



SUSAN MONTEE, JD, CPA
Missouri State Auditor

To the County Commission
and
Officeholders of Scotland County, Missouri

The Office of the State Auditor is responsible under Section 29.230, RSMo, for auditing certain operations of Scotland County, and issues a separate report on that audit. In addition, the Office of the State Auditor has contracted for an audit of the county's financial statements for the 2 years ended December 31, 2008, through the state Office of Administration, Division of Purchasing and Materials Management. A copy of this audit, performed by McBride, Lock & Associates, Certified Public Accountants, is attached.

A handwritten signature in cursive script that reads "Susan Montee".

Susan Montee, JD, CPA
State Auditor

October 2009
Report No. 2009-119

ANNUAL FINANCIAL REPORT

SCOTLAND COUNTY, MISSOURI

For the Years Ended
December 31, 2008 and 2007

SCOTLAND COUNTY, MISSOURI

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INTRODUCTORY SECTION

SCOTLAND COUNTY, MISSOURI
List of Elected Officials

County Commission

Presiding Commissioner – Mike Stephenson

Associate Commissioner – Denis Clatt

Associate Commissioner – Paul Campbell

Other Elected Officials

Assessor - Jim Ward

Circuit Clerk - Anita Watkins

Recorder - Dana Glasscock

Collector - Kathy Becraft

Treasurer – LaMayra Brown

Coroner – Ginny Monroe

County Clerk – Betty Lodewegan

Prosecuting Attorney – Kimberly Nicoli

Public Administrator – Ellen Aylward

Sheriff – Wayne Winn

FINANCIAL SECTION

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McBRIDE, LOCK & ASSOCIATES

INDEPENDENT AUDITORS' REPORT

To the County Commission and
Officeholders of Scotland County, Missouri

We have audited the accompanying financial statements of Scotland County, Missouri as of and for the years ended December 31, 2008 and 2007, which collectively comprise the County's basic financial statements as identified in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described more fully in Note 1, Scotland County, Missouri has prepared these financial statements using accounting practices prescribed or permitted by the Missouri State Auditor's Office, which differ from accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to in the first paragraph do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Scotland County, Missouri, as of December 31, 2008 and 2007, or the changes in its financial position for the years then ended.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of the governmental and agency funds of Scotland County, Missouri, as of December 31, 2008 and 2007, and the receipts, disbursements and budgetary results of the governmental funds for the years then ended, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we also have issued our report dated July 15, 2009, 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 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 the internal control over financial reporting or on compliance. 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.

(Original signed by Auditor)

McBride, Lock & Associates
July 15, 2009

SCOTLAND COUNTY, MISSOURI
 STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
 YEARS ENDED DECEMBER 31, 2007 AND 2008

Fund	Cash			Cash			Cash
	January 1, 2007	Receipts 2007	Disbursements 2007	December 31, 2007	Receipts 2008	Disbursements 2008	December 31, 2008
General Revenue	\$ 21,230	\$ 786,535	\$ 738,876	\$ 68,889	\$ 719,444	\$ 672,678	\$ 115,655
Special Road and Bridge Assessment	39,346	833,571	814,776	58,141	860,437	893,195	25,383
Road and Bridge Capital Improvement	-	74,131	73,242	889	90,036	90,925	-
Road Rock	52,681	202,891	208,553	47,019	217,245	148,715	115,549
Off System	8,911	67,479	57,128	19,262	66,584	72,361	13,485
Law Enforcement Sales Tax	2,760	324,887	321,150	6,497	42,154	45,874	2,777
Law Enforcement Training	23,262	101,335	107,125	17,472	107,932	91,860	33,544
Prosecuting Attorney Training	2,448	1,243	1,202	2,489	1,260	1,250	2,499
User Fee	674	181	585	270	189	216	243
Community Development Block Grant	7,946	2,377	1,654	8,669	2,806	635	10,840
LEPC	-	1,500	1,500	-	-	-	-
Recorder Technology	1,820	5,918	2,272	5,466	1,209	2,000	4,675
Prosecuting Attorney Bad Check	8,076	1,504	2,550	7,030	1,723	-	8,753
Courthouse Restoration	1,042	4,602	4,471	1,173	4,243	4,235	1,181
Batterer's Intervention	2,147	13,515	1,462	14,200	608	14,787	21
Divorce Education	20,061	6,887	9,356	17,592	4,928	5,583	16,937
Election Services	5,202	2,065	2,932	4,335	1,855	2,600	3,590
Help America Vote Act	312	992	503	801	6,797	4,694	2,904
Sheriff Civil	11,537	395	11,915	17	1,862	1,861	18
Sheriff Special Project	9,581	4,315	4,979	8,917	4,342	6,270	6,989
Childrens Trust	1,085	966	155	1,896	-	104	1,792
Tax Maintenance	250	230	250	230	160	230	160
Law Library	2,132	4,772	5,743	1,161	5,158	4,196	2,123
Circuit Clerk Interest & Passport	2,249	2,342	2,269	2,322	2,149	2,297	2,174
Concentrated Animal Feeding Operations	4,343	6,612	1,836	9,119	1,829	4,715	6,233
Prosecuting Attorney Delinquent Tax	3,243	1,000	-	4,243	5,193	9,436	-
Drug Forfeiture	-	260	-	260	356	-	616
DARE	11,368	468	355	11,481	567	-	12,048
Total	320	-	-	320	-	309	11
	<u>\$ 244,026</u>	<u>\$ 2,452,973</u>	<u>\$ 2,376,839</u>	<u>\$ 320,160</u>	<u>\$ 2,151,066</u>	<u>\$ 2,081,026</u>	<u>\$ 390,200</u>

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

SCOTLAND COUNTY, MISSOURI
COMPARATIVE SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

GENERAL FUND				
Year Ended December 31,				
	2007		2008	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
RECEIPTS				
Property taxes	\$ 252,921	\$ 253,828	\$ 243,407	\$ 265,715
Sales taxes	189,000	200,480	200,000	212,568
Intergovernmental	179,115	203,426	121,712	119,020
Charges for services	87,820	84,692	83,075	89,583
Interest	7,000	10,031	9,500	15,596
Other	17,469	34,078	15,550	16,962
Transfers in	-	-	-	-
Total Receipts	<u>\$ 733,325</u>	<u>\$ 786,535</u>	<u>\$ 673,244</u>	<u>\$ 719,444</u>
DISBURSEMENTS				
County Commission	\$ 69,272	\$ 65,204	\$ 56,482	\$ 62,349
County Clerk	63,199	58,040	58,149	56,827
Elections	-	1,187	30,000	26,469
Buildings and grounds	82,368	82,686	97,889	67,895
Employee fringe benefits	62,000	60,043	51,300	50,706
Treasurer	29,018	28,808	29,060	28,925
Collector	55,665	55,421	56,808	54,296
Recorder of Deeds	54,209	53,863	38,387	38,325
Associate Circuit Court	3,500	3,669	4,500	4,055
Court administration	3,988	2,970	4,249	3,553
Public Administrator	13,166	13,096	13,436	13,411
Sheriff	214,791	168,740	156,556	157,432
Prosecuting Attorney	59,529	59,529	52,509	53,094
Juvenile Officer	26,460	18,658	-	-
Coroner	7,026	7,974	7,026	7,026
Other general revenue	43,100	46,429	39,000	32,298
Health and welfare	2,375	1,291	16,501	3,334
Transfers out	-	-	5,600	12,458
Emergency fund	5,000	11,268	5,000	225
Total Disbursements	<u>\$ 794,666</u>	<u>\$ 738,876</u>	<u>\$ 722,452</u>	<u>\$ 672,678</u>
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	\$ (61,341)	\$ 47,659	\$ (49,208)	\$ 46,766
CASH, JANUARY 1	<u>21,230</u>	<u>21,230</u>	<u>68,889</u>	<u>68,889</u>
CASH, DECEMBER 31	<u>\$ (40,111)</u>	<u>\$ 68,889</u>	<u>\$ 19,681</u>	<u>\$ 115,655</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

SCOTLAND COUNTY
COMPARATIVE SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH -
BUDGET AND ACTUAL - REGULATORY BASIS

	ROAD AND BRIDGE FUND				ASSESSMENT FUND			
	Year Ended December 31,				Year Ended December 31,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ 335,000	\$ 334,502	\$ 321,537	\$ 350,938	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	480,700	477,391	466,700	433,971	78,000	71,987	84,000	75,992
Charges for services	-	-	-	-	-	-	-	-
Interest	6,000	10,697	9,000	13,076	450	730	650	795
Other	12,700	10,981	19,000	62,452	855	1,414	1,110	791
Transfers in	-	-	-	-	-	-	5,600	12,458
Total Receipts	<u>\$ 834,400</u>	<u>\$ 833,571</u>	<u>\$ 816,237</u>	<u>\$ 860,437</u>	<u>\$ 79,305</u>	<u>\$ 74,131</u>	<u>\$ 91,360</u>	<u>\$ 90,036</u>
DISBURSEMENTS								
Salaries	\$ 329,160	\$ 303,451	\$ 305,000	\$ 301,384	\$ 62,587	\$ 62,587	\$ 62,587	\$ 62,587
Employee fringe benefits	68,680	65,381	59,000	55,152	4,676	4,788	4,788	4,788
Materials and Supplies	375,500	377,443	414,300	452,200	5,120	2,327	4,410	4,465
Services and Other	99,200	68,501	94,200	84,459	4,050	3,540	19,864	19,085
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 872,540</u>	<u>\$ 814,776</u>	<u>\$ 872,500</u>	<u>\$ 893,195</u>	<u>\$ 76,433</u>	<u>\$ 73,242</u>	<u>\$ 91,649</u>	<u>\$ 90,925</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (38,140)	\$ 18,795	\$ (56,263)	\$ (32,758)	\$ 2,872	\$ 889	\$ (289)	\$ (889)
CASH, JANUARY 1	39,346	39,346	58,141	58,141	-	-	889	889
CASH, DECEMBER 31	<u>\$ 1,206</u>	<u>\$ 58,141</u>	<u>\$ 1,878</u>	<u>\$ 25,383</u>	<u>\$ 2,872</u>	<u>\$ 889</u>	<u>\$ 600</u>	<u>\$ -</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

SCOTLAND COUNTY
COMPARATIVE SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	ROAD AND BRIDGE CAPITAL IMPROVEMENT FUND				ROAD ROCK FUND			
	Year Ended December 31,				Year Ended December 31,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 67,000	\$ 66,631	\$ 66,000	\$ 65,335
Sales taxes	190,000	200,480	200,000	212,569	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	1,400	2,411	2,000	4,676	750	848	1,000	1,249
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 191,400</u>	<u>\$ 202,891</u>	<u>\$ 202,000</u>	<u>\$ 217,245</u>	<u>\$ 67,750</u>	<u>\$ 67,479</u>	<u>\$ 67,000</u>	<u>\$ 66,584</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	71,000	46,185	78,000	57,193	76,000	57,128	86,200	72,361
Services and Other	170,000	162,368	85,000	91,522	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 241,000</u>	<u>\$ 208,553</u>	<u>\$ 163,000</u>	<u>\$ 148,715</u>	<u>\$ 76,000</u>	<u>\$ 57,128</u>	<u>\$ 86,200</u>	<u>\$ 72,361</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (49,600)	\$ (5,662)	\$ 39,000	\$ 68,530	\$ (8,250)	\$ 10,351	\$ (19,200)	\$ (5,777)
CASH, JANUARY 1	<u>52,681</u>	<u>52,681</u>	<u>47,019</u>	<u>47,019</u>	<u>8,911</u>	<u>8,911</u>	<u>19,262</u>	<u>19,262</u>
CASH, DECEMBER 31	<u>\$ 3,081</u>	<u>\$ 47,019</u>	<u>\$ 86,019</u>	<u>\$ 115,549</u>	<u>\$ 661</u>	<u>\$ 19,262</u>	<u>\$ 62</u>	<u>\$ 13,485</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

SCOTLAND COUNTY
COMPARATIVE SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	OFF SYSTEM FUND				LAW ENFORCEMENT SALES TAX FUND			
	Year Ended December 31,				Year Ended December 31,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	94,500	100,243	100,000	106,284
Intergovernmental	359,000	324,699	55,674	41,818	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	100	188	-	336	1,500	1,064	950	1,648
Other	-	-	-	-	-	28	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 359,100</u>	<u>\$ 324,887</u>	<u>\$ 55,674</u>	<u>\$ 42,154</u>	<u>\$ 96,000</u>	<u>\$ 101,335</u>	<u>\$ 100,950</u>	<u>\$ 107,932</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	23,037	16,760	23,587	18,961
Services and Other	358,035	321,150	55,674	45,874	94,550	90,365	93,747	72,899
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 358,035</u>	<u>\$ 321,150</u>	<u>\$ 55,674</u>	<u>\$ 45,874</u>	<u>\$ 117,587</u>	<u>\$ 107,125</u>	<u>\$ 117,334</u>	<u>\$ 91,860</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ 1,065	\$ 3,737	\$ -	\$ (3,720)	\$ (21,587)	\$ (5,790)	\$ (16,384)	\$ 16,072
CASH, JANUARY 1	<u>2,760</u>	<u>2,760</u>	<u>6,497</u>	<u>6,497</u>	<u>23,262</u>	<u>23,262</u>	<u>17,472</u>	<u>17,472</u>
CASH, DECEMBER 31	<u><u>\$ 3,825</u></u>	<u><u>\$ 6,497</u></u>	<u><u>\$ 6,497</u></u>	<u><u>\$ 2,777</u></u>	<u><u>\$ 1,675</u></u>	<u><u>\$ 17,472</u></u>	<u><u>\$ 1,088</u></u>	<u><u>\$ 33,544</u></u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

SCOTLAND COUNTY
COMPARATIVE SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	LAW ENFORCEMENT TRAINING FUND				PROSECUTING ATTORNEY TRAINING FUND			
	Year Ended December 31,				Year Ended December 31,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	500	-	-	-	-
Charges for services	1,000	1,243	1,100	760	300	181	150	189
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 1,000</u>	<u>\$ 1,243</u>	<u>\$ 1,100</u>	<u>\$ 1,260</u>	<u>\$ 300</u>	<u>\$ 181</u>	<u>\$ 150</u>	<u>\$ 189</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	1,500	1,202	2,500	1,250	500	585	400	216
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 1,500</u>	<u>\$ 1,202</u>	<u>\$ 2,500</u>	<u>\$ 1,250</u>	<u>\$ 500</u>	<u>\$ 585</u>	<u>\$ 400</u>	<u>\$ 216</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (500)	\$ 41	\$ (1,400)	\$ 10	\$ (200)	\$ (404)	\$ (250)	\$ (27)
CASH, JANUARY 1	<u>2,448</u>	<u>2,448</u>	<u>2,489</u>	<u>2,489</u>	<u>674</u>	<u>674</u>	<u>270</u>	<u>270</u>
CASH, DECEMBER 31	<u><u>\$ 1,948</u></u>	<u><u>\$ 2,489</u></u>	<u><u>\$ 1,089</u></u>	<u><u>\$ 2,499</u></u>	<u><u>\$ 474</u></u>	<u><u>\$ 270</u></u>	<u><u>\$ 20</u></u>	<u><u>\$ 243</u></u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

SCOTLAND COUNTY
COMPARATIVE SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL -REGULATORY BASIS

	USER FEE FUND				COMMUNITY DEVELOPMENT BLOCK GRANT FUND			
	Year Ended December 31,				Year Ended December 31,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	7,532	1,500	7,532	-
Charges for services	2,460	2,049	2,000	2,345	-	-	-	-
Interest	210	328	380	461	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 2,670</u>	<u>\$ 2,377</u>	<u>\$ 2,380</u>	<u>\$ 2,806</u>	<u>\$ 7,532</u>	<u>\$ 1,500</u>	<u>\$ 7,532</u>	<u>\$ -</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	9,820	1,654	4,000	635	7,532	1,500	7,532	-
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 9,820</u>	<u>\$ 1,654</u>	<u>\$ 4,000</u>	<u>\$ 635</u>	<u>\$ 7,532</u>	<u>\$ 1,500</u>	<u>\$ 7,532</u>	<u>\$ -</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>\$ (7,150)</u>	<u>\$ 723</u>	<u>\$ (1,620)</u>	<u>\$ 2,171</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
CASH, JANUARY 1	<u>7,946</u>	<u>7,946</u>	<u>8,669</u>	<u>8,669</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH, DECEMBER 31	<u><u>\$ 796</u></u>	<u><u>\$ 8,669</u></u>	<u><u>\$ 7,049</u></u>	<u><u>\$ 10,840</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

SCOTLAND COUNTY
COMPARATIVE SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL-REGULATORY BASIS

	LEPC FUND				RECORDER TECHNOLOGY FUND			
	Year Ended December 31,				Year Ended December 31,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	1,200	5,918	2,450	1,209	-	-	-	-
Charges for services	-	-	-	-	1,300	1,210	1,210	1,348
Interest	-	-	-	-	223	294	290	375
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 1,200</u>	<u>\$ 5,918</u>	<u>\$ 2,450</u>	<u>\$ 1,209</u>	<u>\$ 1,523</u>	<u>\$ 1,504</u>	<u>\$ 1,500</u>	<u>\$ 1,723</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	3,000	2,272	3,300	2,000	4,350	2,550	5,000	-
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 3,000</u>	<u>\$ 2,272</u>	<u>\$ 3,300</u>	<u>\$ 2,000</u>	<u>\$ 4,350</u>	<u>\$ 2,550</u>	<u>\$ 5,000</u>	<u>\$ -</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>\$ (1,800)</u>	<u>\$ 3,646</u>	<u>\$ (850)</u>	<u>\$ (791)</u>	<u>\$ (2,827)</u>	<u>\$ (1,046)</u>	<u>\$ (3,500)</u>	<u>\$ 1,723</u>
CASH, JANUARY 1	<u>1,820</u>	<u>1,820</u>	<u>5,466</u>	<u>5,466</u>	<u>8,076</u>	<u>8,076</u>	<u>7,030</u>	<u>7,030</u>
CASH, DECEMBER 31	<u>\$ 20</u>	<u>\$ 5,466</u>	<u>\$ 4,616</u>	<u>\$ 4,675</u>	<u>\$ 5,249</u>	<u>\$ 7,030</u>	<u>\$ 3,530</u>	<u>\$ 8,753</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

SCOTLAND COUNTY
COMPARATIVE SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	PROSECUTING ATTORNEY BAD CHECK FUND				COURTHOUSE RESTORATION FUND			
	Year Ended December 31,				Year Ended December 31,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	3,950	4,348	4,350	4,243	-	-	-	-
Interest	-	-	-	-	600	-	587	608
Other	-	254	-	-	-	13,515	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 3,950</u>	<u>\$ 4,602</u>	<u>\$ 4,350</u>	<u>\$ 4,243</u>	<u>\$ 600</u>	<u>\$ 13,515</u>	<u>\$ 587</u>	<u>\$ 608</u>
DISBURSEMENTS								
Salaries	\$ 2,400	\$ 2,584	\$ 2,584	\$ 2,613	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	468	725	700	601	-	-	-	-
Services and Other	632	1,162	950	1,021	1,800	1,462	14,787	14,787
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 3,500</u>	<u>\$ 4,471</u>	<u>\$ 4,234</u>	<u>\$ 4,235</u>	<u>\$ 1,800</u>	<u>\$ 1,462</u>	<u>\$ 14,787</u>	<u>\$ 14,787</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>\$ 450</u>	<u>\$ 131</u>	<u>\$ 116</u>	<u>\$ 8</u>	<u>\$ (1,200)</u>	<u>\$ 12,053</u>	<u>\$ (14,200)</u>	<u>\$ (14,179)</u>
CASH, JANUARY 1	<u>1,042</u>	<u>1,042</u>	<u>1,173</u>	<u>1,173</u>	<u>2,147</u>	<u>2,147</u>	<u>14,200</u>	<u>14,200</u>
CASH, DECEMBER 31	<u>\$ 1,492</u>	<u>\$ 1,173</u>	<u>\$ 1,289</u>	<u>\$ 1,181</u>	<u>\$ 947</u>	<u>\$ 14,200</u>	<u>\$ -</u>	<u>\$ 21</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

SCOTLAND COUNTY
COMPARATIVE SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	BATTERER'S INTERVENTION FUND				DIVORCE EDUCATION FUND			
	Year Ended December 31,				Year Ended December 31,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Other	8,000	6,887	5,000	4,928	1,500	2,065	1,800	1,855
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 8,000</u>	<u>\$ 6,887</u>	<u>\$ 5,000</u>	<u>\$ 4,928</u>	<u>\$ 1,500</u>	<u>\$ 2,065</u>	<u>\$ 1,800</u>	<u>\$ 1,855</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	13,200	9,356	13,200	5,583	4,000	2,932	3,000	2,600
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 13,200</u>	<u>\$ 9,356</u>	<u>\$ 13,200</u>	<u>\$ 5,583</u>	<u>\$ 4,000</u>	<u>\$ 2,932</u>	<u>\$ 3,000</u>	<u>\$ 2,600</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>\$ (5,200)</u>	<u>\$ (2,469)</u>	<u>\$ (8,200)</u>	<u>\$ (655)</u>	<u>\$ (2,500)</u>	<u>\$ (867)</u>	<u>\$ (1,200)</u>	<u>\$ (745)</u>
CASH, JANUARY 1	<u>20,061</u>	<u>20,061</u>	<u>17,592</u>	<u>17,592</u>	<u>5,202</u>	<u>5,202</u>	<u>4,335</u>	<u>4,335</u>
CASH, DECEMBER 31	<u><u>\$ 14,861</u></u>	<u><u>\$ 17,592</u></u>	<u><u>\$ 9,392</u></u>	<u><u>\$ 16,937</u></u>	<u><u>\$ 2,702</u></u>	<u><u>\$ 4,335</u></u>	<u><u>\$ 3,135</u></u>	<u><u>\$ 3,590</u></u>

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SCOTLAND COUNTY
COMPARATIVE SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	ELECTION SERVICES FUND				HELP AMERICA VOTE ACT FUND			
	Year Ended December 31,				Year Ended December 31,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	503	362	762	-	-	1,858	1,861
Charges for services	500	461	1,200	1,925	-	-	-	-
Interest	12	28	50	135	600	393	-	-
Other	-	-	3,975	3,975	-	2	-	1
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 512	\$ 992	\$ 5,587	\$ 6,797	\$ 600	\$ 395	\$ 1,858	\$ 1,862
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ 1,121	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	11,000	11,915	1,875	1,861
Services and Other	800	503	2,600	3,573	1,000	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 800	\$ 503	\$ 2,600	\$ 4,694	\$ 12,000	\$ 11,915	\$ 1,875	\$ 1,861
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (288)	\$ 489	\$ 2,987	\$ 2,103	\$ (11,400)	\$ (11,520)	\$ (17)	\$ 1
CASH, JANUARY 1	312	312	801	801	11,537	11,537	17	17
CASH, DECEMBER 31	\$ 24	\$ 801	\$ 3,788	\$ 2,904	\$ 137	\$ 17	\$ -	\$ 18

The accompanying Notes to the Financial Statements are an integral part of these statements.

SCOTLAND COUNTY
COMPARATIVE SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	SHERIFF CIVIL FUND				SHERIFF SPECIAL PROJECT FUND			
	Year Ended December 31,				Year Ended December 31,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	3,200	3,924	4,000	3,867	-	-	-	-
Interest	300	391	300	475	-	-	-	-
Other	-	-	-	-	1,000	966	966	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 3,500</u>	<u>\$ 4,315</u>	<u>\$ 4,300</u>	<u>\$ 4,342</u>	<u>\$ 1,000</u>	<u>\$ 966</u>	<u>\$ 966</u>	<u>\$ -</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	13,000	4,979	8,400	6,270	-	-	-	-
Services and Other	-	-	-	-	1,500	155	500	104
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 13,000</u>	<u>\$ 4,979</u>	<u>\$ 8,400</u>	<u>\$ 6,270</u>	<u>\$ 1,500</u>	<u>\$ 155</u>	<u>\$ 500</u>	<u>\$ 104</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (9,500)	\$ (664)	\$ (4,100)	\$ (1,928)	\$ (500)	\$ 811	\$ 466	\$ (104)
CASH, JANUARY 1	<u>9,581</u>	<u>9,581</u>	<u>8,917</u>	<u>8,917</u>	<u>1,085</u>	<u>1,085</u>	<u>1,896</u>	<u>1,896</u>
CASH, DECEMBER 31	<u>\$ 81</u>	<u>\$ 8,917</u>	<u>\$ 4,817</u>	<u>\$ 6,989</u>	<u>\$ 585</u>	<u>\$ 1,896</u>	<u>\$ 2,362</u>	<u>\$ 1,792</u>

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SCOTLAND COUNTY
COMPARATIVE SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	CHILDRENS TRUST FUND				TAX MAINTENANCE FUND			
	Year Ended December 31,				Year Ended December 31,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	4,200	4,682	-	5,023
Interest	-	-	-	-	75	90	-	135
Other	250	230	250	160	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 250</u>	<u>\$ 230</u>	<u>\$ 250</u>	<u>\$ 160</u>	<u>\$ 4,275</u>	<u>\$ 4,772</u>	<u>\$ -</u>	<u>\$ 5,158</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	50	-
Services and Other	500	250	330	230	4,500	5,743	4,450	4,196
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 500</u>	<u>\$ 250</u>	<u>\$ 330</u>	<u>\$ 230</u>	<u>\$ 4,500</u>	<u>\$ 5,743</u>	<u>\$ 4,500</u>	<u>\$ 4,196</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (250)	\$ (20)	\$ (80)	\$ (70)	\$ (225)	\$ (971)	\$ (4,500)	\$ 962
CASH, JANUARY 1	<u>250</u>	<u>250</u>	<u>230</u>	<u>230</u>	<u>2,132</u>	<u>2,132</u>	<u>1,161</u>	<u>1,161</u>
CASH, DECEMBER 31	<u>\$ -</u>	<u>\$ 230</u>	<u>\$ 150</u>	<u>\$ 160</u>	<u>\$ 1,907</u>	<u>\$ 1,161</u>	<u>\$ (3,339)</u>	<u>\$ 2,123</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

SCOTLAND COUNTY
COMPARATIVE SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL-REGULATORY BASIS

	LAW LIBRARY FUND				CIRCUIT CLERK INTEREST & PASSPORT FUND			
	Year Ended December 31,				Year Ended December 31,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	2,200	2,325	2,250	2,135	-	-	-	-
Interest	15	17	15	14	750	282	250	14
Other	-	-	-	-	7,208	6,330	1,000	1,815
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 2,215</u>	<u>\$ 2,342</u>	<u>\$ 2,265</u>	<u>\$ 2,149</u>	<u>\$ 7,958</u>	<u>\$ 6,612</u>	<u>\$ 1,250</u>	<u>\$ 1,829</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	2,269	2,269	2,297	2,297	9,638	1,836	8,500	4,715
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 2,269</u>	<u>\$ 2,269</u>	<u>\$ 2,297</u>	<u>\$ 2,297</u>	<u>\$ 9,638</u>	<u>\$ 1,836</u>	<u>\$ 8,500</u>	<u>\$ 4,715</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>\$ (54)</u>	<u>\$ 73</u>	<u>\$ (32)</u>	<u>\$ (148)</u>	<u>\$ (1,680)</u>	<u>\$ 4,776</u>	<u>\$ (7,250)</u>	<u>\$ (2,886)</u>
CASH, JANUARY 1	<u>2,249</u>	<u>2,249</u>	<u>2,322</u>	<u>2,322</u>	<u>4,343</u>	<u>4,343</u>	<u>9,119</u>	<u>9,119</u>
CASH, DECEMBER 31	<u><u>\$ 2,195</u></u>	<u><u>\$ 2,322</u></u>	<u><u>\$ 2,290</u></u>	<u><u>\$ 2,174</u></u>	<u><u>\$ 2,663</u></u>	<u><u>\$ 9,119</u></u>	<u><u>\$ 1,869</u></u>	<u><u>\$ 6,233</u></u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

SCOTLAND COUNTY
COMPARATIVE SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	<u>CONCENTRATED ANIMAL FEEDING OPERATIONS FUND</u>				<u>PROSECUTING ATTORNEY DELINQUENT TAX FUND</u>			
	Year Ended December 31,				Year Ended December 31,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	260	84	340
Charges for services	-	-	-	-	-	-	-	-
Interest	80	-	193	193	-	-	-	16
Other	1,000	1,000	5,000	5,000	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 1,080</u>	<u>\$ 1,000</u>	<u>\$ 5,193</u>	<u>\$ 5,193</u>	<u>\$ -</u>	<u>\$ 260</u>	<u>\$ 84</u>	<u>\$ 356</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	3,000	-	9,436	9,436	-	-	300	-
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 3,000</u>	<u>\$ -</u>	<u>\$ 9,436</u>	<u>\$ 9,436</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 300</u>	<u>\$ -</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>\$ (1,920)</u>	<u>\$ 1,000</u>	<u>\$ (4,243)</u>	<u>\$ (4,243)</u>	<u>\$ -</u>	<u>\$ 260</u>	<u>\$ (216)</u>	<u>\$ 356</u>
CASH, JANUARY 1	<u>3,243</u>	<u>3,243</u>	<u>4,243</u>	<u>4,243</u>	<u>-</u>	<u>-</u>	<u>260</u>	<u>260</u>
CASH, DECEMBER 31	<u><u>\$ 1,323</u></u>	<u><u>\$ 4,243</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 260</u></u>	<u><u>\$ 44</u></u>	<u><u>\$ 616</u></u>

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SCOTLAND COUNTY
COMPARATIVE SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL -REGULATORY BASIS

	DRUG FORFEITURE FUND				DARE FUND			
	Year Ended December 31,				Year Ended December 31,			
	2007		2008		2007		2008	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	-	468	400	567	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ -</u>	<u>\$ 468</u>	<u>\$ 400</u>	<u>\$ 567</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
DISBURSEMENTS								
Salaries	-	-	-	-	-	-	-	-
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	11,000	355	1,000	-	300	-	320	309
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 11,000</u>	<u>\$ 355</u>	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ 300</u>	<u>\$ -</u>	<u>\$ 320</u>	<u>\$ 309</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (11,000)	\$ 113	\$ (600)	\$ 567	\$ (300)	\$ -	\$ (320)	\$ (309)
CASH, JANUARY 1	<u>11,368</u>	<u>11,368</u>	<u>11,481</u>	<u>11,481</u>	<u>320</u>	<u>320</u>	<u>320</u>	<u>320</u>
CASH, DECEMBER 31	<u><u>\$ 368</u></u>	<u><u>\$ 11,481</u></u>	<u><u>\$ 10,881</u></u>	<u><u>\$ 12,048</u></u>	<u><u>\$ 20</u></u>	<u><u>\$ 320</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 11</u></u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

SCOTLAND COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 and 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Scotland County, Missouri (“County”), is governed by a three-member board of commissioners. In addition to the three board members, there are ten elected Constitutional Officers: Assessor, County Clerk, Circuit Clerk, Recorder, Coroner, Prosecuting Attorney, Public Administrator, Sheriff, Treasurer and Collector.

As discussed further in Note 1, these financial statements are presented using accounting practices prescribed or permitted by the Missouri State Auditor’s Office, which differ from accounting principles generally accepted in the United States of America, which would include all relevant Government Accounting Standards Board (GASB) pronouncements. The differences include use of a prescribed definition of the reporting entity and the cash basis of accounting.

A. Reporting Entity

The County’s operations include tax assessments and collections, state/county courts, county recorder, public safety, economic development, social and human services, and cultural and recreation services.

The financial statements referred to above include only the primary government of Scotland County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the County’s legal entity.

B. Basis of Presentation

Governmental Funds - Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. A fund is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, net assets, revenues/receipts and expenditures/disbursements. The County’s funds are governmental funds. Governmental funds are those through which most governmental functions are financed. The County’s expendable financial resources are accounted for through governmental funds.

Fiduciary (Agency) Funds - Certain County officials, particularly the County Collector, Treasurer, Circuit Clerk and Sheriff collect and hold monies in a trustee capacity as an agent of individuals, taxing units, or other governments. These assets, which are held for the benefit of external parties, are held in fiduciary (agency) funds which are custodial in nature, and are not reported on the accompanying financial statements.

C. 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. Those principles 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.

D. Budgets and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 50 RSMo, the County adopts a budget for each governmental fund.
2. On or before the second Monday in January, each elected officer and department director will transmit to the County Commission and County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.
3. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures, on the cash basis of accounting, for all budgeted funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year. Budgeting of appropriations is based upon an estimated fund balance at the beginning of the year as well as estimated revenues to be received.
4. State law requires that, at the individual fund level, budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance.
5. A public hearing is conducted to obtain public comment on the budget. Prior to its approval by the County Commission, the budget document is available for public inspection, which usually takes place the third and fourth weeks of January.
6. Prior to February 1 the budget is legally enacted by a vote of the County Commission.
7. Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by a formal vote of the Commission. Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year.
8. Budgets are prepared and adopted on the cash basis of accounting.

9. The County adopted a formal budget for each fund as required by law, except that a formal budget was not adopted in 2007 for the Prosecuting Attorney Delinquent Tax fund.

10. Section 50.740 RSMo. prohibits expenditures in excess of the approved budgets. Actual expenditures exceeded budgeted amounts for the following funds:

	<u>2008</u>	<u>2007</u>
a. Special Road & Bridge	X	NA
b. Prosecuting Attorney Bad Check	N/A	X
c. Election Service	X	NA
d. Tax Maintenance	NA	X
e. Prosecuting Attorney Training Fund	NA	X

E. Property taxes are based on the voter-approved tax levy applied to the real and personal assessed property values. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on September 1 and tax bills are mailed to taxpayers in October and November, at which time they are payable. All unpaid property taxes become delinquent as of January 1 of the following year.

The assessed valuation of the tangible taxable property, included within the County's boundaries for the calendar year 2008 and 2007, for purposes of taxation was:

	<u>2008</u>	<u>2007</u>
Real Estate	\$ 31,425,150	30,883,640
Personal Property	17,050,569	15,883,500

During 2008 and 2007 the County Commission approved a \$0.1160 and \$0.1310 tax levy respectively per \$100 of assessed valuation of tangible taxable property for the calendar year 2008 and 2007, for purposes of County taxation, as follows:

	<u>2008</u>	<u>2007</u>
General Revenue Fund	.5000	.5000
Special Road & Bridge Fund	.3100	.3100
Road & Bridge Fund	.3500	.3500
Health	-	.1500

F. Cash Deposits and Investments

Deposits and investments are stated at cost, which approximates market. Cash balances for all the County Treasurer funds are pooled and invested to the extent possible. Interest earned from such investments is allocated to each of the funds based on the funds' average daily cash balance. Cash equivalents include repurchase agreements and any other instruments with an original maturity of ninety days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest bearing

obligations guaranteed as to both principal and interest by the United States, bonds of the State of Missouri or other government bonds, or time certificates of deposit, purchased at a price at or below par. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investments held in the County's name at third-party banking institutions. Details of these cash balances are presented in Note 2.

G. Interfund Transactions

During the course of operations, transactions occur between individual funds for goods provided or services rendered. These receivables and payables, if applicable, are classified as "Due from other funds" or "Due to other funds" on the financial statements.

Legally required transfers are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund. However, interfund activity has been eliminated for governmental activities in the government-wide financial statements.

2. CASH AND INVESTMENTS

The County maintains a cash and temporary investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the financial statements as "Cash and Equivalents" under each fund's caption.

Deposits - Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2008 and 2007, the carrying amount of the County's deposits was \$390,200 and \$320,160, respectively, and the bank balance was \$551,321 and \$495,616, respectively. Of the bank balances, \$385,610 and \$221,533 for December 31, 2008 and December 31, 2007, respectively, were covered by federal depository insurance and \$165,711 and \$274,083, respectively, were covered by collateral held at the County's safekeeping bank agent, in the County's name.

At December 31, 2008 and 2007 the County Collector held, in addition to the cash and cash equivalents listed above, cash representing collections of property taxes on behalf of various taxing districts in the County, including the County General Revenue, Special Road and Bridge and Road Rock funds. These amounts, all of which were secured by pledged collateral, amounted to \$2,216,795 and \$2,095,051 at December 31, 2008 and 2007, respectively.

3. COUNTY EMPLOYEES' RETIREMENT FUND - CERF

The County Employees' Retirement Fund was established by the State of Missouri to provide pension benefits for County officials and employees.

A. Plan Description

The Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elective or appointed officer or employee whose performance requires the actual performance of duties during not less than one thousand (1,000) hours per calendar year in each county of the state, except for any city not within a county and

any county of the first classification having a charter form of government. It does not include county prosecuting attorneys covered under Sections 56.800 to 56.840, RSMo, circuit clerks and deputy circuit clerks covered under the Missouri State Retirement System, county sheriffs covered under Sections 57.949 to 57.997, RSMo and certain personnel not defined as an employee per Section 50.1000(8), RSMo. The Fund was created by an act of the legislature and was effective August 28, 1994.

The general administration and the responsibility for the proper operation of the fund and the investment of the fund are vested in a board of directors of nine persons.

B. Pension Benefits

Beginning January 1, 1997, employees attaining the age of sixty-two years may retire with full benefits with eight or more years of creditable service. The monthly benefit for County Employees is determined by selecting the highest benefit calculated using three different prescribed formulas (flat-dollar formula, targeted replacement ratio formula, and prior plan's formula). A death benefit of \$10,000 will be paid to the designated beneficiary of every active member upon his or her death.

Upon termination of employment, any member who is vested is entitled to a deferred annuity, payable at age sixty-two. Early retirement may be elected at age sixty. Any member with less than eight years of creditable service forfeits all rights in the fund but will be paid his or her accumulated contributions.

The County Employees' Retirement Fund issues audited financial statements. Copies of these statements may be obtained from the Board of Directors of CERF by writing to CERF, P.O. Box 2271, Jefferson City, MO 65102-2271, or by calling 1-573-632-9203.

C. Funding Policy

Pursuant to State Statutes, CERF is partially funded by the State from a portion of delinquent property tax penalties and other penalties and fees. Further, a contribution to CERF of 6% of gross compensation required for all participants hired on or after February 2002. A contribution of 2% of compensation is required of employees hired before February 2002. The source of funding of these contributions is determined by each county. During 2008 and 2007, the County collected and remitted to CERF employee contributions of approximately for \$25,923 and \$27,678, respectively, for the years then ended, equal to the required contributions.

4. POST EMPLOYMENT BENEFITS

The County does not provide post-employment benefits except as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County.

5. CLAIMS COMMITMENT AND CONTINGENCIES

A. Compensated Absences

The County provides full time employees with up to 240 hours of sick leave -- to accrue at one day per complete calendar month of service. Upon termination, the employee is not compensated for accrued sick leave. Vacation time is accrued for every full time employee, and accrues at the rate of five days up to fifteen days per year depending on length of service. Employees may accrue vacation leave to a maximum of 240 hours, except personnel who are FLSA-exempt may accrue vacation leave to a maximum of 360 hours. Upon termination, employees are compensated for unused vacation credit.

B. Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants, when performed, could result in the disallowance of certain costs. Accordingly, such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial and, therefore, no provision has been made in the accompanying financial statements for the potential refund of grant monies. The County's expenditures of federal awards did not exceed \$500,000 in either 2008 or 2007 and, accordingly, the County is not required to obtain a single audit in accordance with Office of Management and Budget Circular A-133.

6. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters, and has established a risk management strategy that attempts to minimize losses and the carrying costs of insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The County is a member participant in a public entity risk pool which is a corporate and political body. The purpose of the risk pool is to provide liability protection to participating public entities, their officials, and employees. Annual contributions are collected based on actuarial projections which are intended to produce sufficient funds to pay losses and expenses. Should contributions not produce sufficient funds to meet its obligations, the risk pool is empowered with the ability to make special assessments. Members are jointly and severally liable for all claims against the risk pool.

The County is also a member of the Missouri Association of Counties Self-Insured Workers' Compensation and Insurance Fund. The County purchases workers' compensation insurance through this Fund, a non-profit corporation established for the purpose of providing insurance coverage for Missouri counties. The Fund is self-insured up to \$2,000,000 per occurrence and is reinsured up to the statutory limit through excess insurance.

COMPLIANCE SECTION

McBRIDE, LOCK & ASSOCIATES

AUDITORS' 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 the County Commission and Officeholders of Scotland County, Missouri

We have audited the accompanying financial statements of Scotland County, Missouri as of and for the years ended December 31, 2008 and 2007, which collectively comprise the County's basic financial statements as identified in the table of contents, and have issued our report thereon dated July 15, 2009. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audits, we considered Scotland County, Missouri's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Scotland County, Missouri's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Scotland County, Missouri's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Scotland County, Missouri's ability to initiate, authorize, record, process, or report financial data reliably in accordance with accounting principles generally accepted in the United States of America such that there is more than a remote likelihood that a misstatement of the Scotland County, Missouri's financial statements that is more than inconsequential will not be prevented or detected by the Scotland County, Missouri's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Scotland County, Missouri's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Scotland County, Missouri's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed certain instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* that are identified as items 08-1, 08-2, and 08-3.

We also noted a certain matter that we reported to management of Scotland County, Missouri, in the findings and recommendations section as item 08-4. Scotland County, Missouri's response to the findings identified in our audit is described in the accompanying schedule of findings and recommendations. We did not audit Scotland County, Missouri's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the County Commission, County Officeholders, the Missouri State Auditors, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

(Original signed by Auditor)

McBride, Lock & Associates
July 15, 2009

FINDINGS AND RECOMMENDATIONS

SCOTLAND COUNTY, MISSOURI
FINDINGS AND RECOMMENDATIONS

MATERIAL WEAKNESSES IN INTERNAL CONTROL

None

SIGNIFICANT INTERNAL CONTROL DEFICIENCIES

None

ITEMS OF NONCOMPLIANCE

08-1. Absence of Investment Policy

Condition: The County has not adopted an investment policy as required by State Statutes. The County has no investments, however, an investment policy addresses topics such as collateralization of deposits, strategy with respect to investment of public funds, and other areas, and thus such a policy would be beneficial and also required for the County. Section 110.270, RSMo 2007, 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 2007, 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.

Recommendation: We recommend the County adopt an investment policy and review compliance with this policy at least annually. Guidelines for developing an investment policy may be found at organizations such as the Government Finance Officer's Association, which offers a publication entitled GFOA's New Model Investment Policy, and examples of investment policies for many counties may be found on the internet.

County's Response: We are in the process of developing a formal investment policy.

08-2. Budgetary Controls

Condition: The County Commission did not exercise adequate budgetary control over a number of funds during the audit period. During the audit period, there were five different funds for which expenditures were approved for payment which exceed the approved budget. These funds were:

- Special Road & Bridge – 2008
- Prosecuting Attorney Bad Check – 2007
- Election Service – 2008
- Tax Maintenance – 2007
- Prosecuting Attorney Training Fund – 2007

Additionally, the County did not adopt a formal budget in 2007 for the Prosecuting Attorney Delinquent Tax Fund.

RSMo 50.740 prohibits expenditures in excess of the approved budgets. Chapter 50 of the RSMo also requires the preparation and filing of annual budgets for all funds to present a complete financial plan for the ensuing year.

Recommendation: We suggest that the County Commission establish controls to ensure that disbursements are not authorized in excess of the approved budget, and that budgets are prepared or obtained for all County funds.

County's Response: The County agrees to more closely monitor expenditures to avoid overages in the future.

08-3. Procedures

Condition: The County used one engineering firm (Great River Engineering) for various bridge construction projects and did not solicit proposals from other firms for these projects. The County Commission indicated that other engineering firms had been considered but that Great River Engineering was selected based on the County's prior experience with that firm. However, documentation was not available to clarify the process by which other engineering firms were evaluated prior to the selection of Great River Engineering.

Recommendation: We recommend that the County obtain statements of qualifications and performance data from at least three engineering firms before contracting for engineering services and that the process be documented.

County's Response: We are taking this recommendation under advisement.

OTHER MATTERS

In planning and performing our audit of the financial statements of Scotland County, Missouri (the County) as of and for the years ended December 31, 2008 and 2007, in accordance with generally accepted government auditing standards, we considered the County's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

However, during our audit we became aware of certain matters that are opportunities for strengthening internal controls and operating efficiency. Our comments and suggestions regarding those matters are summarized below. We previously reported on the County's internal control in our report dated July 15, 2009. (A separate report dated July 15, 2009 which is presented herein, contains our report on significant deficiencies in the County's internal control). This document does not affect our report dated July 15, 2009.

08-4. Maintenance of Personnel Files

Condition: Personnel files should contain up-to-date contact information for the employee, position title, W-4, payroll authorization, a record of any changes in benefits or pay, evidence of salary level, job titles, and employment forms. Of the four employees we tested, none had documentation setting forth their current authorized salary. For uniformity and efficiency of operations, the personnel files should be complete and should be considered the central source for all information and transactions concerning employees.

Recommendation: We recommend that the County Clerk's Office ensure that the permanent personnel file of each employee contain all information relevant to the individual's position, compensation, deductions, and contact information.

County's Response: The County Clerk's office was not aware that this needed to be documented and agrees to update employee personnel files to incorporate each employee's approved pay rate.

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

In accordance with Government Auditing Standards, this section reports the auditors' follow-up on action taken by Scotland County, Missouri, on the applicable findings in the prior audit report issued for the two years ended December 31, 2006 and 2005.

06.1 Financial Condition

General Revenue and Special Road and Bridge Fund continue to decline in fund balance.

Status: Condition corrected.

06.2 Budgetary Practices

Actual disbursements exceeded budgeted amounts in a number of funds.

Status: Improvement noted, but still uncorrected. See current finding 08-2.

06.3 Published Financial Statements

The County's published financial statements did not include all County funds.

Status: Condition corrected.

06.4 Purchasing Procedures

Bids were not always solicited or bid documentation retained for purchases.

Status: Not corrected. See current finding 08-3.

06.5 Computer Controls

Status: Condition corrected.

06.6 Fixed Assets

Status: Condition corrected.

06.7 Conversion to Governmental Accounting Standards Board (GASB) Pronouncement No. 34

Status: Not corrected, however, conversion to GASB No. 34 is optional. Finding not repeated.