

**JACKSON COUNTY COMMUNITY MENTAL  
HEALTH FUND**

FINANCIAL STATEMENTS  
and  
SUPPLEMENTARY INFORMATION

FOR THE YEARS ENDED DECEMBER 31, 2015 and 2014

# JACKSON COUNTY COMMUNITY MENTAL HEALTH FUND

FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

## TABLE OF CONTENTS

	Page
<b>INDEPENDENT AUDITOR’S REPORT</b> .....	1
<b><u>REQUIRED SUPPLEMENTARY INFORMATION</u></b>	
Management’s Discussion and Analysis.....	4
<b><u>FINANCIAL STATEMENTS</u></b>	
Statements of Financial Position .....	7
Statements of Activities.....	8
Statements of Cash Flows .....	9
Notes to Financial Statements .....	10
<b><u>SUPPLEMENTARY INFORMATION</u></b>	
<b>INDEPENDENT AUDITOR’S REPORT ON SUPPLEMENTARY INFORMATION</b> .....	14
Supplemental Schedule of Provider and Board Designated Allocations .....	15
<b>INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS</b> .....	18

## **INDEPENDENT AUDITOR'S REPORT**

The Board of Trustees  
Jackson County Community Mental Health Fund  
Kansas City, Missouri

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

We have audited the accompanying financial statements of the Jackson County Community Mental Health Fund (the Organization), which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

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

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

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

**Opinion**


In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jackson County Community Mental Health Fund as of December 31, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated July 15, 2016 on our consideration of the Organization’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.



July 15, 2016

## **REQUIRED SUPPLEMENTARY INFORMATION**

## MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

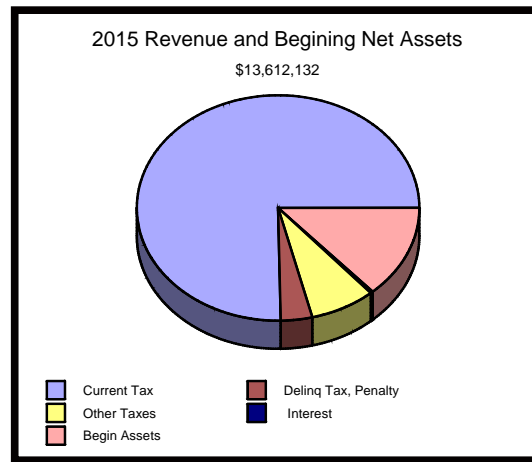
The following discussion and analysis is a supplement required by the Governmental Accounting Standards Board (GASB). It is a summary, and in order to gain a thorough understanding of the Jackson County Community Mental Health Fund's (Organization's) finances, the audited financial statements and notes should be read in their entirety. The audited 2015 financial statements were reviewed by staff and the Finance and Internal Committee (July), and the Board of Trustees (August/September). A Certified Public Accountant prepares monthly statements and there is no delay in addressing questions or issues. The opinion in the attached audit is unmodified.

### ORGANIZATION

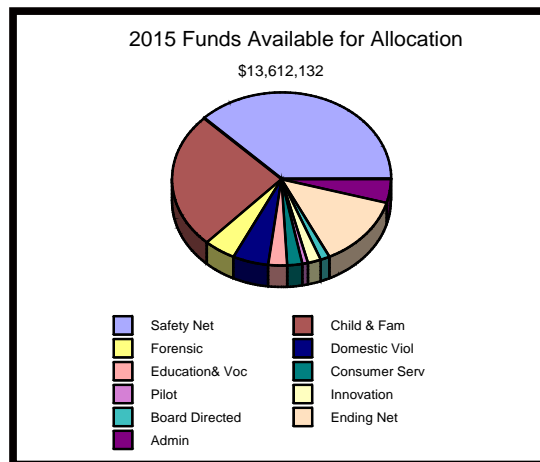
The Organization is a political subdivision created pursuant to RSMo 205.975-990 for the purpose of providing funds from the Jackson County, Missouri tax levy to supplement existing funds for the operation of community mental health centers, mental health clinics and other mental health services. Contracts are awarded to non-profit organizations with the capacity to deliver and manage mental health services according to statutory and Organization requirements. Operations are overseen by a Board of Trustees appointed by the County Executive and County Legislature.

### FINANCIAL HIGHLIGHTS

The Organization's maximum levy rate of thirteen and three tenths (13.3) cents per one hundred dollars assessed valuation was approved by voters in 1991. That rate is reduced by the Hancock Amendment of the Missouri Constitution. The 2015 rate was eleven and ninety eight hundredths (11.98) cents per one hundred dollars assessed valuation. The chart on the right shows all sources of revenue. 2015 revenue plus beginning net assets were \$13,612,132. This was a decrease of \$596,489 from 2014. Revenue from current tax collections and other tax revenue increased relative to the prior year. Deferred revenue (received before January 1) was higher than the prior year, but this condition fluctuates from year-to-year and overall, revenues performed as expected.



Total funds available for allocation were comprised of revenue (87%) and prior year ending net assets (13%). Several 2015 program allocations were slightly lower than the prior year, resolving several grantees' unspent 2014 allocations. *Safety Net* and *Children & Families* comprised 38% and 26% of allocations, respectively. *Forensic*, *Domestic & Sexual Violence*, and *Education & Vocational* grant programs were 5%, 5% and 3% of allocations, respectively. Other types of provider funding totaled 3% of allocations. Board-designated allocations were 1% of allocations, used for external evaluation. Administrative expenses are budgeted as an allocation within the Organization's financial planning. **Administration comprised 4% of total allocations.**



## **OVERVIEW OF THE FINANCIAL STATEMENTS PRESENTATION**

The major parts of the basic financial statements are: 1) Statement of Financial Position 2) Statement of Activities, 3) Statement of Cash Flows, and 4) Notes to Financial Statements. This report also contains other Supplementary Information in addition to the basic financial statements.

The Statement of Financial Position reports information about the Organization's financial status at year-end. The statement helps to demonstrate how the Organization's assets and liabilities changed due to the year's operating activities. The Statement includes all assets and liabilities using the accrual basis of accounting.

The Statement of Activities presents all of the Organization's revenues, allocations and administrative expenses for the fiscal years ending December 31, 2015 and 2014. The differences between revenue and expenditures during the year represent the changes in net assets. Over time, increases and decreases in net assets measure the Organization's financial position. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The Statement of Cash Flows reconciles the change in net assets to cash provided or used by operating activities, along with cash flows from investing activities.

## **NOTES TO FINANCIAL STATEMENTS**

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. They provide important details such as information about the management of assets and the Organization's administration.

## **GOVERNMENT-WIDE STATEMENTS**

Although Government-wide reporting is usually a feature of audits required by the Governmental Accounting Standards Board (GASB), information on the Jackson County, Missouri government as a whole is not included in this report. The Organization is a separate Missouri political subdivision, rather than a unit of the Jackson County government. For information on Jackson County, Missouri's financial position, please contact Mr. Troy Thomas, Director of the Department of Finance and Purchasing, at 816-881-3126.

## **CONTACTING THE ORGANIZATION**

This financial report is designed to provide Jackson County, Missouri citizens with a general overview of the Organization's finances, and to demonstrate the Organization's accountability for the money it receives and disburses. If you have any questions about this report, please contact Bruce A. Eddy PhD, Executive Director.

Jackson County Community Mental Health Fund  
1627 Main Street Suite 500, Kansas City Missouri 64108  
Telephone: 816.842.7055 ▪ [www.jacksoncountycare.org](http://www.jacksoncountycare.org)



## **FINANCIAL STATEMENTS**



**JACKSON COUNTY COMMUNITY MENTAL HEALTH FUND**

STATEMENTS OF FINANCIAL POSITION

December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Petty Cash	\$ 167	\$ 46
Cash - Operating (Note 5)	40,561	55,490
Cash - Super NOW	6,341,908	3,610,053
Certificate of Deposit (Note 6)	1,049,277	1,043,107
Prepaid Provider Allocations	-	37,500
Prepaid Expenses	3,950	3,750
Total Current Assets	<u>7,435,863</u>	<u>4,749,946</u>
<b>PROPERTY AND EQUIPMENT</b>		
Office Equipment (Note 2)	15,283	16,024
Accumulated Depreciation	<u>(9,223)</u>	<u>(9,187)</u>
Net Property and Equipment	<u>6,060</u>	<u>6,837</u>
<b>OTHER ASSETS</b>		
Security Deposit	<u>3,750</u>	<u>3,750</u>
Total Other Assets	<u>3,750</u>	<u>3,750</u>
Total Assets	<u><u>\$ 7,445,673</u></u>	<u><u>\$ 4,760,533</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Deferred Revenue (Note 7)	\$ 5,613,207	\$ 2,961,490
Retirement Payable	<u>2,643</u>	<u>4,359</u>
Total Current Liabilities	<u>5,615,850</u>	<u>2,965,849</u>
<b>NET ASSETS</b>		
Beginning Net Assets	1,794,684	2,711,093
Change in Net Assets	<u>35,139</u>	<u>(916,409)</u>
Total Net Assets	<u>1,829,823</u>	<u>1,794,684</u>
Total Liabilities and Net Assets	<u><u>\$ 7,445,673</u></u>	<u><u>\$ 4,760,533</u></u>

See the accompanying notes to financial statements.

**JACKSON COUNTY COMMUNITY MENTAL HEALTH FUND**

STATEMENTS OF ACTIVITIES

For the Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
<b>REVENUES</b>		
Current Tax Collections	\$ 10,200,099	\$ 10,068,471
Delinquent Tax Collections	325,188	343,905
Delinquent Tax Collections - Late Fees	145,462	154,731
Other Collections	<u>1,103,873</u>	<u>892,708</u>
Total Tax Collections	11,774,622	11,459,815
Interest Income - Investments	38,239	37,544
Miscellaneous Income	<u>4,587</u>	<u>169</u>
Total Revenues	<u>11,817,448</u>	<u>11,497,528</u>
<b>PROVIDER ALLOCATIONS</b>		
Safety Net	5,105,251	5,492,010
Children and Families	3,485,563	3,498,589
Forensic	617,960	818,030
Domestic Violence and Sexual Abuse	716,607	675,000
Educational and Vocational	396,357	384,082
Consumer Services	312,186	249,579
Pilot Programs	108,500	133,500
Innovation Programs	242,485	277,764
Provider Initiatives	30,844	36,722
Prior Year Allocations	<u>-</u>	<u>12,500</u>
Total Provider Allocations	<u>11,015,753</u>	<u>11,577,776</u>
<b>BOARD DESIGNATED ALLOCATIONS</b>		
Technical Support and Evaluation	182,751	181,420
Emergency Distributions	-	-
Disaster Response	-	-
Special Initiatives	<u>-</u>	<u>65,000</u>
Total Board Designated Allocations	<u>182,751</u>	<u>246,420</u>
<b>ADMINISTRATIVE EXPENSES</b>		
Personnel Costs	350,510	365,770
Employee Benefits	60,456	44,109
Insurance	6,181	9,885
Office Expense	69,983	66,838
Professional Fees	68,423	62,452
Staff/Board Meeting and Development	9,943	9,757
Technology Costs	12,373	25,619
Transportation	<u>5,936</u>	<u>5,311</u>
Total Administrative Expenses	<u>583,805</u>	<u>589,741</u>
Total Expenses	<u>11,782,309</u>	<u>12,413,937</u>
<b>CHANGE IN NET ASSETS</b>	35,139	(916,409)
<b>BEGINNING OF YEAR NET ASSETS</b>	<u>1,794,684</u>	<u>2,711,093</u>
<b>END OF YEAR NET ASSETS</b>	<u>\$ 1,829,823</u>	<u>\$ 1,794,684</u>

See the accompanying notes to financial statements.

**JACKSON COUNTY COMMUNITY MENTAL HEALTH FUND**

STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 35,139	\$ (916,409)
Adjustments to Reconcile the Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation and Amortization	1,987	886
Loss on Disposal of Property and Equipment	532	-
Changes in Operating Assets and Liabilities:		
(Increase) Decrease in Prepaid Expenses	37,300	(37,500)
Increase (Decrease) in Deferred Revenue	2,651,717	398,491
Increase (Decrease) in Retirement Payable	<u>(1,716)</u>	<u>4,359</u>
Net Cash Provided (Used) by Operating Activities	<u>2,724,959</u>	<u>(550,173)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property and Equipment	(1,742)	(716)
Purchases of Certificates of Deposit	(5,006,170)	(5,006,133)
Maturities of Certificates of Deposit	<u>5,000,000</u>	<u>5,000,000</u>
Net Cash Used in Investing Activities	<u>(7,912)</u>	<u>(6,849)</u>
<b>INCREASE (DECREASE) IN CASH</b>	2,717,047	(557,022)
<b>CASH AT BEGINNING OF YEAR</b>	<u>3,665,589</u>	<u>4,222,611</u>
<b>CASH AT END OF YEAR</b>	<u>\$ 6,382,636</u>	<u>\$ 3,665,589</u>

See the accompanying notes to financial statements.

**JACKSON COUNTY COMMUNITY MENTAL HEALTH FUND  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2015 AND 2014**

**NOTE 1 – ORGANIZATION**

Jackson County Community Mental Health Fund (the Organization) is a Missouri political subdivision managed by their Board of Trustees. The Organization was created pursuant to State Statutes, sections RSMo 205.975-.990, for the purpose of providing funds from the Jackson County, Missouri (County) tax levy to supplement existing funds for the operation and maintenance of community mental health centers, mental health clinics and other comprehensive mental health services.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation

The Organization's financial statements are prepared on the accrual basis of accounting.

Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all unrestricted investment instruments purchased with original maturities of three months or less to be cash equivalents.

Property and Equipment

Property and equipment purchases are reflected at cost in the financial statements and are being depreciated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Software	3
Office equipment	5-7

Depreciation expense was \$1,987 in 2015 and \$886 in 2014.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent Events

The Organization has evaluated subsequent events through July 15, 2016, the date that the financial statements were available to be issued.

**NOTE 3 – CONCENTRATION OF CREDIT RISK ARISING FROM CASH DEPOSITS  
IN EXCESS OF MAXIMUM FEDERAL GOVERNMENT INSURED AMOUNT**

The Organization maintains deposits at Blue Ridge Bank and Trust Company that often exceed \$250,000, the Federal Deposit Insurance Corporation's (FDIC) maximum insured amount. The Organization's deposits in excess of this FDIC insurance are covered by depository securities pledged by Blue Ridge Bank and Trust Company. The Organization has not experienced any loss on the amounts it maintains at the bank.

**JACKSON COUNTY COMMUNITY MENTAL HEALTH FUND  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2015 AND 2014**

**NOTE 4 – REVENUE CONCENTRATION**

Property taxes are levied on November 1 and are payable on December 31. Delinquent property taxes become an enforceable lien on property each year as of January 1. The County collects the property tax and remits it to the Organization. Due to the fact that the Organization receives substantially all of its funding from the County, this reliance is a concentration of revenue risk.

**NOTE 5 – BANKING ARRANGEMENT**

The Organization maintains several bank accounts, two of which from time to time have negative balances reported on monthly financial reports. These accounts are never overdrawn. Rather, these accounts operate in a manner that at the close of “posting transactions” each day, sufficient funds are transferred to or excess funds are transferred from these accounts to maintain their daily minimum balances at \$50,000 and \$10,000. Any amount reported on the financial statements that is different from the daily minimum balance is due to transactions being recorded on the books that have not been presented to the bank. Consequently, negative amounts, if any, reported for cash in Current Assets have not been reclassified as liabilities on the Statements of Financial Position.

**NOTE 6 – CERTIFICATE OF DEPOSIT**

At December 31, 2015, the Organization owned the following Certificate of Deposit issued by Blue Ridge Bank and Trust:

<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Amount</u>	<u>Rate</u>
December 25, 2014	January 20, 2016	\$1,049,277	0.60%

**NOTE 7 – DEFERRED REVENUE**

Property taxes are levied by the County in November each year and the revenue derived from which is to be utilized for expenditures in the subsequent year. However, the County may remit property taxes to the Organization in the same year that they are levied. When this occurs the Organization recognizes its receipt of such funds as deferred revenue. At December 31, 2015 and 2014, the Organization reported \$5,613,207 and \$2,961,490 respectively, as deferred revenue.

**NOTE 8 – OPERATING LEASE**

The Organization has a lease agreement for administrative office space which was entered into on July 16, 2012 and ends on July 31, 2018. The lease also requires the payment of any increase in operating expenses over the prior year based on its 5.3% portion of the building space. The future minimum lease payments under this lease are:

2016	\$ 45,000
2017	45,000
2018	<u>26,250</u>
	<u>\$116,250</u>

**JACKSON COUNTY COMMUNITY MENTAL HEALTH FUND  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2015 AND 2014**

**NOTE 8 – OPERATING LEASE (continued)**

Rent expense was \$48,553 and \$47,986 for the years ended December 31, 2015 and 2014, respectively.

**NOTE 9 – RETIREMENT PLAN**

The Organization provides a 403(b) retirement plan under which full-time employees who have completed one year of service are eligible to participate. Eligible employees may elect to defer a percentage of their wages, subject to statutory limitations. The Organization will match 100% of employee contributions up to 5% of employee wages. The employer contribution expense was \$14,083 in 2015 and \$13,002 in 2014.

**NOTE 10 – RECLASSIFICATIONS**

Certain amounts presented in the 2014 statement of cash flows have been reclassified to conform to the 2015 presentation. The reclassifications had no effect on the change in cash and cash equivalents for 2014.

**NOTE 11 – NEW ACCOUNTING PRONOUNCEMENT**

The Governmental Accounting Standards Board has issued Statement No. 77, Tax Abatement Disclosures, which is effective for the Organization's fiscal year ending December 31, 2016. This statement requires additional disclosures for tax abatements affecting a governmental entity and its ability to raise resources in the future, and applies to a reporting government's own tax abatement agreements or agreements entered into by other governments that reduce the reporting government's tax revenues. For entities such as the Organization, which are affected by other governments' tax abatements, the disclosure requirements include providing the names of the governments that entered into the agreements, the specific taxes being abated, and the gross amount of taxes abated during the reporting period.

Management anticipates a period of transition by municipal governments as they implement procedures needed for the required disclosures. For the Organization, the impact of tax abatements is the effect on its property tax revenues. The County assesses property values, manages collections for affected property taxing jurisdictions, and distributes revenues according to statutory formulas. The Jackson County, Missouri Director of Economic Development has provided the Organization with an aggregate estimate of the impact of property tax abatements. This amount is an aggregate of all Jackson County municipalities' development incentive mechanisms, including but not limited to: Tax Increment Financing, Port Authority (Port KC), Land Clearance Redevelopment Authority, Planned Industrial Expansion Authority, Chapter 100 and Chapter 353 Redevelopment Agreements. The amount is considered an estimate because certain older Chapter 100 sale/leaseback agreements are not identified as such in the County's tracking systems. The 2015 gross tax abatement impact on the Organization was estimated at \$891,000. After considering offsets of \$108,533 for payments in lieu of taxes, plus payments of surplus tax increment financing funds, the estimated 2015 net impact on the Organization was \$782,467, or approximately 7% of Current Tax Collections.

## **SUPPLEMENTARY INFORMATION**

**INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION**

The Board of Trustees  
Jackson County Community Mental Health Fund  
Kansas City, Missouri

We have audited the financial statements of Jackson County Community Mental Health Fund as of and for the years ended December 31, 2015 and 2014, and have issued our report thereon dated July 15, 2016, which expressed an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Supplemental Schedule of Provider and Board Designated Allocations is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with 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 financial statements as a whole.

*Cudney, Ecord, McEnroe & Mullane LLC*

July 15, 2016



**JACKSON COUNTY COMMUNITY MENTAL HEALTH FUND**

SUPPLEMENTAL SCHEDULE OF PROVIDER AND BOARD DESIGNATED ALLOCATIONS

For the Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
<b>PROVIDER ALLOCATIONS:</b>		
<b>SAFETY NET</b>		
Comprehensive Mental Health Services	\$ 1,296,153	\$ 1,223,950
Family Conservancy	109,625	116,644
Jewish Family Services	117,223	118,673
Kansas City CARE Clinic	179,000	179,000
Kansas City CARE Clinic - Ryan White	29,057	19,946
Mattie Rhodes Center	208,265	250,000
ReDiscover	1,300,000	1,300,000
ReStart	80,000	65,194
Samuel U. Rodgers Health Center	285,510	318,621
Swope Health Services	744,710	1,122,819
Truman Medical Center Behavioral Health	755,708	777,163
Total Safety Net	<u>5,105,251</u>	<u>5,492,010</u>
<b>CHILDREN AND FAMILIES</b>		
Child Abuse Prevention Association (CAPA)	148,656	160,000
Child Advocacy Services Center (The Children's Place)	190,000	190,060
Cornerstones of Care	1,416,371	1,462,399
Crittenton Children's Center	500,000	500,000
Niles Home for Children	500,000	500,000
Operation Breakthrough	46,386	51,130
Sheffield Place	109,150	60,000
Steppingstone	500,000	500,000
The Salvation Army - Children's Shelter	75,000	75,000
Total Children and Families	<u>3,485,563</u>	<u>3,498,589</u>
<b>FORENSIC</b>		
<b>Mental Health Court</b>		
Comprehensive Mental Health Services - monitoring	21,621	55,660
ReDiscover - monitoring	54,717	75,000
Swope Health Services - monitoring	40,420	75,000
Truman Medical Center Behavioral Health - monitoring	75,000	75,000
Legal Aid of Western Missouri - legal defense	39,999	40,000
<b>Corrections</b>		
Truman Medical Center Behavioral Health - JCDC/RCC	310,585	438,218
<b>Re-Entry</b>		
ReStart	18,969	9,153
Benilde Hall	56,649	49,999
Total Forensic	<u>617,960</u>	<u>818,030</u>
<b>DOMESTIC VIOLENCE AND SEXUAL ABUSE</b>		
Hope House	279,999	250,000
Metropolitan Organization to Counter Sexual Abuse (MOCSA)	174,999	175,000
Rose Brooks	261,609	250,000
Total Domestic Violence and Sexual Abuse	<u>716,607</u>	<u>675,000</u>

**JACKSON COUNTY COMMUNITY MENTAL HEALTH FUND**

SUPPLEMENTAL SCHEDULE OF PROVIDER AND BOARD DESIGNATED ALLOCATIONS

For the Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
<b>EDUCATIONAL AND VOCATIONAL</b>		
Comprehensive Mental Health Services - Valley View	\$ 62,230	\$ 46,049
De LaSalle Education Center	116,250	116,250
Genesis School	168,099	157,525
Helping Hand of Goodwill Industries	22,800	14,145
Truman Medical Center Behavioral Health - vocational	26,978	50,113
Total Educational and Vocational	<u>396,357</u>	<u>384,082</u>
<b>CONSUMER SERVICES</b>		
Mental Health Association of the Heartland	26,040	26,040
Budget and Financial Management Assistance (BFMA)	50,001	50,000
National Alliance for the Mentally Ill of Greater Kansas City (NAMI)	114,999	115,000
Reconciliation Services	50,001	-
Jewish Vocational Services	71,145	58,539
Total Consumer Services	<u>312,186</u>	<u>249,579</u>
<b>PILOT PROGRAMS</b>		
Midwest Foster Care	75,000	75,000
NewHouse	33,500	33,500
Reconciliation Services	-	25,000
Total Pilot Programs	<u>108,500</u>	<u>133,500</u>
<b>INNOVATION PROGRAMS</b>		
Truman Medical Center Behavioral Health	-	60,250
ReDiscover	-	46,375
Cornerstones of Care	-	60,000
Kansas City CARE Clinic	23,980	10,176
Jewish Vocational Services	-	15,000
Jewish Family Services	5,000	-
Child Abuse Prevention Association	20,825	-
Rose Brooks	60,335	-
NewHouse	48,630	-
Niles Home for Children	34,920	-
Hope House	21,795	-
Operation Breakthrough	-	27,700
Sheffield Place	-	43,263
Mattie Rhodes Center	27,000	15,000
Total Innovation Programs	<u>242,485</u>	<u>277,764</u>
<b>PROVIDER INITIATIVES</b>		
Cultural Competency Consultants	2,778	31,167
Support KC	14,446	-
The Learning Project	600	-
Spofford - CC Conference	-	5,555
Integrus Health Group	13,020	-
Total Provider Initiatives	<u>30,844</u>	<u>36,722</u>

**JACKSON COUNTY COMMUNITY MENTAL HEALTH FUND**

SUPPLEMENTAL SCHEDULE OF PROVIDER AND BOARD DESIGNATED ALLOCATIONS

For the Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
<b>PRIOR YEAR ALLOCATIONS DISBURSED DURING THE CURRENT YEAR</b>		
Reconciliation Services	\$ -	\$ 12,500
Total Prior Year Allocations Disbursed During the Current Year	<u>-</u>	<u>12,500</u>
<b>TOTAL PROVIDER ALLOCATIONS</b>	<u>\$ 11,015,753</u>	<u>\$ 11,577,776</u>
<b>BOARD DESIGNATED ALLOCATIONS:</b>		
<b>TECHNICAL SUPPORT AND EVALUATION</b>		
Resource Development Institute - Forensic Evaluations	\$ 182,751	\$ 181,420
Total Technical Support and Evaluation	<u>182,751</u>	<u>181,420</u>
<b>EMERGENCY DISTRIBUTIONS</b>		
Total Emergency Distributions	<u>-</u>	<u>-</u>
<b>DISASTER RESPONSE</b>		
Total Disaster Response	<u>-</u>	<u>-</u>
<b>SPECIAL INITIATIVES</b>		
Truman Medical Center Behaviorial Health-MHFA	-	65,000
Total Special Initiatives	<u>-</u>	<u>65,000</u>
<b>TOTAL BOARD DESIGNATED ALLOCATIONS</b>	<u>\$ 182,751</u>	<u>\$ 246,420</u>

**Independent Auditor's Report on  
Internal Control Over Financial Reporting and  
on Compliance and Other Matters Based on an  
Audit of Financial Statements Performed in  
Accordance with Government Auditing Standards**

The Board of Trustees  
Jackson County Community Mental Health Fund  
Kansas City, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Jackson County Community Mental Health Fund (the Organization), which comprise the statement of financial position as of December 31, 2015, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated July 15, 2016.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

*Cudney, Scord, McEuse & Williams LLC*

July 15, 2016