



SUSAN MONTEE, JD, CPA
Missouri State Auditor

To the County Commission
and
Officeholders of Macon County, Missouri

The Office of the State Auditor is responsible under Section 29.230, RSMo, for auditing certain operations of Macon County, and issues a separate report on that audit. In addition, the Office of the State Auditor has contracted for an audit of the county's financial statements for the 2 years ended December 31, 2007, through the state Office of Administration, Division of Purchasing and Materials Management. A copy of this audit, performed by Charles Buchanan, CPA, PC, Certified Public Accountants, is attached.

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

Susan Montee, JD, CPA
State Auditor

May 2009
Report No. 2009-44

MACON COUNTY, MISSOURI
BASIC FINANCIAL STATEMENTS
TOGETHER WITH INDEPENDENT AUDITOR'S REPORT
FOR THE YEARS ENDED DECEMBER 31, 2007 and 2006

Prepared By:

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**MACON COUNTY, MISSOURI
BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 and 2006**

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

To the County Commission and Officeholders of
Macon County, Missouri

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Macon County, Missouri ("the County") as of and for the years ended December 31, 2007 and 2006, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on the financial statements based on our audit.

Except as discussed below, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 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.

As discussed fully in Note 1, management has not adopted Government Accounting Standards Board Statement No. 34. These financial statements were prepared using accounting practices prescribed or permitted by Missouri Law, which differ from the accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effect of the matters discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the governmental activities, each major fund and the aggregate remaining fund information of Macon County, Missouri, as of December 31, 2007 and 2006, or the respective changes in financial position for the years then ended.

In our opinion, the financial statements referred to above present fairly, in all material respects, the governmental activities, each major fund, and the aggregate remaining fund information of Macon County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the County as of and for the years ended December 31, 2007 and 2006, on the basis of accounting discussed in Note 1.

In accordance with *Government Auditing Standards*, we have also issued a report dated August 15, 2008 on our consideration of the County's internal control structure 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 testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal controls 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 conjunction with this report in considering the results of our audit.

The County has not presented the management's discussion and analysis as required by GASB 34, *Basic Financial Statements - Management's Discussion and Analysis - for State and Local Governments*, that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be a part of, the basic financial statements.

The budgetary comparison information on pages 13-14 is not a required part of the financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis, as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the County. The schedule of expenditures of federal awards and the combining and individual non-major fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Charles Buchanan, CPA, PC
St. Louis, Missouri
August 15, 2008

FINANCIAL STATEMENTS

Macon County, Missouri
Statement of Net Assets-Variou Funds
Cash Basis
For the Year Ended December 31,

	2007	2006
<u>Assets</u>	<u>Governmental</u>	<u>Governmental</u>
	<u>Activities</u>	<u>Activities</u>
Cash	\$ 431,845	\$ 410,631
Investments	-	-
Restricted assets-cash	1,571,973	1,336,924
Restricted assets-investments	-	-
Total assets	<u><u>2,003,817</u></u>	<u><u>1,747,554</u></u>
<u>Net Assets</u>		
Net assets, net of related debt	-	-
Unrestricted	431,845	410,631
Restricted	1,571,973	1,336,924
Total Net Assets	<u><u>\$ 2,003,817</u></u>	<u><u>\$ 1,747,554</u></u>

Macon County, Missouri
Statement of Activities-Variou Funds
Cash Basis
For the Year Ended December 31, 2007

	<u>Program Revenues</u>			Net (expenditures) revenue- changes in net assets	
	<u>Expenditures</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Total</u>
Primary Government					
<i>Governmental Activities</i>					
General county government	\$ (941,406)	\$ 366,814	\$ -	\$ -	\$ (574,591)
Road & bridge	(1,647,489)	-	-	-	(1,647,489)
Health and welfare	(154,899)	-	-	-	(154,899)
Property valuation, assessments & recording	(253,034)	23,027	-	-	(230,007)
Administration of justice & law	(1,301,344)	84,645	755	-	(1,215,943)
Capital outlay	(491,159)	-	-	16,978	(474,181)
Debt services	(73,681)	-	-	-	(73,681)
Total Governmental Activities	<u>\$ (4,863,011)</u>	<u>\$ 474,487</u>	<u>\$ 755</u>	<u>\$ 16,978</u>	<u>(4,370,791)</u>

General revenues:

Taxes:

Personal property taxes, levied	1,151,715
Sales tax	1,911,443
Intergovernmental revenues	1,173,711
Investment income	104,166
Miscellaneous	286,019
Total general revenues and transfers	<u>4,627,054</u>
Changes in net assets	<u>256,263</u>
Beginning cash assets	1,747,554
Ending cash assets	<u><u>\$ 2,003,817</u></u>

Macon County, Missouri
Statement of Activities-Variou Funds
Cash Basis
For the Year Ended December 31, 2006

	<u>Program Revenues</u>				Net (expenditures) revenue- changes in net assets
	<u>Expenditures</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Total</u>
Primary Government					
Governmental Activities					
General county government	\$ (974,022)	\$ 355,759	\$ -	\$ -	\$ (618,264)
Road & bridge	(1,521,200)	39,597	-	-	(1,481,602)
Health and welfare	(159,994)	-	-	-	(159,994)
Property valuation & recording	(269,586)	17,862	16,614	-	(235,110)
Administration of justice & law	(1,229,343)	89,963	4,490	-	(1,134,890)
Capital outlay	(1,651,988)	-	-	986,810	(665,178)
Debt services	-	-	-	-	-
Total governmental activities	<u>\$ (5,806,133)</u>	<u>\$ 503,181</u>	<u>\$ 21,104</u>	<u>\$ 986,810</u>	<u>(4,295,038)</u>

General revenues:

Taxes:

Personal property taxes, levied	1,133,593
Sales taxes	1,938,833
Intergovernmental revenues	1,222,781
Investment income	77,806
Miscellaneous	251,529
Total general revenues and transfers	<u>4,624,542</u>
Changes in net assets	<u>329,504</u>
Beginning net assets	1,169,790
Prior year adjustments	248,261
Ending net assets	<u><u>\$ 1,747,554</u></u>

Macon County, Missouri
Reconciliation of Total Fund Balances to Total Net Assets
Cash Basis
For the Year Ended December 31,

	2007	2006
Balance Sheet - Governmental Funds -Total Fund Balances-Cash Basis	\$ 2,003,817	\$1,747,554
<p>Amounts reported for governmental activities of the statement of net assets are different because:</p> <p>Capital assets used in fund level statements are expensed upon use of financial resources to construct or acquire them.</p> <p>Capital assets for entity-wide statements are recognized as assets that are extinguished via depreciation charged over the life of the asset.</p>		
Capital assets, net of accumulated depreciation	-	-
<p>Long-term debt uses current financial resources to pay off the principle portion and related interest expense. For entity-wide statements, the unpaid principle portion is recognized as a future obligation to be repaid over time.</p>		
Long-term debt	-	-
Accrued interest	-	-
Subtotal	-	-
Government-wide Statement of Net Assets--Total Net Assets-Cash Basis	\$ 2,003,817	\$1,747,554

Macon County, Missouri
Reconciliation of Changes in Net Assets
Cash Basis
For the Year Ended December 31,

	2007	2006
Excess of revenues and other sources over (under) expenditures and other uses - Statement of Revenues, Expenditures, and Changes in Fund Balances-Governmental Funds-Cash Basis	\$ 256,263	\$ 329,504
<p>Bond proceeds are reported as financing sources in governmental funds financial statements thus contributed to the net change in fund balance. In the statement of net assets, however, issuing debt increases long term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds financial statements, but reduces the liability in the statement of net assets</p>		
Debt issued	-	-
Principle payments	-	-
Compensated absences	-	-
Interest expense	-	-
Government-wide Statement of Activities--Changes in net assets - Governmental Activities-Cash Basis	\$ 256,263	\$ 329,504

Macon County, Missouri
Statement of Fiduciary Net Assets
Cash Basis
For the Year Ended December 31,

	2007			2006		
	Agency Funds	Private Purpose Trust Fund	Total	Agency Funds	Private Purpose Trust Fund	Total
<u>Assets</u>						
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash-restricted	5,665,782	-	5,665,782	5,373,158	-	5,373,158
Investments	-	-	-	-	-	-
Total assets	<u>5,665,782</u>	<u>-</u>	<u>5,665,782</u>	<u>5,373,158</u>	<u>-</u>	<u>5,373,158</u>
 <u>Liabilities</u>						
Due to agencies and political subdivisions	5,665,782	-	5,665,782	5,373,158	-	5,373,158
Due to other funds	-	-	-	-	-	-
Due to others	-	-	-	-	-	-
Total liabilities	<u>\$ 5,665,782</u>	<u>\$ -</u>	<u>\$ 5,665,782</u>	<u>\$ 5,373,158</u>	<u>\$ -</u>	<u>\$ 5,373,158</u>

See Independent Auditor's Report and Notes to the Financial Statements.

Macon County, Missouri
Combined Balance Sheet-Governmental Funds
Cash Basis
For the Year Ended December 31, 2007

	Major Funds			
Assets	General Fund	Special Road & Bridge	Non-Major Governmental Funds	Total Governmental Funds
Cash	\$ 431,845	\$ -	\$ -	\$ 431,845
Investments	-	-	-	-
Restricted assets-cash	-	155,864	1,416,109	1,571,973
Restricted assets-investments	-	-	-	-
Total assets	431,845	155,864	1,416,109	2,003,817
Fund balances				
Reserved for debt service	-	-	-	-
Reserved	-	155,864	1,416,109	1,571,973
Unreserved	431,845	-	-	431,845
Total fund balances	\$ 431,845	\$ 155,864	\$ 1,416,109	\$ 2,003,817

Macon County, Missouri
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds-Cash Basis
For the Year Ended December 31, 2007

	<u>Major Funds</u>			Total Governmental Funds
	General Fund	Special Road & Bridge	Non-Major Governmental Funds	
Revenues				
Property & other taxes	\$ 363,113	\$ 620,349	\$ 168,253	\$ 1,151,715
Sales taxes	695,196	-	1,216,247	1,911,443
Charges for services	310,924	-	163,563	474,487
Investment income	29,611	16,099	58,456	104,166
Intergovernmental	97,332	862,586	231,526	1,191,444
Miscellaneous	139,220	37,891	108,908	286,019
Total revenues	<u>1,635,396</u>	<u>1,536,925</u>	<u>1,946,954</u>	<u>5,119,275</u>
Expenditures				
General county government	868,264	-	73,142	941,406
Road & bridge	-	1,238,279	409,210	1,647,489
Health and welfare	1,113	-	153,786	154,899
Property valuation, assessment & recording	29,743	-	223,291	253,034
Administration of justice & law	724,429	-	576,915	1,301,344
Capital outlay:				
Property, equipment, & buildings	11,296	267,224	212,639	491,159
Debt service:				
Principal & interest expense	-	-	73,681	73,681
Total expenditures	<u>1,634,845</u>	<u>1,505,503</u>	<u>1,722,663</u>	<u>4,863,011</u>
Excess deficiency of revenues over (under) expenditures	<u>551</u>	<u>31,422</u>	<u>224,291</u>	<u>256,264</u>
Other financing sources (uses):				
Proceeds from loan	-	-	-	-
Transfer in	45,000	15,377	23,000	83,377
Transfer out	(24,337)	-	(59,040)	(83,377)
Insurance proceeds	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>20,663</u>	<u>15,377</u>	<u>(36,040)</u>	<u>(0)</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>21,214</u>	<u>46,799</u>	<u>188,250</u>	<u>256,263</u>
Cash balances, beginning of year	410,631	109,065	1,227,858	1,747,554
Prior year adjustments	-	-	-	-
Cash balances, end of year	<u>\$ 431,845</u>	<u>\$ 155,864</u>	<u>\$ 1,416,109</u>	<u>\$ 2,003,817</u>

Macon County, Missouri
Combined Balance Sheet-Governmental Funds
Cash Basis
For the Year Ended December 31, 2006

Major Funds

<u>Assets</u>	<u>General Fund</u>	<u>Special Road & Bridge</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
Cash	\$ 410,631	\$ -	\$ -	\$ 410,631
Investments	-	-	-	-
Restricted assets-cash	-	109,065	1,227,859	1,336,924
Restricted assets-investments	-	-	-	-
Total assets	<u><u>410,631</u></u>	<u><u>109,065</u></u>	<u><u>1,227,859</u></u>	<u><u>1,747,554</u></u>
<u>Fund balances</u>				
Reserved for debt service	-	-	-	-
Reserved	-	109,065	1,227,859	1,336,924
Unreserved	410,631	-	-	410,631
Total fund balances	<u><u>\$ 410,631</u></u>	<u><u>\$ 109,065</u></u>	<u><u>\$ 1,227,859</u></u>	<u><u>\$ 1,747,554</u></u>

Macon County, Missouri
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds-Cash Basis
For the Year Ended December 31, 2006

	<u>Major Funds</u>			Total Governmental Funds
	General Fund	Special Road & Bridge Fund	Non-Major Governmental Funds	
Revenues				
Property & other taxes	\$ 361,333	\$ 605,139	167,121	\$ 1,133,593
Sales taxes	704,473	-	1,234,359	1,938,833
Charges for services	317,552	-	185,628	503,181
Interest income	22,147	10,318	45,341	77,806
Intergovernmental	122,273	862,362	1,246,060	2,230,695
Miscellaneous	135,478	51,244	64,807	251,529
Total revenues	<u>1,663,257</u>	<u>1,529,063</u>	<u>2,943,317</u>	<u>6,135,637</u>
Expenditures				
General county government	884,581	-	89,441	974,022
Road & bridge	-	1,199,717	321,483	1,521,200
Health and welfare	3,316	-	156,678	159,994
Property valuation, assessment & recording	29,995	-	239,592	269,586
Administration of justice & law	643,410	-	585,932	1,229,343
Capital outlay:				
Property, equipment, & buildings	5,681	301,808	1,344,499	1,651,988
Debt service:				
Principal & interest expense	-	-	-	-
Total expenditures	<u>1,566,984</u>	<u>1,501,525</u>	<u>2,737,625</u>	<u>5,806,133</u>
Excess deficiency of revenues over (under) expenditures	<u>96,274</u>	<u>27,538</u>	<u>205,692</u>	<u>329,504</u>
Other financing sources (uses)				
Proceeds from loan	-	-	-	-
Transfer in	45,000	31,812	-	76,812
Transfer out	(1,187)	-	(75,625)	(76,812)
Insurance proceeds	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>43,813</u>	<u>31,812</u>	<u>(75,625)</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>140,087</u>	<u>59,350</u>	<u>130,067</u>	<u>329,504</u>
Cash balances, beginning of year	270,544	49,715	849,531	1,169,790
Prior year adjustments			248,261	248,261
Cash balances, end of year	<u>\$ 410,631</u>	<u>\$ 109,065</u>	<u>\$ 1,227,859</u>	<u>\$ 1,747,554</u>

REQUIRED SUPPLEMENTAL INFORMATION

Macon County, Missouri
Budgetary Comparison Schedule-Major Funds
Cash Basis
For the Year Ended December 31, 2007

	<u>General Fund</u>				<u>Special Road & Bridge Fund</u>			
	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance from Final Budget</u>	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance from Final Budget</u>
	<u>Original</u>	<u>Final</u>			<u>Original</u>	<u>Final</u>		
Revenues:								
Realty, property taxes	\$ 365,700	\$ 365,700	\$ 363,113	\$ (2,587)	\$ 613,900	\$ 613,900	\$ 620,349	\$ 6,449
Sales taxes	700,000	700,000	695,196	(4,804)	-	-	-	-
Charges for services	319,075	319,075	310,924	(8,151)	-	-	-	-
Intergovernmental	119,190	119,190	97,332	(21,858)	833,687	833,687	862,586	28,899
Investment income	20,000	20,000	29,611	9,611	15,000	15,000	16,099	1,099
Miscellaneous	131,807	131,807	139,220	7,413	43,500	43,500	37,891	(5,609)
Total revenue	<u>1,655,772</u>	<u>1,655,772</u>	<u>1,635,396</u>	<u>(20,376)</u>	<u>1,506,087</u>	<u>1,506,087</u>	<u>1,536,925</u>	<u>30,838</u>
Expenditures:								
General county government	1,068,278	1,057,729	868,264	(189,465)	-	-	-	-
Road & bridge	-	-	-	-	535,550	1,301,969	1,238,279	(63,690)
Health and welfare	10,000	7,500	1,113	(6,387)	-	-	-	-
Property valuation assessment & recording	30,273	29,851	29,743	(108)	-	-	-	-
Administration of justice & law	766,034	727,816	724,429	(3,387)	-	-	-	-
Capital outlay	14,268	14,268	11,296	(2,972)	316,000	316,000	267,224	(48,776)
Debt service-principal and interest	-	-	-	-	-	-	-	-
Total expenditures	<u>1,888,853</u>	<u>1,837,164</u>	<u>1,634,845</u>	<u>(202,319)</u>	<u>851,550</u>	<u>1,617,969</u>	<u>1,505,503</u>	<u>(112,466)</u>
Excess of revenues over (under) expenditures	<u>(233,081)</u>	<u>(181,392)</u>	<u>551</u>	<u>181,943</u>	<u>654,537</u>	<u>(111,882)</u>	<u>31,422</u>	<u>143,304</u>
Other financing sources (uses):								
Proceeds from loan	-	-	-	-	-	-	-	-
Transfer in	45,000	45,000	45,000	-	44,942	44,942	15,377	(29,565)
Transfer out	(31,492)	(34,710)	(24,337)	10,373	-	-	-	-
Insurance proceeds	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>13,508</u>	<u>10,290</u>	<u>20,663</u>	<u>10,373</u>	<u>44,942</u>	<u>44,942</u>	<u>15,377</u>	<u>(29,565)</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>(219,573)</u>	<u>(171,102)</u>	<u>21,214</u>	<u>192,316</u>	<u>699,479</u>	<u>(66,940)</u>	<u>46,799</u>	<u>113,739</u>
Fund balances, beginning of year	<u>410,631</u>	<u>410,631</u>	<u>410,631</u>	<u>-</u>	<u>109,065</u>	<u>109,065</u>	<u>109,065</u>	<u>-</u>
Fund balances, end of year	<u>\$ 191,058</u>	<u>\$ 239,529</u>	<u>\$ 431,845</u>	<u>\$ 192,316</u>	<u>\$ 808,544</u>	<u>\$ 42,125</u>	<u>\$ 155,864</u>	<u>\$ 113,739</u>

See Independent Auditor's Report and Notes to the Financial Statements.

Macon County, Missouri
Budgetary Comparison Schedule-Major Funds
Cash Basis
For the Year Ended December 31, 2006

	<u>General Fund</u>				<u>Special Road & Bridge Fund</u>			
	<u>Budgeted Amounts</u>		<u>Variance from</u>		<u>Budgeted Amounts</u>		<u>Variance from</u>	
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues:								
Property/realty taxes	\$ 336,400	\$ 336,400	\$ 361,333	\$ 24,933	\$ 556,620	\$ 556,620	\$ 605,139	\$ 48,519
Sales taxes	700,000	700,000	704,473	4,473	-	-	-	-
Charges for services	283,880	283,880	317,552	33,672	-	-	-	-
Intergovernmental	161,003	161,003	122,273	(38,730)	872,125	872,125	862,362	(9,763)
Investment income	10,000	10,000	22,147	12,147	6,000	6,000	10,318	4,318
Miscellaneous	118,052	118,052	135,478	17,426	33,500	33,500	51,244	17,744
Total revenue	<u>1,609,335</u>	<u>1,609,335</u>	<u>1,663,257</u>	<u>53,922</u>	<u>1,468,245</u>	<u>1,468,245</u>	<u>1,529,063</u>	<u>60,818</u>
Expenditures:								
General county government	1,069,812	1,063,861	884,581	(179,280)	-	-	-	-
Road & bridge	-	-	-	-	1,241,550	1,240,112	1,199,717	(40,395)
Health and welfare	15,000	15,000	3,316	(11,684)	-	-	-	-
Property valuation assessment & recording	29,786	29,784	29,995	211	-	-	-	-
Administration of justice & law	740,886	741,917	643,410	(98,507)	-	-	-	-
Capital outlay	11,985	11,985	5,681	(6,304)	326,000	326,000	301,808	(24,192)
Debt service-principal and interest	-	-	-	-	-	-	-	-
Total expenditures	<u>1,867,469</u>	<u>1,862,547</u>	<u>1,566,984</u>	<u>(295,563)</u>	<u>1,567,550</u>	<u>1,566,112</u>	<u>1,501,525</u>	<u>(64,587)</u>
Excess of revenues over (under) expenditures	<u>(258,134)</u>	<u>(253,212)</u>	<u>96,274</u>	<u>349,486</u>	<u>(99,305)</u>	<u>(97,867)</u>	<u>27,538</u>	<u>125,405</u>
Other financing sources (uses):								
Proceeds from loan	-	-	-	-	-	-	-	-
Transfer in	45,000	45,000	45,000	-	52,300	52,300	31,812	(20,488)
Transfer out	(52,824)	(53,589)	(1,187)	52,402	-	-	-	-
Insurance proceeds	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(7,824)</u>	<u>(8,589)</u>	<u>43,813</u>	<u>52,402</u>	<u>52,300</u>	<u>52,300</u>	<u>31,812</u>	<u>(20,488)</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>(265,958)</u>	<u>(261,802)</u>	<u>140,087</u>	<u>401,888</u>	<u>(47,005)</u>	<u>(45,567)</u>	<u>59,350</u>	<u>104,917</u>
Fund balances, beginning of year	<u>270,544</u>	<u>270,544</u>	<u>270,544</u>	<u>-</u>	<u>49,715</u>	<u>49,715</u>	<u>49,715</u>	<u>-</u>
Fund balances, end of year	<u>\$ 4,586</u>	<u>\$ 8,742</u>	<u>\$ 410,631</u>	<u>\$ 401,888</u>	<u>\$ 2,710</u>	<u>\$ 4,148</u>	<u>\$ 109,065</u>	<u>\$ 104,917</u>

NOTES TO THE FINANCIAL STATEMENTS

MACON COUNTY, MISSOURI

Notes to the Financial Statements

December 31, 2007 and 2006

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The Reporting Entity and Basis of Presentation

The funds presented are established under statutory or administrative authority, and their operations are under the control of the County Commissioner, an elected county official. The County Revenue Fund is the county's general operating fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

B. Basis of Accounting

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

The County has not recorded capital assets or depreciation expense in the governmental activities as mandated by the Government Accounting Standards Board Statement (GASB) No. 34. Accounting principles generally accepted in the United States of America require asset capitalization and depreciation over the asset's estimated useful life and reported as a direct expense of each associated functional activity, which would increase capital assets, net assets, and expenses, and changes in net assets reported in the governmental and business-type activities. The County is required to report assets and liabilities, such as taxes receivables, allowance for bad debt, compensated absences, and long-term debt, such as bonds, capital leases, and certificates of participation, on the full accrual basis as opposed to the cash basis which is another comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. In addition, the County did not produce certain information regarding its pension plan as required by the Government Accounting Standards Board (GASB) No. 27. The amount by which these departures would affect the related financial statements is not determinable.

A major fund is any fund whose assets, liabilities, revenues, or expenditures constitute ten percent (10%) or more of the total for the Governmental fund type *and* five percent (5%) of the total for the Governmental fund type and the Business fund type, combined. A government that reports only governmental funds need only apply the 10% test; this condition applied to Macon County for the year ended December 31, 2007 and 2006. Financial information is most useful when each major fund is presented separately rather than when fund combination are reported, such as the aggregation of the Prosecuting Attorney, Drug Enforcement, Sheriff's Criminal Forfeiture, Sheriff's Criminal Restitution, and special-purpose funds into a special revenue fund type. GASBS-34 financial reporting model requires the presentation of individual fund data for each of the major funds of the County.

The County maintains Fiduciary funds to account for assets held in a trustee capacity or as an agent on behalf of others. Agency funds account for assets the County holds for others in an agency capacity, such as property taxes collected for other political subdivisions and the assets of special benefit road districts. Fiduciary and Agency cash and investment balances are classified as Fiduciary Funds (Agency) under GASBS-34 standards.

The County maintains an unclaimed fees account, when unclaimed amounts are routinely deposited. The County holds cash balances as an agent and fund custodian.

C. Budgets and Budgetary Practices

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

Section 50.740, RSMo, prohibits expenditures in excess of the approved budgets. However, expenditures exceeded budgeted amounts for the year ended December 31, 2006 in the Community Development Block Grant Fund.

D. Published Financial Statements

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

MACON COUNTY, MISSOURI

Notes to the Financial Statements

December 31, 2007 and 2006

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

NOTE 2. CASH

Disclosures are provided below to comply with Statement No. 40 of the Governmental Accounting Standards Board, *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, in banks, 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 deposits, political subdivisions such as counties have the authority under Section 67.085, RSMo, to place excess funds in certificates of deposit. To protect the safety of County deposits, Section 110.020, RSMo, requires depositories 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 Section 30.270, RSMo, for the collateralization of the state funds and held by either the County or a financial institution other than the depository bank. Section 67.085, RSMo, also requires certificates of deposit to 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, Macon County will not be able to recover its deposits or recover collateral securities that are in an outside party's possession.

The County's deposits at December 31, 2007 and 2006, were not exposed to custodial credit risk because they were entirely covered by federal depository insurance or by collateral securities held by the County's custodial banks in the County's name.

The 911 Emergency Service Board's deposits at December 31, 2007 and 2006, were not exposed to custodial credit risk because they were entirely covered by federal depository insurance or by collateral securities held by a correspondent bank in the Board's name.

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 the 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.

NOTE 3. RETIREMENT PLANS

A. 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.

1. Plan Description

The Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elected or appointed officer or 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 section 56.800 to 56.840, RSMo, circuit clerks and deputy circuit clerks covered under the Missouri State Retirement System and County Sheriffs covered under sections 57.949 to 57.997, RSMo. The general administration and responsibility for the proper operation and investment of the fund are vested in a nine-person board of directors.

MACON COUNTY, MISSOURI

Notes to the Financial Statements

December 31, 2007 and 2006

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

NOTE 3. RETIREMENT PLANS (continued)

2. Pension Benefits

Any member who has attained the age of sixty-two (62) years may retire with normal annuity with eight or more years of creditable service as a county employee. Benefits are available no earlier than January 1, 1997. The normal annuity of a retired member, not also a member of the Local Government Employee's Retirement System, who served as an employee of a county shall be equal to one and one-half percent of the average final compensation of the retired member multiplied by the number of years of creditable service of the retired member, except that the annual annuity shall not exceed fifty percent of the member's average final compensation. The normal annuity of a member who is also a member of the Local Government Employee's Retirement System shall be equal to one percent of the average final compensation of the retired member multiplied by the number of years of creditable service. Members are always 100% vested in their own contributions. The County Employees' Retirement Fund has issued audited financial statements for the years ended December 31, 2007 and 2006. Copies of this audit report 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 573-632-9203.

3. Funding Policy

Contributions for CERF are provided by revenues collected by the counties, and for those employees not in LAGERS, a 2% salary employee contribution. The revenues collected, minus employee contributions, are considered employer contribution. These collections are stated by statute and are equivalent to the required contribution

NOTE 4. FINANCIAL LEASE AGREEMENTS

The 2007 budget included an equipment financing balances of \$419,514, however, amortization schedule with interest amounts were not available at time of audit. Our audit revealed that the county has two (2) financing lease agreements. One with John Deere Credit requiring five annual payments of \$36,913 each, first payment due in October 2008. The second is financed by Vision Bank requiring thirty-six (36) monthly payments of \$9,248, the first payment was due in May 2007. Payments totaling \$73,681 were made by the county and are presented as principle payments in the financial reports.

SUPPLEMENTAL REPORTS

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Honorable Commissioners of
Macon County, Missouri

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Macon County, Missouri ("the County") as of and for the years ended December 31, 2007 and 2006, which collectively comprise the County's basic financial statements, and have issued our report thereon dated August 15, 2008. We issued an adverse opinion in our report on the governmental activities, business type activities, each major fund, and the aggregate remaining funds, because the County did not capitalize infrastructure and other capital assets; did not report depreciation expense for those assets over their estimated useful lives, did not report compensated absences or allowance for doubtful accounts, and did not produce adequate disclosures regarding its pension plan, among other omissions. Except as discussed in the preceding sentence, 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 designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the 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 or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

This report is intended solely for the information and use of the County Commissioners, management of 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.

Charles Buchanan, CPA, PC
St. Louis, Missouri
August 15, 2008

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Independent Auditor's Report on Compliance with Requirements Applicable to
Each Major Program and Internal Control Over Compliance
in Accordance with OMB Circular A-133

Honorable Commissioners of
Macon County, Missouri

We have audited the compliance of Macon County, Missouri, ("the County") 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 each of its major federal programs for the years ended December 31, 2007 and 2006. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and 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 that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

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

Internal Control Over Compliance

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

A control deficiency in an entity'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 combination of control deficiencies, that adversely affects the county's ability to administer a federal program such that there is 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.

Our consideration of the internal control over compliance 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 or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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

Charles Buchanan, CPA, PC
St. Louis, Missouri
August 15, 2008

Macon County, Missouri
Schedule of Expenditures of Federal Awards
For the Year Ended December 31,

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant ID Number</u>	<u>2007</u>	<u>2006</u>
<u>U.S. Department of Justice</u>				
Passed through Missouri Sheriff's Association:				
Domestic Cannabis Eradication/Suppression Program	16.580	16 unk	\$ 1,200	\$ 897
Direct program - Public Safety Partnership and Community Policing Grant	16.710	05-LBGJ-056		8,943
			1,200	9,840
<u>U.S Department of Transportation</u>				
State and Community Highway Safety	20.600	07-PT-02-92	7,435	5,887
Highway Planning and Construction	20.205	BRO-061 (25)		279,731
Highway Planning and Construction	20.205	BRO-061 (26)		311,044
Department of Public Safety - Interagency Hazardous Materials Public	20.703	HMEPO5045130		2,258
Department of Public Safety - Sector Training and Planning Grants		PGAEM701529		7,199
			7,435	606,120
<u>General Services Administration</u>				
Passed Trough state Office of Administration	20.205	BRO-B102 (18)	257	
Passed trough Secretary of State - Election Reform Payments	39.011			1,640
Total General Services Administrative Payments			257	1,640
<u>Election Assistance Commission</u>				
Passed through Missouri Secretary of State:				
Help America Vote Act	90.401	95-1650-0-1-808	9,807	131,369
			9,807	131,369
<u>U. S. Department of Homeland Security</u>				
Passed through Missouri State Emergency Management Agency:				
State Domestic Preparedness Equipment Support Program	97.067	06-GE-T6-0067	53,435	-
<u>U. S. Department of Housing and Urban Development</u>				
Passed through Missouri Department of Economic Development:				
Community Development Block Grant	14.228	2006-PF-016	3,935	265,000
Total U.S. Department of Housing and Urban Development			3,935	265,000
Total Expenditures of Federal Awards			\$ 76,069	\$ 1,013,969

Basis of Presentation:

The accompanying schedule of expenditures of federal awards is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirement of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of basic financial statements.

Macon County, Missouri
Schedule of Findings and Questioned Costs
For the Years Ended December 31, 2007 and 2006

Section 1 - Summary of Auditor's Results

Financial Statements:

Type Audit Report issued on Financial Statements of Auditee Adverse

Internal Control Over Financial Reporting

Material weaknesses identified? None

Significant deficiencies identified that are not considered to be material weaknesses? None Reported

Noncompliance material to the financial statements noted? No

Federal Awards:

Internal Control Over Major Programs:

Material weaknesses identified? No

Significant deficiencies identified that are not considered to be material weaknesses? None Reported

Type Audit Report Issued on Compliance for Major Programs: Unqualified

Audit Findings

Audit findings required to be reported under OMB Circular A-133. None

Major Programs

<u>CFDA #</u>	<u>Program Title</u>
20.205	Highway Planning & Construction Grant

Dollar Threshold Used to Distinguish Between Type A and Type B Program \$300,000

Auditee Qualified as a Low-Risk Auditee No

Section 2 - Financial Statement Findings

None

Section 3 - Federal Award Findings and Questioned Costs

Federal Award Findings Required to be Reported in Accordance with Generally Accepted Government Auditing Standards

None

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

In accordance with *Government Auditing Standards*, this section reports the auditor's follow-up on action taken by Macon County, Missouri, on the applicable findings in the prior audit report issued by the independent auditor for the two years ended December 31, 2005 and 2004.

The audit report did not disclose any noncompliance and internal control findings that are material to the financial statements of the county.

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

Section .315 of OMB Circular A-133 requires the auditee to prepare a Summary 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 and 2004, included no audit findings that Section .510(a) of OMB Circular A-133 requires to be reported for an audit of federal awards.

SUPPLEMENTAL INFORMATION

Macon County, Missouri
 Combining Balance Sheet
 Non-Major Governmental Funds
 Cash Basis
 For the Year Ended December 31, 2007

	Assessment Fund	Law Enforcement Fund	Prosecuting Atty Training Fund	Sheriff's Revolving Fund	Prosecuting Atty Bad Check Fund	Road & Bridge Capital Imp Fund	Law Enforcement Training Fund	Sheriff's Civil Fees Fund	County Parks Capital Imp Fund	County Parks Fund	Victims Domestic Violence Fund	Community Dev Block Grant Fund	Recorders Users Fees Fund	Prosecuting Atty Delinquent Tax Fund	Subtotal
Assets															
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restricted assets-cash	6,366	2,186	1,697	11,657	32,004	723,072	16,763	12,096	118,253	72,919	570	0	11,955	2,606	1,012,144
Restricted assets-investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total assets	6,366	2,186	1,697	11,657	32,004	723,072	16,763	12,096	118,253	72,919	570	0	11,955	2,606	1,012,144
Fund balances															
Reserved for debt services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reserved	6,366	2,186	1,697	11,657	32,004	723,072	16,763	12,096	118,253	72,919	570	0	11,955	2,606	1,012,144
Unreserved	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total fund balances	\$ 6,366	\$ 2,186	\$ 1,697	\$ 11,657	\$ 32,004	\$ 723,072	\$ 16,763	\$ 12,096	\$ 118,253	\$ 72,919	\$ 570	\$ 0	\$ 11,955	\$ 2,606	\$ 1,012,144

See Independent Auditor's Report and Notes to the Financial Statements.

Macon County, Missouri
Combining Balance Sheet
Non-Major Governmental Funds
Cash Basis
For the Year Ended December 31, 2007

<u>Assets</u>	<u>Subtotal</u>	<u>Circuit Clerk Sound Recording Fund</u>	<u>Local Emergency Planning Fund</u>	<u>Election Services Fund</u>	<u>DARE Fund</u>	<u>Recorders Technology Fund</u>	<u>Collectors Tax Maintenance Fund</u>	<u>Law Enforcement Restitution Fund</u>	<u>41st Judicial Circuit Drug Court Fund</u>	<u>Enhanced 911 Fund</u>	<u>SB40 Board Fund</u>	<u>Inmate Security Fund</u>	<u>Total Non-Major Governmental Funds</u>
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-
Restricted assets-cash	1,012,144	1,332	16,957	3,253	6,022	3,145	17,965	28,095	10,151	230,208	84,920	1,918	1,416,109
Restricted assets-investments	-	-	-	-	-	-	-	-	-	-	-	-	-
Total assets	<u>1,012,144</u>	<u>1,332</u>	<u>16,957</u>	<u>3,253</u>	<u>6,022</u>	<u>3,145</u>	<u>17,965</u>	<u>28,095</u>	<u>10,151</u>	<u>230,208</u>	<u>84,920</u>	<u>1,918</u>	<u>1,416,109</u>
<u>Fund balances</u>													
Reserved for debt services	-	-	-	-	-	-	-	-	-	-	-	-	-
Reserved	1,012,144	1,332	16,957	3,253	6,022	3,145	17,965	28,095	10,151	230,208	84,920	1,918	1,416,109
Unreserved	-	-	-	-	-	-	-	-	-	-	-	-	-
Total fund balances	<u>\$ 1,012,144</u>	<u>\$ 1,332</u>	<u>\$ 16,957</u>	<u>\$ 3,253</u>	<u>\$ 6,022</u>	<u>\$ 3,145</u>	<u>\$ 17,965</u>	<u>\$ 28,095</u>	<u>\$ 10,151</u>	<u>\$ 230,208</u>	<u>\$ 84,920</u>	<u>\$ 1,918</u>	<u>\$ 1,416,109</u>

Macon County, Missouri
Combining Statement of Revenues, Expenditures, & Changes In Fund Balances
Non-Major Governmental Funds
Cash Basis
For the Year Ended December 31, 2007

	Assessment Fund	Law Enforcement Fund	Prosecuting Atty Training Fund	Sheriff's Revolving Fund	Prosecuting Atty Bad Check Fund	Road & Bridge Capital Imp Fund	Law Enforcement Training Fund	Sheriff's Civil Fees Fund	County Parks Capital Imp Fund	County Parks Fund	Victims Domestic Violence Fund	Communi ty Dev Block Grant Fund	Recorders Users Fees Fund	Prosecuting Atty Delinquent Tax Fund	Subtotal
Revenues															
Property & other taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes						694,959			65						695,024
Charges for services			1,372	4,531	32,167		5,471	25,811		54,000	545		5,913	399	130,208
Interest income	1,497	120		455	1,683	34,463		1,297	5,881	2,709	20		479	143	48,749
Intergovernmental	197,501					9,599	2,804					6,836			216,740
Miscellaneous	2,298	25			963	30,417	23			35,366					69,092
Total revenues	201,296	145	1,372	4,986	34,813	769,439	8,298	27,108	5,946	92,075	565	6,836	6,392	542	1,159,813
Expenditures															
General county government										65,871					65,871
Road & bridge						409,210									409,210
Health and welfare															-
Property valuation, assessment & recording	223,291														223,291
Administration of justice & law			992	-	31,167		5,649				1,000		2,717		41,525
Capital outlay:															-
Property, equipment, & buildings	722	460			245	124,284	2,523	27,798	12,578	1,406		7,171	1,590	2,345	181,121
Debt service:															-
Principal						73,681									73,681
Interest and paying agent fee															-
Total expenditures	224,013	460	992	-	31,412	607,175	8,172	27,798	12,578	67,277	1,000	7,171	4,307	2,345	994,699
Excess of revenues over (under) expenditures	(22,717)	(315)	380	4,986	3,402	162,264	126	(690)	(6,632)	24,798	(435)	(335)	2,085	(1,803)	165,114
Other financing sources (uses):															
Proceeds from loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer in	23,000	-	-	-	-	-	-	-	-	-	-	-	-	-	23,000
Transfer out	(1,498)	-	-	-	-	(57,542)	-	-	-	-	-	-	-	-	(59,040)
Insurance proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	21,502	-	-	-	-	(57,542)	-	-	-	-	-	-	-	-	(36,040)
Excess of revenues and other sources over (under) expenditures and other uses	(1,215)	(315)	380	4,986	3,402	104,722	126	(690)	(6,632)	24,798	(435)	(335)	2,085	(1,803)	129,073
Cash balances, beginning of year	7,581	2,501	1,317	6,670	28,602	618,350	16,637	12,786	124,885	48,122	1,004	335	9,870	4,409	883,070
Cash balances, end of year	\$ 6,366	\$ 2,186	\$ 1,697	\$ 11,657	\$ 32,004	\$ 723,072	\$ 16,763	\$ 12,096	\$ 118,253	\$ 72,919	\$ 570	\$ 0	\$ 11,955	\$ 2,606	\$ 1,012,144

Macon County, Missouri
Combining Statement of Revenues, Expenditures, & Changes In Fund Balances
Non-Major Governmental Funds
Cash Basis
For the Year Ended December 31, 2007

	Subtotal	Circuit Clerk Sound Recording Fund	Local Emergency Planning Fund	Election Services Fund	DARE Fund	Recorders Technology Fund	Collectors Tax Maintenance Fund	Law Enforcement Restitution Fund	41st Judicial Circuit Drug Court Fund	Enhanced 911 Fund	SB40 Board Fund	Inmate Security Fund	Total Non- Major Governmental Funds
Revenues													
Property & other taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 168,253	\$ -	\$ 168,253
Sales taxes	695,024									521,223			1,216,247
Charges for services	130,208			1,890		3,556	13,558		5,295	9,055			163,563
Interest income	48,749	64		250	283	104	843	1,021	166	5,841	1,121	14	58,456
Intergovernmental	216,740		12,396						2,390				231,526
Miscellaneous	69,092			112				25,142	8,742	1,824	2,092	1,904	108,908
Total revenues	1,159,813	64	12,396	2,253	283	3,660	14,401	26,163	16,594	537,943	171,466	1,918	1,946,954
Expenditures													
General county government	65,871	160		538			6,573						73,142
Road & bridge	409,210												409,210
Health and welfare	-										153,786		153,786
Property valuation, assessment & recording	223,291												223,291
Administration of justice & law	41,525							1,500	6,443	527,447			576,915
<i>Capital outlay:</i>													
Property, equipment, & buildings	181,121	63		9,807		3,349	547	17,752					212,639
<i>Debt service:</i>													
Principal	73,681												73,681
Interest and paying agent fee	-												-
Total expenditures	994,699	223	-	10,344	-	3,349	7,120	19,252	6,443	527,447	153,786	-	1,722,663
Excess of revenues over (under) expenditures	165,114	(160)	12,396	(8,092)	283	311	7,282	6,911	10,151	10,496	17,680	1,918	224,291
Other financing sources (uses):													
Proceeds from loan	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer in	23,000	-	-	-	-	-	-	-	-	-	-	-	23,000
Transfer out	(59,040)	-	-	-	-	-	-	-	-	-	-	-	(59,040)
Insurance proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(36,040)	-	-	-	-	-	-	-	-	-	-	-	(36,040)
Excess of revenues and other sources over (under) expenditures and other uses	129,073	(160)	12,396	(8,092)	283	311	7,282	6,911	10,151	10,496	17,680	1,918	188,250
Cash balances, beginning of year	883,070	1,491	4,561	11,345	5,739	2,833	10,684	21,183	-	219,712	67,240	-	1,227,858
Cash balances, end of year	\$ 1,012,144	\$ 1,332	\$ 16,957	\$ 3,253	\$ 6,022	\$ 3,145	\$ 17,965	\$ 28,095	\$ 10,151	\$ 230,208	\$ 84,920	\$ 1,918	\$ 1,416,109

Macon County, Missouri
Combining Balance Sheet
Non-Major Governmental Funds
Cash Basis
For the Year Ended December 31, 2006

	Assessment Fund	Law Enforcement fund	Prosecuting Atty Training Fund	Sheriff's Revolving Fund	Prosecuting Atty Bad Check Fund	Road & Bridge Capital Imp Fund	Law Enforcement Training Fund	Sheriff's Civil Fees Fund	County Parks Capital Imp Fund	County Parks Fund	Victims Domestic Violence Fund	Community Dev Block Grant Fund	Prosecuting Atty Delinq Tax Fund	Recorders Technology Fund	Subtotal
Assets															
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restricted assets-cash	7,581	2,501	1,317	6,670	28,602	618,350	16,637	12,786	124,885	48,122	1,004	335	4,409	9,870	883,071
Restricted assets-investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total assets	7,581	2,501	1,317	6,670	28,602	618,350	16,637	12,786	124,885	48,122	1,004	335	4,409	9,870	883,071
Fund balances															
Reserved for debt service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reserved	7,581	2,501	1,317	6,670	28,602	618,350	16,637	12,786	124,885	48,122	1,004	335	4,409	9,870	883,071
Unreserved	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total fund balances	\$ 7,581	\$ 2,501	\$ 1,317	\$ 6,670	\$ 28,602	\$ 618,350	\$ 16,637	\$ 12,786	\$ 124,885	\$ 48,122	\$ 1,004	\$ 335	\$ 4,409	\$ 9,870	\$ 883,071

Macon County, Missouri
Combining Balance Sheet
Non-Major Governmental Funds
Cash Basis
For the Year Ended December 31, 2006

Assets	Subtotal	Circuit Clerk Sound Recording Fund	Local Emergency Planning Fund	Election Services Fund	DARE Fund	Recorders Technology Fund	Collectors Tax Maintenance Fund	Enhanced 911 Fund	SB40 Board Fund	Law Enforcement Restitution Fund	Total Non-Major Governmental Funds
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-	-	-	-	-
Restricted assets-cash	883,071	1,491	4,561	11,345	5,739	2,833	10,684	219,712	67,240	21,183	1,227,859
Restricted assets-investments	-	-	-	-	-	-	-	-	-	-	-
Total assets	883,071	1,491	4,561	11,345	5,739	2,833	10,684	219,712	67,240	21,183	1,227,859
Fund balances											
Reserved for debt service	-	-	-	-	-	-	-	-	-	-	-
Reserved	883,071	1,491	4,561	11,345	5,739	2,833	10,684	219,712	67,240	21,183	1,227,859
Unreserved	-	-	-	-	-	-	-	-	-	-	-
Total fund balances	\$ 883,071	\$ 1,491	\$ 4,561	\$ 11,345	\$ 5,739	\$ 2,833	\$ 10,684	\$ 219,712	\$ 67,240	\$ 21,183	\$ 1,227,859

See Independent Auditor's Report and Notes to the Financial Statements

Macon County, Missouri
Combining Statement of Revenues, Expenditures, & Changes In Fund Balances
Non-Major Governmental Funds
Cash Basis
For the Year Ended December 31, 2006

	Assessment Fund	Law Enforcement fund	Prosecuting Atty Training Fund	Sheriff's Revolving Fund	Prosecuting Atty Bad Check Fund	Road & Bridge Capital Imp Fund	Law Enforcement Training Fund	Sheriff's Civil Fees Fund	County Parks Capital Imp Fund	County Parks Fund	Victims Domestic Violence Fund	Community Dev Block Grant Fund	Prosecuting Atty Delinq Tax Fund	Recorders User Fees Fund	Subtotal
Revenues															
Property & other taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33	\$ -	\$ -	\$ -	\$ -	\$ 33
Sales taxes						704,454			1,566						706,020
Charges for services			1,567	930	44,739	39,597	6,231	24,484		30,092	595		1,079	7,016	156,331
Interest income	2,315	69		248	1,192	22,933	-	966	6,273	1,827	33		162	420	36,439
Intergovernmental	217,457					628,169	2,053					265,000			1,112,679
Miscellaneous	2,431	1,000			-	828				30,878					35,137
Total revenues	\$ 222,204	\$ 1,069	\$ 1,567	1,178	45,931	1,395,982	8,284	25,451	7,839	62,830	628	265,000	1,241	7,436	2,046,639
Expenditures															
General county government										63,325					63,325
Road & bridge						321,483									321,483
Health and welfare															-
Property valuation, assesment & recording	236,196													500	236,696
Administration of justice & law			1,150		35,023		7,804	-			1,000			-	44,977
<i>Capital outlay:</i>															-
Property, equipment, & buildings	16				2,025	836,931	1,447	27,167	68,039			264,665	-	8,159	1,208,449
<i>Debt service:</i>															-
Principal															-
Interest and paying agent fee															-
Total expenditures	236,213	-	1,150	-	37,048	1,158,414	9,251	27,167	68,039	63,325	1,000	264,665	-	8,659	1,874,930
Excess of revenues over (under) expenditures	(14,009)	1,069	417	1,178	8,883	237,568	(967)	(1,716)	(60,200)	(495)	(372)	335	1,241	(1,223)	171,709
Other financing sources (uses):															
Proceeds from loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer in	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer out	(1,477)	-	-	-	-	(74,148)	-	-	-	-	-	-	-	-	(75,625)
Insurance proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(1,477)	-	-	-	-	(74,148)	-	-	-	-	-	-	-	-	(75,625)
Excess of revenues and other sources over (under) expenditures and other uses	(15,486)	1,069	417	1,178	8,883	163,419	(967)	(1,716)	(60,200)	(495)	(372)	335	1,241	(1,223)	96,084
Net assets, beginning of year	23,067	1,432	900	5,492	19,720	454,931	17,604	14,502	185,085	48,616	1,377	-	3,168	11,093	786,987
Prior year adjustments															-
Net assets, end of year	\$ 7,581	\$ 2,501	\$ 1,317	\$ 6,670	\$ 28,602	\$ 618,350	\$ 16,637	\$ 12,786	\$ 124,885	\$ 48,122	\$ 1,004	\$ 335	\$ 4,409	\$ 9,870	\$ 883,071

Macon County, Missouri
Combining Statement of Revenues, Expenditures, & Changes In Fund Balances
Non-Major Governmental Funds
Cash Basis
For the Year Ended December 31, 2006

Revenues	Subtotal	Circuit Clerk Sound Recording Fund	Local Emergency Planning Fund	Election Services Fund	DARE Fund	Recorders Technology Fund	Collectors Tax Maintenance Fund	Enhanced 911 Fund	SB40 Board Fund	Law Enforcement Restitution Fund	Total Non- Major Governmental Funds
Property & other taxes	\$ 33	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 167,088	\$ -	\$ 167,121
Sales taxes	706,020							528,339			1,234,359
Charges for services	156,331			1,098		4,236	13,626	10,337			185,628
Interest income	36,439	63		905	227	65	599	5,577	857	609	45,341
Intergovernmental	1,112,679		5,352	128,029							1,246,060
Miscellaneous	35,137			-			5,241	3,320	945	20,164	64,807
Total revenues	2,046,639	63	5,352	130,033	227	4,302	19,465	547,573	168,890	20,773	2,943,317
Expenditures											
General county government	63,325			3,080			23,036				89,441
Road & bridge	321,483										321,483
Health and welfare	-								156,678		156,678
Property valuation, assessment & recording	236,696					2,895					239,592
Administration of justice & law	44,977		8,488					521,094		11,373	585,932
<i>Capital outlay:</i>											
Property, equipment, & buildings	1,208,449	155	4,525	131,369							1,344,499
<i>Debt service:</i>											
Principal	-										-
Interest and paying agent fee	-										-
Total expenditures	1,874,930	155	13,013	134,449	-	2,895	23,036	521,094	156,678	11,373	2,737,625
Excess of revenues over (under) expenditures	171,709	(93)	(7,661)	(4,417)	227	1,406	(3,571)	26,479	12,212	9,399	205,692
Other financing sources (uses):											
Proceeds from loan	-	-	-	-	-	-	-	-	-	-	-
Transfer in	-	-	-	-	-	-	-	-	-	-	-
Transfer out	(75,625)	-	-	-	-	-	-	-	-	-	(75,625)
Insurance proceeds	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(75,625)	-	-	-	-	-	-	-	-	-	(75,625)
Excess of revenues and other sources over (under) expenditures and other uses	96,084	(93)	(7,661)	(4,417)	227	1,406	(3,571)	26,479	12,212	9,399	130,067
Net assets, beginning of year	786,987	1,584	12,221	15,762	5,512	1,427	14,254	-	-	11,784	849,531
	-							193,233	55,028		248,261
Net assets, end of year	\$ 883,071	\$ 1,491	\$ 4,561	\$ 11,345	\$ 5,739	\$ 2,833	\$ 10,684	\$ 219,712	\$ 67,240	\$ 21,183	\$ 1,227,859

Macon County, Missouri
Combining Statement of Fiduciary Net Assets-Agency Funds
Cash Basis
For the Year Ended December 31, 2007

<u>Assets</u>	<u>All School Districts' Cash Balances</u>	<u>Public Administrator ward balances</u>	<u>Collector of Revenue</u>	<u>Unclaimed Fees and Other Items</u>	<u>Total Statement of Fiduciary Net Assets</u>
Cash	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-
Restricted assets-cash	60,644	582,199	5,003,061	19,877	5,665,782
Restricted assets-investments	-	-	-	-	-
Total Assets	<u>60,644</u>	<u>582,199</u>	<u>5,003,061</u>	<u>19,877</u>	<u>5,665,782</u>
<u>Liabilities</u>					
Due to agencies and political subdivisions	60,644	582,199	5,003,061	19,877	5,665,782
Due to other funds	-	-	-	-	-
Due to others	-	-	-	-	-
Total Liabilities	<u>\$ 60,644</u>	<u>\$ 582,199</u>	<u>\$ 5,003,061</u>	<u>\$ 19,877</u>	<u>\$ 5,665,782</u>

Macon County, Missouri
Combining Statement of Fiduciary Net Assets-Agency Funds
Cash Basis
For the Year Ended December 31, 2006

	All School Districts' Cash Balances	Public Administrator Ward balances	Collector of Revenue	Unclaimed Fees & Other Items	Total Statement of Fiduciary Net Assets
<u>Assets</u>					
Cash	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-
Restricted assets-cash	-	453,965	4,919,193	-	5,373,158
Restricted assets-investments	-	-	-	-	-
Total assets	<u>-</u>	<u>453,965</u>	<u>4,919,193</u>	<u>-</u>	<u>5,373,158</u>
<u>Liabilities</u>					
Due to agencies and political subdivisions	-	453,965	4,919,193	-	5,373,158
Due to other funds	-	-	-	-	-
Due to others	-	-	-	-	-
Total liabilities	<u>\$ -</u>	<u>\$ 453,965</u>	<u>\$ 4,919,193</u>	<u>\$ -</u>	<u>\$ 5,373,158</u>