



SUSAN MONTEE, CPA
Missouri State Auditor

To the County Commission
and
Officeholders of Monroe County, Missouri

The Office of the State Auditor, in cooperation with Monroe County, has contracted for an audit of the county's financial statements for the 2 years ended December 31, 2007, through the state Office of Administration, Division of Purchasing and Materials Management. A copy of this audit, performed by Devereux and Krauss, LLP, Certified Public Accountants, is attached.

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

Susan Montee, CPA
State Auditor

January 2009
Report No. 2009-17

MONROE COUNTY, MISSOURI
FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006

MONROE COUNTY, MISSOURI

TABLE OF CONTENTS

<u>FINANCIAL SECTION</u>	<u>Page</u>
Auditors' Reports:	2-6
Basic Financial Statements, Required Supplementary Information, and Supplementary Schedule of Expenditures of Federal Awards	3-4
Internal Control Over Financial Reporting and On Compliance and Other Matters Based Upon the Audit Performed in Accordance With <i>Government Auditing Standards</i>	5-6
Basic Financial Statements:	7-15
Government-Wide Financial Statements:	8-11
<u>Exhibit</u>	<u>Description</u>
	Statement of Net Assets – Cash Basis
A-1	December 31, 2007 8
A-2	December 31, 2006 9
	Statement of Activities – Cash Basis
B-1	Year Ended December 31, 2007 10
B-2	Year Ended December 31, 2006 11
Fund Financial Statements:	12-17
<u>Exhibit</u>	<u>Description</u>
	Governmental Funds Balance Sheet – Cash Basis
C-1	December 31, 2007 12
C-2	December 31, 2006 13
	Governmental Funds Statement of Receipts, Disbursements, And Changes in Cash Balances
D-1	Year Ended December 31, 2007 14
D-2	Year Ended December 31, 2006 15
	Statement of Fiduciary Net Assets – Cash Basis
E-1	Year Ended December 31, 2007 16
E-2	Year Ended December 31, 2006 17

	<u>Page</u>
<u>FINANCIAL SECTION</u>	
Notes to the Financial Statements	18-29
Required Supplementary Schedule:	30-44
<u>Schedule</u>	
1 Budgetary Comparison Schedule – All Funds – Cash Basis Years Ended December 31, 2007 and 2006	30-39
Other Supplementary Information:	40-42
<u>Schedule</u>	
2 Schedule of Expenditures of Federal Awards Years Ended December 31, 2007 and 2006	41-42
Note to the Required Supplementary Schedule	43-44
<u>FEDERAL AWARDS – SINGLE AUDIT SECTION</u>	
Auditors’ Report:	45-48
Compliance With Requirements Applicable to Each Major Federal Award Program And On Internal Control Over Compliance in Accordance With OMB Circular A-133	47-48
Schedule:	49-52
Schedule of Findings and Questioned Costs (Including Management’s Plan for Corrective Action), Years Ended December 31, 2007 and 2006...	50-52
Section I – Summary of Auditor’s Results	50-51
Section II - Financial Statement Findings	51-52
Section III – Federal Award Findings and Questioned Costs	52
Follow-Up on Prior Audit Findings for an Audit of Financial Statements Performed in Accordance With Government Auditing Standards	53-54

FEDERAL AWARDS

Summary Schedule of Prior Audit Findings in Accordance With
OMB Circular A-133 55-56

MANAGEMENT ADVISORY REPORT SECTION

Management Advisory Report – Auditors’ Findings 57-61

Follow-Up on Prior Audit Findings 62-67

FINANCIAL SECTION

Auditors' Reports

Devereux and Krauss LLP
Certified Public Accountants

307 North Main – St Charles, MO 63301
636-448-7355
FAX 636-947-3155

JAMES P. DEVEREUX, C.P.A., P.C.
GARY L. KRAUSS, P.C., C.P.A.

**INDEPENDENT AUDITORS' REPORT ON THE BASIC FINANCIAL
STATEMENTS, REQUIRED SUPPLEMENTARY INFORMATION,
AND SUPPLEMENTARY SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS**

To the County Commission
and
Officeholders of Monroe County, Missouri

We have audited the accompanying Government-Wide Statements of Net Assets-Cash Basis, Government-Wide Statements of Activities – Cash Basis, Governmental Funds Balance Sheets-Cash Basis, and Governmental Funds Statements of Receipts, Disbursements, and Changes in Cash Balances -Various Funds of Monroe County, Missouri as of and for the years ended December 31, 2007 and 2006. 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 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 our audits 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 audit provides a reasonable basis for our opinion.

The financial statements referred to above include only the primary government of Monroe County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the County's legal entity. The financial statements do not include financial data for the County's legally separate component unit, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the County's primary government. As a result, the primary government financial statements do not purport to, and do not, present fairly the financial position of the reporting entity of Monroe County, Missouri as of December 31, 2007 and 2006 the changes in its financial position, or where applicable, its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. In accordance with accounting principles generally accepted in the United States of America, the Monroe County Health Center has issued separate reporting entity financial statements. For information on this component unit, please contact the Monroe County Health Center.

As described in Note 1, the basic financial statements of Monroe County, Missouri were prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position – cash basis of the governmental activities, each major fund, and the aggregate remaining fund information for the primary government of Monroe County, Missouri as of December 31, 2007 and 2006 and for the years then ended in conformity with the basis of accounting described in Note 1.

As discussed more fully in Note 1, for the years ended December 31, 2007 and 2006, the County implemented applicable provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – for State and Local Governments*; Statement No. 37, *Basic Financial Statements – for State and Local Governments: Omnibus*; and Statement No. 38, *Certain Financial Statement Note Disclosures*. The implementation of these Statements resulted in significant changes in the format and contents of the basic financial statements and other information in the County’s financial report. The County also implemented the provisions of Statement No. 40, *Deposit and Investment Risk Disclosures*.

The County has not presented the Management’s Discussion and Analysis that accounting principles generally accepted in the United States of America, as applicable to the cash basis of accounting, has determined is necessary to supplement, although not required to be part of the basic financial statements.

The budgetary comparison schedules and other supplementary information on pages 30 through 39 are not required parts of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. We did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we also have issued our report dated July 31, 2008, 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, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements, referred to in the first paragraph, taken as a whole. The accompanying Schedules of Expenditures of Federal Awards are presented for purposes of additional analysis as required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and are not a required part of the basic financial statements. The accompanying Schedules of Expenditures of Federal Awards are the responsibility of the County. Such information has been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, is fairly stated, in all material respects when considered, in relation to the basic financial statements, taken as a whole, that were prepared on the basis of accounting discussed in Note 1.

Devereux & Krauss, LLP

July 31, 2008

Devereux and Krauss LLP
Certified Public Accountants

307 North Main – St Charles, MO 63301
636-448-7355
FAX 636-947-3155

JAMES P. DEVEREUX, C.P.A., P.C.
GARY L. KRAUSS, P.C., C.P.A.

INDEPENDENT AUDITORS' REPORT
ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS
BASED UPON THE AUDIT PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the County Commission
and
Officeholders of Monroe County, Missouri

We have audited the accompanying Government-Wide Statements of Net Assets-Cash Basis, Government-Wide Statements of Activities-Cash Basis, Governmental Fund Balance Sheets-Cash Basis, and Governmental funds Statements of Receipts, Disbursements, and Changes in Cash Balances-Cash Basis of Monroe County, Missouri as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated July 31, 2008. 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.

Internal Control Over Financial Reporting

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

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 internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider to be a significant deficiency.

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 entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is a more than a remote likelihood that a misstatement in the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs item 07-1 to be a significant deficiency.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote possibility that a material misstatement of the financial statements will not be prevented or detected by the entity'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 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 that we consider to be a material weakness as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements of various funds of Monroe County, Missouri, are free of material misstatements, we performed tests of the County's 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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Questioned Costs as finding number 07-1.

We also noted certain other matters which are described in the accompanying Management Advisory Report.

The County's responses to the findings identified in our audits are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the county's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, audit committee, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Devereux & Krauss, LLP

July 31, 2008

Basic Financial Statements

FINANCIAL SECTION

MONROE COUNTY, MISSOURI
GOVERNMENT-WIDE STATEMENT OF NET ASSETS - CASH BASIS
DECEMBER 31, 2007

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 803,194
Cash and cash equivalents - restricted	<u>604,013</u>
TOTAL ASSETS	<u><u>\$ 1,407,207</u></u>
 NET ASSETS	
Unrestricted general fund	\$ 232,204
Unrestricted reported in non-major funds	168,441
Restricted special revenue funds	<u>1,006,562</u>
TOTAL NET ASSETS	<u><u>\$ 1,407,207</u></u>

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

MONROE COUNTY, MISSOURI
GOVERNMENT-WIDE STATEMENT OF NET ASSETS - CASH BASIS
DECEMBER 31, 2006

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 773,897
Cash and cash equivalents - restricted	<u>564,462</u>
TOTAL ASSETS	<u>\$ 1,338,359</u>
NET ASSETS	
Unrestricted general fund	\$ 238,422
Unrestricted reported in non-major funds	156,603
Restricted special revenue funds	<u>943,334</u>
TOTAL NET ASSETS	<u>\$ 1,338,359</u>

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

MONROE COUNTY, MISSOURI
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES - CASH BASIS
YEAR ENDED DECEMBER 31, 2007

		Receipts		Net (Disbursements) Receipts and Changes in Cash Balances
	Disbursements	Charges for Services	Intergovernmental	Primary Governmental Activities
GOVERNMENTAL ACTIVITIES:				
General county government	\$ 589,564	\$ 232,271	\$ 489,002	\$ 131,709
Financial administration	134,823	-	-	(134,823)
Property valuation and recording	70,402	-	-	(70,402)
Administration of justice and law enforcement	1,015,682	-	-	(1,015,682)
Special services	-	15,262	-	15,262
Maintenance of roads	1,601,016	-	1,298,028	(302,988)
Transfers	183,036	-	183,036	-
Other	231,534	-	163,701	(67,833)
	<u>\$ 3,826,057</u>	<u>\$ 247,533</u>	<u>\$ 2,133,767</u>	<u>\$ (1,444,757)</u>
TOTAL GOVERNMENTAL ACTIVITIES				
		GENERAL RECEIPTS:		
		Taxes:		
		Property taxes	\$ 598,133	
		Sales and use taxes	558,083	
		Interest	91,865	
		Other	265,524	
		Total General Receipts	<u>\$ 1,513,605</u>	
		Change in Cash Balances	\$ 68,848	
		NET ASSETS, JANUARY 1	1,338,359	
		NET ASSETS, DECEMBER 31	<u>\$ 1,407,207</u>	

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

MONROE COUNTY, MISSOURI
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES - CASH BASIS
YEAR ENDED DECEMBER 31, 2006

		Receipts		Net (Disbursements) Receipts and Changes in Cash Balances
	Disbursements	Charges for Services	Intergovernmental	Primary Governmental Activities
GOVERNMENTAL ACTIVITIES:				
General county government	\$ 719,770	\$ 247,427	\$ 289,806	\$ (182,537)
Financial administration	117,143	-	-	(117,143)
Property valuation and recording	59,268	-	-	(59,268)
Administration of justice and law enforcement	761,762	-	-	(761,762)
Special services	-	12,603	-	12,603
Maintenance of roads	1,554,893	-	1,169,262	(385,631)
Transfers	319,356	-	319,356	-
Other	816,462	-	170,392	(646,070)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 4,348,654	\$ 260,030	\$ 1,948,816	\$ (2,139,808)
GENERAL RECEIPTS:				
Taxes:				
Property taxes				\$ 621,252
Sales and use taxes				552,383
Interest				66,656
Other				905,882
Total General Receipts				<u>\$ 2,146,173</u>
Change in Cash Balances				\$ 6,365
NET ASSETS, JANUARY 1				<u>1,331,994</u>
NET ASSETS, DECEMBER 31				<u><u>\$ 1,338,359</u></u>

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

MONROE COUNTY, MISSOURI
GOVERNMENTAL FUNDS BALANCE SHEET - CASH BASIS
DECEMBER 31, 2007

	General Revenue	Special Road and Bridge	Assessment	Mark Twain Reservoir	Pleasant View Economic Development	Non-Major Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 232,204	\$ 324,979	\$ 41,519	\$ -	\$ 36,051	\$ 168,441	\$ 803,194
Cash and cash equivalents - restricted	-	-	-	604,013	-	-	604,013
TOTAL ASSETS	\$ 232,204	\$ 324,979	\$ 41,519	\$ 604,013	\$ 36,051	\$ 168,441	\$ 1,407,207
FUND BALANCES							
Unreserved	\$ 232,204	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 232,204
Unreserved reported in non-major funds	-	-	-	-	-	168,441	168,441
Unreserved special revenue funds	-	324,979	41,519	604,013	36,051	-	1,006,562
TOTAL FUND BALANCES	\$ 232,204	\$ 324,979	\$ 41,519	\$ 604,013	\$ 36,051	\$ 168,441	\$ 1,407,207

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

MONROE COUNTY, MISSOURI
GOVERNMENTAL FUNDS BALANCE SHEET - CASH BASIS
DECEMBER 31, 2006

	<u>General Revenue</u>	<u>Special Road and Bridge</u>	<u>Assessment</u>	<u>Mark Twain Reservoir</u>	<u>Pleasant View Economic Development</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS							
Cash and cash equivalents	\$ 238,422	\$ 298,860	\$ 25,367	\$ -	\$ 54,645	\$ 156,603	\$ 773,897
Cash and cash equivalents - restricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>564,462</u>	<u>-</u>	<u>-</u>	<u>564,462</u>
TOTAL ASSETS	<u>\$ 238,422</u>	<u>\$ 298,860</u>	<u>\$ 25,367</u>	<u>\$ 564,462</u>	<u>\$ 54,645</u>	<u>\$ 156,603</u>	<u>\$ 1,338,359</u>
FUND BALANCES							
Unreserved	\$ 238,422	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 238,422
Unreserved reported in non-major funds	-	-	-	-	-	156,603	156,603
Unreserved special revenue funds	<u>-</u>	<u>298,860</u>	<u>25,367</u>	<u>564,462</u>	<u>54,645</u>	<u>-</u>	<u>943,334</u>
TOTAL FUND BALANCES	<u>\$ 238,422</u>	<u>\$ 298,860</u>	<u>\$ 25,367</u>	<u>\$ 564,462</u>	<u>\$ 54,645</u>	<u>\$ 156,603</u>	<u>\$ 1,338,359</u>

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

MONROE COUNTY, MISSOURI
GOVERNMENTAL FUNDS STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES
YEAR ENDED DECEMBER 31, 2007

	General Revenue	Special Road and Bridge	Assessment	Mark Twain Reservoir	Pleasant View Economic Development	Non-Major Governmental Funds	Total Governmental Funds
RECEIPTS							
Property taxes	\$ 277,481	\$ 215,765	\$ -	\$ -	\$ -	\$ 104,887	\$ 598,133
Sales and use taxes	558,083	-	-	-	-	-	558,083
Intergovernmental	489,002	1,298,028	130,118	-	-	33,583	1,950,731
Charges for services	232,271	-	-	-	-	15,262	247,533
Interest	24,920	21,161	3,048	25,243	3,614	13,879	91,865
Other	113,308	22,410	1,285	100,000	12,052	16,469	265,524
Total Receipts	<u>\$ 1,695,065</u>	<u>\$ 1,557,364</u>	<u>\$ 134,451</u>	<u>\$ 125,243</u>	<u>\$ 15,666</u>	<u>\$ 184,080</u>	<u>\$ 3,711,869</u>
DISBURSEMENTS							
General county government	\$ 468,435	\$ -	\$ 118,299	\$ -	\$ -	\$ -	\$ 586,734
Financial administration	132,881	-	-	-	-	1,942	134,823
Property valuation and recording	65,376	-	-	-	-	5,026	70,402
Administration of justice and enforcement	966,599	-	-	-	-	49,084	1,015,683
Maintenance of roads	-	1,570,324	-	30,692	-	30,692	1,631,708
Other	-	-	-	100,000	24,260	79,411	203,671
Total Disbursements	<u>\$ 1,633,291</u>	<u>\$ 1,570,324</u>	<u>\$ 118,299</u>	<u>\$ 130,692</u>	<u>\$ 24,260</u>	<u>\$ 166,155</u>	<u>\$ 3,643,021</u>
EXCESS OF RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>\$ 61,774</u>	<u>\$ (12,960)</u>	<u>\$ 16,152</u>	<u>\$ (5,449)</u>	<u>\$ (8,594)</u>	<u>\$ 17,925</u>	<u>\$ 68,848</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	\$ 35,022	\$ 93,014	\$ -	\$ 45,000	\$ 10,000	\$ -	\$ 183,036
Transfers out	(103,014)	(53,935)	-	-	(20,000)	(6,087)	(183,036)
Net Other Financing Sources (Uses)	<u>\$ (67,992)</u>	<u>\$ 39,079</u>	<u>\$ -</u>	<u>\$ 45,000</u>	<u>\$ (10,000)</u>	<u>\$ (6,087)</u>	<u>\$ -</u>
NET CHANGE IN CASH BALANCES	<u>\$ (6,218)</u>	<u>\$ 26,119</u>	<u>\$ 16,152</u>	<u>\$ 39,551</u>	<u>\$ (18,594)</u>	<u>\$ 11,838</u>	<u>\$ 68,848</u>
CASH BALANCES, JANUARY 1	<u>238,422</u>	<u>298,860</u>	<u>25,367</u>	<u>564,462</u>	<u>54,645</u>	<u>156,603</u>	<u>1,338,359</u>
CASH BALANCES, DECEMBER 31	<u><u>\$ 232,204</u></u>	<u><u>\$ 324,979</u></u>	<u><u>\$ 41,519</u></u>	<u><u>\$ 604,013</u></u>	<u><u>\$ 36,051</u></u>	<u><u>\$ 168,441</u></u>	<u><u>\$ 1,407,207</u></u>

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

MONROE COUNTY, MISSOURI
GOVERNMENTAL FUNDS STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES
YEAR ENDED DECEMBER 31, 2006

	General Revenue	Special Road and Bridge	Assessment	Mark Twain Reservoir	Pleasant View Economic Development	Non-Major Governmental Funds	Total Governmental Funds
RECEIPTS							
Property taxes	\$ 313,639	\$ 214,957	\$ -	\$ -	\$ -	\$ 92,656	\$ 621,252
Sales and use taxes	552,383	-	-	-	-	-	552,383
Intergovernmental	289,806	1,169,262	135,414	-	-	34,978	1,629,460
Charges for services	247,427	-	-	-	-	12,603	260,030
Interest	24,155	20,120	2,031	10,639	1,489	8,222	66,656
Other	116,247	30,143	1,854	622,908	50,813	83,917	905,882
Total Receipts	<u>\$ 1,543,657</u>	<u>\$ 1,434,482</u>	<u>\$ 139,299</u>	<u>\$ 633,547</u>	<u>\$ 52,302</u>	<u>\$ 232,376</u>	<u>\$ 4,035,663</u>
DISBURSEMENTS							
General county government	\$ 517,851	\$ -	\$ 126,308	\$ -	\$ -	\$ 75,611	\$ 719,770
Financial administration	115,490	-	-	-	-	1,653	117,143
Property valuation and recording	57,175	-	-	-	-	2,093	59,268
Administration of justice and enforcement	638,978	-	-	-	-	122,784	761,762
Maintenance of roads	-	1,486,981	-	67,912	-	-	1,554,893
Other	24,691	-	-	599,045	105,298	87,428	816,462
Total Disbursements	<u>\$ 1,354,185</u>	<u>\$ 1,486,981</u>	<u>\$ 126,308</u>	<u>\$ 666,957</u>	<u>\$ 105,298</u>	<u>\$ 289,569</u>	<u>\$ 4,029,298</u>
EXCESS OF RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>\$ 189,472</u>	<u>\$ (52,499)</u>	<u>\$ 12,991</u>	<u>\$ (33,410)</u>	<u>\$ (52,996)</u>	<u>\$ (57,193)</u>	<u>\$ 6,365</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	\$ 30,293	\$ 92,063	\$ -	\$ 25,000	\$ 80,000	\$ 92,000	\$ 319,356
Transfers out	(224,063)	(52,271)	-	(40,000)	-	(3,022)	(319,356)
Net Other Financing Sources (Uses)	<u>\$ (193,770)</u>	<u>\$ 39,792</u>	<u>\$ -</u>	<u>\$ (15,000)</u>	<u>\$ 80,000</u>	<u>\$ 88,978</u>	<u>\$ -</u>
NET CHANGE IN CASH BALANCES	<u>\$ (4,298)</u>	<u>\$ (12,707)</u>	<u>\$ 12,991</u>	<u>\$ (48,410)</u>	<u>\$ 27,004</u>	<u>\$ 31,785</u>	<u>\$ 6,365</u>
CASH BALANCES, JANUARY 1	<u>242,720</u>	<u>311,567</u>	<u>12,376</u>	<u>612,872</u>	<u>27,641</u>	<u>124,818</u>	<u>1,331,994</u>
CASH BALANCES, DECEMBER 31	<u>\$ 238,422</u>	<u>\$ 298,860</u>	<u>\$ 25,367</u>	<u>\$ 564,462</u>	<u>\$ 54,645</u>	<u>\$ 156,603</u>	<u>\$ 1,338,359</u>

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

MONROE COUNTY, MISSOURI
 STATEMENT OF FIDUCIARY NET ASSETS - CASH BASIS
 DECEMBER 31, 2007

ASSETS		
Cash and cash equivalents		\$ <u>772,534</u>
TOTAL ASSETS		\$ <u><u>772,534</u></u>
NET ASSETS		
Restricted		\$ <u>772,534</u>
TOTAL NET ASSETS		\$ <u><u>772,534</u></u>

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

MONROE COUNTY, MISSOURI
 STATEMENT OF FIDUCIARY NET ASSETS - CASH BASIS
 DECEMBER 31, 2006

ASSETS		
Cash and cash equivalents		\$ <u>791,727</u>
TOTAL ASSETS		\$ <u><u>791,727</u></u>
NET ASSETS		
Restricted		\$ <u>791,727</u>
TOTAL NET ASSETS		\$ <u><u>791,727</u></u>

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

Notes to the Financial Statements

MONROE COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 and 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Monroe, Missouri ("County") is governed by a three-member board of commissioners, established in 1831. In addition to the three board members, there are six elected Constitutional Officers: County Clerk, Collector, Treasurer, Circuit Clerk, Sheriff, and Prosecuting attorney.

These financial statements are presented on the cash basis of accounting. This basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Government Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principle Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails.

A. Reporting Entity

These financial statements present financial accountability of Monroe County, as applied using the cash basis of accounting.

The County's operations include tax assessments and collections, state/county courts, county recorder, police and fire protection, transportation, economic development, social and human services, and cultural and recreation services.

The financial statements referred to above include only the primary government of Monroe County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the County's legal entity. The financial statements do not include financial data for the County's legally separate component unit, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the County's primary government. As a result, the primary government financial statements do not purport to, and do not, present fairly the financial position of the reporting entity of the County of Monroe, Missouri as of December 31, 2007 and 2006 the changes in its financial position or, where applicable, its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. In accordance with accounting principles generally accepted in the United States of America, the Health Department of Monroe County, Missouri has been audited by others. For information on these component units, please contact the Monroe County Health Department at (660-327-4657) or write to 310 North Market, Paris, MO 65275.

B. Basis of Presentation

Government-wide Financial Statements:

The Statement of Net Assets and the Statement of Activities present financial information about the primary government of Monroe County only and not any of its component units. These statements include the financial activities of the primary government. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The County does not have any business type activities.

MONROE COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 and 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation (continued)

The statement of net assets presents the financial condition of the governmental activities of the primary government of Monroe County at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Amounts reported as *program revenues* (a) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes, unrestricted interest earnings, gains, and other miscellaneous revenue not properly included among *program revenues* are presented instead as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the County.

Fund Financial Statements:

Following the government-wide financial statements are separate financial statements for governmental funds and fiduciary funds. The County does not have proprietary funds. Fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. The County has determined that the General Fund, Special Road and Bridge Assessment, Mark Twain Reservoir, and Pleasant View Economic Development are major governmental funds. All other governmental funds are reported in one column labeled "Non-major Governmental Funds." If applicable, the total fund balances for all governmental funds is reconciled to total net assets. The net change in fund balance for all governmental funds, if applicable, is reconciled to the total change in net assets as shown on the statement of activities in the government-wide financial statements.

The fund financial statements of the County are organized on the basis of funds, each of which is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, fund balances/net assets, revenues and expenditures.

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. The various funds are summarized by type in the basic financial statements. The following fund types are used by the County:

Governmental Fund Types

Governmental funds are those through which most governmental functions are financed. The County's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of and changes in financial position rather than upon net income.

The following are the County's governmental major funds:

General Fund – The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Road and Bridge Fund – A special Revenue Fund used to account for receipts of the County property tax levy and related expenditures for road maintenance and improvement projects.

MONROE COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 and 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation (continued)

Assessment Fund – The fund is used to handle all county assessment costs.

Mark Twain Reservoir Fund – The fund is used to handle replacement funds due to the loss of real estate tax lost when Mark Twain Lake was created.

Pleasant View Economic Development Fund – The fund is used for creating economic development.

The other governmental funds of the County are considered non-major funds. They include special revenue funds, which account for the proceeds of specific revenue sources that generally are legally restricted to expenditures for specific purposes.

Fiduciary Fund Types

Agency – Agency funds are used to account for assets held by the County in a trustee capacity as an agent of individuals, private organizations, other funds or other governmental units. Agency funds are accounted for and reported similar to the governmental fund. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. These funds account for activities of collections for other taxing units by the Collector of Revenue and other agency operations. Fiduciary funds consist of School Fines and Forfeitures Fund, Mark Twain Reservoir Fund, Cemetery Fund, Criminal Costs Fund, and Financial Institutional Tax Fund.

C. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements and fund financial statements are prepared using the cash basis of accounting. This basis of accounting recognizes assets, liabilities, net assets/fund equity, revenues, and expenditures when they result from cash transactions except that the purchase of investments are recorded as assets; funds collected through the agency funds, not yet remitted, are recorded as liabilities and as receivables and revenue in the fund statements as applicable; and receipts of proceeds of tax anticipation notes are recorded as liabilities. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of this cash basis of accounting, assets (such as accounts receivable and capital assets), revenues (such as revenue for billed or provided services not yet collected), liabilities (such as accounts payable, certificates of participation bonds and obligations under capital leases) and expenditures (such as expenditures for goods or services received but not yet paid) are not recorded in these financial statements.

If the County utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types, if applicable, would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

MONROE COUNTY, MISSOURI
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2007 and 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Accounting Changes

For the years ended December 31, 2007 and 2006, the County implemented applicable provisions of the following GASB Statements:

Statement No. 34, *Basic Financial Statements – for State and Local Governments*; Statement No. 37, *Basic Financial Statements – for State and Local Governments: Omnibus*; and Statement No. 38, *Certain Financial Statement Note Disclosures*: The implementation of these Statements resulted in significant changes in the format and contents of the basic financial statements and other information in the County’s financial report. As Note 1.B discusses, the basic financial statements now include government-wide financial statements that report information for the County as a whole and fund financial statements that focus on major funds. However, as Note 1.C discusses, because the basic financial statements are prepared on the cash basis of accounting, they exclude certain items and amounts that would be recorded under the basis of accounting prescribed by generally accepted accounting principles for state and local governments. Also, agency funds, a type of fund not reported in the County’s prior-period financial statements, are now included in the Statement of Fiduciary Net Assets.

Statement No. 40, *Deposit and Investment Risk Disclosures*: This Statement amends Statement No. 3, *Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements*. Statement No. 40 revises Statement No. 3’s requirements regarding disclosure of custodial credit risk and establishes new requirements for disclosures regarding credit risk, concentration of credit risk, interest rate risk, and foreign currency risk.

E. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and tax bills are mailed to taxpayers in 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 2007 and 2006, for purposes of taxation were:

	<u>2007</u>	<u>2006</u>
Real Estate	\$66,604,170	\$65,128,960
Personal Property	\$29,286,894	\$29,624,245
Railroad and Utilities	\$13,265,941	\$12,765,303

The County Commission approved tax levies per \$100 of assessed valuation of tangible taxable property for the calendar years for purposes of County taxation, as follows.

	<u>2007</u>	<u>2006</u>
General Revenue Fund	.240	.250
Road and Bridge	.282	.2799

MONROE COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 and 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Deposits and Investments

Disclosures are provided below to comply with GASB Statement No. 40, *Deposit and Investment Risk Disclosures*. For the purposes of these disclosures, deposits with financial institutions are demand, time, and savings accounts, including certificates of deposit and negotiable order of withdrawal accounts, ibanks, savings institutions, and credit unions. Investments are securities and other assets acquired primarily for the purpose of obtaining income or profit.

Deposits

In addition to depositing in demand accounts, political subdivisions such as counties have the authority to place excess funds in certificates of deposit. To protect the safety of county deposits, depositories are required to pledge collateral securities to secure deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities must be of the types specified by Missouri statutes, for the collateralization of state funds and held by either the county or a financial institution other than the depository bank. Certificates of deposit must also be insured by the FDIC for 100 percent of their principal and accrued interest. Custodial credit risk is the risk that, if a depository bank fails, Monroe County will not be able to recover its deposits or recover collateral securities that are in an outside party's possession.

Investments

Section 110.270, RSMo, 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. At December 31, 2007 and 2006, the County had no such investments. In addition, Section 30.950, RSMo, 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.

G. Interfund Transactions

During the course of operations, numerous 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 Balance Sheet – Cash Basis – Governmental fund.

Legally required transfers are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund.

Elimination of interfund activity has been made for governmental activities in the government-wide financial statements.

H. Restricted Fund Balance

Restricted fund balance represents the portion of fund balance that is not available for appropriation or are legally restricted for a specific purpose.

MONROE COUNTY, MISSOURI
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2007 and 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Net Assets

Net assets represent the difference between assets and liabilities. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net assets are reported as unrestricted. The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

J. Use of Estimates in Financial Statements

Preparation of these financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

K. 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 Sections 50.525 through 50.745, RSMo, 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 DARE Program Fund for the year ended December 31, 2006.

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

<u>Fund</u>	<u>Years Ended December 31,</u>
Pleasant View Economic Development Fund	2007
Domestic Violence	2007
Election Machine	2007
Circuit Clerk Interest Account	2007
County Law Enforcement Restitution	2007
Mark Twain Reservoir	2006
DARE Program	2006

Although Section 50.740, RSMo, requires a balanced budget. No funds reported a deficit balance for the years ended December 31, 2007 and 2006.

MONROE COUNTY, MISSOURI
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2007 and 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. Published Financial Statements

Under Sections 50.800 and 50.810, RSMo, 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>Fund</u>	<u>Years Ended December 31,</u>
Various Cemeteries	2007 and 2006
Unclaimed Fees	2007 and 2006
Crisis Center	2007 and 2006
Operation Circuit Court	2007 and 2006
School Fines and Forfeitures	2007 and 2006
Public Funds Special	2007 and 2006
County Employee Retirement	2007 and 2006
Financial Institutional Tax	2007
Criminal Costs	2007 and 2006

2. DEPOSITS 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 Balance Sheet Governmental Funds arising from cash transactions 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, 2007, the carrying amount of the County's deposits are \$1,407,207, the bank balance was \$1,605,465. At December 31, 2006, the carrying amount of the County's deposits was \$1,338,359, the bank balance was \$1,565,242.

CUSTODIAL CREDIT RISK - DEPOSITS

The carrying values of deposits and investments shown above are included in the financial statements at December 31, 2007 and 2006, as follows:

	2007 & 2006	2007	2006
	<u>Maturity</u>	<u>Book Balance</u>	<u>Book Balance</u>
Deposits:			
Checking & Now Accounts	N/A	\$1,407,207	\$1,338,359
Investments	N/A	<u>0</u>	<u>0</u>
Total Deposits		<u>\$1,407,207</u>	<u>\$1,338,359</u>
Included in the following fund financial statement captions:			
Balance Sheet – Governmental Funds			
Cash & Cash Equivalents		\$1,407,207	\$1,338,359
Investments		<u>0</u>	<u>0</u>
Total		<u>\$1,407,207</u>	<u>\$1,338,359</u>

MONROE COUNTY, MISSOURI
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2007 and 2006

2. DEPOSITS AND INVESTMENTS (continued)

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be guaranteed. The County’s investment policy does not include custodial credit risk requirements. The County’s deposits were not exposed to custodial credit risk at year end.

Custodial Credit Risk – Investments

Investment securities are exposed to custodial credit risk if the securities are uninsured, not registered in the name of the government, or held by the party who sold the security to the County or its agent but not in the government’s name. The County does not have a policy for custodial credit risk relating to investments. The county’s investments are not exposed to custodial credit risk at December 31, 2007 and 2006.

Investment Interest Rate Risk

The County does not have a policy in place that minimizes the risk that the market value of securities in the portfolio will decline due to changes in interest rates. Structuring the investments portfolio so that securities mature to meet cash requirements for ongoing operations would avoid the need to sell securities on the open market prior to maturity. Maturities of investment held at December 31, 2007 and 2006 are provided in the above schedules.

Investment Credit Risk

The County does not have a policy in place to minimize credit risk or the risk of loss due to the failure of the security.

Concentration of Investment Credit Risk

Concentration of credit risk must be disclosed for any single investment that represents 5% or more of total investments (excluding investments issued by or guaranteed by the U.S. Government, investments in mutual funds, investments in external investment pools and investments in other pooled investments).

The County does not have a policy in place to minimize the risk of loss resulting from over concentration of assets.

3. INTERFUND TRANSFERS

Transfers between funds for the years ended December 31, 2007 and 2006 are as follows:

	2007	2006
	<u>Transfers In (Out)</u>	<u>Transfers In (Out)</u>
Major Funds		
General Fund	\$ (67,992)	\$(193,770)
Special Road and Bridge	39,079	39,792
Assessment	-0-	-0-
Mark Twain Reservoir	45,000	(15,000)
Pleasant View	(10,000)	80,000
Economic Development	<u>(6,087)</u>	<u>88,978</u>
Non-major Funds		
Total	<u>\$ -0-</u>	<u>\$ -0-</u>

MONROE COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 and 2006

4. 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 of employee whose performance requires the actual performance of duties during not less than (1,000) one thousand 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 at age fifty-five with reduced benefit is allowed for the police department, all other departments in the county the age is 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

In accordance with State Statutes, the Plan is funded through fees collected by counties and remitted to the CERF. Eligible employees hired before February 2002 have an option to contribute 2% of their annual salary, while employees hired after February 2002 are required to contribute 6% of their annual salary in order to participate in the CERF. During 2007 and 2006, the County collected and remitted to CERF, employee contributions of \$11,599 for 2007 and \$7,324 for 2006.

MONROE COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 and 2006

5. PROSECUTING ATTORNEY RETIREMENT FUND

In accordance with state statute Chapter 56.807 RSMo, the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. The County has contributed \$2,244 for the year ended December 31, 2007 and \$2,244 for 2006.

6. 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.

7. CLAIMS COMMITMENTS AND CONTINGENCIES

A. Litigation

The county does not have any material litigation issues for years ended December 31, 2007 and 2006.

B. Compensated Absences

The County provides employees with up to three weeks of paid vacation based upon the number of years of continuing service. Upon termination from county employment, an employee is not reimbursed for unused vacation and overtime if applicable. Sick time is accrued at ½ a day per month after the first 90 days of employment. These have not been subjected to auditing procedures.

C. Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants are required and certain costs may be questioned as not appropriate expenditures under the grant agreements. 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. A provision has not been made in the accompanying financial statements for any potential refund of grant monies.

8. 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 not been any 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 a corporate and political body created pursuant to state statute (Chapter 537.70 RSMo. 1986). 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 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.

MONROE COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 and 2006

8. RISK MANAGEMENT (continued)

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.

9. PROPERTY TAX

Through December 31, 2007, Monroe County collected \$108,406 in excess property taxes. Section 67.505 RSMo, requires the county to reduce property taxes for a percentage of sales tax collected. Monroe County voters enacted a one-half cent sales tax with a provision to reduce property taxes by 50 percent of sales taxes collected. Tax levies were reduced for actual sales tax collections.

Required Supplementary Schedule

MONROE COUNTY, MISSOURI
 BUDGETARY COMPARISON SCHEDULE - VARIOUS FUNDS - CASH BASIS
 UNAUDITED

	Year Ended December 31,					
	2007			2006		
	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>TOTALS - VARIOUS FUNDS</u>						
RECEIPTS	\$ 3,794,446	\$ 3,894,905	\$ 100,459	\$ 4,103,466	\$ 4,355,019	\$ 251,553
DISBURSEMENTS	<u>4,335,498</u>	<u>3,826,057</u>	<u>509,441</u>	<u>4,691,163</u>	<u>4,348,654</u>	<u>342,509</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (541,052)	\$ 68,848	\$ 609,900	\$ (587,697)	\$ 6,365	\$ 594,062
CASH, JANUARY 1	<u>1,338,359</u>	<u>1,338,359</u>	<u>0</u>	<u>1,331,994</u>	<u>1,331,994</u>	<u>0</u>
CASH, DECEMBER 31	<u>\$ 797,307</u>	<u>\$ 1,407,207</u>	<u>\$ 609,900</u>	<u>\$ 744,297</u>	<u>\$ 1,338,359</u>	<u>\$ 594,062</u>
<u>GENERAL REVENUE FUND</u>						
RECEIPTS						
Property taxes	\$ 267,500	\$ 277,481	\$ 9,981	\$ 306,100	\$ 313,639	\$ 7,539
Sales and use taxes	447,937	465,069	17,132	426,000	460,320	34,320
Intergovernmental	474,938	489,002	14,064	287,683	289,806	2,123
Charges for services	236,100	232,271	(3,829)	246,834	247,427	593
Interest	20,000	24,920	4,920	12,000	24,155	12,155
Other	98,800	113,308	14,508	91,250	116,247	24,997
Other sales and use taxes	93,014	93,014	0	92,000	92,063	63
Transfers in	35,240	35,022	(218)	30,692	30,293	(399)
Total Receipts	<u>\$ 1,673,529</u>	<u>\$ 1,730,087</u>	<u>\$ 56,558</u>	<u>\$ 1,492,559</u>	<u>\$ 1,573,950</u>	<u>\$ 81,391</u>
DISBURSEMENTS						
County commissioner	\$ 106,707	\$ 105,149	\$ 1,558	\$ 104,395	\$ 100,990	\$ 3,405
County clerk	122,136	120,874	1,262	120,070	116,031	4,039
Elections	26,000	15,374	10,626	58,400	37,553	20,847
Buildings and grounds	110,350	78,255	32,095	137,089	120,504	16,585
Employee fringe benefits	2,000	6,496	(4,496)	2,000	0	2,000
County treasurer	48,368	46,923	1,445	37,529	35,384	2,145
County collector	85,407	85,958	(551)	84,766	80,107	4,659
Recorder of deeds	65,489	65,376	113	55,242	57,175	(1,933)
Circuit clerk	33,150	28,333	4,817	33,204	33,407	(203)
Associate circuit court	3,000	1,284	1,716	1,750	952	798
Court administration	7,672	3,694	3,978	6,683	4,854	1,829
Public administrator	25,300	25,170	130	24,257	23,610	647
Sheriff	433,141	427,563	5,578	419,225	423,082	(3,857)
Jail	43,210	77,930	(34,720)	41,950	44,765	(2,815)
Prosecuting attorney	95,674	87,766	7,908	92,611	88,522	4,089
Juvenile officer	47,823	14,504	33,319	48,156	25,767	22,389
County coroner	23,148	23,218	(70)	19,579	17,629	1,950
Enhanced 911 - salaries	183,000	184,313	(1,313)	0	0	0
Enhanced 911 - benefits	56,110	42,577	13,533	0	0	0

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

MONROE COUNTY, MISSOURI
 BUDGETARY COMPARISON SCHEDULE - VARIOUS FUNDS - CASH BASIS
 UNAUDITED

	Year Ended December 31,					
	2007			2006		
	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>GENERAL REVENUE FUND</u>						
DISBURSEMENTS - Continued						
Enhanced 911 - other	\$ 65,633	\$ 75,417	\$ (9,784)	\$ 0	\$ 0	\$ 0
Other	155,115	117,117	37,998	154,808	119,163	35,645
Transfers out	103,014	103,014	0	227,000	224,063	2,937
Emergency fund	50,178	0	50,178	45,000	24,690	20,310
Total Disbursements	<u>\$ 1,891,625</u>	<u>\$ 1,736,305</u>	<u>\$ 155,320</u>	<u>\$ 1,713,714</u>	<u>\$ 1,578,248</u>	<u>\$ 135,466</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (218,096)	\$ (6,218)	\$ 211,878	\$ (221,155)	\$ (4,298)	\$ 216,857
CASH, JANUARY 1	<u>238,422</u>	<u>238,422</u>	<u>0</u>	<u>242,720</u>	<u>242,720</u>	<u>0</u>
CASH, DECEMBER 31	<u>\$ 20,326</u>	<u>\$ 232,204</u>	<u>\$ 211,878</u>	<u>\$ 21,565</u>	<u>\$ 238,422</u>	<u>\$ 216,857</u>
<u>SPECIAL ROAD AND BRIDGE FUND</u>						
RECEIPTS						
Property taxes	\$ 217,300	\$ 215,765	\$ (1,535)	\$ 210,034	\$ 214,957	\$ 4,923
Transfers in	90,000	93,014	3,014	86,333	92,063	5,730
Intergovernmental	1,285,245	1,298,028	12,783	1,256,712	1,169,262	(87,450)
Interest	26,000	21,161	(4,839)	12,000	20,120	8,120
Other	26,500	22,410	(4,090)	38,000	30,143	(7,857)
Total Receipts	<u>\$ 1,645,045</u>	<u>\$ 1,650,378</u>	<u>\$ 5,333</u>	<u>\$ 1,603,079</u>	<u>\$ 1,526,545</u>	<u>\$ (76,534)</u>
DISBURSEMENTS						
Salaries	\$ 325,262	\$ 320,968	\$ 4,294	\$ 310,000	\$ 316,388	\$ (6,388)
Employee fringe benefits	144,478	138,608	5,870	131,615	123,433	8,182
Supplies	114,840	116,814	(1,974)	112,590	111,297	1,293
Insurance	35,000	33,210	1,790	31,000	32,660	(1,660)
Road and bridge materials	290,500	259,297	31,203	304,500	235,715	68,785
Equipment repairs	27,500	38,253	(10,753)	30,000	22,633	7,367
Equipment rentals	0	0	0	10,995	10,995	0
Equipment purchases	170,000	0	170,000	150,000	50,433	99,567
Construction, repair and maintenance	3,500	1,328	2,172	1,500	528	972
Bridge projects	718,796	661,846	56,950	707,755	582,899	124,856
Debt service	49,322	0	49,322	40,000	0	40,000
Transfers out	53,935	53,935	0	52,481	52,271	210
Total Disbursements	<u>\$ 1,933,133</u>	<u>\$ 1,624,259</u>	<u>\$ 308,874</u>	<u>\$ 1,882,436</u>	<u>\$ 1,539,252</u>	<u>\$ 343,184</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (288,088)	\$ 26,119	\$ 314,207	\$ (279,357)	\$ (12,707)	\$ 266,650
CASH, JANUARY 1	<u>298,860</u>	<u>298,860</u>	<u>0</u>	<u>311,567</u>	<u>311,567</u>	<u>0</u>
CASH, DECEMBER 31	<u>\$ 10,772</u>	<u>\$ 324,979</u>	<u>\$ 314,207</u>	<u>\$ 32,210</u>	<u>\$ 298,860</u>	<u>\$ 266,650</u>

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

MONROE COUNTY, MISSOURI
 BUDGETARY COMPARISON SCHEDULE - VARIOUS FUNDS - CASH BASIS
 UNAUDITED

	Year Ended December 31,					
	2007			2006		
	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>ASSESSMENT FUND</u>						
RECEIPTS						
Intergovernmental	\$ 120,600	\$ 130,118	\$ 9,518	\$ 125,060	\$ 135,414	\$ 10,354
Interest	1,000	3,048	2,048	800	2,031	1,231
Other	1,335	1,285	(50)	1,135	1,854	719
Transfers in	0	0	0	3,000	0	(3,000)
Total Receipts	<u>\$ 122,935</u>	<u>\$ 134,451</u>	<u>\$ 11,516</u>	<u>\$ 129,995</u>	<u>\$ 139,299</u>	<u>\$ 9,304</u>
DISBURSEMENTS						
Assessor	\$ 126,256	\$ 118,299	\$ 7,957	\$ 134,037	\$ 126,308	\$ 7,729
Total Disbursements	<u>\$ 126,256</u>	<u>\$ 118,299</u>	<u>\$ 7,957</u>	<u>\$ 134,037</u>	<u>\$ 126,308</u>	<u>\$ 7,729</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (3,321)	\$ 16,152	\$ 19,473	\$ (4,042)	\$ 12,991	\$ 17,033
CASH, JANUARY 1	<u>25,367</u>	<u>25,367</u>	<u>0</u>	<u>12,376</u>	<u>12,376</u>	<u>0</u>
CASH, DECEMBER 31	<u><u>\$ 22,046</u></u>	<u><u>\$ 41,519</u></u>	<u><u>\$ 19,473</u></u>	<u><u>\$ 8,334</u></u>	<u><u>\$ 25,367</u></u>	<u><u>\$ 17,033</u></u>
<u>MARK TWAIN RESERVOIR FUND</u>						
RECEIPTS						
Interest	\$ 25,000	\$ 25,243	\$ 243	\$ 13,000	\$ 10,639	\$ (2,361)
Certificates of deposit cashed	100,000	100,000	0	400,000	622,908	222,908
Transfers in	45,000	45,000	0	25,000	25,000	0
Total Receipts	<u>\$ 170,000</u>	<u>\$ 170,243</u>	<u>\$ 243</u>	<u>\$ 438,000</u>	<u>\$ 658,547</u>	<u>\$ 220,547</u>
DISBURSEMENTS						
Gravel	\$ 25,000	\$ 26,217	\$ (1,217)	\$ 25,000	\$ 35,165	\$ (10,165)
Projects	25,000	4,475	20,525	54,104	32,747	21,357
Certificates of deposit purchased	100,000	100,000	0	400,000	599,045	(199,045)
Transfers out	0	0	0	40,000	40,000	0
Total Disbursements	<u>\$ 150,000</u>	<u>\$ 130,692</u>	<u>\$ 19,308</u>	<u>\$ 519,104</u>	<u>\$ 706,957</u>	<u>\$ (187,853)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 20,000	\$ 39,551	\$ 19,551	\$ (81,104)	\$ (48,410)	\$ 32,694
CASH, JANUARY 1	<u>564,462</u>	<u>564,462</u>	<u>0</u>	<u>612,872</u>	<u>612,872</u>	<u>0</u>
CASH, DECEMBER 31	<u><u>\$ 584,462</u></u>	<u><u>\$ 604,013</u></u>	<u><u>\$ 19,551</u></u>	<u><u>\$ 531,768</u></u>	<u><u>\$ 564,462</u></u>	<u><u>\$ 32,694</u></u>

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

MONROE COUNTY, MISSOURI
 BUDGETARY COMPARISON SCHEDULE - VARIOUS FUNDS - CASH BASIS
 UNAUDITED

	Year Ended December 31,					
	2007			2006		
	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>PLEASANT VIEW ECONOMIC DEVELOPMENT</u>						
<u>FUND</u>						
RECEIPTS						
Interest	\$ 2,200	\$ 3,614	\$ 1,414	\$ 620	\$ 1,489	\$ 869
Other	10,752	12,052	1,300	47,200	50,813	3,613
Transfers in	10,000	10,000	0	75,000	80,000	5,000
Total Receipts	<u>\$ 22,952</u>	<u>\$ 25,666</u>	<u>\$ 2,714</u>	<u>\$ 122,820</u>	<u>\$ 132,302</u>	<u>\$ 9,482</u>
DISBURSEMENTS						
Land purchase	\$ 0	\$ 0	\$ 0	\$ 80,342	\$ 92,596	\$ (12,254)
Transfers out	20,000	20,000	0	0	0	0
Other	7,500	24,260	(16,760)	27,500	12,702	14,798
Total Disbursements	<u>\$ 27,500</u>	<u>\$ 44,260</u>	<u>\$ (16,760)</u>	<u>\$ 107,842</u>	<u>\$ 105,298</u>	<u>\$ 2,544</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (4,548)	\$ (18,594)	\$ (14,046)	\$ 14,978	\$ 27,004	\$ 12,026
CASH, JANUARY 1	<u>54,645</u>	<u>54,645</u>	<u>0</u>	<u>27,641</u>	<u>27,641</u>	<u>0</u>
CASH, DECEMBER 31	<u><u>\$ 50,097</u></u>	<u><u>\$ 36,051</u></u>	<u><u>\$ (14,046)</u></u>	<u><u>\$ 42,619</u></u>	<u><u>\$ 54,645</u></u>	<u><u>\$ 12,026</u></u>
<u>DOMESTIC VIOLENCE FUND</u>						
RECEIPTS						
Intergovernmental	\$ 500	\$ 416	\$ (84)	\$ 300	\$ 552	\$ 252
Interest	0	16	16	4	14	10
Total Receipts	<u>\$ 500</u>	<u>\$ 432</u>	<u>\$ (68)</u>	<u>\$ 304</u>	<u>\$ 566</u>	<u>\$ 262</u>
DISBURSEMENTS						
Domestic violence shelter	\$ 300	\$ 566	\$ (266)	\$ 293	\$ 293	\$ 0
Total Disbursements	<u>\$ 300</u>	<u>\$ 566</u>	<u>\$ (266)</u>	<u>\$ 293</u>	<u>\$ 293</u>	<u>\$ 0</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 200	\$ (134)	\$ (334)	\$ 11	\$ 273	\$ 262
CASH, JANUARY 1	<u>566</u>	<u>566</u>	<u>0</u>	<u>293</u>	<u>293</u>	<u>0</u>
CASH, DECEMBER 31	<u><u>\$ 766</u></u>	<u><u>\$ 432</u></u>	<u><u>\$ (334)</u></u>	<u><u>\$ 304</u></u>	<u><u>\$ 566</u></u>	<u><u>\$ 262</u></u>
<u>ASSOCIATE JUDGE ESCROW ACCOUNT FUND</u>						
RECEIPTS						
Interest	\$ 150	\$ 217	\$ 67	\$ 150	\$ 198	\$ 48
Total Receipts	<u>\$ 150</u>	<u>\$ 217</u>	<u>\$ 67</u>	<u>\$ 150</u>	<u>\$ 198</u>	<u>\$ 48</u>
DISBURSEMENTS						
Associate circuit court	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Disbursements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 150	\$ 217	\$ 67	\$ 150	\$ 198	\$ 48
CASH, JANUARY 1	<u>4,265</u>	<u>4,265</u>	<u>0</u>	<u>4,067</u>	<u>4,067</u>	<u>0</u>
CASH, DECEMBER 31	<u><u>\$ 4,415</u></u>	<u><u>\$ 4,482</u></u>	<u><u>\$ 67</u></u>	<u><u>\$ 4,217</u></u>	<u><u>\$ 4,265</u></u>	<u><u>\$ 48</u></u>

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

MONROE COUNTY, MISSOURI
 BUDGETARY COMPARISON SCHEDULE - VARIOUS FUNDS - CASH BASIS
 UNAUDITED

	Year Ended December 31,					
	2007			2006		
	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>LAW ENFORCEMENT TRAINING FUND</u>						
RECEIPTS						
Interest	\$ 100	\$ 242	\$ 142	\$ 100	\$ 230	\$ 130
Intergovernmental	0	0	0	2,400	0	(2,400)
Other	4,800	3,397	(1,403)	1,200	4,694	3,494
Total Receipts	<u>\$ 4,900</u>	<u>\$ 3,639</u>	<u>\$ (1,261)</u>	<u>\$ 3,700</u>	<u>\$ 4,924</u>	<u>\$ 1,224</u>
DISBURSEMENTS						
Sheriff's office	\$ 5,490	\$ 4,861	\$ 629	\$ 3,780	\$ 3,436	\$ 344
Total Disbursements	<u>\$ 5,490</u>	<u>\$ 4,861</u>	<u>\$ 629</u>	<u>\$ 3,780</u>	<u>\$ 3,436</u>	<u>\$ 344</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (590)	\$ (1,222)	\$ (632)	\$ (80)	\$ 1,488	\$ 1,568
CASH, JANUARY 1	5,319	5,319	0	3,831	3,831	0
CASH, DECEMBER 31	<u>\$ 4,729</u>	<u>\$ 4,097</u>	<u>\$ (632)</u>	<u>\$ 3,751</u>	<u>\$ 5,319</u>	<u>\$ 1,568</u>
<u>PROSECUTING ATTORNEY TRAINING FUND</u>						
RECEIPTS						
Charges for services	\$ 700	\$ 557	\$ (143)	\$ 730	\$ 730	\$ 0
Interest	15	33	18	20	20	0
Total Receipts	<u>\$ 715</u>	<u>\$ 590</u>	<u>\$ (125)</u>	<u>\$ 750</u>	<u>\$ 750</u>	<u>\$ 0</u>
DISBURSEMENTS						
Prosecuting attorney's office	\$ 700	\$ 648	\$ 52	\$ 750	\$ 521	\$ 229
Total Disbursements	<u>\$ 700</u>	<u>\$ 648</u>	<u>\$ 52</u>	<u>\$ 750</u>	<u>\$ 521</u>	<u>\$ 229</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 15	\$ (58)	\$ (73)	\$ 0	\$ 229	\$ 229
CASH, JANUARY 1	573	573	0	344	344	0
CASH, DECEMBER 31	<u>\$ 588</u>	<u>\$ 515</u>	<u>\$ (73)</u>	<u>\$ 344</u>	<u>\$ 573</u>	<u>\$ 229</u>
<u>RECORDERS FUND</u>						
RECEIPTS						
Charges for services	\$ 7,000	\$ 7,801	\$ 801	\$ 8,000	\$ 7,032	\$ (968)
Interest	1,100	2,377	1,277	500	1,145	645
Total Receipts	<u>\$ 8,100</u>	<u>\$ 10,178</u>	<u>\$ 2,078</u>	<u>\$ 8,500</u>	<u>\$ 8,177</u>	<u>\$ (323)</u>
DISBURSEMENTS						
Recorder of deeds' office	\$ 13,200	\$ 5,026	\$ 8,174	\$ 6,970	\$ 2,092	\$ 4,878
Transfers out	4,324	4,324	0	980	980	0
Total Disbursements	<u>\$ 17,524</u>	<u>\$ 9,350</u>	<u>\$ 8,174</u>	<u>\$ 7,950</u>	<u>\$ 3,072</u>	<u>\$ 4,878</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (9,424)	\$ 828	\$ 10,252	\$ 550	\$ 5,105	\$ 4,555
CASH, JANUARY 1	19,239	19,239	0	14,134	14,134	0
CASH, DECEMBER 31	<u>\$ 9,815</u>	<u>\$ 20,067</u>	<u>\$ 10,252</u>	<u>\$ 14,684</u>	<u>\$ 19,239</u>	<u>\$ 4,555</u>

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

MONROE COUNTY, MISSOURI
 BUDGETARY COMPARISON SCHEDULE - VARIOUS FUNDS - CASH BASIS
 UNAUDITED

	Year Ended December 31,					
	2007			2006		
	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>ELECTION MACHINE FUND</u>						
RECEIPTS						
Charges for services	\$ 400	\$ 1,000	\$ 600	\$ 0	\$ 0	\$ 0
Interest	200	417	217	500	635	135
Total Receipts	<u>\$ 600</u>	<u>\$ 1,417</u>	<u>\$ 817</u>	<u>\$ 500</u>	<u>\$ 635</u>	<u>\$ 135</u>
DISBURSEMENTS						
Equipment purchase	\$ 0	\$ 0	\$ 0	\$ 5,000	\$ 5,831	\$ (831)
Equipment rental	0	0	0	5,000	1,523	3,477
Training	1,200	0	1,200	3,000	1,117	1,883
Machine maintenance	0	1,224	(1,224)	0	0	0
Total Disbursements	<u>\$ 1,200</u>	<u>\$ 1,224</u>	<u>\$ (24)</u>	<u>\$ 13,000</u>	<u>\$ 8,471</u>	<u>\$ 4,529</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (600)	\$ 193	\$ 793	\$ (12,500)	\$ (7,836)	\$ 4,664
CASH, JANUARY 1	8,204	8,204	0	16,040	16,040	0
CASH, DECEMBER 31	<u>\$ 7,604</u>	<u>\$ 8,397</u>	<u>\$ 793</u>	<u>\$ 3,540</u>	<u>\$ 8,204</u>	<u>\$ 4,664</u>
<u>CIRCUIT CLERK INTEREST ACCOUNT FUND</u>						
RECEIPTS						
Interest	\$ 1,500	\$ 2,900	\$ 1,400	\$ 300	\$ 1,608	\$ 1,308
Total Receipts	<u>\$ 1,500</u>	<u>\$ 2,900</u>	<u>\$ 1,400</u>	<u>\$ 300</u>	<u>\$ 1,608</u>	<u>\$ 1,308</u>
DISBURSEMENTS						
Circuit clerk's office	\$ 1,500	\$ 3,082	\$ (1,582)	\$ 1,350	\$ 158	\$ 1,192
Total Disbursements	<u>\$ 1,500</u>	<u>\$ 3,082</u>	<u>\$ (1,582)</u>	<u>\$ 1,350</u>	<u>\$ 158</u>	<u>\$ 1,192</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 0	\$ (182)	\$ (182)	\$ (1,050)	\$ 1,450	\$ 2,500
CASH, JANUARY 1	2,853	2,853	0	1,403	1,403	0
CASH, DECEMBER 31	<u>\$ 2,853</u>	<u>\$ 2,671</u>	<u>\$ (182)</u>	<u>\$ 353</u>	<u>\$ 2,853</u>	<u>\$ 2,500</u>
<u>SHERIFF CIVIL FEES FUND</u>						
RECEIPTS						
Intergovernmental	\$ 20,000	\$ 16,580	\$ (3,420)	\$ 17,000	\$ 19,736	\$ 2,736
Interest	132	1,112	980	50	774	724
Total Receipts	<u>\$ 20,132</u>	<u>\$ 17,692</u>	<u>\$ (2,440)</u>	<u>\$ 17,050</u>	<u>\$ 20,510</u>	<u>\$ 3,460</u>
DISBURSEMENTS						
Sheriff's office	\$ 23,714	\$ 13,180	\$ 10,534	\$ 22,243	\$ 12,996	\$ 9,247
Total Disbursements	<u>\$ 23,714</u>	<u>\$ 13,180</u>	<u>\$ 10,534</u>	<u>\$ 22,243</u>	<u>\$ 12,996</u>	<u>\$ 9,247</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (3,582)	\$ 4,512	\$ 8,094	\$ (5,193)	\$ 7,514	\$ 12,707
CASH, JANUARY 1	23,641	23,641	0	16,127	16,127	0
CASH, DECEMBER 31	<u>\$ 20,059</u>	<u>\$ 28,153</u>	<u>\$ 8,094</u>	<u>\$ 10,934</u>	<u>\$ 23,641</u>	<u>\$ 12,707</u>

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

MONROE COUNTY, MISSOURI
 BUDGETARY COMPARISON SCHEDULE - VARIOUS FUNDS - CASH BASIS
 UNAUDITED

	Year Ended December 31,					
	2007			2006		
	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>PROSECUTING ATTORNEY BAD CHECK FUND</u>						
RECEIPTS						
Charges for services	\$ 3,500	\$ 5,904	\$ 2,404	\$ 10,000	\$ 4,841	\$ (5,159)
Interest	500	1,121	621	400	652	252
Total Receipts	<u>\$ 4,000</u>	<u>\$ 7,025</u>	<u>\$ 3,025</u>	<u>\$ 10,400</u>	<u>\$ 5,493</u>	<u>\$ (4,907)</u>
DISBURSEMENTS						
Prosecuting attorney's office	\$ 6,300	\$ 2,992	\$ 3,308	\$ 5,619	\$ 5,074	\$ 545
Transfers out	1,381	1,381	0	1,381	1,381	0
Total Disbursements	<u>\$ 7,681</u>	<u>\$ 4,373</u>	<u>\$ 3,308</u>	<u>\$ 7,000</u>	<u>\$ 6,455</u>	<u>\$ 545</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (3,681)	\$ 2,652	\$ 6,333	\$ 3,400	\$ (962)	\$ (4,362)
CASH, JANUARY 1	<u>9,898</u>	<u>9,898</u>	<u>0</u>	<u>10,860</u>	<u>10,860</u>	<u>0</u>
CASH, DECEMBER 31	<u><u>\$ 6,217</u></u>	<u><u>\$ 12,550</u></u>	<u><u>\$ 6,333</u></u>	<u><u>\$ 14,260</u></u>	<u><u>\$ 9,898</u></u>	<u><u>\$ (4,362)</u></u>
<u>ELECTION SERVICES FUND</u>						
RECEIPTS						
Interest	\$ 0	\$ 56	\$ 56	\$ 200	\$ 151	\$ (49)
Intergovernmental	0	0	0	4,197	0	(4,197)
Other	500	740	240	2,775	5,840	3,065
Total Receipts	<u>\$ 500</u>	<u>\$ 796</u>	<u>\$ 296</u>	<u>\$ 7,172</u>	<u>\$ 5,991</u>	<u>\$ (1,181)</u>
DISBURSEMENTS						
Education	\$ 1,500	\$ 1,426	\$ 74	\$ 3,000	\$ 1,682	\$ 1,318
Training	0	0	0	4,390	4,200	190
Total Disbursements	<u>\$ 1,500</u>	<u>\$ 1,426</u>	<u>\$ 74</u>	<u>\$ 7,390</u>	<u>\$ 5,882</u>	<u>\$ 1,508</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (1,000)	\$ (630)	\$ 370	\$ (218)	\$ 109	\$ 327
CASH, JANUARY 1	<u>1,274</u>	<u>1,274</u>	<u>0</u>	<u>1,165</u>	<u>1,165</u>	<u>0</u>
CASH, DECEMBER 31	<u><u>\$ 274</u></u>	<u><u>\$ 644</u></u>	<u><u>\$ 370</u></u>	<u><u>\$ 947</u></u>	<u><u>\$ 1,274</u></u>	<u><u>\$ 327</u></u>
<u>COLLECTORS TAX MAINTENANCE FUND</u>						
RECEIPTS						
Interest	\$ 300	\$ 2,405	\$ 2,105	\$ 300	\$ 925	\$ 625
Other	9,500	10,438	938	8,400	9,442	1,042
Total Receipts	<u>\$ 9,800</u>	<u>\$ 12,843</u>	<u>\$ 3,043</u>	<u>\$ 8,700</u>	<u>\$ 10,367</u>	<u>\$ 1,667</u>
DISBURSEMENTS						
County collector's office	\$ 2,050	\$ 1,942	\$ 108	\$ 2,000	\$ 1,652	\$ 348
Total Disbursements	<u>\$ 2,050</u>	<u>\$ 1,942</u>	<u>\$ 108</u>	<u>\$ 2,000</u>	<u>\$ 1,652</u>	<u>\$ 348</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 7,750	\$ 10,901	\$ 3,151	\$ 6,700	\$ 8,715	\$ 2,015
CASH, JANUARY 1	<u>17,064</u>	<u>17,064</u>	<u>0</u>	<u>8,349</u>	<u>8,349</u>	<u>0</u>
CASH, DECEMBER 31	<u><u>\$ 24,814</u></u>	<u><u>\$ 27,965</u></u>	<u><u>\$ 3,151</u></u>	<u><u>\$ 15,049</u></u>	<u><u>\$ 17,064</u></u>	<u><u>\$ 2,015</u></u>

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

MONROE COUNTY, MISSOURI
 BUDGETARY COMPARISON SCHEDULE - VARIOUS FUNDS - CASH BASIS
 UNAUDITED

	Year Ended December 31,					
	2007			2006		
	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>PROSECUTING ATTORNEY DELINQUENT</u>						
<u>SALES TAX FUND</u>						
RECEIPTS						
Interest	\$ 0	\$ 168	\$ 168	\$ 100	\$ 163	\$ 63
Other	600	0	(600)	900	438	(462)
Total Receipts	<u>\$ 600</u>	<u>\$ 168</u>	<u>\$ (432)</u>	<u>\$ 1,000</u>	<u>\$ 601</u>	<u>\$ (399)</u>
DISBURSEMENTS						
Transfers out	\$ 600	\$ 382	\$ 218	\$ 1,000	\$ 661	\$ 339
Total Disbursements	<u>\$ 600</u>	<u>\$ 382</u>	<u>\$ 218</u>	<u>\$ 1,000</u>	<u>\$ 661</u>	<u>\$ 339</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 0	\$ (214)	\$ (214)	\$ 0	\$ (60)	\$ (60)
CASH, JANUARY 1	3,601	3,601	0	3,661	3,661	0
CASH, DECEMBER 31	<u>\$ 3,601</u>	<u>\$ 3,387</u>	<u>\$ (214)</u>	<u>\$ 3,661</u>	<u>\$ 3,601</u>	<u>\$ (60)</u>
<u>ELECTION IMPROVEMENT FUND</u>						
RECEIPTS						
Interest	\$ 0	\$ 0	\$ 0	\$ 300	\$ 2	\$ (298)
Other	0	0	0	65,043	61,043	(4,000)
Total Receipts	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 65,343</u>	<u>\$ 61,045</u>	<u>\$ (4,298)</u>
DISBURSEMENTS						
Equipment	\$ 0	\$ 0	\$ 0	\$ 65,343	\$ 61,043	\$ 4,300
Conference	0	0	0	0	210	(210)
Total Disbursements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 65,343</u>	<u>\$ 61,253</u>	<u>\$ 4,090</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 0	\$ 0	\$ 0	\$ 0	\$ (208)	\$ (208)
CASH, JANUARY 1	0	0	0	208	208	0
CASH, DECEMBER 31	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 208</u>	<u>\$ 0</u>	<u>\$ (208)</u>
<u>DARE DONATION FUND</u>						
RECEIPTS						
Intergovernmental	\$ 600	\$ 165	\$ (435)	\$ 0	\$ 670	\$ 670
Interest	10	16	6	0	18	18
Total Receipts	<u>\$ 610</u>	<u>\$ 181</u>	<u>\$ (429)</u>	<u>\$ 0</u>	<u>\$ 688</u>	<u>\$ 688</u>
DISBURSEMENTS						
Supplies	\$ 633	\$ 204	\$ 429	\$ 0	\$ 324	\$ (324)
DARE Graduation	0	0	0	0	739	(739)
Total Disbursements	<u>\$ 633</u>	<u>\$ 204</u>	<u>\$ 429</u>	<u>\$ 0</u>	<u>\$ 1,063</u>	<u>\$ (1,063)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (23)	\$ (23)	\$ 0	\$ 0	\$ (375)	\$ (375)
CASH, JANUARY 1	23	23	0	398	398	0
CASH, DECEMBER 31	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 398</u>	<u>\$ 23</u>	<u>\$ (375)</u>

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

MONROE COUNTY, MISSOURI
 BUDGETARY COMPARISON SCHEDULE - VARIOUS FUNDS - CASH BASIS
 UNAUDITED

	Year Ended December 31,					
	2007			2006		
	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>LOCAL EMERGENCY PLANNING</u>						
<u>COMMISSION FUND</u>						
RECEIPTS						
Interest	\$ 0	\$ 1,607	\$ 1,607	\$ 250	\$ 891	\$ 641
Other	4,247	1,894	(2,353)	1,894	2,363	469
Total Receipts	<u>\$ 4,247</u>	<u>\$ 3,501</u>	<u>\$ (746)</u>	<u>\$ 2,144</u>	<u>\$ 3,254</u>	<u>\$ 1,110</u>
DISBURSEMENTS						
Training	\$ 6,000	\$ 158	\$ 5,842	\$ 4,500	\$ 0	\$ 4,500
Office expense	4,500	22	4,478	1,060	4	1,056
Equipment	0	0	0	2,000	0	2,000
Resource materials	2,000	0	2,000	0	0	0
Total Disbursements	<u>\$ 12,500</u>	<u>\$ 180</u>	<u>\$ 12,320</u>	<u>\$ 7,560</u>	<u>\$ 4</u>	<u>\$ 7,556</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (8,253)	\$ 3,321	\$ 11,574	\$ (5,416)	\$ 3,250	\$ 8,666
CASH, JANUARY 1	<u>21,124</u>	<u>21,124</u>	<u>0</u>	<u>17,874</u>	<u>17,874</u>	<u>0</u>
CASH, DECEMBER 31	<u><u>\$ 12,871</u></u>	<u><u>\$ 24,445</u></u>	<u><u>\$ 11,574</u></u>	<u><u>\$ 12,458</u></u>	<u><u>\$ 21,124</u></u>	<u><u>\$ 8,666</u></u>
<u>COUNTY LAW ENFORCEMENT</u>						
<u>RESTITUTION FUND</u>						
RECEIPTS						
Intergovernmental	\$ 10,000	\$ 16,422	\$ 6,422	\$ 7,000	\$ 14,020	\$ 7,020
Interest	300	1,055	755	0	697	697
Total Receipts	<u>\$ 10,300</u>	<u>\$ 17,477</u>	<u>\$ 7,177</u>	<u>\$ 7,000</u>	<u>\$ 14,717</u>	<u>\$ 7,717</u>
DISBURSEMENTS						
Equipment	\$ 22,500	\$ 24,117	\$ (1,617)	\$ 5,000	\$ 0	\$ 5,000
Total Disbursements	<u>\$ 22,500</u>	<u>\$ 24,117</u>	<u>\$ (1,617)</u>	<u>\$ 5,000</u>	<u>\$ 0</u>	<u>\$ 5,000</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (12,200)	\$ (6,640)	\$ 5,560	\$ 2,000	\$ 14,717	\$ 12,717
CASH, JANUARY 1	<u>22,596</u>	<u>22,596</u>	<u>0</u>	<u>7,879</u>	<u>7,879</u>	<u>0</u>
CASH, DECEMBER 31	<u><u>\$ 10,396</u></u>	<u><u>\$ 15,956</u></u>	<u><u>\$ 5,560</u></u>	<u><u>\$ 9,879</u></u>	<u><u>\$ 22,596</u></u>	<u><u>\$ 12,717</u></u>

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

MONROE COUNTY, MISSOURI
 BUDGETARY COMPARISON SCHEDULE - VARIOUS FUNDS - CASH BASIS
 UNAUDITED

	Year Ended December 31,					
	2007			2006		
	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
SB 40 - HANDICAPPED BOARD						
RECEIPTS						
Property taxes	\$ 93,209	\$ 104,887	\$ 11,678	\$ 92,000	\$ 92,656	\$ 656
Interest	122	137	15	0	99	99
Other	0	0	0	0	97	97
Total Receipts	<u>\$ 93,331</u>	<u>\$ 105,024</u>	<u>\$ 11,693</u>	<u>\$ 92,000</u>	<u>\$ 92,852</u>	<u>\$ 852</u>
DISBURSEMENTS						
Assisted living	\$ 9,800	\$ 8,180	\$ 1,620	\$ 9,800	\$ 10,666	\$ (866)
Salaries and taxes	6,400	6,774	(374)	6,600	5,623	977
Utilities	0	0	0	650	603	47
Contingency account	8,807	737	8,070	3,500	1,888	1,612
Contract amount	22,900	22,900	0	20,000	20,000	0
Debt service	19,510	21,135	(1,625)	19,510	19,510	0
Financial statement	0	0	0	150	90	60
Healthcare	20,000	20,000	0	20,000	20,000	0
Insurance	1,200	1,954	(754)	1,200	1,134	66
Annual contract	4,000	21,000	(17,000)	4,000	4,000	0
Office supplies	1,275	467	808	325	486	(161)
Personal care items	14,000	2,436	11,564	2,000	1,887	113
Mileage	0	0	0	500	0	500
Social skills	1,200	1,124	76	1,200	848	352
Transportation	0	0	0	400	403	(3)
Total Disbursements	<u>\$ 109,092</u>	<u>\$ 106,707</u>	<u>\$ 2,385</u>	<u>\$ 89,835</u>	<u>\$ 87,138</u>	<u>\$ 2,697</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (15,761)	\$ (1,683)	\$ 14,078	\$ 2,165	\$ 5,714	\$ 3,549
CASH, JANUARY 1	<u>16,363</u>	<u>16,363</u>	<u>0</u>	<u>10,649</u>	<u>10,649</u>	<u>0</u>
CASH, DECEMBER 31	<u><u>\$ 602</u></u>	<u><u>\$ 14,680</u></u>	<u><u>\$ 14,078</u></u>	<u><u>\$ 12,814</u></u>	<u><u>\$ 16,363</u></u>	<u><u>\$ 3,549</u></u>
ENHANCED 911						
RECEIPTS						
Intergovernmental	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Transfers in	0	0	0	92,000	92,000	0
Total Receipts	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 92,000</u>	<u>\$ 92,000</u>	<u>\$ 0</u>
DISBURSEMENTS						
Operating expenses	\$ 0	\$ 0	\$ 0	\$ 99,536	\$ 99,536	\$ 0
Total Disbursements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 99,536</u>	<u>\$ 99,536</u>	<u>\$ 0</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 0	\$ 0	\$ 0	\$ (7,536)	\$ (7,536)	\$ 0
CASH, JANUARY 1	<u>0</u>	<u>0</u>	<u>0</u>	<u>7,536</u>	<u>7,536</u>	<u>0</u>
CASH, DECEMBER 31	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

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

Other Required Supplementary Information

MONROE COUNTY, MISSOURI
SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
YEARS ENDED DECEMBER 31, 2007 AND 2006

	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures		County Match % Required
			2007	2006	
<u>U.S. DEPARTMENT OF AGRICULTURE</u>					
Passed through State:					
Department of Health and Senior Services- Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	ERS0457169	\$ -	\$ 39,965	20%
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>					
Passed through State:					
Highway and Transportation Commission - Highway Planning and Construction	20.205	BRO-26	-	4,099	
		BRO-27	385	246,733	
		BRO-28	55,618	190,420	20%
		BRO-31	148,169	24,160	20%
		BRO-32	283,983	26,683	
		BRO-33	22,572	-	
<u>GENERAL SERVICES ADMINISTRATION</u>					
Passed through Office of Secretary of State:					
Election Reform Payments	39.011	43-6002358	-	4,197	0%
<u>ELECTION ASSISTANCE COMMISSION</u>					
Passed through Office of Secretary of State:					
Help America Vote Act Requirements Payments	90.401	43-6002358	3,450	61,043	0%
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>					
Passed through State:					
Department of Health and Senior Services - Child Lead Poisoning Prevention Projects - State and Local- Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	AOCO6380142	-	1,500	0%
Immunization Grants	93.268	137001	-	27,407	0%
Centers for Disease Control Prevention Investigation and Technical Assistance-	93.2836	DH0700804	-	3,500	0%
Show Me Healthy Missourians-U55/CCU721904-05		ERS16170033	-	1,215	0%
Community Pandemic Preparedness Planning		DH070011062	-	6,609	0%
Child Care and Development Block Grant	93.575	AOCO6380142	-	1,438	0%
Maternal and Child Health Services	93.994	AOCO6380142	-	19,369	0%

MONROE COUNTY, MISSOURI
 SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
 YEARS ENDED DECEMBER 31, 2007 AND 2006

	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures		County Match % Required
			2007	2006	
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>					
Passed through State Department of Public Safety					
Public Assistance Grants	97.036	43-6002358	-	10,663	0%
Homeland Security Grant Program	97.067	2005-GE-T5-0022	<u>32,250</u>	<u>-</u>	0%
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ <u>546,427</u>	\$ <u>669,001</u>	

Notes to the Supplementary Schedule

MONROE COUNTY, MISSOURI
NOTES TO THE SUPPLEMENTARY SCHEDULES
DECEMBER 31, 2007 AND 2006

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 that 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 Monroe 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) and Maternal and Child Health Services Block Grant to the States (CFDA number 93.994 include both cash disbursements and the original acquisition cost of vaccines obtained by the Health Center through the state Department of Health and Senior Services for the year ended December 31 2006).

2. Subrecipients

The county provided no federal awards to subrecipients during the years ended December 31, 2007 and 2006.

FEDERAL AWARDS –
SINGLE AUDIT SECTION

Auditors' Reports

Devereux and Krauss LLP
Certified Public Accountants

307 North Main – St Charles, MO 63301
636-448-7355
FAX 636-947-3155

JAMES P. DEVEREUX, C.P.A., P.C.
GARY L. KRAUSS, P.C.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR FEDERAL AWARD PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the County Commission
and
Officeholders of Monroe County, Missouri

Compliance

We have audited the compliance of Monroe County, Missouri, with the types of compliance requirements described in *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the years ended December 31, 2007 and 2006. The County's major federal program is identified in Part I of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program 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 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 Non-Profit 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 the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, Monroe County, Missouri complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the years ended December 31, 2007 and 2006.

Internal Control Over Compliance

The management of Monroe 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 the 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, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

Our consideration of the County's internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses as defined below. We did not identify any deficiencies in internal control over compliance that we considered material weaknesses as defined below.

A *control deficiency* in the County's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or a combination of control deficiencies, that adversely affects the County's ability to administer a major federal program such that there is a more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the County's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the County's internal control.

This report is intended solely for the information and use of management, audit committee, others within the County, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Devereux & Krauss, LLP

July 31, 2008

Schedule

MONROE COUNTY, MISSOURI
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 (INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)
 YEARS ENDED DECEMBER 31, 2007 AND 2006

Section I – Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:

Unqualified

Internal control over financial reporting:

- Material weakness identified? _____ yes ___X___ no
- Significant deficiencies identified that are not considered to be a material weakness? ___X___ yes _____ none reported

Noncompliance material to the financial statement noted?

_____ yes ___X___ no

Federal Awards

Internal control over major program:

- Material weaknesses identified? _____ yes ___X___ no
- Significant deficiencies identified that is not considered to be a material weakness? _____ yes ___X___ none reported

Type of auditors' report issued on compliance for major program:

Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of OMB Circular A-133?

_____ yes ___X___ no

Identification of major program:

CFDA or
Other Identifying
Number

Program Title

20.205

Highway Planning and Construction

MONROE COUNTY, MISSOURI
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 (INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)
 YEARS ENDED DECEMBER 31, 2007 AND 2006

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 the audit finding that *Government Auditing Standards* requires to be reported for an audit of financial statements.

07-1 Budgetary Practices and Published Financial Statements

Budgets were not presented for a fund and many of the funds were not included in the published financial statements.

- A. Formal budgets was not prepared for the DARE Program for December 31, 2006.
- B. The county's annual published financial statements did not include the financial activity for the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Various Cemeteries	2007 and 2006
Unclaimed Fees	2007 and 2006
Crisis Center	2007 and 2006
Operation Circuit Court	2007 and 2006
School Fines and Forfeitures	2007 and 2006
Public Funds Special	2007 and 2006
County Employee Retirement	2007 and 2006
Financial Institutional Tax	2007
Criminal Costs	2007 and 2006

MONROE COUNTY, MISSOURI
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 (INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)
 YEARS ENDED DECEMBER 31, 2007 AND 2006

The total beginning cash, receipts, disbursements, and ending cash balances for these funds not included for the years December 31, 2007 and 2006, are presented in the table below:

	<u>2007</u>	<u>2006</u>
Beginning Cash Balances	\$239,223	\$244,970
Receipts	219,864	240,128
Disbursements	<u>(268,675)</u>	<u>(245,875)</u>
Ending Cash Balances	<u>\$190,412</u>	<u>\$239,223</u>

WE RECOMMEND the County Commission:

- A. Ensure budgets are prepared and obtained from other county officials or boards for all county funds as required by state law.
- B. Publish financial statements in accordance with state law and ensure all required financial information for all county funds is properly included.

AUDITEE'S RESPONSE AND PLAN FOR CORRECTIVE ACTION

A&B. *The officeholder indicated they agree with the recommendations and they will be implemented when the next budgets and published financial statements are prepared.*

Section III – Federal Award Findings and Questioned Costs

There are no findings and there are no questioned costs for December 31, 2007 and 2006.

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

MONROE COUNTY, MISSOURI
FOLLOW-UP ON PRIOR AUDIT FINDINGS FOR AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*
DECEMBER 31, 2007 AND 2006

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

05-1 County Sales Tax

The county has not sufficiently reduced property taxes by 50% of the total general sales tax revenues.

Recommendation:

The county reduce the property tax levy by 50% of sales tax.

Status:

Implemented.

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

MONROE COUNTY, MISSOURI
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
IN ACCORDANCE WITH OMB CIRCULAR A-133
DECEMBER 31, 2007 AND 2006

Section .315 of OMB Circular A-133 requires the auditee to prepare a Summary Schedule 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.

The prior audit report issued for the two years ended December 31, 2005, included no audit findings that Section .510(a) of OMB Circular A-133 requires to be reported for an audit of federal awards.

05-2 Expenditures of Federal Awards

The county does have adequate procedures in place to accurately report federal awards.

Recommendation:

The county work to ensure accurate SFFA statements are prepared.

Status:

Implemented.

MANAGEMENT ADVISORY REPORT SECTION

Management Advisory Report-
Auditors' Findings

MONROE COUNTY, MISSOURI
MANAGEMENT ADVISORY REPORT
DECEMBER 31, 2007 AND 2006

We have audited the accompanying Government-Wide Statements of Net Assets-Cash Basis, Government-Wide Statements of Activities-Cash Basis, Governmental Fund Balance Sheets-Cash Basis, and Governmental Funds Statements of Receipts, Disbursements, and Changes in Cash Balances-Cash Basis of Monroe County, Missouri as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated July 31, 2008. We also have audited the compliance of Monroe 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 program for the years ended December 31, 2007 and 2006, and have issued our report thereon dated July 31, 2008.

We obtained an understanding of internal controls significant to the audit objectives and considered whether specific controls have been properly designed and placed in operation. However, providing an opinion on internal controls was not an objective of our audit and accordingly, we do not express such an opinion.

We also obtained an understanding of legal provisions significant to the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting significant instances of noncompliance with the provisions. However, providing an opinion on internal controls was not an objective of our audit and accordingly, we do not express such an opinion.

Our audit was conducted in accordance with applicable standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and included such procedures as we considered necessary in the circumstances.

This Management Advisory Report (MAR) presents any findings arising from our audit of the elected county officials and the county board referred to above. In addition, this report includes any findings other than those, if any, reported in the accompanying Schedule of Findings and Questioned Costs. These MAR Findings resulted from our audit of the financial statements of Monroe County or of its compliance with the types of compliance requirements applicable to its major federal program but do not meet the criteria for inclusion in the written reports on compliance (and other matters, if applicable) and on internal control over financial reporting or compliance that are required for audits performed in accordance with *Government Auditing Standards* and OMB Circular A-133, *Audits of States, Local Government, and Non-Profit Organizations*.

07-1 Software

Currently the County uses Government Fund Management System software. The County has expressed concern about requesting changes and the cost associated with any change. In addition, there is no manual associated with the software. Further, there could be a problem should the designer of the program experience problems causing an inability to service clients such as Monroe County.

WE RECOMMEND

While several counties currently use this software, exploring “shelf” software where support is readily available would seem prudent.

MONROE COUNTY, MISSOURI
MANAGEMENT ADVISORY REPORT
DECEMBER 31, 2007 AND 2006

AUDITEE'S RESPONSE

Monroe County feels no problem exists, however, they recognize the limitations they currently have and feel the matter worth consideration.

07-2 County Treasurer

- A. Currently the Treasurer can sign checks in any amount. Prudent business practice would call for multiple signatures and/or specific signatures over a specific amount.
- B. Currently, the Treasurer manually maintains the county records. Both time and cost could be saved by having the Treasurer trained to use a computerized system. Manual ledger sheets are both costly to purchase and require much more storage than computerized systems.
- C. The Treasurer credits interest income in the month advised the amount of interest earned. Generally this means the interest is credited in the following month. As the interest is available in the month earned, it would be appropriate to credit the income in the month earned.
- D. The Treasurer continues to reflect the purchase and redemption of certificates of deposits as receipts and disbursements. This is a continuation of prior recommendations.

WE RECOMMEND

- A. The Treasurer be required to have one additional signature on all checks and for checks over a specific amount (say \$100,000.00). The presiding commissioner signs all checks with the Treasurer.
- B. The Treasurer be trained to utilize a computerized accounting system.
- C. All accounts be reconciled monthly, including the current months interest income and the reconciled amounts should be those reflected on the Treasurer's settlement statements.
- D. The practice be stopped! Only the interest should be reflected as income (a receipt).

MONROE COUNTY, MISSOURI
MANAGEMENT ADVISORY REPORT
DECEMBER 31, 2007 AND 2006

AUDITEE'S RESPONSE

- A. The County feels the matter is worth consideration and will consider the issue.
- B. The Treasurer does not feel there is anything to be gained.
- C. The Treasurer feels the statements are reconciled.
- D. The County agrees and will correct the issue.

07-3 Budgets

No formal budget was prepared for one fund maintained by the county clerk and county treasurer.

WE RECOMMEND

All funds have annual budgets.

AUDITEE'S RESPONSE

The County agrees and will work towards having the officeholder budget all officeholder funds.

Follow-Up on Prior Audit Findings

MONROE COUNTY, MISSOURI
FOLLOW-UP ON PRIOR AUDIT FINDINGS
DECEMBER 31, 2007 AND 2006

In accordance with *Government Auditing Standards*, this section reports the auditors' follow-up on action taken by Monroe County, Missouri, on findings in the Management Advisory Report (MAR) of the audit report issued for the two years ended December 31, 2005. Any prior recommendations which have not been implemented, but are considered significant, are repeated in the current MAR. Although the remaining unimplemented recommendations are not repeated, the county should consider implementing those recommendations.

05-1 County Expenditures

- A. Appraisals were not obtained prior to real estate purchases.
- B. The County did not have a formal policy regarding use of cellular phones and/or monthly allowances for the use of personal phones.

Recommendations:

- A. Obtain independent appraisals.
- B. Renew methods of providing cell phone service for county officials.

Status:

A,B Implemented

B resulted in significant cost savings.

05-2 Personnel and Payroll Procedures

Time sheets did not always reflect actual hours and overtime was not in accordance with the counties written policy.

- A. Time sheets used estimated hours.
- B. An issue existed about 8 hour days versus 40 hour work week when employees worked 37.5 hours re-overtime and accruing vacation days.
- C. Employees prepared their own lease schedules and there was no check of the amounts.
- D. The commission issued a memo regarding allowable time off/overtime pay.

MONROE COUNTY, MISSOURI
FOLLOW-UP ON PRIOR AUDIT FINDINGS
DECEMBER 31, 2007 AND 2006

Recommendation:

- A. Develop payroll procedures which require pay based upon actual hours.
- B. Follow the county's personnel policy.
- C. Ensure leave earned and taken are accurate.
- D. Compute law enforcement pay based upon 171 hours/28 day period.

Status:

A,B,C,D Implemented.

05-3 Receipts and disbursements were not always properly classified in the county's budget.

Recommendation:

- A. Adopt procedures to ensure receipts and disbursements are accurately presented.
- B. Ensure adequate collateral securities are pledged to protect county funds.

Status:

A,B Implemented

05-4 Property Tax System

There has not been proper comparisons of records between the county clerk and county collector.

Recommendation:

- A. The county clerk should prepare and verify the accuracy of tax books prior to advancing to the county collector.
- B. Maintain records that summarize transactions and changes

Status:

A,B Implemented.

MONROE COUNTY, MISSOURI
FOLLOW-UP ON PRIOR AUDIT FINDINGS
DECEMBER 31, 2007 AND 2006

05-5 Public Administrators Controls and Procedures

The public administrator did not file annual settlements when due and only checks clearing the bank were reported.

Recommendation:

- A. Settlements be filed timely.
- B. Develop guidelines to identify fees on estates.

Status:

A,B Implemented

05-6 Prosecuting Attorney Control and Procedures

Accounting duties are not adequately segregated and receipts are not issued for monies collected as well as cash not deposited on a timely basis.

Recommendation:

- A. Segregate accounting duties.
- B. Issue and use prenumbered receipts for all monies used.
- C. Deposit all restitutions monies before disbursing.
- D. Disburse or dispose of unclaimed funds.

Status:

A,B,C,D,E Implemented except for using prenumbered receipts.

05-7 Sheriff Controls and Procedures

Receipts do not always reflect the method of payment and are not timely deposited.

Recommendation:

- A. Ensure method of payment is notated.
- B. Deposit on a timely basis

Status:

A,B Implemented

MONROE COUNTY, MISSOURI
FOLLOW-UP ON PRIOR AUDIT FINDINGS
DECEMBER 31, 2007 AND 2006

05-8 Handicapped Board

Disbursements were not always recorded in the period incurred. Budgets did not always reflect the financial condition of the board. Financial statements were not always published.

- A. Some expenditures were reported in the period they cleared the bank.
- B. Budgets should reflect actual beginning balances, receipts, disbursements, and ending balances.
- C. Disbursements exceeded budgeted amounts.
- D. Annual reports were not always published.
- E. Document reasons for closed board meetings.

Recommendation:

- A. Ensure disbursements are recorded in period incurred.
- B. Ensure budgets include all required information and are filed with state auditor's office.
- C. Do not issue amounts in excess of budgeted amounts.
- D. Publish financial statements with State Auditor's office.
- E. Document reasons for closed board sessions.

Status:

A,B,C partially implemented
D,E not implemented fully

05-9 Enhanced 911 Board

The board is experiencing a declining financial condition. Various expenditures were in question.

MONROE COUNTY, MISSOURI
FOLLOW-UP ON PRIOR AUDIT FINDINGS
DECEMBER 31, 2007 AND 2006

Recommendation:

- A. Increase revenues
- B. Budgets be actual
- C. Do not exceed budgeted amounts
- D. Record receipts timely
- E. Stop payroll advances
- F. Ensure all expenditures are prudent
- G. Document closed sessions reasons

Status:

All have been implemented in that the 911 board is now part of the county. There no longer is a 911 Board.