

**JACKSON COUNTY COMMUNITY MENTAL
HEALTH FUND**

Basic Financial Statements
Together with
Independent Auditor's Report

For the years ended December 31, 2016 and 2015

**JACKSON COUNTY COMMUNITY MENTAL
HEALTH FUND**

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INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying modified cash basis financial statements of the governmental activities of the Jackson County Community Mental Health Fund (the Organization), as of and for the year ended December 31, 2016, and the related notes to the 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 the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the modified cash basis financial position of the governmental activities of the Organization, as of December 31, 2016, and the changes in modified cash basis financial position thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Prior Period Financial Statements

The financial statements of the Organization as of December 31, 2015 were audited by other auditors whose report dated July 15, 2016 expressed an unmodified opinion on those statements.

Other Matters*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Organization's basic financial statements. Management's discussion and analysis, the supplemental schedule of provider and board designated allocations, and the schedule of cash flows as listed in the table of contents, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the governmental activities and do not purport to, and do not present fairly the financial position of the Organization's general fund, as of December 31, 2016 or the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2017, 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.

Kansas City, Missouri
June 30, 2017



JACKSON COUNTY COMMUNITY MENTAL HEALTH FUND 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 2016 financial statements were reviewed by staff and the Finance and Internal Committee in July, and the Board of Trustees (Board) in 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 Revised Statutes of Missouri (RSMo) 205.975 – 205.990 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 Analysis

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. Levy rates are calculated each year by the Jackson County Department of Finance and Purchasing, and approved by the Jackson County Legislature. The 2015 levy rate was 12.23 cents per \$100 assessed valuation; the 2016 levy rate was 11.98 cents per \$100 assessed valuation.

The table below compares all sources of revenue for 2015 and 2016. Current tax collections are the largest source of revenue, followed by other collections. Other collections included merchants and manufacturers replacement tax, payments in lieu of taxes, rail/utility tax, taxes paid under protest for which the assessment prevailed, and other sources.

Revenue Sources	2016		2015	
Current tax collections	\$10,354,355	88%	\$10,200,099	86%
Delinquent tax collections	289,866	2%	325,188	3%
Delinquent tax late fees	138,371	1%	145,462	1%
Other collections	1,006,210	9%	1,103,873	9%
Investment earnings	36,384	<1%	38,239	<1%
Miscellaneous income	166	<1%	4,587	<1%
Total revenues	\$11,825,352	100%	\$11,817,448	100%

2016 current tax collections increased over 2015 by approximately \$150,000. However, delinquent tax collections, other tax collections and late fees were lower than the prior year. The relative percentages of each revenue source, and total revenue, were consistent between the two years.

Allocations represent spending by the Organization for its program funding related to the direct provision of mental health services through contracts (Provider allocations). Allocations include certain discretionary items for operations and capacity building. Allocations also include administrative expenses such as personnel, professional fees for legal counsel and accounting, and other operating expenses such as office space, insurance, and technology costs. The table of allocations below lists funding programs, followed by administrative expenses.

Allocations	2016		2015	
Safety Net	\$5,196,674	44%	\$5,105,251	43%
Children and families	3,381,212	28%	3,485,563	30%
Forensic	767,630	6%	617,960	5%
Domestic and sexual violence	701,791	6%	716,607	6%
Educational and vocational	366,015	3%	396,357	3%
Pilot programs	191,925	2%	108,500	1%
Consumer services	191,753	2%	312,186	3%
Innovation programs	180,916	1%	242,485	2%
Provider initiatives	106,440	1%	30,844	<1%
Board designated	254,341	2%	182,751	2%
Administrative expenses	600,726	5%	583,805	5%
Total	\$11,939,423	100%	\$11,782,309	100%

Program allocations for 2015 and 2016 were generally consistent, with most changes attributable to typical year-to-year variation in Provider spending. In Safety Net and Forensic Services for example, the differences are mainly attributable to medical positions that were vacant in 2015 and filled in 2016. In Consumer Services, one agency ceased formal operations, resulting in lower 2016 spending within this category. Board support for technical assistance in the areas of cultural competence and behavioral healthcare reform drove 2016 increases in Provider initiatives and board designated activities. In contrast, the Board selected fewer innovation programs and made smaller grants for 2016 innovation funding, relative to 2015. Administrative expenses are budgeted as an allocation within the Organization's financial planning. Administrative expenses comprised 5% of total allocations for both years.

OVERVIEW OF THE FINANCIAL STATEMENTS PRESENTATION

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

The Statement of Net 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. This financial statement includes all assets and liabilities using a modified cash 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, 2016 and 2015. The differences between revenue and expenditures during the year represent the changes in net position. Over time, increases and decreases in net position measure the Organization's financial position. Changes in net position are reported as soon as the underlying event giving rise to the change occurs, except for revenue, which is recognized on the modified cash basis of accounting.

The Notes to the Basic Financial Statements 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.

The Supplementary Information provides additional data regarding expenditures for each contracting Provider Organization, including schedules of cash flows and schedules of Provider and board designated allocations for the years ended December 31, 2016 and 2015.

JACKSON COUNTY FINANCIAL STATEMENTS

The Organization is a separate political subdivision, and not a unit of the Jackson County, Missouri 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
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BASIC FINANCIAL STATEMENTS

**JACKSON COUNTY COMMUNITY MENTAL HEALTH FUND
STATEMENTS OF NET POSITION - MODIFIED CASH
DECEMBER 31, 2016 AND 2015**

	2016	2015
Assets		
Petty cash	\$ 74	\$ 167
Cash - operating	54,041	40,561
Cash - Super NOW	6,174,114	6,341,908
Certificate of deposit	1,049,277	1,049,277
Prepaid expenses	3,901	3,950
Security deposit	3,750	3,750
Capital assets, net	4,555	6,060
 Total Assets	 \$ 7,289,712	 \$ 7,445,673
Liabilities		
Retirement payable	\$ 2,595	\$ 2,643
Deferred Inflows of Resources		
Unavailable revenue - property taxes	5,571,365	5,613,207
Net Position		
Net investment in capital assets	4,555	6,060
Restricted net position	1,711,197	1,823,763
Total Net Position	1,715,752	1,829,823
 Total Liabilities and Net Position	 \$ 7,289,712	 \$ 7,445,673

See Accompanying Notes to the Basic Financial Statements

JACKSON COUNTY COMMUNITY MENTAL HEALTH FUND
STATEMENTS OF ACTIVITIES - MODIFIED CASH
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016	2015
Revenues		
Current tax collections	\$ 10,354,355	\$ 10,200,099
Delinquent tax collections	289,866	325,188
Delinquent tax collections - late fees	138,371	145,462
Other collections	1,006,210	1,103,873
Total Tax Collections	11,788,802	11,774,622
Investment earnings	36,384	38,239
Miscellaneous income	166	4,587
Total Revenues	11,825,352	11,817,448
Provider Allocations		
Safety Net	5,196,674	5,105,251
Children and Families	3,381,212	3,485,563
Forensic	767,630	617,960
Domestic Violence and Sexual Abuse	701,791	716,607
Educational and Vocational	366,015	396,357
Pilot Programs	191,925	108,500
Consumer Services	191,753	312,186
Innovation Programs	180,916	242,485
Provider Initiatives	106,440	30,844
Total Provider Allocations	11,084,356	11,015,753
Board Designated Allocations		
Technical Support and Evaluation	191,469	182,751
Emergency Distributions	62,872	-
Total Board Designated Allocations	254,341	182,751
Administrative Expenses		
Personnel costs	357,876	350,510
Professional fees	81,972	68,423
Office expense	64,154	67,996
Employee benefits	64,086	60,456
Insurance	9,741	6,181
Staff/Board meeting and development	8,610	9,943
Transportation	6,783	5,936
Technology costs	5,999	12,373
Depreciation	1,505	1,987
Total Administrative Expenses	600,726	583,805
Total Expenses	11,939,423	11,782,309
Net change in net position	(114,071)	35,139
Net position, beginning of year	1,829,823	1,794,684
Net position, end of year	\$ 1,715,752	\$ 1,829,823

See Accompanying Notes to the Basic Financial Statements

**JACKSON COUNTY COMMUNITY MENTAL HEALTH FUND
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 Revised Statutes of Missouri (RSMo) 205.975 - 205.990, 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.

Basis of Presentation

The Organization's basic financial statements report only the government-wide financial statements of the Organization and do not include fund financial statements. Management has determined that government-wide financial statements meet the needs of the financial statement users and that the addition of fund statements is not necessary.

The statements of net position and the statements of activities display information about the Organization as a whole which is financed primarily through property taxes. The government-wide statements of activities present a comparison between revenues and expenses of the Organization with a focus on the sustainability of the Organization as an entity and the change in the Organization's net position resulting from the current year's activities.

Measurement Focus and Basis of Accounting

The Organization's financial statements are reported using the economic resources measurement focus and the modified cash basis of accounting. This basis recognizes assets, liabilities, net position, revenues, and expenses when they result from cash transactions with a provision for depreciation expense. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States.

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Organization reports property taxes that have been received but are levied for use in the subsequent year as deferred inflows of resources.

Net Position Classifications

Net position is classified into the following three components:

Net investment in capital assets – consisting of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgage notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position – consisting of net position with constraints placed on their 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. The Organization first utilizes restricted resources to finance qualifying activities.

Unrestricted net position – All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

**JACKSON COUNTY COMMUNITY MENTAL HEALTH FUND
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015**

Prepaid Expenses

Prepaid expenses reflect the payment of rent that benefits more than one fiscal period. As of December 31, 2016 and 2015, prepaid rent was \$3,901 and \$3,905, respectively.

Cash Equivalents

The Organization considers all unrestricted investments in instruments purchased with original maturities of three months or less to be cash equivalents.

Capital Assets

Capital assets are defined by the Organization as assets used in operations with an estimated useful life of at least one year. Capital asset 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	5-10

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.

2. CAPITAL ASSETS

A summary of changes in capital assets for the years ended December 31, 2016 and 2015 are as follows:

	2016			
	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Software	\$ 1,000	\$ -	\$ -	\$ 1,000
Office equipment	14,283	-	-	14,283
Accumulated depreciation	(9,223)	(1,505)	-	(10,728)
Total capital assets, net	\$ 6,060	\$ (1,505)	\$ -	\$ 4,555
	2015			
	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Software	\$ 1,000	\$ -	\$ -	\$ 1,000
Office equipment	15,024	1,742	2,483	14,283
Accumulated depreciation	(9,187)	(1,987)	(1,951)	(9,223)
Total capital assets, net	\$ 6,837	\$ (245)	\$ 532	\$ 6,060

Depreciation expense for the years ended December 31, 2016 and 2015 was \$1,505 and \$1,987, respectively.

**JACKSON COUNTY COMMUNITY MENTAL HEALTH FUND
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015**

3. CONCENTRATION OF CREDIT RISK

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

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 considered a concentration of revenue risk.

Assessed values are established by the Jackson County Assessor subject to review by the County's Board of Equalization and State Tax Commission. The assessed value for real property, including railroad and utility properties, located in the County as of January 1, 2015, on which the fiscal 2016 levy was based, was \$9,681,092,352. The assessed value for real property, including railroad and utility properties, located in the County as of January 1, 2014, on which the fiscal 2015 levy was based, was \$9,218,865,263.

The Organization's levy rates for the years ended December 31, 2016 and 2015 were 0.1198 and 0.1223 cents, respectively, per \$100 of assessed valuation for the operation and maintenance of community mental health centers, mental health clinics and other comprehensive mental health services.

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 account 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 is due to transactions being recorded on the books that have not been presented to the bank.

6. CERTIFICATES OF DEPOSIT

At December 31, 2016, the Organization owned the following Certificates of Deposit issued by Blue Ridge Bank and Trust:

<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Amount</u>	<u>Rate</u>
January 20, 2016	January 20, 2017	\$ 1,049,277	0.85%

At December 31, 2015, the Organization owned the following Certificates 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%

**JACKSON COUNTY COMMUNITY MENTAL HEALTH FUND
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015**

7. 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. The future minimum lease payments under this lease are as follows:

2017	\$ 45,000
2018	26,250
Total	<u>\$ 71,250</u>

Rent expense was \$47,243 and \$48,553, respectively, for the years ended December 31, 2016 and 2015.

8. 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 \$14,511 and \$14,083 for the years ended December 31, 2016 and 2015, respectively.

9. TAX ABATEMENTS

Tax abatements are granted under the Urban Redevelopment program described under Chapter 353 of the RSMo, the Land Clearance program for blighted properties described under Chapter 99 of RSMo, and the Enhanced Enterprise Zone program described under Sections 135.950 to 135.973 of RSMo. For the fiscal year ended December 31, 2016, taxes abated for the Organization in connection with the Urban Redevelopment program, Land Clearance program and Enhanced Enterprise Zone program were estimated at \$1,704,573, \$112,621, and \$121,314, respectively.

10. SUBSEQUENT EVENTS

The Organization evaluated subsequent events through June 30, 2017, the date the financial statements were available to be issued. There were no subsequent events that require recognition or disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

**JACKSON COUNTY COMMUNITY MENTAL HEALTH FUND
SCHEDULES OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

	2016	2015
Cash Flows From Operating Activities		
Change in Net Position	\$ (114,071)	\$ 35,139
Adjustments to Reconcile the Change in Net Position to Net Cash Provided by (Used in) Operating Activities		
Depreciation	1,505	1,987
Loss on Disposal of Capital Assets	-	532
Changes in Operating Assets, Liabilities and Deferred Inflows of Resources		
(Increase)/decrease in prepaid expenses	49	37,300
Increase/(decrease) in retirement payable	(48)	(1,716)
Increase/(decrease) in unavailable revenue	(41,842)	2,651,717
	(154,407)	2,724,959
Net Cash Provided By (Used In) Operating Activities		
Cash Flows From Investing Activities		
Purchase of Capital Assets	-	(1,742)
Purchases of Certificates of Deposit	(6,049,277)	(5,006,170)
Maturities of Certificates of Deposit	6,049,277	5,000,000
	-	(7,912)
Net Cash Provided By (Used In) Investing Activities		
Increase (Decrease) In Cash	(154,407)	2,717,047
Cash, beginning of year	6,382,636	3,665,589
Cash, end of year	\$ 6,228,229	\$ 6,382,636

**JACKSON COUNTY COMMUNITY MENTAL HEALTH FUND
SCHEDULES OF PROVIDER AND BOARD DESIGNATED ALLOCATIONS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

Provider Allocations:	<u>2016</u>	<u>2015</u>
Safety Net		
Comprehensive Mental Health Services	\$ 1,292,300	\$ 1,296,153
Family Conservancy	130,000	109,625
Jewish Family Services	116,365	117,223
Kansas City CARE Clinic	280,529	179,000
Kansas City CARE Clinic - Ryan White	15,000	29,057
Mattie Rhodes Center	248,090	208,265
ReDiscover	1,300,000	1,300,000
ReStart	80,000	80,000
Samuel U. Rodgers Health Center	148,745	285,510
Swope Health Services	1,025,000	744,710
Truman Medical Center Behavior Health	560,645	755,708
Total Safety Net	<u>5,196,674</u>	<u>5,105,251</u>
Children and Families		
Child Abuse Prevention Association (CAPA)	159,791	148,656
Child Advocacy Services Center (The Children's Place)	197,000	190,000
Cornerstones of Care	1,508,028	1,416,371
Crittenton Children's Center	500,000	500,000
Niles Home for Children	250,000	500,000
Operation Breakthrough	48,901	46,386
Sheffield Place	500,000	109,150
Steppingstone	127,492	500,000
The Salvation Army - Children's Center	90,000	75,000
Total Children and Families	<u>3,381,212</u>	<u>3,485,563</u>
Forensic		
Mental Health Court		
Comprehensive Mental Health Services - monitoring	51,999	21,621
ReDiscover - monitoring	69,000	54,717
Swope Health Services - monitoring	39,983	40,420
Truman Medical Center Behavioral Health - monitoring	75,000	75,000
Legal Aid of Western Missouri - legal defense	-	39,999
Corrections		
Truman Medical Center Behavioral Health - JCDC/RCC	450,000	310,585
Re-Entry		
ReStart	24,999	18,969
Benilde Hall	56,649	56,649
Total Forensic	<u>767,630</u>	<u>617,960</u>
Domestic Violence and Sexual Abuse		
Hope House	265,183	279,999
Metropolitan Organization to Counter Sexual Abuse (MOCSA)	174,999	174,999
Rose Brooks	261,609	261,609
Total Domestic Violence and Sexual Abuse	<u>701,791</u>	<u>716,607</u>

**JACKSON COUNTY COMMUNITY MENTAL HEALTH FUND
SCHEDULES OF PROVIDER AND BOARD DESIGNATED ALLOCATIONS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

Educational and Vocational		
Comprehensive Mental Health Services - Valley View	\$ 11,667	\$ 62,230
De LaSalle Education Center	116,249	116,250
Genesis School	168,099	168,099
Helping Hand of Goodwill Industries	19,000	22,800
Truman Medical Center Behavioral Health - vocational	51,000	26,978
Total Educational and Vocational	366,015	396,357
Pilot Programs		
Midwest Foster Care	75,000	75,000
NewHouse	67,000	33,500
Comprehensive Mental Health Services	29,165	-
AdHoc	20,760	-
Total Pilot Programs	191,925	108,500
Consumer Services		
Mental Health Association of the Heartland	-	26,040
Budget and Financial Management Assistance (BFMA)	50,001	50,001
National Alliance for the Mentally Ill of Greater Kansas City (NAMI)	38,333	114,999
Reconciliation Service	62,501	50,001
Jewish Vocational Services	40,918	71,145
Total Consumer Services	191,753	312,186
Innovation Programs		
Cornerstones of Care	29,302	-
Kansas City CARE Clinic	-	23,980
Jewish Family Services	-	5,000
Child Abuse Prevention Association	13,800	20,825
Rose Brooks	40,287	60,335
NewHouse	20,692	48,630
Niles Home for Children	-	34,920
Hope House	-	21,795
Mattie Rhodes Center	50,000	27,000
Budget and Financial Management Assistance (BFMA) - innovations	11,835	-
De LaSalle Center	15,000	-
Total Innovation Programs	180,916	242,485
Provider Initiatives		
Cultural Competency Consultants	-	2,778
Support KC	38,895	14,446
The Learning Project	-	600
Integrus Health Group	40,740	13,020
Jewish Vocational Services	300	-
Missouri Health Advocacy Allian	500	-
National Alliance for the Mentally Ill of Greater Kansas City (NAMI)	800	-
Open Minds	25,205	-
Total Provider Initiatives	106,440	30,844
Total Provider Allocations	\$ 11,084,356	\$ 11,015,753
Board Designated Allocations:		
Technical Support and Evaluation		
Resource Development Institute - Forensic Evaluations	\$ 191,469	\$ 182,751
Emergency Distributions	62,872	-
Total Technical Support and Evaluation	254,341	182,751
Total Board Designated Allocations	\$ 254,341	\$ 182,751



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**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**

To 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 standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Jackson County Community Mental Health Fund (the Organization) as of and for the year ended December 31, 2016, and the related notes to the financial statements, and have issued our report thereon dated June 30, 2017.

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Kansas City, Missouri
June 30, 2017

A handwritten signature in cursive script that reads "Cochran H. Vick & Co. P.C.".