenue, gift revenue, intergovernmental revenue, charges for services, leases, and other miscellaneous sources. General expenditures represent costs of the general government, public safety and judicial, highways and traffic, health and welfare, parks and recreation, property, valuation, and recording, debt service and capital outlay. Funds not reported in other funds are reported as sub-funds of the general fund and include the Prosecutor Contingency Fund, Work Release Project Fund, Law Enforcement Capital Project Fund, Tax Increment Financing Fund, Tax Collection Software Fund, Airport Fund, Juvenile Grants Fund, Prosecuting Attorney Retirement Fund and the Land Trustee Fund.

*-Road & Bridge Fund* - a special revenue fund that accounts for property tax and intergovernmental revenues restricted for the use of road and bridge improvements. A portion of these revenues are used for debt service payments on capital leases for highway equipment.

*-Law Enforcement Tax Fund* - a special revenue fund that accounts for revenue from the law enforcement sales tax levy and other revenue streams for the Sheriff's office, which include grants and fees collected by the Sheriff's office. This fund is also used to account for the expenditures of the Sheriff's office.

*-Reassessment Fund* - a special revenue fund that accounts for the operations of the County Assessor's office, which includes the cost of performing a reassessment of all taxable real property as required by Missouri Revised Statutes (RSMo), section 137.750. Financing is provided by the State of Missouri and a commission received from property tax collections.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**1. Summary of Significant Accounting Policies (Continued)**

*-Debt Service Fund* - is used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs.

The other governmental funds of the County are considered nonmajor funds. They include special revenue funds, which account for the proceeds of specific revenue sources that are either restricted or committed to expenditures for specific purposes.

**Proprietary Fund Types**

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services, producing and delivering goods in connection with the fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The County's Internal Service Fund provides the financing of goods or services provided to other departments of the County on a cost reimbursement basis. The County's Internal Service Fund is a self-insured health care fund, a nonmajor fund. This fund is funded through employer and employee contributions and provides health care benefits to County employees.

**Fiduciary (Agency) Fund Types**

Agency funds are used to account for assets held by the County as an agent for individuals, private organizations or other governmental units. Agency Funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. The County's Agency Funds account for activities of collections of other taxing units by the Collector and various other agency operations.

**Measurement Focus and Basis of Accounting**

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

The government-wide and proprietary 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 related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Agency Fund financial statements are reported using the accrual basis of accounting. However, they do not have a measurement focus.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**1. Summary of Significant Accounting Policies (Continued)**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when both measurable and available. The term “available” is defined as collectible within the current period or soon enough thereafter to be used to pay the liabilities of the current period. For the County, “available” is defined as expected to be received within 60 days of year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, claims and judgments, early retirement payments, other postemployment benefits, pension related amounts and compensated absences are recognized as expenditures only when the liability has matured and payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital financing and capital leases are reported as other financing sources.

The County recognizes assets from derived tax revenue transactions (such as sales and use taxes) in the period when the underlying exchange transaction on which the tax is imposed occurs or when the assets are received, whichever occurs first. Revenues are recognized, net of estimated refunds and estimated uncollectible amounts, in the same period that the assets are recognized, provided that the underlying exchange transaction has occurred. Resources received in advance are reported as deferred inflows of resources until the period of the exchange.

The County recognizes assets from imposed non-exchange revenue transactions (such as real estate and personal property taxes) in the period when an enforceable legal claim to the assets occur or when the resources are received, whichever occurs first. Revenues are recognized in the period when the resources are required to be used or the first period that use is permitted. The County recognizes revenues from property taxes in the period for which the taxes are levied.

Imposed non-exchange revenues also include permits and court fines and forfeitures. Intergovernmental revenues, representing grants and assistance received from other governmental units, are generally recognized as revenues in the period when all eligibility requirements have been satisfied. Eligibility requirements include timing, matching and expenditure of funds. Any resources received before eligibility requirements are met are reported as deferred inflows of resources.

Other revenues, including licenses and permits, certain charges for services, certain fees and fines and certain miscellaneous revenue are recorded as revenue when received in cash because they are generally not measurable until actually received.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: taxes, state-levied locally shared taxes, fees, licenses and permits, fines and forfeitures, interest, grants and rentals. When both restricted and unrestricted resources are available for use, it is the County’s policy to use restricted resources first, then unrestricted resources as they are needed.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**1. Summary of Significant Accounting Policies (Continued)**

**Cash, Cash Equivalents, and Investments**

The County Treasurer maintains a cash pool that is available for use by all funds, except certain restricted Special Revenue and Agency Funds. The pool is composed of cash and cash equivalents only. Cash and cash equivalents consist of highly-liquid investments with maturity dates within three months of the date acquired by the County. Interest income earned on pooled cash and cash equivalents are distributed to the appropriate funds based on the average daily balance of the cash and cash equivalents of each fund. In addition, cash and cash equivalents are separately maintained by other County officials and several other County departments.

Investments consist of those securities with maturity dates greater than three months at the time of purchase. Investments are recorded at fair market value. Only the agency funds hold investments. Fair values for investments are determined by closing market prices at year end as reported by the investment custodians.

**Statement of Cash Flows**

A statement of cash flows has been presented in accordance with Governmental Accounting Standards Board Standards for the Proprietary Fund. For purposes of the statement of cash flows, the County considers their position in the pool to be cash and cash equivalents.

**Prepaid Items**

Prepaid assets consist of software maintenance costs and other costs applicable to future accounting periods. The related fund balance is reported as nonspendable as the fund balance is not available for other expenditures and not in spendable form.

**Capital assets**

Capital assets, which include land, building and improvements, equipment and infrastructure are reported in the applicable governmental type activities columns in the government-wide statements. Capital assets are defined as assets with a cost of more than \$1,000 with a useful life of more than a year.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**1. Summary of Significant Accounting Policies (Continued)**

Capital assets are recorded at historical cost, or estimated historical cost if actual cost information is not available. Donated capital assets are recorded at their estimated fair value at the date of donation. General infrastructure assets acquired prior to January 1, 2002, consist of roads, bridges, and park utilities and similar improvements, and are reported at estimated historical cost using deflated replacement cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. For retirements or other dispositions of assets, the asset and related accumulated depreciation account are eliminated and the difference between the net carrying value and any proceeds received is included in income or expense.

All reported capital assets except for land, land rights, and construction in progress are depreciated. Depreciation is computed on the straight-line method over the estimated useful lives of the various classes of assets. The estimated useful lives of depreciable capital assets for each class are as follows:

	<b>Years</b>
Land improvements	30
Buildings	40
Building improvements	15
Furniture and equipment	7
Computer equipment	5
Office equipment	5
Highway equipment	10
Vehicles	5
Bridges	50
Roads	50

**Collections**

Collections of historical treasures meet the definition of a capital asset and normally should be reported in the financial statements. However, the requirement for capitalization is waived for collections that meet certain criteria. The County has collections of historical treasures that are not capitalized as they meet all of the waiver requirements which are: (1) the collections are held solely for public exhibition, (2) the collections are protected, preserved and cared for, and (3) should any items be sold, the proceeds are used only to acquire other items for the collections. The County's historical artifacts are displayed in various museums and other public buildings throughout the County.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**1. Summary of Significant Accounting Policies (Continued)**

**Deferred Outflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. The separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense) until then. The County has three items that qualify for reporting in this category, consisting of: 1) deferred charge on refunding of debt which results from the difference in the carrying value of refunded debt and its reacquisition price and is deferred and amortized over the shorter of the life of the refunded or refunding debt; 2) service concession arrangement from an agreement with a management company to operate the County's golf course and pay monthly installment payments to the County which will be reported as revenue in future periods as the revenue is earned; and 3) unrecognized items not yet charged to pension expense related to the net pension asset and net pension liability, such as the unamortized portion of the net difference between projected and actual plan investment returns, and contributions paid by the County after the measurement date but before the end of the County's reporting period.

**Deferred Inflows of Resources**

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This financial statement element represents an acquisition of net position or fund balance that applies to a future period and will not be recognized as an inflow of resources, or revenues, until that time. The County has one type of item, which arises under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported in the governmental fund balance sheet. The governmental funds report unavailable revenue from two sources: property taxes and other receivables. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

In the County's government-wide statements, the property tax receivables remain as a deferred inflow of resources under the full accrual basis of accounting and will become an inflow in the year for which they are levied. The County's government-wide statements also report pension related deferred inflows, which include the unamortized portion of the difference between expected and actual experience, changes in assumptions and the change in proportionate share, and differences between the County's contributions and proportionate share of contributions all related to the net pension asset and net pension liability. The County's government-wide statements also report a deferred inflow for a service concession agreement.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**1. Summary of Significant Accounting Policies (Continued)**

**Pensions**

The net pension liability, net pension asset, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of both the Missouri Local Government Employees Retirement System (LAGERS) and the County Employees Retirement Fund (CERF) and additions to/deductions from the correlating fiduciary net position have been determined on the same basis as they are reported by LAGERS and CERF respectively. 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.

**Long-Term Liabilities**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using a method which approximates the effective interest method. Issuance costs are expensed as incurred. Gains (losses) on refunding bonds are deferred and amortized over the shorter of the new bonds' life or the remaining life of the refunded bonds. Bonds payable are adjusted by the applicable bond premium or discount.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Gains (losses) on refunding bonds are not broken out separately within the other financing sources (uses) section.

**Compensated Absences**

Under terms of the County's personnel policies, County employees are granted vacation and sick leave in varying amounts, based upon length of service. A liability for these amounts is reported in the governmental funds only if the amounts due at year end have matured. Compensated absences are typically liquidated by the fund in which the employee is paid, which include the General Fund, Road & Bridge Fund, Law Enforcement Tax Fund, Reassessment Fund, Park Fund, Drug Task Force Fund, Use Tax – Parks & Trails Fund, Collector Tax Maintenance Fund, and Sheriff Revolving Fund.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**1. Summary of Significant Accounting Policies (Continued)**

**Interfund Activity**

Transfers of resources from a fund receiving revenue to the fund through which the resources are to be expended are recorded as other financing sources (uses) in the governmental financial statements. In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the “grossing up” effect on assets and liabilities within the governmental activities column.

Short-term amounts owed between funds are classified as “Due to/from other funds”. During the course of normal operations, the County has transactions between funds, including expenditures and transfers of resources to provide services and construct assets.

**Fund Balance**

In the governmental fund financial statements, fund balances are classified as non-spendable, restricted, committed, assigned, or unassigned.

*Non-spendable fund balance* represents amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

*Restricted fund balance* represents amounts where constraints placed on the resources are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

*Committed fund balance* represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Clay County Commission, which is the County’s highest level of decision-making authority. The committed amounts cannot be used for any other purpose unless the County Commission removes or changes the specified amounts by use of the same formal action that it employed to previously commit those amounts.

*Assigned fund balance* represents amounts restricted by County’s intent to use them for specific purposes. The authority to assign fund balances has been delegated through the County Commission’s annual appropriation order for Elected Officials and County expenditure authority designees appointed by the County Administrator.

*Unassigned fund balance* represents the residual amount for the General Fund not included in the four categories described above. Also, any deficit fund balances within the nonmajor governmental fund types are reported as unassigned.



**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**1. Summary of Significant Accounting Policies (Continued)**

When an option exists for the use of fund balance components, the classification with the greatest eligible degree of constraint should be used first. This will be followed by the succeeding fund balance components with a lesser degree of constraint. The order in the use of funds therefore would be Restricted, Committed, Assigned, and Unassigned to the extent that each category is eligible.

**Net Position**

In the government-wide and proprietary fund financial statements, net position is classified as follows:

*Net investment in capital assets* - the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

*Restricted* - consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. See Note 6 for detail of net position restricted through enabling legislation.

*Unrestricted* – all other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**2. Deposits and Investments**

Deposits and investments of the County are reflected in the financial statements as follows:

Government-wide:		
Cash and cash equivalents	\$	38,443,591
Restricted cash and cash equivalents		223,375
Fiduciary:		
Cash, cash equivalents and investments		293,317,456
	\$	<u>331,984,422</u>

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**2. Deposits and Investments (Continued)**

A summary of cash, cash equivalents, and investments as of December 31, 2015 is as follows:

**Deposits and Investments**

Deposits:

Repurchase obligations	\$ 258,769,970
Cash and cash equivalents	34,229,050
Certificates of deposit	26,664,331
	<u>319,663,351</u>

Investments:

Short-term investments held in trust	493,351
U.S. agency securities	11,827,720
	<u>12,321,071</u>
	<u>\$ 331,984,422</u>

**Investment Policy**

**General**

The County's investment activity is conducted in accordance with Missouri State Statutes and investment guidelines outlined therein. These guidelines apply to the County's investments that are not held by a trustee in connection with bond indentures.

RSMo section 110.270, based on Article IV, Section 15, Missouri Constitution, authorizes counties to place their funds, either outright or by repurchase agreement, in U.S. Treasury and agency obligations. In addition, RSMo section 30.950 requires political subdivisions with authority to invest in instruments other than depository accounts at financial institutions to adopt a written investment policy. Among other things, the policy is to commit a political subdivision to the principles of safety, liquidity and yield (in that order) when managing public funds and to prohibit purchase of derivatives (either directly or through repurchase agreements), use of leveraging (through either reverse repurchase agreements or other methods), and use of public funds for speculation. The County has adopted such a policy.

Repurchase agreements are purchased from brokers and local banks. Securities underlying a repurchase agreement must have a fair value of at least 100% of the cost of the repurchase agreement. No substitutions of securities are permitted. Securities underlying overnight repurchase agreements are held as collateral in the Federal Reserve Bank. For bank repurchase agreements, the securities are not held in the County's name but are pledged against the repurchase agreement pool held by the dealer bank. For broker repurchase agreements, the securities are held in the County's name.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**2. Deposits and Investments (Continued)**

**Interest Rate Risk**

As of December 31, 2015, the County had the following investments and maturities:

<b>Investment Type</b>	<b>Fair Value</b>	<b>Maturities from 1 to 5 Years</b>
Fiduciary:		
Federal Home Loan Bank Notes (FHLB)	\$ 846,337	\$ 846,337
Federal Home Loan Mortgage Corporation (FHLMC)	7,756,937	7,756,937
Federal National Mortgage Association (FNMA)	3,224,446	3,224,446
	<u>\$ 11,827,720</u>	<u>\$ 11,827,720</u>

The County will minimize the risk that the fair value of securities in the portfolio will decline due to changes in general interest rates. To the extent possible, the County shall attempt to match its investments with anticipated cash flow requirements. Investments in bankers' acceptances and commercial paper shall mature and become payable not more than 180 days from the date of purchase. All other investments shall mature and become payable not more than 5 years from the date of purchase.

**Credit Risk**

The County will minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by diversifying the portfolio so that potential losses on individual securities will be minimized. 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.

The following provides information on the credit ratings associated with the County's investments in debt securities, excluding obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government, at December 31, 2015.

<b>Investment Type</b>	<b>S&amp;P</b>	<b>Fair Value</b>
Fiduciary:		
Federal Home Loan Bank Notes	AA+	\$ 846,337
Federal Home Loan Mortgage Corporation	AA+	7,756,937
Federal National Mortgage Association	AA+	3,224,446

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**2. Deposits and Investments (Continued)**

**Concentrations of Credit Risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single user. The County’s investment policy places no limit on the amount the County may invest in any one issuer with respect to U.S. Treasury Securities, collateralized time and demand deposits, obligations with agencies of the U.S. government and government-sponsored enterprises, and collateralized repurchase agreements. U.S. government agency callable securities are limited to 75% of the total portfolio (including cash and cash equivalents), and commercial paper and bankers acceptances are limited to 30% of the total portfolio (including cash and cash equivalents).

The following table summarizes the concentration of investments by type:

<b>Investment Type</b>	<b>Percent of Total Investments</b>
Fiduciary:	
Federal Home Loan Bank Notes	7%
Federal Home Loan Mortgage Corporation	66%
Federal National Mortgage Association	27%

**Custodial Credit Risk**

For investments, custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, the County will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. In accordance with State Statutes, the County addresses custodial risk by pre-qualifying institutions with which the County places investments.

For deposits, custodial credit risk is the risk that in the event of bank failure, the County’s deposits may not be returned to it. Protection of the County’s deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution or by a single collateral pool established by the financial institution. The County’s repurchase obligations were fully collateralized by securities held in the County’s name by their financial institution’s agent. At December 31, 2015, all deposits were fully collateralized or pledged.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**3. Property Taxes**

The County is permitted by Missouri State Statutes to levy taxes for various purposes. The schedule presents the maximum allowable tax levies and the actual property tax levies for the year 2014, which the 2015 property tax revenues were based.

<b>Fund</b>	<b>Per \$100 of Assessed Valuation</b>	
	<b>Maximum Levy Allowed by Law</b>	<b>Actual Levy</b>
General	\$ 0.31	\$ 0.10
Parks & Recreation	0.10	-
Road & Bridge	0.12	0.08

Various taxing districts within the County, including schools and libraries, levy a tax collected by the County Collector, and the County levies a tax of \$0.0499, \$0.01000 \$0.1162 and \$0.1032 per \$100 of assessed valuation on behalf of the Senior Citizens' Board, the Public Health Center, the Developmental Disabilities Resource Board and the Mental Health Board, respectively. The County disburses property tax collections resulting from these levies to the appropriate taxing districts.

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied no later than November 1 and are due and payable by December 31. All unpaid taxes levied by November 1 become delinquent January 1 of the following year. Property taxes levied on October 31, 2015, are revenues for the budget year ended December 31, 2016, and accordingly, any taxes collected for these taxes prior to year end have been recorded as deferred inflows of resources in the accompanying statements. The property tax receivable represents property taxes levied on October 31, 2015, not yet distributed to the governmental funds by the Collector Agency Fund. Although the property tax receivable has been recorded, the related revenues are deferred inflows of resources in both the government-wide and fund financial statements and will not be recognized as revenue until the year ended December 31, 2016, the year for which it is levied.

The assessed value of property located in the County at January 1, 2014 was \$3,651,002,776 on which the 2015 property tax revenues were based.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**4. Tax Revenues and Tax Receivable**

Tax revenue for the year consisted for the following:

	General Fund	Road & Bridge Fund	Law Enforcement Tax Fund	Nonmajor Governmental Funds	Total
Property taxes	\$ 3,785,768	\$ 2,955,618	\$ -	\$ -	\$ 6,741,386
Sales and use taxes	14,539,063	1,825,428	12,104,939	4,810,054	33,279,484
Surtax	-	332,637	-	258,660	591,297
911 telephone tax	-	-	-	334,628	334,628
	<u>\$ 18,324,831</u>	<u>\$ 5,113,683</u>	<u>\$ 12,104,939</u>	<u>\$ 5,403,342</u>	<u>\$ 40,946,795</u>

Tax receivables represent property, sales, and gross receipts, including interest and penalties. Tax receivable consisted of the following at December 31, 2015:

	General Fund	Road & Bridge Fund	Law Enforcement Tax Fund	Nonmajor Governmental Funds	Total
Property taxes	\$ 76,884	\$ 37,254	\$ -	\$ -	\$ 114,138
Sales and use taxes	4,902,455	3,219,941	1,938,588	853,143	10,914,127
911 telephone tax	-	-	-	26,454	26,454
	<u>\$ 4,979,339</u>	<u>\$ 3,257,195</u>	<u>\$ 1,938,588</u>	<u>\$ 879,597</u>	<u>\$ 11,054,719</u>

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

**5. Capital Assets**

The following is a summary of changes in capital assets for the year ended December 31, 2015:

Government Activities:	Balance 12/31/14	Additions	Disposals	Balance 12/31/15
Capital assets not being depreciated:				
Land and land rights	\$ 10,439,133	\$ -	\$ -	\$ 10,439,133
Construction in progress	1,461,714	1,671,312	765,485	2,367,541
Total capital assets not being depreciated	<u>11,900,847</u>	<u>1,671,312</u>	<u>765,485</u>	<u>12,806,674</u>
Capital assets being depreciated:				
Land improvements	7,384,031	213,961	1,396	7,596,596
Building and building improvements	55,818,827	343,964	-	56,162,791
Furniture and Equipment	15,905,068	1,404,303	1,395,338	15,914,033
Vehicles	8,202,876	970,975	2,031,421	7,142,430
Infrastructure	48,624,325	645,836	7,012	49,263,149
Total capital assets being depreciated	<u>135,935,127</u>	<u>3,579,039</u>	<u>3,435,167</u>	<u>136,078,999</u>
Less accumulated depreciation for:				
Land improvements	1,756,160	238,617	255	1,994,522
Building and building improvements	28,356,795	1,579,302	-	29,936,097
Furniture and Equipment	11,820,189	1,144,498	1,368,874	11,595,813
Vehicles	6,428,350	599,916	1,999,315	5,028,951
Infrastructure	29,275,581	822,275	6,122	30,091,734
Total accumulated depreciation	<u>77,637,075</u>	<u>4,384,608</u>	<u>3,374,566</u>	<u>78,647,117</u>
Total capital assets being depreciated, net	<u>58,298,052</u>	<u>(805,569)</u>	<u>60,601</u>	<u>57,431,882</u>
Governmental Activities Capital Assets, Net	<u>\$ 70,198,899</u>	<u>\$ 865,743</u>	<u>\$ 826,086</u>	<u>\$ 70,238,556</u>

Depreciation expense was charged to functions/programs as follows:

General government	\$ 466,569
Public safety and judicial	1,773,495
Highways and traffic	1,279,681
Airport	250,846
Parks and recreation	547,306
Property valuation and recording	66,711
	<u>\$ 4,384,608</u>

The cost and the accumulated depreciation of property under capital lease obligations was \$1,094,758 and \$418,703 at December 31, 2015, respectively.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

**6. Restricted Net Position**

The government-wide Statement of Net Position reports \$13.3 million of restricted net position, of which \$4,618,789 is restricted for capital projects, \$223,375 is restricted for debt service, and \$9,039,701 is restricted as follows, by the enabling legislation that established each of the special revenue governmental funds:

Public safety and judicial	\$	3,579,065
Highways and traffic		480,627
Parks and recreation		706,477
Property, valuation and recording		4,273,532
Total	\$	<u>9,039,701</u>

**7. Long-Term Liabilities**

A summary of changes in governmental long-term liabilities of the County for the year ended December 31, 2015 follows:

	Balance 12/31/2014 (as restated)	Additions	Retirements	Balance 12/31/2015	Amounts due within one year
Compensated absences	\$ 2,841,069	\$ 3,285,995	\$ 3,231,064	\$ 2,896,000	\$ 1,600,000
Other long-term obligations:					
Other postemployment benefits	543,603	95,463	-	639,066	-
Net pension liability (CERF)	7,839,457	651,880	-	8,491,337	-
Total other long-term obligations	8,383,060	747,343	-	9,130,403	-
Long-term obligations:					
Obligation under agreement with the US government	3,918,378	-	170,397	3,747,981	176,615
Certificates of participation					
Series 2011A	170,000	-	55,000	115,000	55,000
Series 2011B	495,000	-	70,000	425,000	70,000
Original issue discount	(903)	-	(151)	(752)	-
Total certificates of participation	664,097	-	124,849	539,248	125,000
Public building authority revenue bonds					
Leasehold revenue bonds series 2004B	910,000	-	60,000	850,000	65,000
Leasehold revenue bonds series 2014A	1,100,000	-	100,000	1,000,000	100,000
Original issue premium	36,480	-	3,316	33,164	-
Total revenue bonds	2,046,480	-	163,316	1,883,164	165,000
Capital lease obligation	508,307	-	173,952	334,355	106,904
Total long-term obligations	7,137,262	-	632,514	6,504,748	573,519
Total long-term liabilities	\$ 18,361,391	\$ 4,033,338	\$ 3,863,578	\$ 18,531,151	\$ 2,173,519



**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**7. Long-Term Liabilities (Continued)**

A summary of changes in deferred charges of refunding debt of the County for the year ended December 31, 2015 as follows:

	Balance			Balance	
	12/31/2014	Additions	Retirements	12/31/2015	
Deferred charges on refunding					
Series 2011A Charges on refunding	\$ (15,084)	\$ -	\$ (5,028)	\$ (10,056)	
Series 2011B Charges on refunding	(17,397)	-	(2,899)	(14,498)	
Series 2014 Charges on refunding	(30,172)	-	(2,743)	(27,429)	
Total deferred charges on refunding	<u>\$ (62,653)</u>	<u>\$ -</u>	<u>\$ (10,670)</u>	<u>\$ (51,983)</u>	

**Obligation under Agreement with the United States Government**

The County entered into a contract with the United States government (U.S.) on July 14, 1972, and later amended the contract on August 5, 1986, which provided for the County to pay a portion of the costs incurred by the U.S. for the acquisition of land and construction of recreational facilities at Smithville Lake. The County’s portion is payable in 46 annual installments of \$313,379, including interest at 3.649%, through June 2031. Payments are funded by park user fees.

**Certificates of Participation, Series 2011A and 2011B**

On December 21, 2011, the County issued \$2,775,000 of certificates of participation with an average interest rate of 2.17% to advance refund \$4,565,000 of outstanding PBA Leasehold Revenue Bonds, series 1998 and 2000. The maturity date on Series 2011A is May 15, 2017 and on Series 2011B is May 15, 2020. The Series 1998 and 2000 Revenue Bonds have since been paid off in their entirety.

**PBA Leasehold Revenue Bonds, Series 2004A and 2004B**

In 2004, the PBA issued \$3,600,000 and \$1,300,000 of PBA Leasehold Revenue Bonds, series 2004A and 2004B, respectively, with interest rates ranging from 2.15% to 6.25%. The bonds were issued to provide funds to (a) acquire rolling stock for the Highway Department of the County, acquire and construct water lines, fuel tanks and hangars at the airport, expand the clubhouse at the golf course, acquire and improve the docks at the marina, renovate and improve the juvenile detention facility, and acquire a new telephone system (the Project), (b) fund the Bond Reserve, and (c) fund capitalized interest on the 2004 Bond until July 15, 2005.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**7. Long-Term Liabilities (Continued)**

According to the bond issuance, the reserve accounts have been established for the 2004B bonds:

<b>Account</b>	<b>PBA Leasehold Refunding Bonds, Series 2004B-Restrictions</b>
Bond Fund	For the monthly accumulation of monies consisting primarily of lease rental payments to meet the maturing revenue bond principal and interest requirements.
Bond Reserve	For the accumulation of required monies for the purpose of meeting deficiencies, if any, in the Bond Fund.

The PBA has issued Leasehold Revenue bonds, series 2004A and 2004B for the purpose of financing the acquisition, construction, renovation, furnishing and equipping of various County facilities. The County leases the facilities from the PBA for payments equal to the debt service requirements of the bond issues discussed. The leases are renewable annually at the option of the County to a maximum term expiring July 2025. The series 2004A bonds were refunded with the proceeds from the Series 2014 Leasehold Refunding Revenue Bonds. The series 2004B revenue bonds mature in July 2025, and the amount outstanding as of December 31, 2015 was \$850,000.

**PBA Leasehold Refunding Revenue Bonds, Series 2014**

On May 15, 2014, the PBA issued \$1,100,000 of Leasehold Refunding Revenue Bonds (the “Series 2014 Bonds”) with an interest rate ranging from 2% to 3%. The Series 2014 Bonds mature on July 15, 2025. The Series 2014 Bonds were issued to provide funds, together with other available funds of the County, to refund the outstanding principal amount of the PBA Leasehold Revenue Bonds, Series 2004A, of \$1,550,000 and to pay costs related to the issuance of the Series 2014 Bonds and the refunding of the Series 2004A PBA Leasehold Revenue Bonds.

At December 31, 2015, restricted assets held in all PBA bond and Certificates of Participation fund trust accounts and bond reserve trust accounts totaled \$223,375, reported at fair market value.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**7. Long-Term Liabilities (Continued)**

The requirements to amortize long-term liabilities (excluding compensated absences, other postemployment benefits obligation, CERF net pension liability and capital lease obligations) outstanding at year end, including interest, are as follows:

Years Ending December	Obligations Under Agreement with U.S		Certificates of Participation		PBA Leasehold Revenue Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 176,615	\$ 136,764	\$ 125,000	\$ 12,344	\$ 165,000	\$ 81,125	\$ 466,615	\$ 230,233
2017	183,060	130,319	155,000	8,903	170,000	75,063	508,060	214,285
2018	189,740	123,639	75,000	6,019	175,000	68,688	439,740	198,346
2019	196,663	116,716	80,000	4,069	180,000	61,000	456,663	181,785
2020	203,840	109,539	105,000	1,509	185,000	53,000	493,840	164,048
2021-2025	1,136,348	430,546	-	-	975,000	137,188	2,111,348	567,734
2026-2030	1,359,368	207,527	-	-	-	-	1,359,368	207,527
2031	302,347	11,033	-	-	-	-	302,347	11,033
	<u>\$ 3,747,981</u>	<u>\$ 1,266,083</u>	<u>\$ 540,000</u>	<u>\$ 32,844</u>	<u>\$ 1,850,000</u>	<u>\$ 476,064</u>	<u>\$ 6,137,981</u>	<u>\$ 1,774,991</u>

**Capital Lease Obligations**

During 2013, the County entered into a capital lease to finance the purchase of highway construction equipment in the amount of \$557,836. This lease requires five annual payments of \$120,930, including interest at 4.2% through January 2018.

The County initiated a capital lease in November 2013 to finance the purchase of IT equipment in the amount of \$536,922. The asset vendor, provided a small opening payment to make the effective interest rate of the lease 0%.

This lease required three annual payments of \$178,975 and ended December 2015.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**7. Long-Term Liabilities (Continued)**

The future minimum lease payments and the present value of the remaining minimum lease payments as of December 31, 2015 are as follows:

Years Ending December 31,	Principal
2016	\$ 120,930
2017	120,930
2018	120,930
Total minimum lease payments	362,790
Less amount representing interest	28,435
Present value of future minimum lease payments	<u>\$ 334,355</u>

The State Constitution permits the County, by vote of the qualified electors thereof voting thereon, to incur general obligation indebtedness not to exceed 10% of the assessed value of taxable tangible property. The County had no authorized, unissued debt at December 31, 2015.

At December 31, 2015, the constitutionally imposed total general obligation debt limit was \$365,100,278.

*Obligation Under Agreement with the United States government.* The County has pledged a portion of future Parks and Recreation use tax revenue to repay an obligation under agreement with the United States Government issued in 1972 and later amended in 1986, which provided for the County to pay a portion of the costs incurred by the U.S. for the acquisition of land and construction of recreational and wildlife facilities in conjunction with construction of the Smithville Lake. The obligation is payable solely from park use taxes generated by the park and facilities. Total principal and interest remaining on the obligation is \$5,014,064, payable through June 2031. For the current year, principal and interest paid and total parks use tax revenues were \$313,379 and \$913,800 respectively.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**7. Long-Term Liabilities (Continued)**

*PBA Leasehold Revenue Bonds, Series 2004B:* The County has pledged a portion of marina and airport hangar lease revenue to repay \$1,300,000 of PBA Leasehold Revenue Bonds with interest rates ranging from 2.15% to 6.25% issued in 2004 to provide funds to (a) acquire rolling stock for the Highway Department of the County, acquire and construct water lines, fuel tanks and hangars at the airport, expand the clubhouse at the golf course, acquire and improve the docks at the marina, renovate and improve the juvenile detention facility, and acquire a new telephone system (the Project), (b) fund the Bond Reserve, and (c) fund capitalized interest on the 2004 Bond until July 15, 2005. The bonds are payable solely from the lease revenue generated by the improvements and renovations. The County leases the facilities from the PBA for payments equal to the debt service requirements of the bond issues discussed and the leases are renewable annually at the option of the County through July 2025. Total principal and interest remaining on the bonds is \$1,164,064. For the current year, principal and interest paid and applicable lease revenue were \$116,875 and \$873,661 respectively.

*PBA Leasehold Refunding Revenue Bonds, Series 2014:* The County has pledged a portion of marina and airport hangar lease revenue to repay \$1,100,000 of Leasehold Refunding Revenue Bonds with an interest rate ranging from 2% to 3% issued in 2014 to refund the outstanding principal amount of the PBA Leasehold Revenue Bonds, Series 2004A, of \$1,550,000 and to pay costs related to the issuance of the Series 2014 Bonds and refunding of the Series 2004A bonds. The bonds are payable solely from the lease revenue generated by the improvements and renovations funded from the 2004 series bonds. Total principal and interest remaining on the bonds is \$1,162,000. For the current year, principal and interest paid and applicable lease revenues were \$134,583 and \$873,661 respectively.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**8. Operating Leases**

The County has various operating leases for airport, park, marina, golf course operation and other facilities that provide income. The County’s operating leases generally expire annually and contain renewal options. For the year ended December 31, 2015, lease income for all operating leases was \$1,057,388.

**9. Interfund Activity**

Interfund receivables and payable balances as of December 31, 2015 were as follows:

	<b>Interfund Receivables</b>	<b>Interfund Payables</b>
General Fund	\$ 5,211	\$ 418,178
Road & Bridge Fund	-	21,299
Law Enforcement Tax Fund	189,738	121,678
Reassessment Fund	290,060	23,520
Nonmajor governmental funds		
Park Fund	-	27,010
Use Tax-Parks & Trails Fund	-	2,361
Sheriff Inmate	-	191,170
Collector Tax Maintenance Fund	5,108	243
Internal Service Fund	315,342	-
	<u>\$ 805,459</u>	<u>\$ 805,459</u>

Interfund receivables and payable balances are created as a result of 1) moving revenue and expenditures between funds, 2) allocation of revenues in accordance with budget ordinances, and 3) moving cash for liquidity purposes.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**9. Interfund Activity (Continued)**

Interfund transfers for the year ended December 31, 2015 are as follows:

	Transfers In	Transfers Out
General Fund	\$ -	\$ 787,953
Road & Bridge Fund	38,072	50,289
Law Enforcement Fund	346,127	-
Reassessment Fund	57,074	-
Debt Service Fund	383,356	-
Nonmajor governmental funds		
Park Fund	48,544	225,326
Drug Task Force	-	38,219
Use Tax Fund	21,685	-
Use Tax-Highway Fund	21,685	-
Use Tax-Parks & Trails Fund	26,397	-
Collector Tax Maintenance Fund	155,503	-
Sheriff Revolving Fund	3,344	-
	\$ 1,101,787	\$ 1,101,787

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**10. Risk Management**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County contracts with insurance companies for coverage of property, general liability, crime, automobile, workers' compensation, self-insured health, dental, life, and accidental death and dismemberment insurances. Settled claims have not exceeded this commercial insurance coverage in any of the past three years. There were no significant reductions in insurance coverage from the prior year.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**11. Commitments and Contingencies**

**Litigation**

The County is involved in lawsuits arising in the ordinary course of activities, including claims regarding contractual issues, personal injury and discriminatory personnel practices. The County manages this risk by the purchase of insurance. It is management's opinion that all employment related liability exposure as of December 31, 2015 is covered by insurance in effect at that date, that any loss is limited to the deductibles under the insurance policies and that any such litigation and claims will not have a material adverse effect on the financial position of the County.

**Federal and State Grants**

The County participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the County may be required to reimburse the grantor government. As of December 31, 2015, significant amounts of grant expenditures had not been audited by grantor governments, but management believes that disallowed expenditures, if any, based on subsequent audits, will not have a material effect on any of the individual County funds or the overall financial position.

**12. Health Care Self-Insurance Plan**

The County began self-insuring health care benefits with a cost-plus arrangement in 2014. The County retains liability for \$150,000 per covered person, with specific stop loss coverage purchased to provide protection in excess of that amount. In addition, the County has aggregate stop-loss coverage for potential health care costs above the funded limit for the County health plans, as a whole. This aggregate stop-loss is limited to \$3,922,195. A third party administrator is contracted to provide claims administration and payment services. As of December 31, 2015, a liability of \$377,100 has been recorded in the Internal Service Fund for the outstanding health care claims, including an estimate of \$165,877 for claims incurred but not received (IBNR). Insurance claims payable are based upon claims adjusters' and management's evaluation of submitted medical claims in accordance with the County group health plan contract. The liability represents the estimated ultimate cost of settling the claims, including incremental costs, the effects of inflation and other societal and economic factors. Other non-incremental costs are not included in the basis of estimating the liability.



**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**12. Health Care Self-Insurance Plan (Continued)**

Changes in the Internal Service Fund's insurance claims payable during 2015 and 2014 were as follows:

	2015	2014
Insurance claims payable, beginning of year	\$ 484,694	\$ -
Claims and changes in estimates	3,675,988	3,705,059
Claim payments	(3,783,582)	(3,220,365)
Insurance claims payable, end of year	<u>\$ 377,100</u>	<u>\$ 484,694</u>

**13. Employee Benefit Plan Liabilities**

As a result of the adoption of GASB Statement No. 68, *Accounting and Financial Reporting of Pensions*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, the beginning net position of the governmental activities was restated. The effect on beginning net position is as follows:

Net position December 31, 2014, as previously reported	\$ 97,170,266
LAGERS:	
Net pension asset at December 31, 2014	13,217,325
Deferred outflows of resources related to contributions made after June 30, 2014 measurement date	1,138,270
Reversal of net pension obligation at December 31, 2014	585,453
CERF:	
Net pension liability at December 31, 2014	(7,839,457)
Deferred outflows of resources related to contributions made after December 31, 2013 measurement date	1,439,252
Net position, December 31, 2014, as restated	<u>\$ 105,711,109</u>

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**13. Employee Benefit Plan Liabilities (Continued)**

**Missouri Local Government Employees Retirement Systems (LAGERS)**

**Plan description**

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](http://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 benefits 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	1.50%
Final Average Salary	3 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.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**13. Employee Benefit Plan Liabilities (Continued)**

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

	General	Police	Total
Inactive employees or beneficiaries currently receiving benefits	284	74	358
Inactive employees or entitled to but not yet receiving benefits	161	52	213
Active employees	361	131	492
	<u>806</u>	<u>257</u>	<u>1,063</u>

**Contributions**

The County 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. Employees do not contribute to the pension plan. County contribution rates are 8.7% (General) and 10.7% (Police) of annual covered payroll.

**Net Pension Asset**

The County’s net pension asset was measured as of June 30, 2015, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of February 28, 2015. Standard update procedures were used to roll forward the total pension liability to June 30, 2015.

**Actuarial Assumptions**

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

Inflation	3.5% wage inflation, 3% price inflation
Salary Increase	3.5% to 6.8%, including wage inflation
Investment Rate of Return	7.25%, net of investment and administrative expenses

Mortality rates were based on the 1994 Group Annuity Mortality Table set back 0 years for both males and females.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**13. Employee Benefit Plan Liabilities (Continued)**

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.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

**13. Employee Benefit Plan Liabilities (Continued)**

**Changes in the Net Pension Liability (Asset):**

	General		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(A)	(B)	(A)-(B)
Balances at June 30, 2014	\$ 56,088,300	\$ 66,423,553	\$ (10,335,253)
Changes for the year:			
Service cost	1,395,162	-	1,395,162
Interest on the total pension liability	4,023,294	-	4,023,294
Differences between expected and actual experience of the total pension liability	(466,917)	-	(466,917)
Contributions - employer	-	1,459,007	(1,459,007)
Contributions - employees	-	-	-
Net investment income	-	1,295,705	(1,295,705)
Benefit payments, including refunds of employee contributions	(2,605,532)	(2,605,532)	-
Pension plan administrative expense	-	(69,995)	69,995
Other (net transfer)	-	(258,195)	258,195
Net changes	2,346,007	(179,010)	2,525,017
Balances at June 30, 2015	\$ 58,434,307	\$ 66,244,543	\$ (7,810,236)

  

	Police		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(A)	(B)	(A)-(B)
Balances at June 30, 2014	\$ 24,963,296	\$ 27,845,368	\$ (2,882,072)
Changes for the year:			
Service cost	615,039	-	615,039
Interest on the total pension liability	1,799,842	-	1,799,842
Differences between expected and actual experience of the total pension liability	(331,988)	-	(331,988)
Contributions - employer	-	786,421	(786,421)
Contributions - employees	-	-	-
Net investment income	-	545,150	(545,150)
Benefit payments, including refunds of employee contributions	(895,716)	(895,716)	-
Pension plan administrative expense	-	(21,157)	21,157
Other (net transfer)	-	134,636	(134,636)
Net changes	1,187,177	549,334	637,843
Balances at June 30, 2015	26,150,473	28,394,702	(2,244,229)
Total plan balances at June 30, 2015	\$ 84,584,780	\$ 94,639,245	\$ (10,054,465)

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**13. Employee Benefit Plan Liabilities (Continued)**

**Sensitivity of the net pension liability (asset) to changes in the discount rate:**

The following presents the Net Pension Liability (Asset) of the County, calculated using the discount rate of 7.25%, as well as what the County's Net Pension Liability (Asset) would be using a discount rate that is 1 percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate.

	1% Decrease 6.25%	Discount Rate 7.25%	1% Increase 8.25%
General:			
Total pension liability	\$ 66,424,321	\$ 58,434,307	\$ 51,811,371
Plan fiduciary net position	66,244,543	66,244,543	66,244,543
Net pension liability (asset)	<u>179,778</u>	<u>(7,810,236)</u>	<u>(14,433,172)</u>
Police:			
Total pension liability	30,106,113	26,150,473	22,888,656
Plan fiduciary net position	28,394,702	28,394,702	28,394,702
Net pension liability (asset)	<u>1,711,411</u>	<u>(2,244,229)</u>	<u>(5,506,046)</u>
Total	<u>\$ 1,891,189</u>	<u>\$ (10,054,465)</u>	<u>\$ (19,939,218)</u>

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**13. Employee Benefit Plan Liabilities (Continued)**

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

For the year ended December 31, 2015 the County recognized pension expense of \$2,175,943. The County reported deferred outflows and inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
General:		
Deferred amounts to be recognized in pension expense in future periods:		
Differences between expected and actual experience	\$ -	\$ (367,712)
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	2,773,983	-
Pension contributions made subsequent to the measurement date*	1,057,159	-
Total deferred amounts related to pensions - general	3,831,142	(367,712)
Police:		
Deferred amounts to be recognized in pension expense in future periods:		
Differences between expected and actual experience	\$ -	\$ (271,845)
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	1,179,030	-
Total deferred amounts related to pensions - police	1,179,030	(271,845)
Total	\$ 5,010,172	\$ (639,557)

\*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as an addition to the Net Pension Asset for the year ending December 31, 2016.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**13. Employee Benefit Plan Liabilities (Continued)**

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

Year ending December 31,	General	Police	Total
2016	\$ 594,291	\$ 234,615	\$ 234,615
2017	594,291	234,615	234,615
2018	594,291	234,615	234,615
2019	623,398	234,613	234,613
2020	-	(31,273)	(31,273)
	\$ 2,406,271	\$ 907,185	\$ 907,185

Deferred inflows and outflows of resources related to the difference between expected and actual plan experience are being amortized over a closed period equal to the average of the expected service lives of all employees (Police Division at 5.52 years and General Division at 4.7066 years) as of the beginning of the measurement period. The deferred outflows of resources related to the difference between expected and actual investment returns are being amortized over a closed five year period.

**Payable to the pension plan:**

At December 31, 2015, the County had no outstanding amounts of contributions to the pension plan required for the year ended December 31, 2015, therefore no payable was reported.

**Subsequent event:**

Subsequent to the actuarial valuation date used by the LAGERS plan, the Society of Actuaries issued updated mortality scales and mortality improvement scales MP2014 and MP-15. It is expected these scales may increase the total pension liability by 4 percent – 8 percent unless the plan experience indicates otherwise. The County has not been provided the impact of these scales but believes the updated scales, if determined appropriate for the plan, will have a material impact on the County’s net pension liability (asset).



**13. Employee Benefit Plan Liabilities (Continued)**

**COUNTY EMPLOYEES' RETIREMENT FUND**

**Plan description:**

Employees of the County are provided with pensions through the Statewide County Employees Retirement Fund (CERF). Established in August 1994 by the Missouri State Legislature, RSMo Sections 50.100 through 50.306, and administered by a governing board of directors, CERF is a cost sharing multiple-employer defined benefit pension plan funded through various fees and employee contributions. Eligible employees include elected officials and appointed employees scheduled to work at least 1,000 hours during the year. Certain employees are excluded from participating in CERF as they are covered under a separate retirement program established by the State of Missouri, including Circuit Court employees, Juvenile Office employees, the Prosecuting Attorney, and the Sheriff. CERF issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by accessing the CERF website at [www.mocerf.org](http://www.mocerf.org) or by writing to CERF, 2121 Schotthill Woods Drive, Jefferson City, MO 65101.

**Benefits provided:**

CERF provides retirement, death and disability benefits to all full-time employees and certain part time employees. Benefit provisions are fixed by state statute and may be amended only by action of the Missouri State Legislature. Employees are eligible to retire with full benefits at age 62 with eight years of creditable service. Employees who have a minimum of eight years of creditable service may retire with an early retirement benefit and receive a reduced allowance after attaining age 55. Upon termination of employment, any member who is vested is entitled to a deferred annuity, payable at age 62. Any member with less than eight years of creditable service forfeits all rights in the fund, but will be paid the member's accumulated contributions.

**Contributions:**

As a LAGERS participating County, all eligible employees are required to make contributions of 4% of gross compensation. The Plan is further funded through various fees collected by counties and remitted to CERF in accordance with State statutes. The County retains a proportionate share of the collective pension amount based only upon the fees collected and remitted. Contributions to the pension plan from the County were \$1,512,905 for the year ended December 31, 2015.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**13. Employee Benefit Plan Liabilities (Continued)**

**Net Pension Liability:**

At December 31, 2015, the County reported a liability of \$8,491,337 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014. Standard update procedures were used to roll forward the total pension liability to December 31, 2014. The County’s proportion of the net pension liability was based upon the County’s share of contributions to the pension plan relative to the contributions of all participating counties. At December 31, 2014, the County’s proportion was 7.2762%, which was the same proportion used for the measurement at December 31, 2013.

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

For the year ended December 31, 2015 the County recognized pension expense of \$1,294,122. 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	\$ -	\$ (105,333)
Net difference between projected and actual earnings	902,065	-
Contributions subsequent to measurement date*	1,512,905	-
Total	<u>\$ 2,414,970</u>	<u>\$ (105,333)</u>

\*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized a reduction of the Net Pension Liability for the year ending December 31, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31,	Total
2016	\$ 159,596
2017	159,596
2018	159,596
2019	159,596
2020	159,596
Thereafter	(1,248)
	<u>\$ 796,732</u>

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**13. Employee Benefit Plan Liabilities (Continued)**

Deferred inflows and outflows of resources related to the difference between expected and actual plan experience are being amortized over a closed period equal to the average of the expected service lives of all employees as of the beginning of the measurement period. The deferred outflows of resources related to the difference between expected and actual investment returns are being amortized over a closed five year period.

**Actuarial Assumptions:**

The total pension liability for the December 31, 2014 measurement date was determined by a July 1, 2014 actuarial valuation, which was rolled forward to December 31, 2014 and was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0%
Compensation Increase	5.3% average, including inflation
Investment Rate of Return	8.0%
Discount Rate	8.0%

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements through year 2010.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period January 1, 2002 through December 31, 2007.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

**13. Employee Benefit Plan Liabilities (Continued)**

The long-term expected rate of return on pension plan investments was determined using a buildingblock 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.

Asset Class	Target Allocation	Long-Term Arithmetic Basis	
		Long-Term Expected Real Rate of Return	Weighted Expected Real Rate Return
Core Plus	15.00%	3.11%	0.47%
Absolute Return	15.00%	4.35%	0.65%
U.S. Large Cap Equity	25.00%	7.77%	1.94%
U.S. Small Cap Equity	10.00%	9.03%	0.90%
Non-U.S. Equity	15.00%	8.99%	1.35%
Long/Short Equity	10.00%	7.64%	0.76%
Private Equity	5.00%	1.65%	0.08%
Core Real Estate	5.00%	5.30%	0.27%
Total	100.00%		6.42%
		Inflation	3.00%
		Long-term expected geometric return	9.42%

**Discount rate:**

The discount rate used to measure the total pension liability is 8%. The projection of cash flows used to determine the discount rate assumes contributions from plan members (employees) will be made at the current statutory rate and that contributions from employers will be made based upon the Plan’s current revenue sources (various fees and penalties collected by the counties) with an assumed 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 these assumptions, the pension plan’s fiduciary net position was projected to be available to pay all projected future benefit payments of current plan members. 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.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**13. Employee Benefit Plan Liabilities (Continued)**

**Sensitivity of the 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 Net Pension Liability would be using a discount rate that is 1 percentage point lower (7%) or one percentage point higher (9%) than the current rate.

	1% Decrease 7.00%	Discount Rate 8.00%	1% Increase 9.00%
County's proportionate share of Net Pension Liability	\$ 13,758,426	\$ 8,491,337	\$ 4,348,267

Detailed information about the pension plan’s fiduciary net position is available in the separately issued CERF financial report, which can be located at [www.mocerf.org](http://www.mocerf.org).

**Subsequent event:**

Effective with the January 1, 2015 actuarial valuation, the discount rate was lowered to 7.5% from 8.0%.

**Deferred Compensation and Savings Plan**

Additionally, the County offers its employees a deferred compensation plan and a savings plan (the Plans) created in accordance with IRC Section 457 and 401(a), respectively, administered by CERF. The deferred compensation plan, available to all County employees, permits them to defer a portion of their salary until future years. CERF matches up to 50% of the first 6% of an employees’ salary contribution to the 457 plan, with matching contributions being placed into the 401(a) plan. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the Plans, property and rights purchased with those amounts, and income attributable to 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 liabilities are not included in the accompanying basic financial statements.

The employees’ contribution to the plans was \$389,873 for the year ended December 31, 2015.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**13. Employee Benefit Plan Liabilities (Continued)**

**Post-employment Benefits Other than Pensions**

**Plan Description**

The County sponsors a single-employer, defined benefit healthcare plan that provides healthcare benefits to retirees and their dependents, including medical, dental and vision coverage. Participants include retirees of the County.

The County requires the retirees to pay the carrier-charged premium. The rates being paid by retirees for benefits are typically lower than those for individual health insurance policies. The difference between these amounts is the implicit rate subsidy, which is considered other postemployment benefits (OPEB) under Governmental Accounting Standards Board (GASB) Statement No. 45.

Retirees and their dependents are eligible for coverage and have the same benefits as active employees until they reach Medicare eligibility age of 65, effective January 1, 2011. Previously, a retiree may continue coverage until death. Spousal coverage is available until the retiree becomes covered under another employer health plan, attains Medicare eligibility age, or 36 months after the death of the retiree under Cobra law.

**Funding Policy**

GASB Statement No. 45 does not require funding of the OPEB liability, and the County has chosen not to fund it. County policy dictates the payment of retiree claims as they become due.

**Funded Status and Funding Progress**

As of January 1, 2014, which represents the most recent valuation date, the plan was not funded. The actuarial accrued liability for benefits was \$1,193,712, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability of \$1,193,712. The covered payroll (annual payroll of active employees covered by the plan) was \$20,106,228, and the ratio of UAAL to the covered payroll was 5.94%.

**13. Employee Benefit Plan Liabilities (Continued)**

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funding status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with the past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information following the notes to the basic financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2014 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 3.5% investment rate of return, which equals the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 7.0% initially, reduced by decrements to an ultimate rate of 5% after eleven years. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The AAL is being amortized as a level dollar of projected payroll on an open basis. The remaining amortization period at January 1, 2014, was thirty years.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**13. Employee Benefit Plan Liabilities (Continued)**

**Annual Pension Cost and Net Pension Obligation**

The County’s annual OPEB cost is calculated based on the annual required contribution of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize the unfunded actuarial accrued liability over a period not to exceed thirty years. The following table shows the components of the County’s annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County’s net OPEB obligation:

Annual Required Contribution (ARC)	\$ 153,188
Interest on net OPEB obligation	19,026
Adjustment to annual required contribution	<u>(20,751)</u>
Annual OPEB cost	151,463
Contributions made:	
Net employer contributions	<u>56,000</u>
Change in net OPEB obligation	95,463
Net OPEB obligation - January 1, 2015	<u>543,603</u>
Net OPEB obligation - December 31, 2015	<u><u>\$ 639,066</u></u>

The retirees annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and NET OPEB Obligation were as follows:

Year Ending	Annual OPEB Cost	Percentage Contributed	Net OPEB Obligation
2013	\$ 127,297	41.6%	\$ 446,537
2014	\$ 148,066	34.4%	\$ 543,603
2015	\$ 151,463	37.0%	\$ 639,066



**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**14. Encumbrances**

Purchase orders are issued throughout the year to encumber budgets in the governmental funds. Outstanding encumbrances of the County for the year ended December 31, 2015 were as follows:

General Fund	\$	81,579
Road & Bridge Fund		42,196
Reassessment Fund		451,163
Nonmajor governmental funds:		
Use Tax Fund		139,708
Use Tax - Parks & Trails Fund		8,389
		<u>723,035</u>
	\$	<u>723,035</u>

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

**15. Fund Balance Components**

The composition of the fund balances of the governmental funds for the year ended December 31, 2015 were as follows:

Fund Balances	General	Road & Bridge Fund	Law Enforcement	Reassessment	Debt Service Fund	Nonmajor Governmental	Total
Nonspendable:							
Prepaid Items	\$ 18,441	\$ 120,930	\$ 41,772	\$ 1,420	\$ -	\$ 8,064	\$ 190,627
Restricted for:							
Public Safety and Judicial	-	-	2,738,603	-	-	840,462	3,579,065
Highways and traffic	-	480,627	-	-	-	-	480,627
Parks and recreation	-	-	-	-	-	706,477	706,477
Debt service reserve	-	-	-	-	223,375	-	223,375
Capital projects-general	-	-	-	-	-	2,100,222	2,100,222
Capital projects-highways and traffic	-	-	-	-	-	589,712	589,712
Capital projects-parks and recreation	-	-	-	-	-	1,928,855	1,928,855
Property, valuation and recording	-	-	-	3,381,161	-	892,371	4,273,532
Total Restricted Balance	-	480,627	2,738,603	3,381,161	223,375	7,058,099	13,881,865
Committed to:							
Highways and traffic	399,692	-	-	-	-	-	399,692
Property, valuation and recording	10,681	-	-	-	-	-	10,681
Capital projects reserve	1,031,712	-	-	-	-	-	1,031,712
Reserve for land trustee	8,228	-	-	-	-	-	8,228
TIF reserve	1,559,904	-	-	-	-	-	1,559,904
Total Committed Balance	3,010,217	-	-	-	-	-	3,010,217
Assigned to:							
Encumbrances	81,579	-	-	-	-	-	81,579
Total Assigned Balance	81,579	-	-	-	-	-	81,579
Unassigned	23,840,988	-	-	-	-	(32,623)	23,808,365
Total Fund balances	\$ 26,951,225	\$ 601,557	\$ 2,780,375	\$ 3,382,581	\$ 223,375	\$ 7,033,540	\$ 40,972,653

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**16. Service Concession Arrangement for Midwest Golf Management, LLC**

The County Commission has an agreement with Midwest Golf Management, LLC (MGM) to operate and collect user fees from the Paradise Pointe Golf Course and related Pro Shop for the 10 year period December 1, 2012 through November 30, 2022. MGM will pay the County installment payments over the course of the arrangement and the present value of these installment payments is estimated to be \$780,624. MGM will also pay the County all the green fees it earns from the operation of the golf course and a portion of the golf cart rental fees, ranging from 38% to 50% of total rental fees. MGM is required to operate and maintain the golf course in accordance with the Professional Golf Course Management and Concession Services Agreement. The County is required to use the proceeds from the installment payments for park purposes as required by RSMo section 64.342. The County reports the golf course and related equipment as a capital asset with a carrying amount of \$895,472 at year-end and reports a receivable and deferred inflow of resources in the amount of \$564,497 at year-end pursuant to the service concession arrangement.

**17. Pending Governmental Accounting Standards Board Statements**

The Governmental Accounting Standards Board (GASB) has recently issued the following statements which may impact the County's financial reporting requirements in the future:

GASB Statement No. 72, *Fair Value Measurement and Application*, issued February 2015, will be effective for the County with its year ending December 31, 2016. This Statement defines fair value and describes how fair value should be measured, what assets and liabilities should be measured at fair value, and what information about fair value should be disclosed in the notes to the financial statements. This Statement defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments, which generally are measured at fair value, are defined as a security or other asset that governments hold primarily for the purpose of income or profit and the present service capacity of which are based solely on their ability to generate cash or to be sold to generate cash. The related disclosures have been expanded to categorize fair values according to their relative reliability and to describe positions held in many alternative investments.

**CLAY COUNTY, MISSOURI**  
**Notes to Basic Financial Statements (continued)**

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**17. Pending Governmental Accounting Standards Board Statements (Continued)**

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, issued in June 2015, will be effective for the County beginning with its fiscal year ending December 31, 2018. The Statement replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* and requires governments to report a liability on the face of the financial statements for the OPEB they provide and outlines the reporting requirements by governments for defined benefit OPEB plans administered through a trust, cost-sharing OPEB plans administered through a trust and OPEB not provided through a trust. The Statement also requires governments to present more extensive note disclosures and required supplementary information about their OPEB liabilities. Some governments are legally responsible to make contributions directly to an OPEB plan or make benefit payments directly as OPEB comes due for employees of other governments. In certain circumstances, called special funding situations, the Statement requires these governments to recognize in their financial statements a share of the other government's net OPEB liability.

GASB Statement No. 82, *Pension Issues*, issued April 2016, will be effective for the County beginning with its fiscal year ending December 31, 2017. Statement No. 82 is designed to improve consistency in the application of the pension standards by clarifying or amending related areas of existing guidance with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

The County's management has not yet determined the effect these statements will have on the County's financial statements. In consideration of GASB Statement No. 75, refer to the OPEB Schedule of Funding Progress presented in the RSI for the unfunded actuarial accrued liability as of the most recent valuation date.

**REQUIRED SUPPLEMENTARY INFORMATION**



**CLAY COUNTY, MISSOURI**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Year Ended December 31, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 12,667,608	\$ 12,667,608	\$ 14,696,703	\$ 2,029,095
Fees and Fines	5,416,000	5,416,000	7,082,937	1,666,937
Licenses and permits	362,600	362,600	411,909	49,309
Intergovernmental	1,939,652	1,939,652	1,945,443	5,791
Leases	63,000	63,000	78,750	15,750
Investment Income	205,000	205,000	287,617	82,617
Other	13,599,515	14,822,652	187,318	(14,635,334)
Total revenues	<u>34,253,375</u>	<u>35,476,512</u>	<u>24,690,677</u>	<u>(10,785,835)</u>
<b>EXPENDITURES</b>				
Current				
General Government	\$ 19,843,137	\$ 23,559,712	\$ 10,788,875	\$ (12,770,837)
Public safety and judicial	7,512,039	7,537,041	6,884,449	(652,592)
Highways and traffic	138,406	138,406	138,142	(264)
Health and welfare	1,000,601	1,003,639	398,262	(605,377)
Property, valuation and recording	1,184,405	1,190,974	1,501,221	310,247
Debt Service				
Principal	-	-	173,951	173,951
Interest and fiscal charges	-	-	5,023	5,023
Total expenditures	<u>29,678,588</u>	<u>33,429,772</u>	<u>19,889,923</u>	<u>(13,539,849)</u>
Excess (deficiency) of revenue over expenditures	4,574,787	2,046,740	4,800,754	2,754,014
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	\$ -	\$ -	\$ -	\$ -
Transfers Out	(98,355)	(98,355)	(408,050)	(309,695)
Total other financing sources (uses)	<u>(98,355)</u>	<u>(98,355)</u>	<u>(408,050)</u>	<u>(309,695)</u>
Net change in fund balance	4,476,432	1,948,385	4,392,704	2,444,319
Fund balance, beginning of year	<u>19,356,135</u>	<u>19,356,135</u>	<u>19,356,135</u>	<u>-</u>
Fund balance, end of year	<u>\$ 23,832,567</u>	<u>\$ 21,304,520</u>	<u>\$ 23,748,839</u>	<u>\$ 2,444,319</u>

**Reconciliation to the Combing Statement of Revenues, Expenditures and  
Changes in Fund Balances-Budget and Actual-Combined into the General Fund**

Net change in fund balance from above	\$ 4,392,704
Net change in fund balance from combined funds	784,606
Total reconciled net change in fund balance	<u>5,177,310</u>
Fund balance, beginning of year from above	19,356,135
Fund balance, beginning of year from combined funds	2,417,780
Total reconciled fund balance, beginning of year	<u>21,773,915</u>
Total reconciled fund balance, end of year	<u>\$ 26,951,225</u>

See note to required supplementary information.

**CLAY COUNTY, MISSOURI**  
**Budgetary Comparison Schedule**  
**Road & Bridge Fund**  
**For the Year Ended December 31, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 5,120,487	\$ 5,120,487	\$ 5,113,683	\$ (6,804)
Fees and Fines	690,100	690,100	-	(690,100)
Licenses and permits	12,000	12,000	12,464	464
Intergovernmental	1,280,000	1,280,000	1,320,103	40,103
Investment Income	15,000	15,000	25,326	10,326
Other	1,526,482	1,337,999	22,856	(1,315,143)
Total revenues	8,644,069	8,455,586	6,494,432	(1,961,154)
<b>EXPENDITURES</b>				
Highways and traffic	8,644,069	8,455,586	6,299,600	(2,155,986)
Total expenditures	8,644,069	8,455,586	6,299,600	(2,155,986)
Excess (deficiency) of revenue over expenditures	-	-	194,832	194,832
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	38,072	38,072
Transfers Out	-	-	(50,289)	(50,289)
Total other financing sources (uses)	-	-	(12,217)	(12,217)
Net change in fund balance	-	-	182,615	182,615
Fund balance, beginning of year	418,942	418,942	418,942	-
Fund balance, end of year	\$ 418,942	\$ 418,942	\$ 601,557	\$ 182,615

See note to required supplementary information.



**CLAY COUNTY, MISSOURI**  
**Budgetary Comparison Schedule**  
**Law Enforcement Tax Fund**  
**For the Year Ended December 31, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 11,812,196	\$ 11,812,196	\$ 12,104,939	\$ 292,743
Fees and Fines	91,600	91,600	376,808	285,208
Charges for Services	110,000	110,000	100,544	(9,456)
Intergovernmental	2,330,891	2,330,891	1,861,790	(469,101)
Investment Income	20,380	20,380	29,398	9,018
Other	192,375	604,930	27,997	(576,933)
Total revenues	14,557,442	14,969,997	14,501,476	(468,521)
<b>EXPENDITURES</b>				
Public safety and judicial	15,438,848	15,788,063	15,219,205	(568,858)
Total expenditures	15,438,848	15,788,063	15,219,205	(568,858)
Excess (deficiency) of revenue over expenditures	(881,406)	(818,066)	(717,729)	100,337
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	346,127	(693,968)
Total other financing sources (uses)	-	-	346,127	(693,968)
Net change in fund balance	(881,406)	(818,066)	(371,602)	(593,631)
Fund balance, beginning of year	3,151,977	3,151,977	3,151,977	-
Fund balance, end of year	\$ 2,270,571	\$ 2,333,911	\$ 2,780,375	\$ (593,631)

See note to required supplementary information.

**CLAY COUNTY, MISSOURI**  
**Budgetary Comparison Schedule**  
**Reassessment Fund**  
**For the Year Ended December 31, 2015**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
<b>REVENUES</b>				
Fees and Fines	\$ 2,002,500	\$ 2,002,500	\$ 2,477,151	\$ 474,651
Intergovernmental	263,955	263,955	290,060	26,105
Investment Income	17,000	17,000	24,998	7,998
Other	573,954	670,954	18,020	(652,934)
Total revenues	2,857,409	2,954,409	2,810,229	(144,180)
<b>EXPENDITURES</b>				
Property, valuation and recording	2,869,034	2,966,034	2,576,745	(389,289)
Total expenditures	2,869,034	2,966,034	2,576,745	(389,289)
Excess (deficiency) of revenue over expenditures	(11,625)	(11,625)	233,484	245,109
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	57,074	57,074
Total other financing sources (uses)	-	-	57,074	57,074
Net change in fund balance	(11,625)	(11,625)	290,558	302,183
Fund balance, beginning of year	3,092,023	3,092,023	3,092,023	-
Fund balance, end of year	\$ 3,080,398	\$ 3,080,398	\$ 3,382,581	\$ 302,183

See note to required supplementary information.

**CLAY COUNTY, MISSOURI**

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**NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2015**

**I. Budgetary data**

The County Commission adopted annual operating budgets for all funds, except the Sheriff Inmate Fund and the Federal Equitable Sharing Fund as these funds only had revenues budgeted and not expenditures. The County's budget is adopted using the cash basis of accounting. Revisions to the budget can be made only by the Commission. There were several budget amendments during the year ended December 31, 2015. Legally, expenditures may not exceed the total amount of expenditures budgeted, as revised, in each fund. All annual appropriations lapse at year end if not encumbered.

The County follows these procedures in establishing the budgetary data reflected in the financial statements, beginning in the prior year.

5. In early May, budget worksheets are mailed to each department/office.
6. By late June, all budget worksheets are returned to the County Administrator for compilation and verification.
7. Budget meetings are held between the County Administrator and each department beginning in mid to late July.
8. In early November, a proposed budget is presented to the County Commission.
9. In early December, a public hearing is held regarding the budget and the County Commission approves the budget.

**CLAY COUNTY, MISSOURI**  
**Schedule of Funding Progress**  
**Other Post Employment Benefits**  
**December 31, 2015**

Actuarial Valuation Date	Actuarial Value Of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL As A Percentage Of Covered Payroll (b-a)/c
1/1/10	\$ -	\$ 1,091,200	\$ 1,091,200	0%	\$ 17,948,508	6.08%
1/1/12	\$ -	\$ 1,047,243	\$ 1,047,243	0%	\$ 18,556,639	5.64%
1/1/14	\$ -	\$ 1,193,712	\$ 1,193,712	0%	\$ 20,106,228	5.94%

The information presented in the required supplementary schedules was determined as part of the actuarial valuation date as of January 1, 2014. Additional information follows:

- a. The cost method used to determine the ARC is the Projected Unit Credit method.
- b. There are no plan assets.
- c. The actuarial assumptions included: 1) 3.5 percent valuation interest rate  
and 2) Medical/Rx Cost Inflationary trend rate of 7 percent initially and an ultimate rate of 5 percent.
- d. The amortization method is level percentage of pay over 30 years

**CLAY COUNTY, MISSOURI**  
**Schedule of Changes in Net Pension Liability and Related Ratios**  
**Missouri Local Government Employees Retirement System**

Year ended June 30,	<u>2015</u>
<b>Total Pension Liability</b>	
Service cost	\$ 2,010,201
Interest on the total pension liability	5,823,136
Difference between expected and actual experience of the total pension liability	(798,905)
Benefit payments, including refunds of employee contributions	<u>(3,501,248)</u>
<b>Net change in total pension liability</b>	<b>3,533,184</b>
<b>Total pension liability, beginning</b>	<u>81,051,596</u>
<b>Total pension liability, ending (A)</b>	<u><u>\$ 84,584,780</u></u>
<b>Plan Fiduciary Net Position</b>	
Contributions-employer	\$ 2,245,428
Contributions-employees	-
Net investment income	1,840,855
Benefit payments, including refunds of employee contributions	(3,501,248)
Pension plan administrative expense	(91,152)
Other (net transfer)	<u>(123,559)</u>
<b>Net change in plan fiduciary net position</b>	<b>370,324</b>
<b>Plan fiduciary net position, beginning</b>	<u>94,268,921</u>
<b>Plan fiduciary net position, ending (B)</b>	<u><u>\$ 94,639,245</u></u>
Employer net pension liability (asset) (A) - (B)	<u><u>\$ (10,054,465)</u></u>
Plan fiduciary net position as a percentage of the total pension liability	111.89%
Covered valuation payroll	20,489,537
Net pension liability as a percentage of covered valuation payroll	-49.07%

**Note:** GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

**CLAY COUNTY, MISSOURI**  
**Schedule of County Contributions**  
**Missouri Local Government Employees Retirement System**  
**Year Ended December 31, 2015**

Calendar Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2015	\$ 2,132,887	\$ 2,132,887	\$ -	\$ 20,601,446	10.35%
2014	2,299,017	2,299,017	-	20,687,740	11.11
2013	2,385,590	2,385,590	-	20,591,225	11.59
2012	2,479,277	2,343,727	135,550	20,208,753	11.60
2011	2,323,941	2,085,098	238,843	19,672,959	10.60
2010	2,427,835	1,903,573	524,262	19,864,875	9.58
2009	1,789,863	1,789,863	-	20,818,744	8.60
2008	1,638,544	1,638,544	-	19,721,851	8.31
2007	1,576,105	1,549,554	26,551	18,375,684	8.43
2006	1,674,861	1,674,861	-	17,452,414	9.60

**Actuarial Assumptions:**

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Multiple bases from 14 to 19 years
Asset Valuation Method	5-Year smoothed market; 20% corridor
Inflation	3.5% wage inflation; 3.0% price inflation
Salary Increases	3.5% to 6.8% including wage inflation
Investment Rate of Return	7.25%, net of investment and administrative expenses
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	105% of the 1994 Group Annuity Mortality Table set back 0 years for men and 0 years for women. Based upon experience observed during the most recent 5-year period study, it appears that the current table provides for an approximate 13% margin for future mortality improvement.

**CLAY COUNTY, MISSOURI**  
**Schedule of Proportionate Share**  
**County Employees Retirement Fund**

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Year ended December 31,	<u>2014</u>
County proportion of the net pension liability (asset)	7.2762%
County proportionate share of the net pension liability (asset)	\$ 8,491,337
County covered employee payroll	\$ 18,256,353
County net pension liability as a percentage of its covered payroll	46.5117%
Plan fiduciary net position as a percentage of the total pension liability	78.83%

**Note:** GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

**CLAY COUNTY, MISSOURI**  
**Schedule of County Contributions**  
**County Employees Retirement Fund**

Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2015	\$ 1,439,352	\$ 1,512,905	\$ (73,553)	\$ 18,256,353	8.29%

**Note:** GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

**Actuarial Assumptions:**

Actuarial cost method	Entry Age
Investment rate of return	8%
Inflation	3%
Discount rate	8%
Compensation increases	Inflation plus an age-graded allowance for merit, promotion, and seniority. Total average increases, including inflation, are approximately 5.3%
Mortality rates	RP 2000 table separately for males and females projected for mortality improvement through 2010.



**SUPPLEMENTARY INFORMATION  
COMBINING STATEMENTS AND INDIVIDUAL  
FUND SCHEDULES**



CLAY COUNTY, MISSOURI  
 Combining Balance Sheet - Nonmajor Governmental Funds  
 December 31, 2015

	Park Fund	Prosecutor Training Fund	Delinquent Sales Tax Fund	Prosecutor Check Collection Fund	Law Enforcement Training Fund
<b>ASSETS</b>					
Cash and cash equivalents	\$ 678,796	\$ 6,152	\$ 5,487	\$ 24,908	\$ 30,066
Taxes receivable	152,300	-	-	-	-
Fees and other receivables	15,492	268	-	103	80
Intergovernmental receivables	-	-	20	-	1,044
Due from other funds	-	-	-	-	-
Prepaid items	-	-	-	-	-
Total assets	\$ 846,588	\$ 6,420	\$ 5,507	\$ 25,011	\$ 31,190
<b>LIABILITIES</b>					
Accounts payable	\$ 30,297	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	76,962	-	-	-	-
Due to other funds	27,010	-	-	-	-
Total liabilities	134,269	-	-	-	-
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - property taxes	5,842	-	-	-	-
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	-	-
Restricted	706,477	6,420	5,507	25,011	31,190
Unassigned	-	-	-	-	-
Total fund balances (deficits)	706,477	6,420	5,507	25,011	31,190
Total liabilities, deferred inflows of resources and fund balances (deficits)	\$ 846,588	\$ 6,420	\$ 5,507	\$ 25,011	\$ 31,190

(Continued)

CLAY COUNTY, MISSOURI  
 Combining Balance Sheet - Nonmajor Governmental Funds (Continued)  
 December 31, 2015

	Civil Fees Fund	Emergency Communications Fund	Law Library Fund	Inmate Security Fund	Domestic Violence Fund	Use Tax Fund
<b>ASSETS</b>						
Cash and cash equivalents	\$ 5,359	\$ 55,978	\$ 58,162	\$ 261,315	\$ 2,047	\$ 1,946,339
Taxes receivable	-	68,122	-	-	-	219,725
Fees and other receivables	19,312	-	-	1,137	1,148	4,527
Intergovernmental receivables	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Prepaid items	5,716	-	-	2,348	-	-
Total assets	\$ 30,387	\$ 124,100	\$ 58,162	\$ 264,800	\$ 3,195	\$ 2,170,591
<b>LIABILITIES</b>						
Accounts payable	\$ 1,864	\$ 156,723	\$ -	\$ -	\$ -	\$ 70,369
Accrued liabilities	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Total liabilities	1,864	156,723	-	-	-	70,369
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue - property taxes	-	-	-	-	-	-
<b>FUND BALANCES</b>						
Nonspendable	5,716	-	-	2,348	-	-
Restricted	22,807	-	58,162	262,452	3,195	2,100,222
Unassigned	-	(32,623)	-	-	-	-
Total fund balances (deficits)	28,523	(32,623)	58,162	264,800	3,195	2,100,222
Total liabilities, deferred inflows of resources and fund balances (deficits)	\$ 30,387	\$ 124,100	\$ 58,162	\$ 264,800	\$ 3,195	\$ 2,170,591

(Continued)

CLAY COUNTY, MISSOURI  
 Combining Balance Sheet - Nonmajor Governmental Funds (Continued)  
 December 31, 2015

	Use Tax Highway Fund	Use Tax Parks & Trails Fund	Sheriff DARE Fund	Sheriff Emergency Apprehension Fund	Sheriff Inmate Fund	Record Preservation Fund
<b>ASSETS</b>						
Cash and cash equivalents	\$ 366,416	\$ 1,716,745	\$ 4,641	\$ 18,292	\$ 290,325	\$ 688,131
Taxes receivable	219,725	219,725	-	-	-	-
Fees and other receivables	3,571	3,626	-	-	-	3,044
Intergovernmental receivables	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Total assets	\$ 589,712	\$ 1,940,096	\$ 4,641	\$ 18,292	\$ 290,325	\$ 691,175
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ 1,045	\$ -	\$ -	\$ 17,199	\$ 23,909
Accrued liabilities	-	7,835	-	-	-	-
Due to other funds	-	2,361	-	-	191,170	-
Total liabilities	-	11,241	-	-	208,369	23,909
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue - property taxes	-	-	-	-	-	-
<b>FUND BALANCES</b>						
Nonspendable	-	-	-	-	-	-
Restricted	589,712	1,928,855	4,641	18,292	81,956	667,266
Unassigned	-	-	-	-	-	-
Total fund balances (deficits)	589,712	1,928,855	4,641	18,292	81,956	667,266
Total liabilities, deferred inflows of resources and fund balances (deficits)	\$ 589,712	\$ 1,940,096	\$ 4,641	\$ 18,292	\$ 290,325	\$ 691,175

(Continued)

CLAY COUNTY, MISSOURI  
 Combining Balance Sheet - Nonmajor Governmental Funds (Continued)  
 December 31, 2015

	Collector Tax Maintenance Fund	K9 Fund	Sheriff Revolving Fund	Federal Equitable Sharing	Total Nonmajor Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 303,897	\$ 11,107	\$ 249,340	\$ 39,457	\$ 6,762,960
Taxes receivable	-	-	-	-	879,597
Fees and other receivables	808	41	36,344	35	89,536
Intergovernmental receivables	-	-	-	-	1,064
Due from other funds	5,108	-	-	-	5,108
Prepaid items	-	-	-	-	8,064
Total assets	\$ 309,813	\$ 11,148	\$ 285,684	\$ 39,492	\$ 7,746,329
<b>LIABILITIES</b>					
Accounts payable	\$ 78,500	\$ -	\$ 11,737	\$ -	\$ 391,643
Accrued liabilities	5,965	-	3,758	-	94,520
Due to other funds	243	-	-	-	220,784
Total liabilities	84,708	-	15,495	-	706,947
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - property taxes	-	-	-	-	5,842
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	-	8,064
Restricted	225,105	11,148	270,189	39,492	7,058,099
Unassigned	-	-	-	-	(32,623)
Total fund balances (deficits)	225,105	11,148	270,189	39,492	7,033,540
Total liabilities, deferred inflows of resources and fund balances (deficits)	\$ 309,813	\$ 11,148	\$ 285,684	\$ 39,492	\$ 7,746,329

**CLAY COUNTY, MISSOURI**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2015**

	Park Fund	Prosecutor Training Fund	Delinquent Sales Tax Fund	Prosecutor Check Collection Fund	Drug Task Force Fund	Law Enforcement Training Fund
<b>REVENUES</b>						
Taxes	\$ 1,172,460	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and Fines	-	4,025	-	27,293	-	17,282
Licenses and permits	-	-	-	-	-	-
Charges for services	2,042,542	-	-	-	-	-
Intergovernmental	1,468	-	289	-	-	8,658
Leases	694,533	-	-	-	-	-
Investment income (loss)	21,948	51	73	417	(41)	323
Other	9,003	-	-	-	-	-
Total Revenues	3,941,954	4,076	362	27,710	(41)	26,263
<b>EXPENDITURES</b>						
Current						
Public Safety and Judicial	60,988	632	2,935	26,936	15,549	33,867
Highways and traffic	-	-	-	-	-	-
Parks and recreation	4,362,364	-	-	-	-	-
Property, valuation and recording	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total expenditures	4,423,352	632	2,935	26,936	15,549	33,867
Excess of revenues over (under) expenditures	(481,398)	3,444	(2,573)	774	(15,590)	(7,604)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	48,544	-	-	-	-	-
Transfers out	(225,326)	-	-	-	(38,219)	-
Total other financing sources (uses)	(176,782)	-	-	-	(38,219)	-
Net change in fund balances	(658,180)	3,444	(2,573)	774	(53,809)	(7,604)
Fund balance, beginning of year	1,364,657	2,976	8,080	24,237	53,809	38,794
Fund balance (deficit), end of year	706,477	6,420	5,507	25,011	-	31,190

(Continued)

**CLAY COUNTY, MISSOURI**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2015**

	Civil Fees Fund	Emergency Communications Fund	Law Library Fund	Inmate Security Fund	Domestic Violence Fund	Use Tax Fund
<b>REVENUES</b>						
Taxes	\$ -	\$ 582,846	\$ -	\$ -	\$ -	\$ 1,216,012
Fees and Fines	40,244	-	43,174	30,951	31,047	-
Licenses and permits	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Leases	-	-	-	-	-	-
Investment income (loss)	-	-	-	558	288	20,597
Other	-	-	-	189,738	-	-
Total Revenues	40,244	582,846	43,174	221,247	31,335	1,236,609
<b>EXPENDITURES</b>						
Current						
Public Safety and Judicial	61,853	625,629	27,282	4,518	46,499	-
Highways and traffic	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Property, valuation and recording	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	944,702
Total expenditures	61,853	625,629	27,282	4,518	46,499	944,702
Excess of revenues over (under) expenditures	(21,609)	(42,783)	15,892	216,729	(15,164)	291,907
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	-	21,685
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	21,685
Net change in fund balances	(21,609)	(42,783)	15,892	216,729	(15,164)	313,592
Fund balance, beginning of year	50,132	10,160	42,270	48,071	18,359	1,786,630
Fund balance (deficit), end of year	\$ 28,523	\$ (32,623)	\$ 58,162	\$ 264,800	\$ 3,195	\$ 2,100,222

(Continued)



**CLAY COUNTY, MISSOURI**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2015**

	Use Tax Highway Fund	Use Tax Parks & Trails Fund	Sheriff DARE Fund	Sheriff Emergency Apprehension Fund	Sheriff Inmate Fund	Record Preservation Fund
<b>REVENUES</b>						
Taxes	\$ 1,216,012	\$ 1,216,012	\$ -	\$ -	\$ -	\$ -
Fees and Fines	-	-	-	-	-	452,777
Licenses and permits	-	-	-	-	-	-
Charges for services	-	-	-	-	88,015	-
Intergovernmental	-	-	-	77,494	-	-
Leases	-	-	-	-	-	-
Investment income (loss)	17,479	18,158	-	-	-	6,657
Other	-	-	8,002	-	-	-
Total Revenues	1,233,491	1,234,170	8,002	77,494	88,015	459,434
<b>EXPENDITURES</b>						
Current						
Public Safety and Judicial	-	3,365	8,716	137,747	68,578	-
Highways and traffic	2,179,848	-	-	-	-	-
Parks and recreation	-	741,266	-	-	-	-
Property, valuation and recording	-	-	-	-	-	401,572
Debt service	-	-	-	-	-	-
Principal	-	170,397	-	-	-	-
Interest and fiscal charges	-	142,982	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total expenditures	2,179,848	1,058,010	8,716	137,747	68,578	401,572
Excess of revenues over (under) expenditures	(946,357)	176,160	(714)	(60,253)	19,437	57,862
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	21,685	26,397	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	21,685	26,397	-	-	-	-
Net change in fund balances	(924,672)	202,557	(714)	(60,253)	19,437	57,862
Fund balance, beginning of year	1,514,384	1,726,298	5,355	78,545	62,519	609,404
Fund balance (deficit), end of year	\$ 589,712	\$ 1,928,855	\$ 4,641	\$ 18,292	\$ 81,956	\$ 667,266

(Continued)

**CLAY COUNTY, MISSOURI**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2015**

	Collector Tax Maintenance Fund	K9 Fund	Sheriff Revolving Fund	Federal Equitable Sharing Fund	Total Nonmajor Governmental Funds
<b>REVENUES</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 5,403,342
Fees and Fines	452,698	-	-	-	1,099,491
Licenses and permits	-	-	258,570	-	258,570
Charges for services	-	-	-	-	2,130,557
Intergovernmental	-	-	-	-	87,909
Leases	-	-	-	-	694,533
Investment income (loss)	5,019	138	2,398	115	94,178
Other	1,066	250	-	39,234	247,293
Total Revenues	458,783	388	260,968	39,349	10,015,873
<b>EXPENDITURES</b>					
Current					
Public Safety and Judicial	-	9,200	213,187	7,884	1,355,365
Highways and traffic	-	-	-	-	2,179,848
Parks and recreation	-	-	-	-	5,103,630
Property, valuation and recording	702,688	-	-	-	1,104,260
Debt service					
Principal	-	-	-	-	170,397
Interest and fiscal charges	-	-	-	-	142,982
Capital Outlay	-	-	-	-	944,702
Total expenditures	702,688	9,200	213,187	7,884	11,001,184
Excess of revenues over (under) expenditures	(243,905)	(8,812)	47,781	31,465	(985,311)
<b>OTHER FINANCING SOURCES ( USES)</b>					
Transfers in	155,503	-	3,344	-	277,158
Transfers out	-	-	-	-	(263,545)
Total other financing sources (uses)	155,503	-	3,344	-	13,613
Net change in fund balances	(88,402)	(8,812)	51,125	31,465	(971,698)
Fund balance, beginning of year	313,507	19,960	219,064	8,027	8,005,238
Fund balance (deficit), end of year	225,105	11,148	270,189	39,492	7,033,540

CLAY COUNTY, MISSOURI  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual - Nonmajor Governmental Funds  
 For the Year Ended December 31, 2015

	Park Fund			Prosecutor Training Fund			Delinquent Sales Tax Fund		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
<b>REVENUES</b>									
Taxes	\$ 1,178,799	\$ 1,172,460	\$ (6,339)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and Fines	-	-	-	4,000	4,025	25	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Charges for services	2,324,300	2,042,542	(281,758)	-	-	-	-	-	-
Intergovernmental	10,000	1,468	(8,532)	-	-	-	-	-	-
Leases	1,012,550	694,533	(318,017)	-	-	-	1,500	289	(1,211)
Investment income (loss)	7,500	21,948	14,448	70	51	(19)	70	73	3
Other	907,325	9,003	(898,322)	2,123	-	(2,123)	7,453	-	(7,453)
Total Revenues	5,440,474	3,941,954	(1,498,520)	6,193	4,076	(2,117)	9,023	362	(8,661)
<b>EXPENDITURES</b>									
Current									
Public Safety and Judicial	-	60,988	60,988	6,689	632	(6,057)	9,023	2,935	(6,088)
Highways and traffic	-	-	-	-	-	-	-	-	-
Parks and recreation	6,192,833	4,362,364	(1,830,469)	-	-	-	-	-	-
Property, valuation and recording	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-
Total expenditures	6,192,833	4,423,352	(1,769,481)	6,689	632	(6,057)	9,023	2,935	(6,088)
Excess of revenues over (under) expenditures	(752,359)	(481,398)	270,961	(496)	3,444	3,940	-	(2,573)	(2,573)
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers in	-	48,544	48,544	-	-	-	-	-	-
Transfers out	(176,295)	(225,326)	(49,031)	-	-	-	-	-	-
Total other financing sources (uses)	(176,295)	(176,782)	(487)	-	-	-	-	-	-
Net change in fund balances	(928,654)	(658,180)	270,474	(496)	3,444	3,940	-	(2,573)	(2,573)
Fund balance, beginning of year	1,364,657	1,364,657	-	2,976	2,976	-	8,080	8,080	-
Fund balance (deficit), end of year	\$ 436,003	\$ 706,477	\$ 270,474	\$ 2,480	\$ 6,420	\$ 3,940	\$ 8,080	\$ 5,507	\$ (2,573)

(Continued)

**CLAY COUNTY, MISSOURI**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Nonmajor Governmental Funds (Continued)**  
**For the Year Ended December 31, 2015**

	Prosecutor Check Collection Fund			Drug Task Force Fund			Law Enforcement Training Fund		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
<b>REVENUES</b>									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and Fines	40,000	27,293	(12,707)	-	-	-	16,000	17,282	1,282
Licenses and permits	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	7,500	8,658	1,158
Leases	-	-	-	-	-	-	-	-	-
Investment income (loss)	350	417	67	-	(41)	(41)	250	323	73
Other	24,130	-	(24,130)	-	-	-	36,973	-	(36,973)
<b>Total Revenues</b>	<b>64,480</b>	<b>27,710</b>	<b>(36,770)</b>	<b>-</b>	<b>(41)</b>	<b>(41)</b>	<b>60,723</b>	<b>26,263</b>	<b>(34,460)</b>
<b>EXPENDITURES</b>									
Current									
Public Safety and Judicial	64,480	26,936	(37,544)	143,387	15,549	(127,838)	60,723	33,867	(26,856)
Highways and traffic	-	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-	-
Property, valuation and recording	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>64,480</b>	<b>26,936</b>	<b>(37,544)</b>	<b>143,387</b>	<b>15,549</b>	<b>(127,838)</b>	<b>60,723</b>	<b>33,867</b>	<b>(26,856)</b>
Excess of revenues over (under) expenditures	-	774	774	(143,387)	(15,590)	127,797	-	(7,604)	(7,604)
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers in	-	-	-	-	(38,219)	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	(38,219)	-	-	-	-
Net change in fund balances	-	774	774	(143,387)	(53,809)	127,797	-	(7,604)	(7,604)
Fund balance, beginning of year	24,237	24,237	-	53,809	53,809	-	38,794	38,794	-
Fund balance, end of year	<b>24,237</b>	<b>25,011</b>	<b>774</b>	<b>(89,578)</b>	<b>-</b>	<b>127,797</b>	<b>38,794</b>	<b>31,190</b>	<b>(7,604)</b>

(Continued)

**CLAY COUNTY, MISSOURI**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Nonmajor Governmental Funds (Continued)**  
**For the Year Ended December 31, 2015**

	Civil Fees Fund			Emergency Communications Fund			Law Library Fund		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
<b>REVENUES</b>									
Taxes	\$ -	\$ -	\$ -	\$ 595,000	\$ 582,846	\$ (12,154)	\$ -	\$ -	\$ -
Fees and Fines	50,000	40,244	(9,756)	-	-	-	55,000	43,174	(11,826)
Licenses and permits	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-	-	-	-
Other	15,386	-	(15,386)	7,367	-	(7,367)	21,148	-	(21,148)
Total Revenues	65,386	40,244	(25,142)	602,367	582,846	(19,521)	76,148	43,174	(32,974)
<b>EXPENDITURES</b>									
Current									
Public Safety and Judicial	65,386	61,853	(3,533)	602,367	625,629	23,262	76,148	27,282	(48,866)
Highways and traffic	-	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-	-
Property, valuation and recording	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-
Total expenditures	65,386	61,853	(3,533)	602,367	625,629	23,262	76,148	27,282	(48,866)
Excess of revenues over (under) expenditures	-	(21,609)	(21,609)	-	(42,783)	(42,783)	-	15,892	15,892
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Net change in fund balances	-	(21,609)	(21,609)	-	(42,783)	(42,783)	-	15,892	15,892
Fund balance, beginning of year	50,132	50,132	-	10,160	10,160	-	42,270	42,270	-
Fund balance, end of year	\$ 50,132	\$ 28,523	\$ (21,609)	\$ 10,160	\$ (32,623)	\$ (42,783)	\$ 42,270	\$ 58,162	\$ 15,892

(Continued)

**CLAY COUNTY, MISSOURI**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Nonmajor Governmental Funds (Continued)**  
**For the Year Ended December 31, 2015**

	Inmate Security Fund			Domestic Violence Fund			Use Tax Fund		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
<b>REVENUES</b>									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000	\$ 1,216,012	\$ 16,012
Fees and Fines	22,000	30,951	8,951	29,500	31,047	1,547	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-	-
Investment Income	100	558	458	100	288	188	14,000	20,597	6,597
Other	42,693	189,738	147,045	16,899	-	(16,899)	1,172,779	-	(1,172,779)
Total Revenues	64,793	221,247	156,454	46,499	31,355	(15,164)	2,386,779	1,236,609	(1,150,170)
<b>EXPENDITURES</b>									
Current									
Public Safety and Judicial	64,793	4,518	(60,275)	46,499	46,499	-	688,651	-	(688,651)
Highways and traffic	-	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-	-
Property, valuation and recording	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	1,698,128	944,702	(753,426)
Total expenditures	64,793	4,518	(60,275)	46,499	46,499	-	2,386,779	944,702	(1,442,077)
Excess of revenues over (under) expenditures	-	216,729	216,729	-	(15,164)	(15,164)	-	291,907	291,907
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	21,685	21,685
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Net change in fund balances	-	216,729	216,729	-	(15,164)	(15,164)	-	313,592	313,592
Fund balance, beginning of year	48,071	48,071	-	18,359	18,359	-	1,786,630	1,786,630	-
Fund balance, end of year	\$ 48,071	\$ 264,800	\$ 216,729	\$ 18,359	\$ 3,195	\$ (15,164)	\$ 1,786,630	\$ 2,100,222	\$ 313,592

(Continued)

**CLAY COUNTY, MISSOURI**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Nonmajor Governmental Funds (Continued)**  
**For the Year Ended December 31, 2015**

	Use Tax Highway Fund			Use Tax Parks & Trails Fund			Sheriff DARE Fund		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
<b>REVENUES</b>									
Taxes	\$ 1,200,000	\$ 1,216,012	\$ 16,012	\$ 1,200,000	\$ 1,216,012	\$ 16,012	\$ -	\$ -	\$ -
Fees and Fines	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-	-
Investment Income	8,000	17,479	9,479	9,500	18,158	8,658	-	-	-
Other	1,293,906	-	(1,293,906)	1,460,344	-	(1,460,344)	3,288	8,002	4,714
Total Revenues	2,501,906	1,233,491	(1,268,415)	2,669,844	1,234,170	(1,435,674)	3,288	8,002	4,714
<b>EXPENDITURES</b>									
Current									
Public Safety and Judicial	-	-	-	-	3,365	3,365	3,288	8,716	5,428
Highways and traffic	2,501,906	2,179,848	(322,058)	-	-	-	-	-	-
Parks and recreation	-	-	-	2,356,464	741,266	(1,615,198)	-	-	-
Property, valuation and recording	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Principal	-	-	-	313,380	170,397	(142,983)	-	-	-
Interest and fiscal charges	-	-	-	-	142,982	142,982	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-
Total expenditures	2,501,906	2,179,848	(322,058)	2,669,844	1,058,010	(1,611,834)	3,288	8,716	5,428
Excess of revenues over (under) expenditures	-	(946,357)	(946,357)	-	176,160	176,160	-	(714)	(714)
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers in	-	21,685	21,685	-	26,397	26,397	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	21,685	21,685	-	26,397	26,397	-	-	-
Net change in fund balances	-	(924,672)	(924,672)	-	202,557	202,557	-	(714)	(714)
Fund balance, beginning of year	1,514,384	1,514,384	-	1,726,298	1,726,298	-	5,355	5,355	-
Fund balance, end of year	\$ 1,514,384	\$ 589,712	\$ (924,672)	\$ 1,726,298	\$ 1,928,855	\$ 202,557	\$ 5,355	\$ 4,641	\$ (714)

(Continued)

**CLAY COUNTY, MISSOURI**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Nonmajor Governmental Funds (Continued)**  
**For the Year Ended December 31, 2015**

	Sheriff Emergency Apprehension Fund			Sheriff Inmate Fund			Record Preservation Fund		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
<b>REVENUES</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-	-	-	-	-	-
Fees and Fines	-	-	-	-	-	-	425,000	452,777	27,777
Licenses and permits	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	100,000	88,015	(11,985)	-	-	-
Intergovernmental	-	77,494	77,494	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	4,200	6,657	2,457
Other	120,000	-	(120,000)	-	-	-	607,829	-	(607,829)
Total Revenues	120,000	77,494	(42,506)	100,000	88,015	(11,985)	1,037,029	459,434	(577,595)
<b>EXPENDITURES</b>									
Current									
Public Safety and Judicial	120,000	137,747	17,747	-	68,578	68,578	-	-	-
Highways and traffic	-	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-	-
Property, valuation and recording	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	1,037,029	401,572	(635,457)
Principal	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-
Total expenditures	120,000	137,747	17,747	-	68,578	68,578	1,037,029	401,572	(635,457)
Excess of revenues over (under) expenditures	-	(60,253)	(60,253)	100,000	19,437	(80,563)	-	57,862	57,862
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Net change in fund balances	-	(60,253)	(60,253)	100,000	19,437	(80,563)	-	57,862	57,862
Fund balance, beginning of year	78,545	78,545	-	62,519	62,519	-	609,404	609,404	-
Fund balance, end of year	\$ 78,545	\$ 18,292	\$ (60,253)	\$ 162,519	\$ 81,956	\$ (80,563)	\$ 609,404	\$ 667,266	\$ 57,862

(Continued)



**CLAY COUNTY, MISSOURI**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Nonmajor Governmental Funds (Continued)**  
**For the Year Ended December 31, 2015**

	Collector Tax Maintenance Fund			K9 Fund			Sheriff Revolving Fund		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
<b>REVENUES</b>									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and Fines	490,000	452,698	(37,302)	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	200,000	258,570	58,570
Charges for services	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-	-
Investment income	4,000	5,019	1,019	50	138	88	1,800	2,398	598
Other	293,011	1,066	(291,945)	19,917	250	(19,667)	199,410	-	(199,410)
Total Revenues	787,011	458,783	(328,228)	19,967	388	(19,579)	401,210	260,968	(140,242)
<b>EXPENDITURES</b>									
Current									
Public Safety and Judicial	-	-	-	19,967	9,200	(10,767)	401,210	213,187	(188,023)
Highways and traffic	-	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-	-
Property, valuation and recording	787,011	702,688	(84,323)	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-
Total expenditures	787,011	702,688	(84,323)	19,967	9,200	(10,767)	401,210	213,187	(188,023)
Excess of revenues over (under) expenditures	-	(243,905)	(243,905)	-	(8,812)	(8,812)	-	47,781	47,781
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers in	-	155,503	155,503	-	-	-	-	3,344	3,344
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	155,503	155,503	-	-	-	-	3,344	3,344
Net change in fund balances	-	(88,402)	(88,402)	-	(8,812)	(8,812)	-	51,125	51,125
Fund balance, beginning of year	313,507	313,507	-	19,960	19,960	-	219,064	219,064	-
Fund balance, end of year	\$ 313,507	\$ 225,105	\$ (88,402)	\$ 19,960	\$ 11,148	\$ (8,812)	\$ 219,064	\$ 270,189	\$ 51,125

**CLAY COUNTY, MISSOURI**  
**Budgetary Comparison Schedule**  
**Debt Service Fund**  
**For the Year Ended December 31, 2015**

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance</u>
<b>REVENUES</b>			
Investment income (loss)	\$ -	\$ (696)	\$ (696)
Total Revenues	-	(696)	(696)
<b>EXPENDITURES</b>			
Debt service			
Principal	238,583	285,000	46,417
Interest and fiscal charges	161,972	111,659	(50,313)
Total expenditures	400,555	396,659	(3,896)
Excess of revenues over (under) expenditures	(400,555)	(397,355)	3,200
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	383,356	383,356
Total other financing sources (uses)	-	383,356	383,356
Net change in fund balances	(400,555)	(13,999)	386,556
Fund balance, beginning of year	237,374	237,374	-
Fund balance, end of year	\$ (163,181)	\$ 223,375	\$ 386,556

**CLAY COUNTY, MISSOURI**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Funds Combined Into the General Fund**  
**For the Year Ended December 31, 2015**

	Prosecutor Contingency Fund			Work Release Program Fund			Law Enforcement Capital Reserve Fund		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
<b>REVENUES</b>									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000	\$ 300,000	\$ -
Fees and Fines	-	-	-	20,000	16,271	(3,729)	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-	-	-	-
Other	3,802	-	(3,802)	59,330	-	(59,330)	1,099,022	-	(1,099,022)
Total Revenues	3,802	-	(3,802)	79,330	16,271	(63,059)	1,399,022	300,000	(1,099,022)
<b>EXPENDITURES</b>									
Current									
General Government	-	-	-	-	-	-	-	-	-
Public Safety and Judicial	20,000	19,893	(107)	79,330	48,790	(30,540)	1,399,022	417,310	(981,712)
Highways and traffic	-	-	-	-	-	-	-	-	-
Property, valuation and recording	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-
Total expenditures	20,000	19,893	(107)	79,330	48,790	(30,540)	1,399,022	417,310	(981,712)
Excess of revenues over (under) expenditures	(16,198)	(19,893)	(3,695)	-	(32,519)	(32,519)	-	(117,310)	(117,310)
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers in	-	16,198	16,198	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	16,198	16,198	-	-	-	-	-	-
Net change in fund balances	(16,198)	(3,695)	12,503	(32,519)	(32,519)	(32,519)	-	(117,310)	(117,310)
Fund balance, beginning of year	3,971	3,971	-	59,330	59,330	-	1,149,022	1,149,022	-
Fund balance, end of year	\$ (12,227)	\$ 276	\$ 12,503	\$ 59,330	\$ 26,811	\$ (32,519)	\$ 1,149,022	\$ 1,031,712	\$ (117,310)

(Continued)

**CLAY COUNTY, MISSOURI**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Funds Combined Into the General Fund (Continued)**  
**For the Year Ended December 31, 2015**

	TIF Fund			Collector Tax Software Fund			Airport Fund		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
<b>REVENUES</b>									
Taxes	\$ 3,089,167	\$ 3,328,127	\$ 238,960	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and Fines	-	-	-	235,000	151,671	(83,329)	-	-	-
Charges for services	-	-	-	-	-	-	1,125,000	677,010	(447,990)
Intergovernmental	-	-	-	-	-	-	125,000	36,271	(88,729)
Leases	-	-	-	-	-	-	235,000	284,105	49,105
Investment Income	-	-	-	-	1,465	1,465	1,500	4,352	2,852
Other	1,141,784	422,725	(719,059)	10,669	-	(10,669)	202,178	1,105	(201,073)
Total Revenues	4,230,951	3,750,852	(480,099)	245,669	153,136	(92,533)	1,688,678	1,002,843	(685,835)
<b>EXPENDITURES</b>									
Current									
General Government	4,230,951	2,520,815	(1,710,136)	-	-	-	-	-	-
Public Safety and Judicial	-	-	-	-	-	-	-	-	-
Highways and traffic	-	-	-	-	-	-	1,664,599	867,318	(797,281)
Property, valuation and recording	-	-	-	245,669	175,000	(70,669)	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-
Total expenditures	4,230,951	2,520,815	(1,710,136)	245,669	175,000	(70,669)	1,664,599	867,318	(797,281)
Excess of revenues over (under) expenditures	-	1,230,037	1,230,037	-	(21,864)	(21,864)	24,079	135,525	111,446
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	(552,165)	(552,165)	-	163,341	163,341	(48,782)	(15,027)	33,755
Total other financing sources (uses)	-	(552,165)	(552,165)	-	163,341	163,341	(48,782)	(15,027)	33,755
Net change in fund balances	-	677,872	677,872	-	141,477	141,477	(24,703)	120,498	145,201
Fund balance, beginning of year	882,032	882,032	-	10,681	10,681	-	279,194	279,194	-
Fund balance, end of year	\$ 882,032	\$ 1,559,904	\$ 677,872	\$ 10,681	\$ 152,158	\$ 141,477	\$ 254,491	\$ 399,692	\$ 145,201

(Continued)

**CLAY COUNTY, MISSOURI**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Funds Combined into the General Fund (Continued)**  
**For the Year Ended December 31, 2015**

	LINC Fund			Juvenile Grants Fund			Prosecuting Attorney Retirement Fund		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
<b>REVENUES</b>									
Taxes	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -
Fees and Fines	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-	-
Investment Income	300	258	(42)	-	6	6	-	-	-
Other	24,658	-	(24,658)	595	-	(595)	-	-	-
Total Revenues	24,958	258	(24,700)	595	6	(589)	-	-	-
<b>EXPENDITURES</b>									
Current									
General Government	-	-	-	-	-	-	-	-	-
Public Safety and Judicial	24,958	1,981	(22,977)	595	-	(595)	7,752	7,752	-
Highways and traffic	-	-	-	-	-	-	-	-	-
Property, valuation and recording	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-
Total expenditures	24,958	1,981	(22,977)	595	-	(595)	7,752	7,752	-
Excess of revenues over (under) expenditures	-	(1,723)	(1,723)	-	6	6	(7,752)	(7,752)	-
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Net change in fund balances	-	(1,723)	(1,723)	-	6	6	(7,752)	(7,752)	7,752
Fund balance, beginning of year	24,724	24,724	-	598	598	-	-	-	-
Fund balance, end of year	24,724	23,001	(1,723)	598	604	6	(7,752)	-	7,752

(Continued)

CLAY COUNTY, MISSOURI

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Funds Combined Into the General Fund (Continued)  
For the Year Ended December 31, 2015

	Land Trustee Agency Fund			Total of Funds Combined Into the General Fund
	Budget	Actual	Variance	
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ 3,628,127
Fees and Fines	-	-	-	167,942
Charges for services	-	-	-	677,010
Intergovernmental	-	-	-	36,271
Leases	-	-	-	284,105
Investment Income	-	-	-	6,081
Other	8,228	-	(8,228)	423,830
Total Revenues	8,228	-	(8,228)	5,223,366
<b>EXPENDITURES</b>				
Current				
General Government	8,228	-	(8,228)	2,520,815
Public Safety and Judicial	-	-	-	495,726
Highways and traffic	-	-	-	867,318
Property, valuation and recording	-	-	-	175,000
Debt service	-	-	-	-
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital Outlay	-	-	-	-
Total expenditures	8,228	-	(8,228)	4,058,859
Excess of revenues over (under) expenditures	-	-	-	1,164,507
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	187,291
Transfers out	-	-	-	(567,192)
Total other financing sources (uses)	-	-	-	(379,901)
Net change in fund balances	-	-	-	784,606
Fund balance, beginning of year	8,228	8,228	-	2,417,780
Fund balance, end of year	8,228	8,228	-	3,202,386

**CLAY COUNTY, MISSOURI**  
**Combining Statement of Assets and Liabilities**

Agency Funds  
December 31, 2015

	Collector		Prosecuting Attorney				Sheriff	
	Prosecuting Attorney Check Division	Prosecuting Attorney Restitution	Bad Check	Total Prosecuting Attorney	Criminal Restitution	Criminal Forfeiture		
<b>ASSETS</b>								
Cash, cash equivalents, and investments	\$ 283,767,039	\$ 4	\$ 13,691	\$ 216	\$ 13,911	\$ -	\$ -	\$ 66,334
Total Assets	\$ 283,767,039	\$ 4	\$ 13,691	\$ 216	\$ 13,911	\$ -	\$ -	\$ 66,334
<b>LIABILITIES</b>								
Due to Others	\$ 283,767,039	\$ 4	\$ 13,691	\$ 216	\$ 13,911	\$ -	\$ -	\$ 66,334
Total Liabilities	\$ 283,767,039	\$ 4	\$ 13,691	\$ 216	\$ 13,911	\$ -	\$ -	\$ 66,334

(Continued)

**CLAY COUNTY, MISSOURI**  
**Combining Statement of Assets and Liabilities**  
**Agency Funds (Continued)**  
**December 31, 2015**

		Sheriff						
	Bail Bond	Sheriff Trust	CCIS SAVINGS #6800222119	CCIS Checking #681007920	CCIS Savings #621854	CCIS Task Force Grant	Total Sheriff	
<b>ASSETS</b>								
Cash, cash equivalents, and investments	\$ 410	\$ 50,895	\$ 14,823	\$ -	\$ 41,081	\$ 55,905	\$ 229,448	
Total Assets	\$ 410	\$ 50,895	\$ 14,823	\$ -	\$ 41,081	\$ 55,905	\$ 229,448	
<b>LIABILITIES</b>								
Due to Others	\$ 410	\$ 50,895	\$ 14,823	\$ -	\$ 41,081	\$ 55,905	\$ 229,448	
Total Liabilities	\$ 410	\$ 50,895	\$ 14,823	\$ -	\$ 41,081	\$ 55,905	\$ 229,448	

(Continued)



**CLAY COUNTY, MISSOURI**  
**Combining Statement of Assets and Liabilities**  
**Agency Funds (Continued)**  
**December 31, 2015**

	Other									
	Airport Lease Deposit Fund	Juvenile Fund	Road Improvement Fees	County Miscellaneous Checking	Special Road District #9	Cities	Metro Junior College	Library		
<b>ASSETS</b>										
Cash, cash equivalents, and investments	\$ 11,257	\$ 23,577	\$ 51,886	\$ 4,547	\$ 1,646,184	\$ 33,977	\$ 3,343	\$ 9,934		
Total Assets	\$ 11,257	\$ 23,577	\$ 51,886	\$ 4,547	\$ 1,646,184	\$ 33,977	\$ 3,343	\$ 9,934		
<b>Liabilities</b>										
Due to Others	\$ 11,257	\$ 23,577	\$ 51,886	\$ 4,547	\$ 1,646,184	\$ 33,977	\$ 3,343	\$ 9,934		
Total liabilities	\$ 11,257	\$ 23,577	\$ 51,886	\$ 4,547	\$ 1,646,184	\$ 33,977	\$ 3,343	\$ 9,934		

(Continued)

**CLAY COUNTY, MISSOURI**  
**Combining Statement of Assets and Liabilities**  
**Agency Funds (Continued)**  
**December 31, 2015**

	Other						
	Mental Health	Liberty Hospital	Sheltered Facilities (Handicapped)	Health	Rooney Flag Fund	C.E.R.F.	Safehaven
<b>ASSETS</b>							
Cash, cash equivalents, and investments	\$ 3,242	\$ 1,964	\$ 3,827	\$ 3,295	\$ 3	\$ 21,901	\$ 502
Total Assets	\$ 3,242	\$ 1,964	\$ 3,827	\$ 3,295	\$ 3	\$ 21,901	\$ 502
<b>LIABILITIES</b>							
Due to Others	\$ 3,242	\$ 1,964	\$ 3,827	\$ 3,295	\$ 3	\$ 21,901	\$ 502
Total Liabilities	\$ 3,242	\$ 1,964	\$ 3,827	\$ 3,295	\$ 3	\$ 21,901	\$ 502

(Continued)

**CLAY COUNTY, MISSOURI**  
**Combining Statement of Assets and Liabilities**  
**Agency Funds (Continued)**  
**December 31, 2015**

		Other						
Children's Trust Fund	Escrow Tax Sales	Escrow Fees- Others	Kearney/Holt Rec. Div.	Bond Forfeitures/ Gifts/ Bequests	Schools-Fines	Schools-Bank Interest		
Cash, cash equivalents, and investments	\$ 1,756	\$ 136,701	\$ 25,540	\$ 703	\$ 17,482	\$ 235,770	\$ 3,557	
Total Assets	\$ 1,756	\$ 136,701	\$ 25,540	\$ 703	\$ 17,482	\$ 235,770	\$ 3,557	
<b>LIABILITIES</b>								
Due to Others	\$ 1,756	\$ 136,701	\$ 25,540	\$ 703	\$ 17,482	\$ 235,770	\$ 3,557	
Total Liabilities	\$ 1,756	\$ 136,701	\$ 25,540	\$ 703	\$ 17,482	\$ 235,770	\$ 3,557	

(Continued)

**CLAY COUNTY, MISSOURI**  
**Combining Statement of Assets and Liabilities**  
**Agency Funds (Continued)**  
**December 31, 2015**

	Other							Total Agency Funds
	PSAP	Metro Cultural District	Capital School	Senior Citizens' Services	Public Administrator	Total Other		
<b>ASSETS</b>								
Cash, cash equivalents, and investments	\$ 9,234	\$ 821	\$ 207,475	\$ 2,179,240	\$ 4,669,340	9,307,058	293,317,456	
Total Assets	\$ 9,234	\$ 821	207,475	2,179,240	4,669,340	9,307,058	293,317,456	
<b>LIABILITIES</b>								
Due to Others	\$ 9,234	\$ 821	\$ 207,475	\$ 2,179,240	\$ 4,669,340	9,307,058	293,317,456	
Total Liabilities	\$ 9,234	\$ 821	207,475	2,179,240	4,669,340	9,307,058	293,317,456	