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RAVALLI COUNTY

**TREASURER'S OFFICE EXAMINATION AND
CONSULTING REPORT**

Report Dated May 27, 2014



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EXECUTIVE SUMMARY

Engagement Scope

Anderson ZurMuehlen and Co., P.C. performed attestation and consulting services in connection with the Ravalli County Treasurer's office. Our engagement was performed in accordance with the *Statements on Standards for Consulting Services* (SSCS) issued by the American Institute of Certified Public Accountants (AICPA) and *Statements on Standards for Attestation Engagements* (SSAE) established by the AICPA. Accordingly, our engagement included tests of the Ravalli County Treasurer's records; interviews of employees and direct confirmation with outside agencies considered necessary for us to express an opinion on the subject matter described below. Our engagement was purposely structured under these standards to provide assurance over the specific financial information and to provide our opinion regarding the operations of the Treasurer's office and more specifically, to perform fraud examination procedures, as we deemed necessary, under the circumstances. We remind the County that we are unable to provide assurances that fraud, if it exists, would be uncovered as a result of our examination. Additionally, our engagement did not include an audit of the County's financial statements. Such an audit would have been performed under generally accepted auditing standards issued by the AICPA.

Subject Matter

Our engagement letter dated January 31, 2014 clarified the scope of our engagement. Specifically, we were engaged to determine and report on the following subject matter; (1) status of cash items located in the Treasurer's office as of January 24, 2014; (2) the status of Ravalli County's bank accounts, investment accounts and agency accounts as of January 24, 2014 and to prepare a schedule of all accounts and their reconciled status as of January 31, 2014, and finally; (3) we would discuss the most efficient approach to bring all account reconciliations current and work with the Treasurer's office to determine appropriate procedures to determine the completeness of the accounts. During the reconciliation phase of the engagement we determined it was more efficient to review reconciliations through February 28, 2014 rather than January 31, 2014.

Consulting Services

Consulting services differ fundamentally from attestation services. In the consulting portion of our engagement, we identified specific findings, formed conclusions based on the findings and made recommendations to strengthen internal controls within the Ravalli County Treasurer's office. See the Findings and Recommendations section included in this report.

Attestation Services

During the attestation portion of our engagement, we identified specific subject matter as noted above, obtained written assertions from the Treasurer's office and County Auditor and expressed an opinion on the subject matter. See the Attestation Examination Report and Related Schedules section included in this report.

Overall Conclusions

Based on our examination, many of the general duties of the Ravalli County Treasurer were not fulfilled. The general duties of the Ravalli County Treasurer are defined in several sections of the Montana Code Annotated (MCA). The general duties of a county treasurer are contained in MCA sections 7-6-2111, 7-6-612(2)(a) & (3) and 7-6-2115 and 7-6-2116. The County treasurer duties are more fully contained in the State of Montana Compliance Supplement (CNTY-14).

In our opinion, upon arrival, the Treasurer's office was in a state of disarray. Due to the magnitude of problems identified, the Finance and Treasurer's Office personnel worked from January 24, 2014 to May 27, 2014 to bring the Treasurer's office accounting records current. The date May 27, 2014 was the date we completed our final inquiries and completed our outreach to Ravalli County agencies to verify their cash balances.

The corrective actions that were necessary to get the Treasurer's office compliant with the duties outlined in the MCA and CNTY-14 were performed by substantially the same personnel that were in place prior to the problems surfacing within the Treasurer's office, with the exception of Kathy Allard, a contract employee retained by Ravalli County.

We found no indications of fraud during our engagement. We believe the specific lack of performance of required duties noted in this report and the disarray noted in the Treasurer's office may have been due to a general lack of understanding of the required duties or not being familiar with the resources available to fulfill the required duties of the Treasurer.

One lesson learned from this situation is to emphasize the importance of communication and getting questions answered timely. For example, there are resources available to employees such as report packages in Black Mountain, e-mail outreach to other treasurers around Montana, information technology personnel who are available to research software questions and, most importantly, holding periodic staff meetings within the Treasurer's office to understand the status of the office.

Contained in this report are numerous internal control recommendations to help strengthen the Treasurer's office going forward. Several of these recommendations have been implemented since we initiated our engagement. We strongly recommend the Treasurer's office provide a written response to the County Commissioners addressing each of the recommendations contained in this report and indicate if they intend to implement the recommendation. If the recommendation is to be implemented, it should be clear who will be responsible to implement it and date of planned implementation or date implemented.

FINDINGS AND RECOMMENDATIONS

1. Monthly reporting to commissioners, agencies, and school districts was not performed for the months ended October through December 2013. In addition, the required annual report was not made to the Commissioners in January of 2014 for the year ended in 2013.

We noted that even after the deposit of \$779,697.37 of cash discovered in the Treasurer's office by County personnel on January 24, 2014, there was still a large number of checks (hundreds) that were not deposited. There were numerous piles of paperwork located throughout the office that had been left incomplete. We completed a count of currency and checks in the Treasurer's office that existed in the Treasurer's office as of January 24, 2014. There was \$171,890.35 of currency and checks (\$170,513.98 in checks and \$1,376.37 in currency). In total, there was \$951,587.72 of cash items not yet deposited on January 24, 2014.

Money belonging to the State was not remitted to the Department of Revenue by the 20th day of each month for October – December 2013. A payment was made in January 2014 to avoid over \$37,000 in penalties.

Money remitted to the Department of Justice was remitted incorrectly and was not remitted timely. The October 2013 money was remitted timely, but was incorrect, requiring reversal and correction of the remittance. November 2013 was remitted in January 2014, but was also incorrect. December 2013 was remitted at the end of January 2014, but after the 20th of the month, which is the required deadline.

Recommendation:

We recommend scheduled staff meetings be held in the Treasurer's office to address important current matters, address questions and determine the status of the office's records and reporting requirements.

2. Within the Treasurer's office, regular as well as temporary employees were allowed to log on the Black Mountain software using a generic name and password.

We also noted County Commissioners currently have read/write access in some parts of Black Mountain.

Recommendations:

All employees, including temporary employees, should be assigned a user name and password. All new employees should be provided the County's security policies.

We recommend that all employee access be evaluated to determine who needs access in read/write or read only.

We recommend all new employees be trained on using Black Mountain Software prior to being allowed access and user rights. With this training, they should also receive training over IT policies and security.

We recommend an IT review be performed to determine appropriate controls are in place over the IT function and how all employees are using software and hardware.

We recommend an IT policy review form be read and signed by all employees on an annual basis indicating the employees have read the IT policies.

3. Employees in the finance department are currently able (have rights) to edit and make changes to agency receipts referred to as A101 receipts. The A101 receipt is completed by an employee in the Treasurer's office after an agency deposits funds with the Treasurer. If someone comes in later and edits an original receipt posting, there is an audit trail within the Treasurer's Black Mountain software that can track all such edits. This assumes a unique user name and password is being used by all responsible employees. We reviewed the audit report and noted there was one instance where the finance department edited one A101 receipt, but maintained clear documentation regarding the edit.

Recommendation:

We recommend finance department personnel have read-only access to the system. All changes to original A101 receipting should be communicated back to the Treasurer's office and corrected there.

4. Reconciliations of the general County bank account were not completed subsequent to September, 2013.

Reconciliations of the County investment accounts were not completed as of and subsequent to June 30, 2013.

After completing the February 28, 2014 bank reconciliations, an unreconciled shortage of cash still remained of \$5,404.09. See Schedule 3: Schedule of Reconciled Balances of Bank Statements as of February 28, 2014.

The County's investment brokerage account is only reconciled and allocated to agencies annually rather than monthly.

Recommendations:

Reconciliations need to be completed monthly and in a timely manner. We recommend a second individual review the reconciliation, and that individual should have adequate financial knowledge to understand and be able to determine if the reconciliation was performed appropriately.

We recommend the investment statements be reconciled by the finance department and related investment income be allocated to agencies monthly.

5. There were a total of three agencies that were missing currency in connection with their deposits. The currency found in the Treasurer's office covered all missing currency except for \$343.83. Included in one of the three missing deposits were checks that never cleared the bank, indicating the entire deposit had been lost.

6. In connection with the agencies who maintain accounts with Ravalli County, we reached out to each Agency by circulating agency statements requesting each agency confirm cash deposits, and other activity. We maintained control over all communications between the agencies and the Treasurer's office employees during the outreach period ended on May 27, 2014. Prior to sending the agencies their statements, Treasurer's office employees worked diligently to correct numerous coding errors, duplicate deposits, and transactions entered in the wrong time period. As agencies responded to our request, more errors and differences became evident. We communicated the differences and errors to the Treasurer's office and appropriate investigations were made to correct and/or clear the differences.
7. Through our observation of the Treasurer's office, we found numerous checks and currency cash held in various areas within the Treasurer's office.

Recommendation:

We recommend all checks kept in the vault be secured in locked cabinets located in the vault.

8. The money held in the safe is not being counted under dual control when the daily deposits are performed. The daily deposit is also not being prepared under dual control, nor is a second employee reviewing it for accuracy and completeness.

Recommendation:

We recommend the daily deposit and cash count be performed under consistent dual control.

9. A101 receipts are currently not issued in triplicate.

Recommendation:

When money is paid to the County Treasurer, the Treasurer should issue a receipt in triplicate for the money. The original must be delivered to the person paying the money, the duplicate must be delivered to the county clerk, and the triplicate must be retained in the Treasurer's office. In the case of money paid through the mail or electronically, the original receipt must be retained in the Treasurer's office and a duplicate must be delivered to the county clerk. Upon request, the County Treasurer shall issue a receipt to the person paying the money. (MCA 7-6-2116).

10. One of the co-points of contact for the Treasurer's office had the key to the vault and also the combination to the safe.

Recommendation:

Although these are temporary controls, we recommend these be separated so one person cannot get into both the vault and safe.

11. The agency log used in the Treasurer's office did not have enough detail to reconcile deposits.

Recommendation:

We recommend the log list individual checks and detail of currency being deposited by each agency. We recommend the log note the date the funds were actually deposited into the bank. We noted that most of these items were implemented in February 2014. We also recommend that larger agencies be segregated and maintained individually so these logs can be used to reconcile the agency funds monthly.

12. The Motor Vehicle Technician leaves the keys to all of the doors to the motor vehicles office and property tax office on the back of the motor vehicle office door for all staff to use when they are coming in and out of the main door.

Recommendation:

We recommend a keyless system be implemented with unique keypad codes to control and track access to County buildings and offices.

13. County check stock for the payroll and finance departments are kept in the vault, but are kept where numerous employees have access to them. The checks are not logged or tracked and therefore could be taken by employees without anyone's knowledge.

Recommendation:

All check stock should be maintained securely and under dual control.

14. We noted that the approved County open space mills was 2.048 (open lands), but mills calculated on the tax bills were 2.358 (5.18/2197). The mills that were levied were lower than the maximum allowed by law, but the mills were not updated in Black Mountain from the prior year. This was consistent for all tax statements tested.

Recommendation:

Procedures should be implemented to ensure that mill levy information is properly entered into Black Mountain and "test bills" should be printed from every possible jurisdiction and recalculated to ensure mills are correct before tax statements are mailed out.

15. The cash over and short balances for the drawers held by the Treasurer's office are currently being maintained in an Excel spreadsheet and not entered into Black Mountain.

Recommendation:

We recommend a cash/over short account be used in Black Mountain so all cash over and short balances be appropriately recorded rather than on an Excel spreadsheet.

16. The County is using A-2s rather than A-1s for annual registration of heavy equipment and they could not indicate why they are being used for these transactions.

Recommendation:

We recommend the Treasurer's office research why they are using A-2s and determine if they are using these for appropriate situations. We also recommend they document the use and purpose of A-2s in their policies and procedures.

17. Presently, one deposit is prepared covering all collection areas of the Treasurer's office (motor vehicle, tax, etc.)

Recommendation:

We recommend that each area within the Treasurer's office prepare its own deposit slip. These can be counted and sent to the bank together, but if each has its own deposit slip, they would be easier to track.

18. Currently, there are no written policies and procedures covering duties of the Treasurer's office personnel.

Recommendation:

We recommend policy and procedures be written for the Treasurer's office to ensure all job duties and duties of the department can be performed consistently with temporary or other County personnel.

INDEPENDENT ACCOUNTANT'S REPORT

Bill Fulbright
Ravalli County Attorney

We have examined the schedule of cash items as of January 24, 2014 and the schedule of reconciled agency accounts as of February 28, 2014, and County cash accounts as of February 28, 2014. The Ravalli County Attorney's office is responsible for the assertions. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the above subject matter and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedules referred to above presents, in all material respects, the final schedule of cash items as of January 24, 2014, the schedule of reconciled agency accounts as of February 28, 2014, and County cash accounts as of February 28, 2014 based on the criteria set forth in the attached Schedules 1, 2, and 3.



Butte, Montana
May 27, 2014

SCHEDULE 1

Schedule of Cash Items as of January 24, 2014

Checks collected and deposited on January 24, 2014	\$ 779,697.37
Cash obtained and collected into the vault on January 24, 2014	691.67
Checks obtained and collected into the vault on January 24, 2014	169,822.31
Checks collected from the Treasurer's Office on February 4, 2014	<u>1,376.37</u>
Total	<u>\$ 951,587.72</u>

The above schedule is a summary of all checks and cash found un-deposited in the Treasurer's office. On January 24, 2014 the office was accessed by the following County employees to obtain any checks within view:

- Regina Plettenberg, Clerk and Recorder; Robert Jenni, HR Director; Jana Exner, Comptroller; Dan Whitesitt, Treasurer Deputy; and Steve Holten, Sheriff Deputy.

Any checks that had receipts attached, they immediately deposited (\$779,697.37). All remaining items were put into the safe located inside the Treasurer's department vault, which were held under dual control.

From January 24, 2014 to February 4, 2014, the Treasurer's office was locked down and secured. On Tuesday morning February 4, 2014, the Human Resources Director and Angela Murdo, Senior Manager of Anderson ZurMuehlen & Co., P.C. accessed the Treasurer's office to complete an inventory of cash items that existed in the office as of February 24, 2014. The above schedule reflects the total of all cash items inventoried and date the items were found.

All items were then deposited after our arrival.

SCHEDULE 2

Schedule of Agency Account Balances as of February 28, 2014

We mailed out seventy-eight confirmations to the County Agencies. We received back seventy-four confirmations. Four agencies did not return the confirmations. Through the confirmation process, we noted numerous errors that needed to be corrected. The table below shows the ending balance of all agencies as of February 28, 2014. These balances are the corrected balances after the confirmation process and are split between those where a confirmation was received and those where no confirmation was obtained.

1000	GENERAL FUND	\$	721,050.32
2015	FACILITIES		114,439.18
2050	ENTITLEMENT LEVY		117,661.14
2075	Compensated Absence Liability Fund		295,133.32
2110	ROAD FUND		202,843.33
2115	Road Improvement Fund (SRS)		1,365,751.88
2130	BRIDGE FUND		2,580.74
2140	WEED FUND		39,234.37
2141	Forest Service Invasive Weed Control		215.56
2150	PREDATORY ANIMAL CONTROL		112.14
2160	FAIR FUND		(26,295.77)
2170	Airport Fund		35,529.31
2172	USFS Air Operations Building Fund		3,186.00
2175	FAA Airport Grant		22,766.56
2180	DISTRICT COURT FUND		122,607.97
2185	Juvenile Detention Fund		109,752.10
2190	COMPREHENSIVE INSURANCE		(69,380.44)
2210	Parks Fund		(4,533.35)
2211	Highway 93 Amenities		30,722.46
2220	COUNTY LIBRARY FUND		3,369.79
2240	Cemetery Fund		15.94
2250	PLANNING FUND		16,069.08
2251	Comprehensive Planning Enhancement Pr		15,181.51
2252	GIS Fund		31,653.74
2260	EMERGENCY/DISASTER		24,201.27
2271	MENTAL HEALTH FUND		224,939.57
2272	HB 130 Mental Health Crisis Grant		(5,759.63)
2280	SENIOR CITIZENS FUND		57,109.37
2282	VALLEY VETERANS		15,296.65
2285	Economic Development Authority Fund		33,365.15
2288	Radon Fund		13,514.75
2290	EXTENSION FUND		24,738.09
2300	PUBLIC SAFETY FUND		725,078.07
2302	Detention Facilities Transport Vehicl		6,524.54

2303	Crisis Intervention Training	572.26
2335	Animal Protection and Control	32,655.69
2340	Emergency Communication Services	29,383.81
2360	OLD COURTHOUSE MAINT	12,817.65
2370	Employer Contributions - Fringe Benef	14.55
2375	EMPLOYER HEALTH CONTRIBUTION	177,245.17
2382	SEARCH & RESCUE FUND	6,118.22
2390	Drug Forfeitures Fund	58,599.80
2393	Records Preservation Fund	67,079.61
2397	Addressing	6,748.90
2401	CORVALLIS LIGHTING	931.81
2402	WESTVIEW LIGHTING	802.24
2403	VICTOR LIGHTING	733.17
2450	Subdivision Mitigation	18,593.62
2800	Alcohol Rehab Fund	12,331.00
2810	WIC Program	(19,852.99)
2811	WIC Special projects	2,419.21
2830	Junk Vehicle Fund	32,475.31
2836	DNRC Grant (Phase 2 Septic Systems Im	(13,699.83)
2840	Weed Grant Fund	5,286.52
2841	Metcalf Cooperative Agreement	20,481.87
2842	Bio-Control Donations	16,112.97
2844	Weed Education Fund	4,748.98
2850	911 Basic/Enhanced Fund	(36,593.75)
2851	911 County Fund	9,852.56
2858	Ravalli County Prevention Coalition	3,961.57
2875	Bioterrorism Grant	37,305.82
2878	Child Advocate Center -Unrestricted	5,292.72
2879	MTUPP Grant	(4,382.95)
2883	Buckle-Up Grant	(6,407.89)
2900	PILT Fund	282,170.25
2920	Victim Witness-Contrib & Surcharge	29,634.55
2928	Victim Witness Grant	3,363.93
2950	DUI Task Force Fund	18,679.04
2958	SAFE Rural Domestic Violence Grant	(10,937.98)
2960	Local option tax	426,338.39
2969	Unrestricted Safe Kids/Safe Communiti	567.25
2972	Family Planning Fund	1,277.63
2973	MCH Fund	(2,166.55)
2976	Immunization Grant	(1,027.40)
2981	Immunization Billing Grant	(1,195.96)
2995	Fleet Management	49,915.40
2996	Jail Commissary	25,039.57
2997	Employees Counsel Fund	1,560.67

3001	1993 JUSTICE CENTER BONDS DEBT SERVIC	73.12
3003	2010 OPEN SPACE BOND DEBT SERVICE	126,240.50
4000	Capital Reserve Fund	1,328,850.14
4001	Info Tech Capital Reserve Fund	563,366.68
4002	Building Capital Reserve Fund	479,636.47
4004	Public Safety Capital Reserve Fund	510,050.45
4005	Road Capital Reserve Fund	1,037,473.29
4006	Prorata Road - Florence/Stevi Capital	5,609.59
4007	Prorata Road - Victor Capital Reserve	54,441.78
4008	Prorata Road - Corvallis Capital Rese	7,465.77
4009	Prorata Road - Hamilton/Pinesdale Cap	14,488.73
4010	Prorata Road - Darby/Sula Capital Res	107.23
4200	Open Space Bond Capital Projects Fund	63,855.43
4301	TSEP Road/Bridge Capital Projects	(46,813.69)
6050	Wellness Program	(13,750.00)
7005	HRA/FSA Program	28,448.56
7130	Protested Taxes	872,780.75
7140	Public Administrator	66,501.71
7150	Redemptions	17,544.73
7160	District Court Trust	26,315.19
7170	Part Tax Pymt-Treasurer's Trust	8,292.78
7199	NSF (Insufficient funds checks)	(18,575.87)
7210	HAMILTON RURAL FIRE	216,464.02
7211	HAMILTON RURAL FIRE DISTRICT- CAPITAL	114.92
7215	STEVENSVILLE RURAL FIRE	273,538.00
7220	SULA RURAL FIRE	55,973.62
7225	DARBY RURAL FIRE	22,114.54
7230	CORVALLIS RURAL FIRE	109,579.18
7231	CORVALLIS RURAL FIRE - CAPITAL IMPROV	84,035.03
7235	VICTOR RURAL FIRE	427,121.83
7240	FLORENCE FIRE DISTRICT	172,991.31
7245	THREE MILE RURAL FIRE DISTRICT	152,146.13
7246	WEST FORK RURAL FIRE	31,716.65
7247	PAINTED ROCKS RURAL FIRE DISTRICT	57,775.77
7248	Florence RFD-Cap Improv 2012 Mill Lev	238,478.31
7250	GRANTS DALE CEMETERY DISTRICT	43.55
7251	SUNNYSIDE CEMETERY DISTRICT	301.68
7252	CORVALLIS CEMETERY DISTRICT	389.99
7260	WILLOW CREEK DRAINAGE	54,441.65
7261	WILLOW CK DRAINAGE #2	0.07
7265	HUMBLE DRAINAGE	12,202.36
7270	BITTERROOT IRRIGATION DIST	616,508.70
7271	BRID - Catastrophic/Siphon 1 Reserve	320,185.18
7272	DALY DITCHES IRRIGATION	684,201.39

7273	BLODGETT CREEK IRRIGATION	38,548.17
7274	LOMO IRRIGATION DIST	44,288.62
7275	CANYON CREEK IRRIGATION	65,139.97
7276	MILL CREEK IRRIGATION USER FEE	6,649.38
7277	MILL CREEK IRRIGATION	69,031.05
7278	SUNSET IRRIGATION	13,907.21
7279	Daly Ditches bond reserve	26,536.00
7280	TIFFIN IRRIGATION	2,855.33
7281	CHARLOS IRRIGATION	4,864.17
7282	WARD IRRIGATION	7,192.94
7284	BRI 3 MILE PROJECT	18,878.18
7285	Charlos Irrigation User Fee	3,742.86
7286	BRID Siphon 1, Phase 1	38,794.11
7350	SOIL & WATER BITTERROOT	309,838.55
7360	VICTOR SEWER	8,413.41
7361	CORVALLIS SEWER	647.60
7363	TIN CUP WATER & SEWER	1,671.35
7370	UPPER BITTERROOT TV	56.49
7371	SULA TV	1,929.64
7372	BITTERROOT PUBLIC LIBRARY	31,101.82
7373	NORTH VALLEY LIBRARY DIST	17,940.09
7374	RAVALLI COUNTY PARK DISTRICT LONE ROC	4,122.45
7375	DARBY LIBRARY	6,820.08
7376	FLORENCE PARK DISTRICT	1,621.52
7379	STEVENSVILLE WEST PARK DISTRICT	24.62
7400	TRP State	2,146.00
7401	Motor Vehicle	278,653.92
7434	Collegiate Plates-Initial App & Manuf	3,487.50
7451	J.P. Fines & Forfeitures	12,850.27
7458	Automation Surcharge	5,830.38
7461	MT. JUDGE RETIREMENT	11,413.00
7463	Marriage License	7,200.00
7464	Dissolution of marriage	2,040.00
7466	Dis. of Marriage/Leg. Sep.- Child Abu	5,378.86
7467	Montana Law Enforcement Academy JP fe	3,061.00
7468	Dis. of Marriage/Leg. Sep.-Assault In	286.00
7471	Legal Fees - Indigent	4,619.00
7521	UNIVERSITY MILLAGE (6 MILS) - AD VALO	(14,024.95)
7522	University Millage (6 Mils) - Non-Lev	86.35
7523	University Millage - Total From Tax I	189.29
7527	STATEWIDE EQUALIZATION AID LEVY (40 M	(151,668.87)
7528	Statewide Equalization Aid levy non-l	575.63
7529	ELEMENTARY EQUALIZATION 33 MILS	58,210.24
7530	Elementary equalization non levy reve	781,324.19

7531	HIGH SCHOOL EQUALIZATION 22 MILS	38,934.11
7532	High School equalization non-levy rev	520,882.78
7551	Montana Land Information	1,777.50
7564	FOREST FIRE PROTECTION	560.43
7700	ELEMENTARY SCHOOL	24,183,668.29
7701	HIGH SCHOOL	(12,775,630.52)
7702	FMV Allocation to School Districts	(73,954.00)
7820	TRANSPORTATION	216,916.66
7830	HIGH SCHOOL RETIREMENT	2,278,564.37
7840	ELEMENTARY RETIREMENT	576,561.58
7844	RC PARK DISTRICT #2 DEBT SERVICE	87,664.17
7845	PARK DISTRICT #2 (AQUATIC POOL)	8,526.31
7846	VICTOR PARK DISTRICT	683.06
7850	CITY OF HAMILTON	50,756.31
7851	HAMILTON DOWNTOWN BUSINESS IMPROVEMEN	2,209.23
7853	CITY OF HAMILTON STREET MAINTENANCE D	3,946.80
7854	SID 19 HWY 93 N C & S	0.92
7856	LIGHTING DISTRICT #10	91.05
7857	LIGHTING DISTRICT #12	415.38
7858	LIGHTING DISTRICT #13	351.97
7859	LIGHTING DISTRICT #14	1,232.82
7860	TOWN OF STEVENSVILLE	19,019.82
7861	LIGHTING DISTRICT #15	67.28
7862	STEVI LIGHTING #2	480.61
7865	PETERSON ADD'N LIGHTING (STEVI)	292.30
7866	Hamilton Delinquent Sewer	524.03
7867	GEORGE SMITH LIGHTING	91.50
7868	HAMILTON STREETSCAPE IMPS	6,717.42
7869	STEVI LIGHTING DIST #4	54.73
7870	TOWN OF DARBY	11,789.96
7872	Hamilton Lighting Dist #16	403.89
7873	Hamilton SID 21	1,079.02
7880	TOWN OF PINESDALE	8,292.77
7885	TOURISM BUSINESS IMPR DISTRICT	1,076.05
7899	STEVI TAX INCREMENT FINANCING DISTRIC	6,018.09
7910	Payroll Clearing	355,430.94
7920	Refund Revolving	3,426.12
7930	Claims Clearing Fund	118,069.11
7950	ENTITLEMENT SHARE CLEARING	123.52
7980	Interest Investments	50,694.24
7990	Unresolved Receipts	16,066.12
	Totals	<u>\$ 31,696,398.50</u>

SCHEDULE 3

Schedule of Reconciled Balances of Bank Statements as of February 28, 2014

	Reconciled Balance as of February 28, 2014
Cash on hand	\$ 4,000.00
Farmers State Bank #1	421,007.05
Farmers State Bank #2	24,876.97
First Interstate Bank	5,446,546.10
First Interstate Bank Fair	18,494.89
First Interstate Bank HRA Account	28,448.56
LPL Financial	7,125,711.85
Ravalli County Bank #1	155,474.92
Ravalli County Bank #2	2,811.03
RBC Investment Account	3,463,348.65
Rocky Mountain Bank #1	160,461.58
Rocky Mountain Bank #2	88,770.83
STIP	<u>14,751,041.98</u>
Total reconciled balance	<u>\$ 31,690,994.41</u>
Amount unable to be reconciled	<u>5,404.09</u>
Total balance of cash and investment accounts	<u>\$ 31,696,398.50</u>

The above schedule presents the reconciled balances for all cash accounts for Ravalli County through February 28, 2014. There was a balance of \$5,404.09 that was unable to be reconciled between Black Mountain and the bank statements. This amounts to .017% of the total cash and investment balance.



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