



CLAIRE C. McCASKILL
Missouri State Auditor

To the County Commission
and
Officeholders of Oregon County, Missouri

The State Auditor's Office through the State Office of Administration, Division of Purchasing, contracted the audit services of Oregon County, Missouri, for the two years ended December 31, 2001. A copy of this audit, which was performed by Charles Buchanan, P.C., Certified Public Accountants, is attached.

A handwritten signature in black ink, appearing to read "Claire C. McCaskill".

Claire C. McCaskill
State Auditor

Report No. 2002-77
August 30, 2002

Oregon County, Missouri

Audit Report

Two Years Ended December 31, 2001

**Prepared by:
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OREGON COUNTY, MISSOURI

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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS AND
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

To the County Commission
and
Officeholders of Oregon County, Missouri

We have audited the special-purpose financial statements of various funds of Oregon County, Missouri, as of and for the years ended December 31, 2001 and 2000 as identified in the table of contents. These special-purpose financial statements are the responsibility of the county's management. Our responsibility is to express an opinion on these special-purpose financial statements based on our audit.

We conducted our audit 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 special-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying special-purpose financial statements were prepared for the purpose of presenting the receipts, disbursements, and changes in cash of various funds of Oregon County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county and are not intended to be a complete presentation of the financial position and results of operations of those funds or of Oregon County.

In our opinion, the special-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the receipts, disbursements, and changes in cash of various funds of Oregon County, Missouri, and comparison of such information with the corresponding budgeted information for various funds of the county as of and for the years ended December 31, 2001 and 2000, in conformity with the comprehensive basis of accounting discussed in Note 1, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we also have issued our report dated February 15, 2002, on our consideration of the county's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the special-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and, in our opinion, is fairly stated in all material respects, in relation to the special-purpose financial statements taken as a whole.

Original Signed by Auditor

Charles Buchanan, CPA, PC
February 15, 2002

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the County Commission
and
Officeholders of Oregon County, Missouri

We have audited the special-purpose financial statements of various funds of Oregon County, Missouri, as of and for the years ended December 31, 2001 and 2000, and have issued our report thereon dated February 15, 2002. We conducted our audit 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.

Compliance

As part of obtaining reasonable assurance about whether the special purpose financial statements of various funds of Oregon County, Missouri are free of material misstatements, we performed tests of the county's compliance with certain provisions of laws, regulations, contracts and grants, 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 that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit of the special-purpose financial statements of various funds of Oregon County, Missouri, we considered the county's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the special-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the management of Oregon County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

Original Signed by Auditor

Charles Buchanan, CPA, PC
February 15, 2002

Financial Statements

EXHIBIT A-1

OREGON COUNTY, MISSOURI
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2001

| Fund | Cash, 1/1/01 | Receipts | Disbursements | Cash, 12/31/01 |
|--|-----------------|-------------|---------------|-------------------|
| General Revenue | \$601,223 | \$1,082,879 | \$1,039,795 | \$644,307 |
| Special Road and Bridge | 505,427 | 711,420 | 638,026 | 578,821 |
| Assessment | 6,290 | 110,013 | 116,303 | 0 |
| Law Enforcement Training | 2,572 | 2,529 | 4,496 | 605 |
| Prosecuting Attorney Training | 331 | 426 | 424 | 333 |
| River Patrol | 0 | 12,359 | 12,359 | 0 |
| Federal Law Enforcement Forfeiture | 13,073 | 780 | 5,000 | 8,853 |
| Recorder User Fee | 42,988 | 8,353 | 5,832 | 45,509 |
| Operation Cash Crop | 54 | 1,535 | 1,495 | 94 |
| Law Enforcement Donations | 1,750 | 12,194 | 12,292 | 1,652 |
| Prosecuting Attorney Bad Check | 1,613 | 7,790 | 8,301 | 1,102 |
| Prosecuting Attorney Special | 592 | 716 | 0 | 1,308 |
| Children's Trust | 295 | 330 | 295 | 330 |
| Health Center | 62,733 | 342,509 | 317,879 | 87,363 |
| Senate Bill 40 Board | 77,550 | 67,077 | 70,100 | 74,527 |
| Senior Citizen's | 5,088 | 33,212 | 33,352 | 4,948 |
| Associate Circuit Division Interest | 692 | 992 | 0 | 1,684 |
| Circuit Clerk Interest | 10,951 | 5,689 | 1,879 | 14,761 |
| Law Library | 4,657 | 3,795 | 2,080 | 6,372 |
| Election | 1,194 | 1,178 | 0 | 2,372 |
| Domestic Cannabis Eradication | 0 | 0 | 0 | 0 |
| Co-Op Law Agreement-Drugs | 0 | 5,000 | 5,000 | 0 |
| Community Development Block Grant | 0 | 289,611 | 289,611 | 0 |
| Off-System Bridge Replacement and Rehabilitation | 0 | 142,141 | 142,141 | 0 |
| Total | \$1,339,073 | \$2,842,528 | \$2,706,660 | \$1,474,941 |

The accompanying Notes to the Financial Statements are an integral part of this statement.

EXHIBIT A-2

OREGON COUNTY, MISSOURI
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2000

| Fund | Cash, 1/1/00 | Receipts | Disbursements | Cash, 12/31/00 |
|--|-----------------|-------------|---------------|-------------------|
| General Revenue | \$624,378 | \$1,050,438 | \$1,073,593 | \$601,223 |
| Special Road and Bridge | 396,696 | 660,246 | 551,515 | 505,427 |
| Assessment | 0 | 117,127 | 110,837 | 6,290 |
| Law Enforcement Training | 3,355 | 2,863 | 3,646 | 2,572 |
| Prosecuting Attorney Training | 98 | 446 | 213 | 331 |
| River Patrol | 0 | 12,662 | 12,662 | 0 |
| Federal Law Enforcement Forfeiture | 14,761 | 3,312 | 5,000 | 13,073 |
| Recorder User Fee | 46,411 | 10,387 | 13,810 | 42,988 |
| Operation Cash Crop | 54 | 2,344 | 2,344 | 54 |
| Law Enforcement Donations | 15,418 | 16,328 | 29,996 | 1,750 |
| Prosecuting Attorney Bad Check | 1,323 | 6,666 | 6,376 | 1,613 |
| Prosecuting Attorney Special | 554 | 38 | 0 | 592 |
| Children's Trust | 405 | 295 | 405 | 295 |
| Health Center | 40,470 | 318,541 | 296,278 | 62,733 |
| Senate Bill 40 Board | 59,084 | 65,118 | 46,652 | 77,550 |
| Senior Citizen's | 5,956 | 30,920 | 31,788 | 5,088 |
| Associate Circuit Division Interest | 1,375 | 781 | 1,464 | 692 |
| Circuit Clerk Interest | 7,586 | 90,970 | 87,605 | 10,951 |
| Law Library | 3,520 | 2,945 | 1,808 | 4,657 |
| Election | 0 | 1,194 | 0 | 1,194 |
| Domestic Cannabis Eradication | 0 | 6,000 | 6,000 | 0 |
| Co-Op Law Agreement-Drugs | 0 | 0 | 0 | 0 |
| Community Development Block Grant | 0 | 5,680 | 5,680 | 0 |
| Off-System Bridge Replacement and Rehabilitation | 0 | 1,959 | 1,959 | 0 |
| Total | \$1,221,444 | \$2,407,260 | \$2,289,631 | \$1,339,073 |

EXHIBIT B
 OREGON COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

| | Year Ended December 31, | | | | | |
|-------------------------------------|-------------------------|-------------|--|-------------|-------------|--|
| | 2001 | | | 2000 | | |
| | Budget | Actual | Variance Favorable (Unfavorable) | Budget | Actual | Variance Favorable (Unfavorable) |
| TOTALS - VARIOUS FUNDS | | | | | | |
| RECEIPTS | \$2,758,009 | \$2,832,052 | \$74,043 | \$2,875,913 | \$2,312,563 | (\$563,350) |
| DISBURSEMENTS | 3,115,441 | 2,702,701 | 412,740 | 3,337,174 | 2,198,753 | 1,138,421 |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | (357,432) | 129,351 | 486,783 | (461,261) | 113,810 | 575,071 |
| CASH, JANUARY 1 | 1,322,773 | 1,322,773 | 0 | 1,208,963 | 1,208,963 | 0 |
| CASH, DECEMBER 31 | 965,341 | 1,452,124 | 486,783 | 747,702 | 1,322,773 | 575,071 |
| GENERAL REVENUE FUND | | | | | | |
| RECEIPTS | | | | | | |
| Property taxes | 54,970 | 59,462 | 4,492 | 42,810 | 44,964 | 2,154 |
| Sales taxes | 650,000 | 667,467 | 17,467 | 630,500 | 652,475 | 21,975 |
| Intergovernmental | 135,345 | 178,483 | 43,138 | 155,742 | 168,144 | 12,402 |
| Charges for services | 112,345 | 113,915 | 1,570 | 112,005 | 101,632 | (10,373) |
| Interest | 32,000 | 38,010 | 6,010 | 21,184 | 35,734 | 14,550 |
| Other | 24,220 | 18,534 | (5,686) | 31,265 | 38,853 | 7,588 |
| Transfers in | 1,600 | 7,008 | 5,408 | 9,000 | 8,636 | (364) |
| Total Receipts | 1,010,480 | 1,082,879 | 72,399 | 1,002,506 | 1,050,438 | 47,932 |
| DISBURSEMENTS | | | | | | |
| County Commission | 75,810 | 70,993 | 4,817 | 74,360 | 71,280 | 3,080 |
| County Clerk | 90,604 | 73,135 | 17,469 | 88,290 | 85,023 | 3,267 |
| Elections | 21,350 | 12,233 | 9,117 | 46,900 | 38,328 | 8,572 |
| Buildings and grounds | 44,600 | 36,284 | 8,316 | 39,100 | 33,388 | 5,712 |
| Employee fringe benefits | 126,510 | 118,514 | 7,996 | 138,850 | 111,313 | 27,537 |
| County Treasurer | 28,097 | 26,129 | 1,968 | 28,629 | 27,213 | 1,416 |
| County Collector | 71,988 | 68,619 | 3,369 | 72,590 | 66,396 | 6,194 |
| Ex Officio Recorder of Deeds | 33,717 | 30,417 | 3,300 | 45,868 | 29,338 | 16,530 |
| Circuit Clerk | 17,250 | 10,201 | 7,049 | 17,617 | 7,619 | 9,998 |
| Associate Circuit Court | 11,457 | 8,187 | 3,270 | 10,450 | 5,534 | 4,916 |
| Associate Circuit (Probate) | 578 | 496 | 82 | 535 | 368 | 167 |
| Court administration | 1,380 | 563 | 817 | 1,380 | 808 | 572 |
| Public Administrator | 29,317 | 28,608 | 709 | 17,225 | 16,885 | 340 |
| Sheriff | 253,868 | 242,729 | 11,139 | 244,827 | 238,152 | 6,675 |
| Jail | 21,099 | 20,964 | 135 | 47,099 | 17,920 | 29,179 |
| Prosecuting Attorney | 76,617 | 71,774 | 4,843 | 88,342 | 83,205 | 5,137 |
| Juvenile Officer | 45,746 | 40,796 | 4,950 | 43,053 | 38,391 | 4,662 |
| County Coroner | 9,670 | 9,633 | 37 | 6,613 | 5,872 | 741 |
| Public health and welfare services | 500 | 0 | 500 | 500 | 0 | 500 |
| Other | 189,012 | 143,955 | 45,057 | 190,115 | 161,214 | 28,901 |
| Transfers out | 58,584 | 25,565 | 33,019 | 94,494 | 35,346 | 59,148 |
| Emergency Fund | 31,000 | 0 | 31,000 | 30,075 | 0 | 30,075 |
| Total Disbursements | 1,238,754 | 1,039,795 | 198,959 | 1,326,912 | 1,073,593 | 253,319 |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | (228,274) | 43,084 | 271,358 | (324,406) | (23,155) | 301,251 |
| CASH, JANUARY 1 | 601,223 | 601,223 | 0 | 624,378 | 624,378 | 0 |
| CASH, DECEMBER 31 | \$372,949 | \$644,307 | \$271,358 | \$299,972 | \$601,223 | \$301,251 |

EXHIBIT B
 OREGON COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

| | Year Ended December 31, | | | | | |
|--|-------------------------|-----------|--|-----------|-----------|--|
| | 2001 | | | 2000 | | |
| | Budget | Actual | Variance Favorable (Unfavorable) | Budget | Actual | Variance Favorable (Unfavorable) |
| <u>SPECIAL ROAD AND BRIDGE FUND</u> | | | | | | |
| RECEIPTS | | | | | | |
| Property taxes | \$106,615 | \$108,035 | \$1,420 | \$102,300 | \$103,438 | \$1,138 |
| Intergovernmental | 544,510 | 553,657 | 9,147 | 505,140 | 522,660 | 17,520 |
| Charges for services | 0 | 0 | 0 | 146,592 | 0 | (146,592) |
| Interest | 15,000 | 30,208 | 15,208 | 7,000 | 23,586 | 16,586 |
| Other | 5,100 | 6,819 | 1,719 | 7,912 | 10,562 | 2,650 |
| Transfers in | 12,701 | 12,701 | 0 | 0 | 0 | 0 |
| Total Receipts | 683,926 | 711,420 | 27,494 | 768,944 | 660,246 | (108,698) |
| DISBURSEMENTS | | | | | | |
| Salaries | 196,003 | 195,968 | 35 | 190,916 | 182,917 | 7,999 |
| Employee fringe benefits | 61,323 | 56,417 | 4,906 | 59,896 | 48,544 | 11,352 |
| Supplies | 71,750 | 57,797 | 13,953 | 65,750 | 58,198 | 7,552 |
| Insurance | 14,429 | 14,429 | 0 | 6,500 | 6,203 | 297 |
| Road and bridge materials | 137,416 | 85,163 | 52,253 | 243,000 | 49,514 | 193,486 |
| Equipment repairs | 27,500 | 26,786 | 714 | 25,000 | 18,874 | 6,126 |
| Rentals | 1,500 | 1,298 | 202 | 1,500 | 211 | 1,289 |
| Equipment purchases | 125,000 | 72,588 | 52,412 | 125,000 | 64,340 | 60,660 |
| Construction, repair, and maintenance | 91,500 | 78,799 | 12,701 | 106,500 | 98,256 | 8,244 |
| Transfer to Off-System Bridge Replacement and Rehabilitation | 0 | 0 | 0 | 1,959 | 1,959 | 0 |
| Other | 57,005 | 48,781 | 8,224 | 28,950 | 22,499 | 6,451 |
| Total Disbursements | 783,426 | 638,026 | 145,400 | 854,971 | 551,515 | 303,456 |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | (99,500) | 73,394 | 172,894 | (86,027) | 108,731 | 194,758 |
| CASH, JANUARY 1 | 505,427 | 505,427 | 0 | 396,696 | 396,696 | 0 |
| CASH, DECEMBER 31 | 405,927 | 578,821 | 172,894 | 310,669 | 505,427 | 194,758 |
| <u>ASSESSMENT FUND</u> | | | | | | |
| RECEIPTS | | | | | | |
| Intergovernmental | 76,028 | 81,950 | 5,922 | 77,592 | 82,079 | 4,487 |
| Interest | 75 | 644 | 569 | 75 | 210 | 135 |
| Other | 1,150 | 2,189 | 1,039 | 1,050 | 1,198 | 148 |
| Transfers in | 56,984 | 24,203 | (32,781) | 92,494 | 33,640 | (58,854) |
| Charges for services | 1,000 | 1,027 | 27 | 1,000 | 0 | (1,000) |
| Total Receipts | 135,237 | 110,013 | (25,224) | 172,211 | 117,127 | (55,084) |
| DISBURSEMENTS | | | | | | |
| Assessor | 134,238 | 116,303 | 17,935 | 172,211 | 110,837 | 61,374 |
| Total Disbursements | 134,238 | 116,303 | 17,935 | 172,211 | 110,837 | 61,374 |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | 999 | (6,290) | (7,289) | 0 | 6,290 | 6,290 |
| CASH, JANUARY 1 | 6,290 | 6,290 | 0 | 0 | 0 | 0 |
| CASH, DECEMBER 31 | 7,289 | 0 | (7,289) | 0 | 6,290 | 6,290 |
| <u>LAW ENFORCEMENT TRAINING FUND</u> | | | | | | |
| RECEIPTS | | | | | | |
| Intergovernmental | 0 | 58 | 58 | 0 | 0 | 0 |
| Charges for services | 40 | 0 | (40) | 100 | 39 | (61) |
| Interest | 100 | 106 | 6 | 60 | 103 | 43 |
| Other | 2,805 | 2,365 | (440) | 3,250 | 2,721 | (529) |
| Total Receipts | 2,945 | 2,529 | (416) | 3,410 | 2,863 | (547) |
| DISBURSEMENTS | | | | | | |
| Mileage & training | 3,933 | 3,898 | 35 | 2,900 | 3,104 | (204) |
| Miscellaneous | 600 | 598 | 2 | 500 | 542 | (42) |
| Total Disbursements | 4,533 | 4,496 | 37 | 3,400 | 3,646 | (246) |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | (1,588) | (1,967) | (379) | 10 | (783) | (793) |
| CASH, JANUARY 1 | 2,572 | 2,572 | 0 | 3,355 | 3,355 | 0 |
| CASH, DECEMBER 31 | \$984 | \$605 | (\$379) | \$3,365 | \$2,572 | (\$793) |

EXHIBIT B
 OREGON COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

| | Year Ended December 31, | | | | | |
|--|-------------------------|----------|----------------------------------|----------|----------|----------------------------------|
| | 2001 | | | 2000 | | |
| | Budget | Actual | Variance Favorable (Unfavorable) | Budget | Actual | Variance Favorable (Unfavorable) |
| <u>PROSECUTING ATTORNEY TRAINING FUND</u> | | | | | | |
| RECEIPTS | | | | | | |
| Charges for services | \$50 | \$45 | (\$5) | \$100 | \$44 | (\$56) |
| Other | 550 | 381 | (169) | 900 | 402 | (498) |
| Total Receipts | 600 | 426 | (174) | 1,000 | 446 | (554) |
| DISBURSEMENTS | | | | | | |
| Training & mileage | 831 | 424 | 407 | 900 | 213 | 687 |
| Tuition | 100 | 0 | 100 | 100 | 0 | 100 |
| Total Disbursements | 931 | 424 | 507 | 1,000 | 213 | 787 |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | (331) | 2 | 333 | 0 | 233 | 233 |
| CASH, JANUARY 1 | 331 | 331 | 0 | 98 | 98 | 0 |
| CASH, DECEMBER 31 | 0 | 333 | 333 | 98 | 331 | 233 |
| <u>RIVER PATROL FUND</u> | | | | | | |
| RECEIPTS | | | | | | |
| Intergovernmental | 16,000 | 10,997 | (5,003) | 17,000 | 11,000 | (6,000) |
| Operating transfers in | 1,600 | 1,362 | (238) | 2,000 | 1,662 | (338) |
| Total Receipts | 17,600 | 12,359 | (5,241) | 19,000 | 12,662 | (6,338) |
| DISBURSEMENTS | | | | | | |
| Salaries | 6,000 | 3,283 | 2,717 | 6,000 | 6,715 | (715) |
| Fringe benefits | 1,200 | 262 | 938 | 840 | 565 | 275 |
| Mileage | 1,000 | 998 | 2 | 600 | 422 | 178 |
| Miscellaneous | 3,400 | 807 | 2,593 | 6,000 | 325 | 5,675 |
| Transfers out to general | 6,000 | 7,009 | (1,009) | 5,560 | 4,635 | 925 |
| Total Disbursements | 17,600 | 12,359 | 5,241 | 19,000 | 12,662 | 6,338 |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | 0 | 0 | 0 | 0 | 0 | 0 |
| CASH, JANUARY 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| CASH, DECEMBER 31 | 0 | 0 | 0 | 0 | 0 | 0 |
| <u>FEDERAL LAW ENFORCEMENT FORFEITURE</u> | | | | | | |
| RECEIPTS | | | | | | |
| Other | 0 | 0 | 0 | 0 | 2,275 | 2,275 |
| Intergovernmental | 750 | 780 | 30 | 10,000 | 1,037 | (8,963) |
| Total Receipts | 750 | 780 | 30 | 10,000 | 3,312 | (6,688) |
| DISBURSEMENTS | | | | | | |
| Miscellaneous | 1,000 | 0 | 1,000 | 1,000 | 0 | 1,000 |
| Drug task force | 5,000 | 5,000 | 0 | 5,000 | 5,000 | 0 |
| Total Disbursements | 6,000 | 5,000 | 1,000 | 6,000 | 5,000 | 1,000 |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | (5,250) | (4,220) | 1,030 | 4,000 | (1,688) | (5,688) |
| CASH, JANUARY 1 | 13,073 | 13,073 | 0 | 14,761 | 14,761 | 0 |
| CASH, DECEMBER 31 | 7,823 | 8,853 | 1,030 | 18,761 | 13,073 | (5,688) |
| <u>RECORDER USER FEE FUND</u> | | | | | | |
| RECEIPTS | | | | | | |
| Charges for services | 5,200 | 5,696 | 496 | 5,200 | 4,998 | (202) |
| Interest | 1,541 | 2,657 | 1,116 | 950 | 1,541 | 591 |
| Other | 1,600 | 0 | (1,600) | 2,633 | 3,848 | 1,215 |
| Total Receipts | 8,341 | 8,353 | 12 | 8,783 | 10,387 | 1,604 |
| DISBURSEMENTS | | | | | | |
| Miscellaneous | 16,000 | 3,884 | 12,116 | 12,359 | 7,359 | 5,000 |
| Equipment | 4,000 | 1,842 | 2,158 | 6,451 | 6,451 | 0 |
| Salary | 0 | 106 | (106) | 0 | 0 | 0 |
| Total Disbursements | 20,000 | 5,832 | 14,168 | 18,810 | 13,810 | 5,000 |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | (11,659) | 2,521 | 14,180 | (10,027) | (3,423) | 6,604 |
| CASH, JANUARY 1 | 42,988 | 42,988 | 0 | 46,411 | 46,411 | 0 |
| CASH, DECEMBER 31 | \$31,329 | \$45,509 | \$14,180 | \$36,384 | \$42,988 | \$6,604 |

EXHIBIT B
 OREGON COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

| | Year Ended December 31, | | | | | |
|---|-------------------------|---------|--|----------|----------|--|
| | 2001 | | | 2000 | | |
| | Budget | Actual | Variance Favorable (Unfavorable) | Budget | Actual | Variance Favorable (Unfavorable) |
| <u>OPERATION CASH CROP FUND</u> | | | | | | |
| RECEIPTS | | | | | | |
| Intergovernmental | \$1,535 | \$1,535 | \$0 | \$1,000 | \$2,344 | \$1,344 |
| Total Receipts | 1,535 | 1,535 | 0 | 1,000 | 2,344 | 1,344 |
| DISBURSEMENTS | | | | | | |
| Equipment | 1,535 | 1,495 | 40 | 2,350 | 2,344 | 6 |
| Total Disbursements | 1,535 | 1,495 | 40 | 2,350 | 2,344 | 6 |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | 0 | 40 | 40 | (1,350) | 0 | 1,350 |
| CASH, JANUARY 1 | 54 | 54 | 0 | 54 | 54 | 0 |
| CASH, DECEMBER 31 | 54 | 94 | 40 | (1,296) | 54 | 1,350 |
| <u>LAW ENFORCEMENT DONATIONS FUND</u> | | | | | | |
| RECEIPTS | | | | | | |
| Other | 12,000 | 12,114 | 114 | 18,000 | 16,066 | (1,934) |
| Interest | 200 | 80 | (120) | 250 | 262 | 12 |
| Total Receipts | 12,200 | 12,194 | (6) | 18,250 | 16,328 | (1,922) |
| DISBURSEMENTS | | | | | | |
| Supplies | 8,000 | 4,390 | 3,610 | 14,000 | 13,081 | 919 |
| Uniforms | 500 | 426 | 74 | 500 | 819 | (319) |
| Equipment | 2,000 | 1,616 | 384 | 16,156 | 13,084 | 3,072 |
| Training & mileage | 600 | 600 | 0 | 600 | 0 | 600 |
| Witness protection program | 2,000 | 0 | 2,000 | 2,000 | 0 | 2,000 |
| Extra deputy | 0 | 0 | 0 | 500 | 0 | 500 |
| Fringe benefits | 0 | 0 | 0 | 42 | 0 | 42 |
| Miscellaneous | 850 | 5,260 | (4,410) | 737 | 3,012 | (2,275) |
| Total Disbursements | 13,950 | 12,292 | 1,658 | 34,535 | 29,996 | 4,539 |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | (1,750) | (98) | 1,652 | (16,285) | (13,668) | 2,617 |
| CASH, JANUARY 1 | 1,750 | 1,750 | 0 | 15,418 | 15,418 | 0 |
| CASH, DECEMBER 31 | 0 | 1,652 | 1,652 | (867) | 1,750 | 2,617 |
| <u>PROSECUTING ATTORNEY BAD CHECK FUND</u> | | | | | | |
| RECEIPTS | | | | | | |
| Charges for services | 7,200 | 7,790 | 590 | 7,000 | 6,666 | (334) |
| Total Receipts | 7,200 | 7,790 | 590 | 7,000 | 6,666 | (334) |
| DISBURSEMENTS | | | | | | |
| Salary-clerical | 7,175 | 7,079 | 96 | 6,000 | 5,892 | 108 |
| Fringe benefits | 499 | 532 | (33) | 493 | 484 | 9 |
| Mileage & training | 1,039 | 590 | 449 | 657 | 0 | 657 |
| Miscellaneous | 100 | 100 | 0 | 100 | 0 | 100 |
| Total Disbursements | 8,813 | 8,301 | 512 | 7,250 | 6,376 | 874 |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | (1,613) | (511) | 1,102 | (250) | 290 | 540 |
| CASH, JANUARY 1 | 1,613 | 1,613 | 0 | 1,323 | 1,323 | 0 |
| CASH, DECEMBER 31 | 0 | 1,102 | 1,102 | 1,073 | 1,613 | 540 |
| <u>PROSECUTING ATTORNEY SPECIAL FUND</u> | | | | | | |
| RECEIPTS | | | | | | |
| Charges for services | 480 | 699 | 219 | 500 | 38 | (462) |
| Interest | 0 | 17 | 17 | 0 | 0 | 0 |
| Total Receipts | 480 | 716 | 236 | 500 | 38 | (462) |
| DISBURSEMENTS | | | | | | |
| Miscellaneous | 1,072 | 0 | 1,072 | 500 | 0 | 500 |
| Total Disbursements | 1,072 | 0 | 1,072 | 500 | 0 | 500 |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | (592) | 716 | 1,308 | 0 | 38 | 38 |
| CASH, JANUARY 1 | 592 | 592 | 0 | 554 | 554 | 0 |
| CASH, DECEMBER 31 | \$0 | \$1,308 | \$1,308 | \$554 | \$592 | \$38 |

EXHIBIT B
 OREGON COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

| | Year Ended December 31, | | | | | |
|-------------------------------------|-------------------------|---------|----------------------------------|----------|---------|----------------------------------|
| | 2001 | | | 2000 | | |
| | Budget | Actual | Variance Favorable (Unfavorable) | Budget | Actual | Variance Favorable (Unfavorable) |
| CHILDREN'S TRUST FUND | | | | | | |
| RECEIPTS | | | | | | |
| Intergovernmental | \$400 | \$330 | (\$70) | \$450 | \$295 | (\$155) |
| Total Receipts | 400 | 330 | (70) | 450 | 295 | (155) |
| DISBURSEMENTS | | | | | | |
| Other | 295 | 295 | 0 | 450 | 405 | 45 |
| Total Disbursements | 295 | 295 | 0 | 450 | 405 | 45 |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | 105 | 35 | (70) | 0 | (110) | (110) |
| CASH, JANUARY 1 | 295 | 295 | 0 | 405 | 405 | 0 |
| CASH, DECEMBER 31 | 400 | 330 | (70) | 405 | 295 | (110) |
| HEALTH CENTER FUND | | | | | | |
| RECEIPTS | | | | | | |
| Property taxes | 60,000 | 64,700 | 4,700 | 58,000 | 61,671 | 3,671 |
| Intergovernmental | 210,900 | 217,070 | 6,170 | 204,050 | 207,702 | 3,652 |
| Charges for services | 15,700 | 18,101 | 2,401 | 19,650 | 25,019 | 5,369 |
| Interest | 3,400 | 3,562 | 162 | 2,500 | 2,848 | 348 |
| Other | 38,133 | 39,076 | 943 | 30,285 | 21,301 | (8,984) |
| Total Receipts | 328,133 | 342,509 | 14,376 | 314,485 | 318,541 | 4,056 |
| DISBURSEMENTS | | | | | | |
| Salaries | 196,298 | 195,648 | 650 | 197,074 | 189,638 | 7,436 |
| Office expenditures | 28,410 | 21,931 | 6,479 | 26,085 | 17,242 | 8,843 |
| Clinic supplies | 30,475 | 30,731 | (256) | 22,110 | 25,838 | (3,728) |
| Mileage & training | 7,845 | 5,925 | 1,920 | 8,470 | 4,848 | 3,622 |
| Other | 42,595 | 41,531 | 1,064 | 39,823 | 36,956 | 2,867 |
| WIC | 22,510 | 22,113 | 397 | 20,923 | 21,756 | (833) |
| Total Disbursements | 328,133 | 317,879 | 10,254 | 314,485 | 296,278 | 18,207 |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | 0 | 24,630 | 24,630 | 0 | 22,263 | 22,263 |
| CASH, JANUARY 1 | 62,733 | 62,733 | 0 | 40,470 | 40,470 | 0 |
| CASH, DECEMBER 31 | 62,733 | 87,363 | 24,630 | 40,470 | 62,733 | 22,263 |
| SENATE BILL 40 | | | | | | |
| RECEIPTS | | | | | | |
| Property taxes | 61,796 | 63,290 | 1,494 | 59,474 | 60,309 | 835 |
| Interest | 4,900 | 3,787 | (1,113) | 1,700 | 4,809 | 3,109 |
| Total Receipts | 66,696 | 67,077 | 381 | 61,174 | 65,118 | 3,944 |
| DISBURSEMENTS | | | | | | |
| Workshop request | 70,000 | 70,000 | 0 | 40,000 | 0 | 40,000 |
| Bond | 100 | 100 | 0 | 100 | 100 | 0 |
| Building fund | 0 | 0 | 0 | 42,000 | 45,664 | (3,664) |
| Miscellaneous | 0 | 0 | 0 | 0 | 888 | (888) |
| Total Disbursements | 70,100 | 70,100 | 0 | 82,100 | 46,652 | 35,448 |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | (3,404) | (3,023) | 381 | (20,926) | 18,466 | 39,392 |
| CASH, JANUARY 1 | 77,550 | 77,550 | 0 | 59,084 | 59,084 | 0 |
| CASH, DECEMBER 31 | 74,146 | 74,527 | 381 | 38,158 | 77,550 | 39,392 |
| SENIOR CITIZEN'S FUND | | | | | | |
| RECEIPTS | | | | | | |
| Property taxes | 32,500 | 33,212 | 712 | 36,000 | 30,920 | (5,080) |
| Total Receipts | 32,500 | 33,212 | 712 | 36,000 | 30,920 | (5,080) |
| DISBURSEMENTS | | | | | | |
| Payments for senior services | 37,500 | 33,352 | 4,148 | 36,000 | 31,788 | 4,212 |
| Total Disbursements | 37,500 | 33,352 | 4,148 | 36,000 | 31,788 | 4,212 |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | (5,000) | (140) | 4,860 | 0 | (868) | (868) |
| CASH, JANUARY 1 | 5,088 | 5,088 | 0 | 5,956 | 5,956 | 0 |
| CASH, DECEMBER 31 | \$88 | \$4,948 | \$4,860 | \$5,956 | \$5,088 | (\$868) |

EXHIBIT B
 OREGON COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

| | Year Ended December 31, | | | | | |
|--|-------------------------|---------|----------------------------------|---------|---------|----------------------------------|
| | 2001 | | | 2000 | | |
| | Budget | Actual | Variance Favorable (Unfavorable) | Budget | Actual | Variance Favorable (Unfavorable) |
| <u>ELECTION FUND</u> | | | | | | |
| RECEIPTS | | | | | | |
| Other | \$425 | \$1,178 | \$753 | \$0 | \$1,194 | \$1,194 |
| Total Receipts | 425 | 1,178 | 753 | 0 | 1,194 | 1,194 |
| DISBURSEMENTS | | | | | | |
| Total Disbursements | 0 | 0 | 0 | 0 | 0 | 0 |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | 425 | 1,178 | 753 | 0 | 1,194 | 1,194 |
| CASH, JANUARY 1 | 1,194 | 1,194 | 0 | 0 | 0 | 0 |
| CASH, DECEMBER 31 | 1,619 | 2,372 | 753 | 0 | 1,194 | 1,194 |
| <u>DOMESTIC CANNABIS FUND</u> | | | | | | |
| RECEIPTS | | | | | | |
| Other | 0 | 0 | 0 | 0 | 6,000 | 6,000 |
| Total Receipts | 0 | 0 | 0 | 0 | 6,000 | 6,000 |
| DISBURSEMENTS | | | | | | |
| Mileage | 0 | 0 | 0 | 6,000 | 6,000 | 0 |
| Total Disbursements | 0 | 0 | 0 | 6,000 | 6,000 | 0 |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | 0 | 0 | 0 | (6,000) | 0 | 6,000 |
| CASH, JANUARY 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| CASH, DECEMBER 31 | 0 | 0 | 0 | (6,000) | 0 | 6,000 |
| <u>CO-OP LAW AGREEMENT-DRUGS</u> | | | | | | |
| RECEIPTS | | | | | | |
| Other | 5,000 | 5,000 | 0 | 0 | 0 | 0 |
| Total Receipts | 5,000 | 5,000 | 0 | 0 | 0 | 0 |
| DISBURSEMENTS | | | | | | |
| Miscellaneous | 5,000 | 5,000 | 0 | 0 | 0 | 0 |
| Total Disbursements | 5,000 | 5,000 | 0 | 0 | 0 | 0 |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | 0 | 0 | 0 | 0 | 0 | 0 |
| CASH, JANUARY 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| CASH, DECEMBER 31 | 0 | 0 | 0 | 0 | 0 | 0 |
| <u>COMMUNITY DEVELOPMENT BLOCK GRANT</u> | | | | | | |
| RECEIPTS | | | | | | |
| HUD Grant | 215,820 | 205,647 | (10,173) | 221,500 | 5,680 | (215,820) |
| In-kind match | 62,900 | 61,044 | (1,856) | 62,900 | 0 | (62,900) |
| Matching funds | 22,700 | 22,920 | 220 | 22,700 | 0 | (22,700) |
| Total Receipts | 301,420 | 289,611 | (11,809) | 307,100 | 5,680 | (301,420) |
| DISBURSEMENTS | | | | | | |
| Community facility | 246,700 | 245,035 | 1,665 | 246,700 | 0 | 246,700 |
| Design | 14,700 | 14,700 | 0 | 14,700 | 0 | 14,700 |
| Inspection | 11,000 | 2,246 | 8,754 | 11,000 | 0 | 11,000 |
| Acquisition | 19,500 | 19,500 | 0 | 19,500 | 0 | 19,500 |
| Administration | 9,520 | 8,130 | 1,390 | 15,200 | 5,680 | 9,520 |
| Total Disbursements | 301,420 | 289,611 | 11,809 | 307,100 | 5,680 | 301,420 |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | 0 | 0 | 0 | 0 | 0 | 0 |
| CASH, JANUARY 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| CASH, DECEMBER 31 | 0 | 0 | 0 | 0 | 0 | 0 |
| <u>OFF-SYSTEM BRIDGE REPLACEMENT AND REHABILITATION</u> | | | | | | |
| RECEIPTS | | | | | | |
| Department of transportation grant | 142,141 | 142,141 | 0 | 142,141 | 0 | (142,141) |
| Transfer from special road & bridge | 0 | 0 | 0 | 1,959 | 1,959 | 0 |
| Total Receipts | 142,141 | 142,141 | 0 | 144,100 | 1,959 | (142,141) |
| DISBURSEMENTS | | | | | | |
| Transfer to special road & bridge | 12,701 | 12,701 | 0 | 0 | 0 | 0 |
| Bridge construction | 129,440 | 129,440 | 0 | 144,100 | 1,959 | 142,141 |
| Total Disbursements | 142,141 | 142,141 | 0 | 144,100 | 1,959 | 142,141 |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | 0 | 0 | 0 | 0 | 0 | 0 |
| CASH, JANUARY 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| CASH, DECEMBER 31 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

OREGON COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity and Basis of Presentation

The accompanying special-purpose financial statements present the receipts, disbursements, and changes in cash of various funds of Oregon County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county. The funds presented are established under statutory or administrative authority, and their operations are under the control of the County Commission, an elected county official, the Health Center Board, Senate Bill 40 Board, or the Senior Citizen's Board. The General Revenue Fund is the county's general operating fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

B. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from accounting principles generally accepted in the United States of America, which require revenues to be recognized when they become available and measurable or when they are earned and expenditures or expenses to be recognized when the related liabilities are incurred.

C. Budgets and Budgetary Practices

The County Commission and other applicable boards are responsible for the preparation and approval of budgets for various county funds in accordance with Section 50.525 through 50.745, RSMo 2000, the county budget law. These budgets are adopted on the cash basis of accounting.

Although adoption of a formal budget is required by law, the county did not adopt formal budgets for the following funds:

| <u>Funds</u> | <u>Year(s) Ended December 31,</u> |
|-------------------------------------|-----------------------------------|
| Associate Circuit Division Interest | 2000 and 2001 |
| Circuit Clerk Interest | 2000 and 2001 |
| Law Library | 2000 and 2001 |
| Election | 2000 |

Warrants issued were in excess of budgeted amounts for the Law Enforcement Training Fund in 2000. Section 50.740, RSMo 2000, prohibits expenditures in excess of the approved budgets.

Although Section 50.740, RSMo 2000, requires a balanced budget, deficit balances were budgeted in the following funds:

| <u>Funds</u> | <u>Year(s) Ended December 31,</u> |
|-------------------------------|-----------------------------------|
| Operation Cash Crop | 2000 |
| Law Enforcement Donation | 2000 |
| Domestic Cannabis Eradication | 2000 |

D. Published Financial Statements

Under Sections 50.800 and 50.810, RSMo 2000, the County Commission is responsible for preparing and publishing in a local newspaper a detailed annual financial statement for the county. The financial statement is required to show receipts or revenues, disbursements or expenditures, and beginning and ending balances for each fund.

However, the county's published financial statements did not include the following funds:

| <u>Funds</u> | <u>Year(s) Ended December 31,</u> |
|--|-----------------------------------|
| Children's Trust | 2001 and 2000 |
| Community Development Block Grant | 2000 |
| Off-System Bridge Replacement and Rehabilitation | 2001 and 2000 |

However, for the Health Center, Senate Bill 40, and Senior Citizens funds, the county's published financial statements for the year ended December 31, 2001, included only those amounts that passed through the County Treasurer.

2. Cash

Section 110.270, RSMo 1994, based on Article IV, Section 15, Missouri Constitution, authorizes counties to place their funds, either outright or by repurchase agreement, in U.S. Treasury and agency obligations. In addition, Section 30.950, RSMo 2000, requires political subdivisions with authority to invest in instruments other than depository accounts at financial institutions to adopt a written investment policy. Among other things, the policy is to commit a political subdivision to the principles of safety, liquidity and yield (in that order) when managing public funds and to prohibit purchase of derivatives (either directly or through repurchase agreements), use of leveraging (through either reverse repurchase agreements or other methods), and use of public funds for speculation. The county has adopted such a policy.

In accordance with Statement No. 3 of the Government Accounting Standards Board, *Deposits with Financial Institutions, Investments (Including Repurchase Agreements), and Reverse Repurchase Agreements*, disclosures are provided below regarding the risk of potential loss of cash deposits. For purposes of these disclosures, deposits with financial institutions are demand, time, and saving accounts, including certificates of deposit and negotiable order of withdrawal accounts, in banks, savings institutions, and credit unions.

The county's deposits at December 31, 2001 and 2000 were entirely covered by federal depository insurance or by collateral securities held by the county's custodial bank in the county's name.

The financial statements do not include the cash balances of the County Collector, who collects and distributes property taxes as an agent for various local governments. However, for the purpose of these risk disclosures, the County Collector's cash balances are included since collateral securities to cover amounts not covered by federal depository insurance are pledged to the county rather than to specific county officials.

At December 31, 2001, the reported amount of the county's deposits was \$1,479,594 and the bank balance was \$1,533,246. Of the bank balance, \$2,827,682 was covered by federal depository insurance or by collateral securities held by the county's custodial bank in the county's name, and \$2,896,335 was covered by collateral held by the pledging (or depository) bank's trust department or agent in the county's name.

At December 31, 2000, the reported amount of the county's deposits was \$1,217,439 and the bank balance was \$1,295,759. Of the bank balance, \$2,606,552 was covered by federal depository insurance or by collateral securities held by the county's custodial bank in the county's name, and \$2,174,892 was covered by collateral held by the pledging (or depository) bank's trust department or agent in the county's name.

The Health Center Board's, Senate Bill 40 Board's, and the Senior Citizens' Board's deposits at December 31, 2001 and 2000, were entirely covered by federal depository insurance.

Supplementary Schedule

Schedule

OREGON COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

| Federal CFDA Number | Federal Grantor/Pass-Through Grantor/Program Title | Pass-Through Entity Identifying Number | Federal Expenditures | |
|--|---|---|-------------------------|------------|
| | | | Year Ended December 31. | |
| | | | 2001 | 2000 |
| U. S. DEPARTMENT OF AGRICULTURE | | | | |
| Passed through state: | | | | |
| Department of Health - | | | | |
| 10.557 | Special Supplemental Nutrition Program for Women, Infants, and Children | ER 00450175 | \$ 58,397 | \$ 60,171 |
| 10.665 | Schools and Roads - Grants to States | N/A | \$ 212,232 | \$ 150,037 |
| 10.unknown | Co-op Law Agreement-Drugs | N/A | 5,000 | 0 |
| U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT | | | | |
| Passed through state: | | | | |
| Department of Economic Development - Community Development Block Grants/State's Program | | | | |
| | | 2000-PF-06 | 205,647 | 5,680 |
| Department of Social Services - Emergency Shelter Grants Program | | | | |
| | | N/A | 5,000 | 5,000 |
| U.S. DEPARTMENT OF JUSTICE | | | | |
| Direct programs: | | | | |
| 16.unknown | Equitable Sharing of Seized and Forfeited Property | N/A | 0 | 5,000 |
| Passed through: | | | | |
| Missouri Sheriffs' Association - Domestic Cannabis Eradication/Suppression Program | | | | |
| 16.unknown | | N/A | 1,495 | 6,000 |
| U. S. DEPARTMENT OF TRANSPORTATION | | | | |
| Passed through state Highway and Transportation Commission: | | | | |
| 20.205 | Off-System Bridge Replacement and Rehabilitation Program | BRO-075(5) | 142,141 | 0 |
| FEDERAL EMERGENCY MANAGEMENT AGENCY | | | | |
| Passed through state Department of Public Safety: | | | | |
| 83.534 | Emergency Management - State and Local Assistance | N/A | 1,375 | 2,750 |
| U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | | |
| Passed through state: | | | | |
| Department of Health - | | | | |
| 93.197 | Childhood Lead Poisoning Prevention Projects - State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children | ERS 146-1175L | 0 | 2,071 |
| | Immunization Grants | ERS 146-2175L | 2,500 | 0 |
| | | 514-PG00649175 | 41,789 | 10,419 |
| Department of Social Services - Child Support Enforcement | | | | |
| | | N/A | 3,956 | 5,361 |
| Department of Health - Child Care and Development Block Grant | | | | |
| | | PGA067-0175C | 4,240 | 3,850 |
| Department of Health - Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs | | | | |
| | | ERS 161-10037 | 17,400 | 20,749 |
| 93.991 | Preventive Health and Health Services Block Grant | ERS 161-20020 | | |
| 93.994 | Maternal and Child Health Services Block Grant to the States | AOC 01380047 | 27,500 | 27,500 |
| | | ERS 146-2175M | 30,455 | 27,500 |
| | | ERS 146-1175M | | |
| Total Expenditures of Federal Awards | | | \$ 759,127 | \$ 332,088 |

N/A - Not applicable

Notes to the Supplementary Schedule

OREGON COUNTY, MISSOURI

NOTES TO THE SUPPLEMENTARY SCHEDULE

1. Summary of Significant Accounting Policies

A. Purpose of Schedule and Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards has been prepared to comply with the requirements of OMB Circular A-133. This circular requires a schedule that provides total federal awards expended for each federal program and the Catalog of Federal Domestic Assistance (CFDA) number or other identifying number when the CFDA information is not available.

The schedule includes all federal awards administered by Oregon County, Missouri.

B. Basis of Presentation

OMB Circular A-133 includes these definitions, which govern the contents of the schedule:

Federal financial assistance means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food, commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals.

Federal award means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, under grants or contracts, used to buy goods or services from vendors.

Accordingly, the schedule includes expenditures of both cash and noncash awards.

C. Basis of Accounting

Except as noted below, the schedule is presented on the cash basis of accounting, which recognizes amounts only when disbursed in cash.

Amounts for Immunization Grants (CFDA number 93.268) represent the original acquisition cost of varicella (chicken pox) vaccine provided to the Health Center through the Center for Disease Control of the U.S. Department of Health and Human Services.

Of the amounts for Immunization Grants (CFDA number 93.268) \$16,577 and \$10,419 represent the original acquisition cost of vaccines purchased by the Center for Disease Control of the U.S. Department of Health and Human Services but distributed to the Health Center through the state Department of Health during the years ended December 31, 2001 and 2000. Of the amounts for the Preventive Health and Health Services Block Grant (CFDA number 93.991), \$124 represents the original acquisition cost of vaccines received by the Health Center through the state Department of Health during the year ended December 31, 2000. Of the amounts for the Maternal and Child Health Services Block Grant to the States (CFDA number 93.994), \$1,865 and \$620 also represent the original acquisition cost of vaccines received by the Health Center through the state Department of Health during the years ended December 31, 2001 and 2000. The remaining amounts for Immunization Grants, the Preventive Health and Health Services Block Grant, and Maternal and Child Health Services Block Grant to the States represent cash disbursements.

2. Subrecipients

The county provided no federal awards to subrecipients during the years ended December 31, 2001 and 2000.

Federal Awards-
Single Audit Section

Independent Auditor's Report

**Charles Buchanan, CPA, PC
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

The County Commission
and
Officeholders of Oregon County, Missouri

Compliance

We have audited the compliance of Oregon County, Missouri with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal programs for the years ended December 31, 2001 and 2000. The county's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with requirements of laws, regulations, contracts, and grants applicable to its major federal programs is the responsibility of the county's management. Our responsibility is to express an opinion on the county's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the county's compliance with those requirements.

In our opinion, Oregon County, Missouri, complied in all material respects with the requirements referred to above that are applicable to each of its major federal programs for the years ended December 31, 2001 and 2000. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as finding numbers 2001-1 and 2001-2.

Internal Control Over Compliance

The management of Oregon County, Missouri is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the county's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the county's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. Reportable conditions are described in the accompanying Schedule of Findings and Questioned Costs as finding numbers 2001-1 and 2001-2.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that none of the reportable conditions described above are material weaknesses.

This report is intended for the information of the management of Oregon County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

Original Signed by Auditor

Charles Buchanan, CPA, PC
February 15, 2002

Schedule

Oregon County, Missouri
Schedule of Findings and Questioned Costs
(Including Management's Plan For Corrective Action)
Two Years Ended December 31, 2001

Section I-Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unqualified

Internal control over financial reporting:

Material weaknesses identified? yes x no

Reportable conditions identified that are not considered to be material weaknesses? yes x none reported

Noncompliance material to the financial statements noted? yes x no

Federal Awards

Internal control over major programs:

Material weaknesses identified? yes x no

Reportable conditions identified that are not considered to be material weaknesses? x yes none reported

Type of audit report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of OMB Circular A-133? x yes no

Identification of major programs:

| <u>CFDA or Other Identifying Number</u> | <u>Program Title</u> |
|---|--|
| 10.665 | Schools and Roads – Grants to States |
| 14.228 | Community Development Block Grants/State's Program |

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as a low-risk auditee? yes x no

Section II-Financial Statement Findings

This section includes no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

Section III-Federal Award Findings and Questioned Costs

This section includes the audit findings that Section .510(a) of OMB Circular A-133 requires to be reported for an audit of federal awards.

2001-1 Cash Management

Federal Grantor: U.S. Department of Transportation
Pass-Through Grantor: State Highway and Transportation Commission
Federal CFDA Number: 20.205
Program Title: Off-System Bridge Replacement and Rehabilitation Program

Pass-Through Entity Identifying Number: BRO-075(5) over Mill Creek Bridge #15600251
Award Year: 1997
Questioned Costs: \$647.20.

Criteria: The Local Public Agency Manual published by the Missouri Department of Transportation (MoDOT) in Section I, General states that ...the federal-aid transportation program operates on a reimbursement basis as work progresses. Erroneously, it states that ...this is not a "GRANT" program. It correctly goes on to say.... It is a federal reimbursement program in which the local agency is reimbursed minus their matching percentage after MoDOT receives proper proof of payment by the local agency to the contractor for work performed.

Condition: The county obtained advance payment of expenses.

Questioned Costs: \$647.20 representing interest on the advance payment.

Effect: The county did not comply with the reimbursement requirement of the program.

Recommendation: We recommend that the county comply with the requirement to pay expenses prior to submitting a request for reimbursement and discontinue the practice of obtaining advances on this program. We further recommend that the county discuss the erroneous statement in the MoDOT Agency Manual referring to the program as not being a grant program with the program management office.

Auditee's Response and Plan for Corrective Action: We will discontinue the practice of requesting advances on this program. We evidently confused the method of payment (advances versus reimbursements) with the type of program. We have advised MoDOT's regional personnel about the issue of the type of program (grant) and requested that it be addressed in the next revision of the Agency Manual.

2001-2 Cash Management

Federal Grantor: U.S. Department of Housing and Urban Development
Pass-Through Grantor: Department of Economic Development
Federal CFDA Number: 14.228
Program Title: Community Development Block Grants/State's Program

Pass-Through Entity Identifying Number: 2000-PF-06
Award Year: 2001 and 2000
Questioned Costs: \$681.91

Criteria: The state guidelines allow five days to expend funds drawn down from the cash management system.

Condition: The county did not adequately monitor the third-party administrator's procedures for cash draws. Three of nine draw downs were one to ten days past the five-day limit.

Questioned Costs: \$681.91 representing interest on the excess days the funds were held.

Effect: The county did not comply with the state and federal guidelines.

Recommendation: We recommend the county review the third-party administrator's payment policies and monitor their procedures to determine whether controls are adequate. We also recommend the county attempt to obtain reimbursement of the questioned costs from the third-party administrator.

Auditee's Response and Plan for Corrective Action: The County Clerk agrees with the auditor's recommendation and will discuss this issue with the third-party administrator.

Follow-Up on Prior Audit Findings for an
Audit of Financial Statements Performed in Accordance
With *Government Auditing Standards*

OREGON COUNTY, MISSOURI
FOLLOW-UP ON PRIOR AUDIT FINDINGS FOR AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

The prior report issued for the two years ended December 31, 1999, included no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

Summary Schedule of Prior Audit Findings
in Accordance With OMB Circular A-133

**OREGON COUNTY, MISSOURI
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Section .315 of OMB Circular A-133 requires the auditee to prepare a Summary of Prior Audit Findings to report the status of all findings that are relative to federal awards and included in the prior audit report's Schedule of Findings and Questioned Costs. The summary schedule also must include findings reported in the prior audit's Summary Schedule of Prior Audit Findings, except those listed as corrected, no longer valid, or not warranting further action.

Section .500 (e) of OMB Circular A-133 requires the auditor to follow up on these prior audit findings; to perform procedures to assess the reasonableness of the Summary Schedule of Prior Audit Findings; and to report, as a current year finding, when the auditor concludes that the schedule materially misrepresents the status of any prior findings.

This section represents the Summary Schedule of Prior Audit Findings prepared by the county's management.

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|------|--|
| 99-1 | Schedule of Expenditures of Federal Awards |
|------|--|

| | |
|-----------------------|---|
| Federal Grantor: | U.S. Department of Agriculture |
| Pass-Through Grantor: | Missouri Department of Health |
| Federal CFDA Number: | 10.557 |
| Program Title: | Special Supplemental Nutrition Program for Women, Infants, and Children |

| | |
|---|----------------|
| Pass-Through Entity Identifying Number: | ER 00450175 |
| Award Year: | 1999 and 1998 |
| Questioned Costs: | Not Applicable |

| | |
|-----------------------|------------------------------------|
| Federal Grantor: | U.S. Department of Agriculture |
| Pass-Through Grantor: | Missouri Office of Administration |
| Federal CFDA Number: | 10.665 |
| Program Title: | Schools and Roads-Grants to States |

| | |
|---|----------------|
| Pass-Through Entity Identifying Number: | Not Applicable |
| Award Year: | 1999 and 1998 |
| Questioned Costs: | Not Applicable |

Finding – Two Years Ended December 31, 1999

Criteria: The county is required to prepare an accurate schedule of expenditures of federal awards (SEFA) for the period covered by the auditee's financial statements.

Condition: The county did not have adequate procedures in place to track federal awards for the preparation of the SEFA. The information presented by the county for several of the programs presented did not agree with the county's expenditure records.

Status: Partially implemented.

AUDITEE'S RESPONSE AND CORRECTIVE ACTION PLAN

The County Clerk provided the following response:

We omitted the MoDot bridge program under the mistaken belief that it was not a federal grant as stated in the MoDot Local Agency Manual. As mentioned in the findings, the expenditures for this program were included in the Road and Bridge Fund. We have corrected this problem for 2002.