



SUSAN MONTEE, JD, CPA
Missouri State Auditor

To the County Commission
and
Officeholders of Dade County, Missouri

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

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

Susan Montee, JD, CPA
State Auditor

September 2009
Report No. 2009-81

DADE COUNTY, MISSOURI

FINANCIAL STATEMENTS

Years Ended December 31, 2008 and 2007

DADE COUNTY, MISSOURI

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	3
 FINANCIAL STATEMENTS:	
Statements of Receipts, Disbursements, and Changes in Cash and Investment Balances – All Governmental Funds – Regulatory Basis	
Year Ended December 31, 2008	5
Year Ended December 31, 2007	6
 Comparative Statements of Receipts, Disbursements and Changes in Cash and Investment Balances – Budget and Actual – All Governmental Funds – Regulatory Basis	
Years Ended December 31, 2008 and 2007	7
 Statements of Assets and Liabilities Arising from Cash Transactions – Agency Funds – Regulatory Basis	
December 31, 2008	14
December 31, 2007	16
 Notes to the Financial Statements	17
 SUPPLEMENTARY SCHEDULES AND AUDITORS' REPORTS:	
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	24
Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance With OMB Circular A-133.....	26
Schedule of Expenditures of Federal Awards, Years Ended December 31, 2008 and 2007	28
Notes to the Supplementary Schedule	29
Schedule of Findings and Questioned Costs Years Ended December 31, 2008 and 2007	30
Summary Schedule of Prior Audit Findings in Accordance With OMB Circular A-133	33



DAVIS, LYNN &
MOOTS, P.C.
Certified Public
Accountants

LARRY M. BROWN, CPA
LAWRENCE W. DAVIS, CPA
ANTHONY D. LYNN, CPA
RANDALL G. MOOTS, CPA
ANGELA M. PATRICK, CPA
ANDREW A. MARMOUGET, CPA

3828 SOUTH AVENUE
SPRINGFIELD, MO 65807
(417) 882-0904
FAX (417) 882-4343

www.dlmcpa.com
e-mail: cpa@dlmcpa.com

INDEPENDENT AUDITORS' REPORT

Dade County Commission
Dade County
Greenfield, Missouri

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

We conducted our 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 misstatements. 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 described in Note A, these financial statements were prepared using accounting practices prescribed or permitted by the Missouri State Auditor's office, which differ from accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

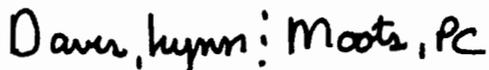
In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to in the first paragraph do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Dade County,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

Dade County Commission
Dade County
Greenfield, Missouri

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

In accordance with *Government Auditing Standards*, we have also issued our report dated May 13, 2009, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 financial statements, taken as a whole that are referred to in the first paragraph. 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 not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole, that were prepared on the basis of accounting described in Note A.

A handwritten signature in black ink that reads "Davis, Lynn: Moots, PC". The signature is written in a cursive, slightly slanted style.

DAVIS, LYNN & MOOTS, P.C.
May 13, 2009

DADE COUNTY, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT
BALANCES – ALL GOVERNMENTAL FUNDS – REGULATORY BASIS
Year Ended December 31, 2008

FUND	Cash and Investment Balance	Receipts	Disbursements	Cash and Investment Balance
	January 1			December 31
General Revenue	\$ 294,118	\$ 819,806	\$ 769,633	\$ 344,291
Special Road and Bridge	274,351	1,288,020	1,274,544	287,827
Assessment	1,642	129,582	128,298	2,926
Law Enforcement	2,296	507,922	527,771	(17,553)
Recorder's Fund	17,067	4,946	2,629	19,384
Law Library	4,259	4,095	3,680	4,674
Circuit Clerk Interest	13,450	1,194	1,175	13,469
Law Enforcement Training	1,094	1,741	2,255	580
Sheriff's Revolving Fund	2,900	2,100	3,716	1,284
Prosecuting Attorney Bad Check	5,649	8,642	9,441	4,850
Prosecuting Attorney Training	882	264	-	1,146
Prosecuting Attorney Delinquent Tax	2,215	-	-	2,215
Domestic Violence	61	121	92	90
Tax Maintenance	13,829	10,951	3,478	21,302
Election Services Fund	9,820	1,350	10,567	603
Special Election Fund	2,798	28,314	30,940	172
911 Emergency Services	87,629	294,529	233,376	148,782
TOTAL	\$ 734,060	\$ 3,103,577	\$ 3,001,595	\$ 836,042

See accompanying notes.

DADE COUNTY, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT
BALANCES – ALL GOVERNMENTAL FUNDS – REGULATORY BASIS
Year Ended December 31, 2007

FUND	Cash and Investment Balance	Receipts	Disbursements	Cash and Investment Balance
	January 1			December 31
General Revenue	\$ 458,829	\$ 687,600	\$ 852,311	\$ 294,118
Special Road and Bridge	242,898	1,925,471	1,894,018	274,351
Assessment	(1,836)	121,744	118,266	1,642
Law Enforcement	(60,853)	603,640	540,491	2,296
Recorder's Fund	15,514	5,596	4,043	17,067
Law Library	1,978	4,033	1,752	4,259
Circuit Clerk Interest	11,806	2,452	808	13,450
Law Enforcement Training	1,395	1,699	2,000	1,094
Sheriff's Revolving Fund	-	2,900	-	2,900
Prosecuting Attorney Bad Check	5,528	9,013	8,892	5,649
Prosecuting Attorney Training	601	281	-	882
Prosecuting Attorney Delinquent Tax	2,215	-	-	2,215
Domestic Violence	106	61	106	61
Tax Maintenance	9,178	6,244	1,593	13,829
Election Services Fund	9,722	98	-	9,820
Special Election Fund	78	11,444	8,724	2,798
911 Emergency Services	16,533	313,941	242,845	87,629
TOTAL	<u>\$ 713,692</u>	<u>\$ 3,696,217</u>	<u>\$ 3,675,849</u>	<u>\$ 734,060</u>

See accompanying notes.

DADE COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCE – BUDGET AND ACTUAL – ALL GOVERNMENTAL FUNDS – REGULATORY BASIS

	Year Ended December 31,					
	2008			2007		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
GENERAL REVENUE FUND						
RECEIPTS						
Property taxes	\$ 108,000	\$ 106,510	\$ (1,490)	\$ 105,000	\$ 107,554	\$ 2,554
Sales taxes	289,500	281,311	(8,189)	285,000	279,555	(5,445)
Other taxes	37,500	59,384	21,884	37,000	37,418	418
Intergovernmental	67,159	98,484	31,325	62,857	81,937	19,080
Charges for services	236,725	245,354	8,629	144,180	139,341	(4,839)
Interest	22,000	1,263	(20,737)	36,433	17,512	(18,921)
Other	1,600	-	(1,600)	2,835	4,283	1,448
Transfers in	36,000	27,500	(8,500)	20,000	20,000	-
TOTAL RECEIPTS	798,484	819,806	21,322	693,305	687,600	(5,705)
DISBURSEMENTS						
County Commission	79,530	86,008	(6,478)	77,375	80,304	(2,929)
County Clerk	61,286	65,913	(4,627)	58,505	69,132	(10,627)
Elections	49,300	52,660	(3,360)	30,413	30,113	300
Buildings and grounds	81,760	69,856	11,904	72,760	71,767	993
Employee fringe benefit	45,451	24,472	20,979	45,599	23,724	21,875
County Treasurer and Collector	74,813	76,062	(1,249)	87,593	95,507	(7,914)
Recorder of Deeds	46,601	48,856	(2,255)	42,895	46,805	(3,910)
Associate Circuit Court	28,840	28,734	106	25,140	27,303	(2,163)
Public Administrator	24,950	25,364	(414)	19,090	19,596	(506)
Insurance	13,500	6,465	7,035	13,500	10,390	3,110
University Extension	10,500	10,500	-	30,110	30,110	-
Local Emergency Planning						
Commission (LEPC)	26,237	2,723	23,514	22,292	2,339	19,953
Emergency Management	22,000	67,444	(45,444)	22,450	32,307	(9,857)
Other	28,365	17,076	11,289	41,753	47,212	(5,459)
Transfers out	203,500	187,500	16,000	306,294	265,702	40,592
TOTAL DISBURSEMENTS	796,633	769,633	27,000	895,769	852,311	43,458
RECEIPTS OVER (UNDER) DISBURSEMENTS	1,851	50,173	48,322	(202,464)	(164,711)	37,753
CASH AND INVESTMENT BALANCE, January 1	294,118	294,118	-	458,829	458,829	-
CASH AND INVESTMENT BALANCE, December 31	\$ 295,969	\$ 344,291	\$ 48,322	\$ 256,365	\$ 294,118	\$ 37,753

See accompanying notes.

DADE COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND
 INVESTMENT BALANCE – BUDGET AND ACTUAL – ALL GOVERNMENTAL FUNDS –
 REGULATORY BASIS (CONTINUED)

	Year Ended December 31,					
	2008			2007		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
<u>SPECIAL ROAD AND BRIDGE FUND</u>						
RECEIPTS						
Property taxes	\$ 570,000	\$ 524,194	\$ (45,806)	\$ 563,000	\$ 565,271	\$ 2,271
Intergovernmental	507,796	744,261	236,465	1,917,315	1,332,095	(585,220)
Interest	11,571	19,565	7,994	-	15,444	15,444
Other	27,712	-	(27,712)	12,500	12,661	161
TOTAL RECEIPTS	1,117,079	1,288,020	170,941	2,492,815	1,925,471	(567,344)
DISBURSEMENTS						
Salaries	6,673	1,749	4,924	6,790	3,472	3,318
Employee fringe benefits	510	1,038	(528)	519	-	519
Supplies	-	28,332	(28,332)	2,700	938	1,762
Insurance	-	241	(241)	-	455	(455)
Road and bridge materials	72,000	19,635	52,365	47,100	35,541	11,559
Construction, repair, and maintenance	946,646	1,021,895	(75,249)	1,889,775	1,528,024	361,751
Distributions to townships and road districts	-	173,950	(173,950)	234,000	278,050	(44,050)
Other	600	204	396	500	6,538	(6,038)
Transfers out	15,000	27,500	(12,500)	20,000	41,000	(21,000)
TOTAL DISBURSEMENTS	1,041,429	1,274,544	(233,115)	2,201,384	1,894,018	307,366
RECEIPTS OVER DISBURSEMENTS	75,650	13,476	(62,174)	291,431	31,453	(259,978)
CASH AND INVESTMENT BALANCE, January 1	274,351	274,351	-	242,898	242,898	-
CASH AND INVESTMENT BALANCE, December 31	\$ 350,001	\$ 287,827	\$ (62,174)	\$ 534,329	\$ 274,351	\$ (259,978)
<u>ASSESSMENT FUND</u>						
RECEIPTS						
Intergovernmental	\$ 109,000	\$ 111,739	\$ 2,739	\$ 107,329	\$ 91,103	\$ (16,226)
Charges for services	1,200	1,076	(124)	1,500	1,121	(379)
Interest	-	767	767	996	996	-
Other	-	-	-	1,000	24	(976)
Transfers in	18,000	16,000	(2,000)	9,000	28,500	19,500
TOTAL RECEIPTS	128,200	129,582	1,382	119,825	121,744	1,919
DISBURSEMENTS						
Assessor	134,752	128,298	6,454	112,440	118,266	(5,826)
TOTAL DISBURSEMENTS	134,752	128,298	6,454	112,440	118,266	(5,826)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(6,552)	1,284	7,836	7,385	3,478	(3,907)
CASH AND INVESTMENT BALANCE, January 1	1,642	1,642	-	(1,836)	(1,836)	-
CASH AND INVESTMENT BALANCE, December 31	\$ (4,910)	\$ 2,926	\$ 7,836	\$ 5,549	\$ 1,642	\$ (3,907)

See accompanying notes.

DADE COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCE – BUDGET AND ACTUAL – ALL GOVERNMENTAL FUNDS – REGULATORY BASIS (CONTINUED)

	Year Ended December 31,					
	2008			2007		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
<u>LAW ENFORCEMENT FUND</u>						
RECEIPTS						
Sales taxes	\$ 245,000	\$ 226,181	\$ (18,819)	\$ 225,000	\$ 235,455	\$ 10,455
Intergovernmental	45,750	62,542	16,792	41,500	62,892	21,392
Charges for services	20,500	23,188	2,688	20,000	20,938	938
Interest	5,500	3,712	(1,788)	5,639	5,639	-
Other	40,900	20,799	(20,101)	43,350	20,514	(22,836)
Transfers in	171,000	171,500	500	293,000	258,202	(34,798)
TOTAL RECEIPTS	528,650	507,922	(20,728)	628,489	603,640	(24,849)
DISBURSEMENTS						
Sheriff	385,795	383,331	2,464	412,888	392,604	20,284
Prosecuting Attorney	90,678	93,899	(3,221)	86,940	91,600	(4,660)
Juvenile Officer	18,621	17,205	1,416	22,366	16,131	6,235
Coroner	10,500	11,372	(872)	9,620	10,486	(866)
Fringe benefits	20,475	21,964	(1,489)	20,475	29,670	(9,195)
TOTAL DISBURSEMENTS	526,069	527,771	(1,702)	552,289	540,491	11,798
RECEIPTS OVER (UNDER) DISBURSEMENTS	2,581	(19,849)	(22,430)	76,200	63,149	(13,051)
CASH AND INVESTMENT BALANCE, January 1	2,296	2,296	-	(60,853)	(60,853)	-
CASH AND INVESTMENT BALANCE, December 31	\$ 4,877	\$ (17,553)	\$ (22,430)	\$ 15,347	\$ 2,296	\$ (13,051)
<u>RECORDER'S FUND</u>						
RECEIPTS						
Charges for services	\$ 5,600	\$ 4,912	\$ (688)	\$ 6,900	\$ 5,530	\$ (1,370)
Interest	34	34	-	-	66	66
TOTAL RECEIPTS	5,634	4,946	(688)	6,900	5,596	(1,304)
DISBURSEMENTS						
Recorder of Deeds	4,100	2,629	1,471	9,600	4,043	5,557
TOTAL DISBURSEMENTS	4,100	2,629	1,471	9,600	4,043	5,557
RECEIPTS OVER (UNDER) DISBURSEMENTS	1,534	2,317	783	(2,700)	1,553	4,253
CASH AND INVESTMENT BALANCE, January 1	17,067	17,067	-	15,514	15,514	-
CASH AND INVESTMENT BALANCE, December 31	\$ 18,601	\$ 19,384	\$ 783	\$ 12,814	\$ 17,067	\$ 4,253

See accompanying notes.

DADE COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND
 INVESTMENT BALANCE – BUDGET AND ACTUAL – ALL GOVERNMENTAL FUNDS –
 REGULATORY BASIS (CONTINUED)

	Year Ended December 31,					
	2008			2007		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
<u>LAW LIBRARY FUND</u>						
RECEIPTS						
Charges for services	\$ -	\$ 4,005	\$ 4,005	\$ -	\$ 3,885	\$ 3,885
Interest	-	90	90	-	148	148
TOTAL RECEIPTS	-	4,095	4,095	-	4,033	4,033
DISBURSEMENTS						
Law Library	-	3,680	(3,680)	-	1,752	(1,752)
TOTAL DISBURSEMENTS	-	3,680	(3,680)	-	1,752	(1,752)
RECEIPTS OVER DISBURSEMENTS	-	415	415	-	2,281	2,281
CASH AND INVESTMENT BALANCE, January 1	-	4,259	4,259	-	1,978	1,978
CASH AND INVESTMENT BALANCE, December 31	\$ -	\$ 4,674	\$ 4,674	\$ -	\$ 4,259	\$ 4,259
<u>CIRCUIT CLERK INTEREST FUND</u>						
RECEIPTS						
Interest	\$ -	\$ 1,194	\$ 1,194	\$ -	\$ 2,452	\$ 2,452
TOTAL RECEIPTS	-	1,194	1,194	-	2,452	2,452
DISBURSEMENTS						
Circuit Clerk	-	1,175	(1,175)	-	808	(808)
TOTAL DISBURSEMENTS	-	1,175	(1,175)	-	808	(808)
RECEIPTS OVER DISBURSEMENTS	-	19	19	-	1,644	1,644
CASH AND INVESTMENT BALANCE, January 1	13,450	13,450	-	11,806	11,806	-
CASH AND INVESTMENT BALANCE, December 31	\$ 13,450	\$ 13,469	\$ 19	\$ 11,806	\$ 13,450	\$ 1,644
<u>LAW ENFORCEMENT TRAINING FUND</u>						
RECEIPTS						
Intergovernmental	\$ -	\$ 525	\$ 525	\$ -	\$ 595	\$ 595
Interest	-	10	10	-	17	17
Other	1,600	1,206	(394)	1,500	1,087	(413)
TOTAL RECEIPTS	1,600	1,741	141	1,500	1,699	199
DISBURSEMENTS						
Sheriff	2,200	2,255	(55)	2,300	2,000	300
TOTAL DISBURSEMENTS	2,200	2,255	(55)	2,300	2,000	300
RECEIPTS OVER (UNDER) DISBURSEMENTS	(600)	(514)	86	(800)	(301)	499
CASH AND INVESTMENT BALANCE, January 1	1,094	1,094	-	1,395	1,395	-
CASH AND INVESTMENT BALANCE, December 31	\$ 494	\$ 580	\$ 86	\$ 595	\$ 1,094	\$ 499

See accompanying notes.

DADE COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND
 INVESTMENT BALANCE – BUDGET AND ACTUAL – ALL GOVERNMENTAL FUNDS –
 REGULATORY BASIS (CONTINUED)

	Year Ended December 31,					
	2008			2007		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
<u>SHERIFF'S REVOLVING FUND</u>						
RECEIPTS						
Charges for services	\$ -	\$ 2,100	\$ 2,100	\$ -	\$ 2,900	\$ 2,900
TOTAL RECEIPTS	-	2,100	2,100	-	2,900	2,900
DISBURSEMENTS						
Sheriff	-	3,716	(3,716)	-	-	-
TOTAL DISBURSEMENTS	-	3,716	(3,716)	-	-	-
RECEIPTS OVER (UNDER) DISBURSEMENTS	-	(1,616)	(1,616)	-	2,900	2,900
CASH AND INVESTMENT BALANCE, January 1	2,900	2,900	-	-	-	-
CASH AND INVESTMENT BALANCE, December 31	\$ 2,900	\$ 1,284	\$ (1,616)	\$ -	\$ 2,900	\$ 2,900
<u>PROSECUTING ATTORNEY BAD CHECK FUND</u>						
RECEIPTS						
Charges for services	\$ 600	\$ 8,587	\$ 7,987	\$ 6,500	\$ 8,926	\$ 2,426
Interest	55	55	-	-	87	87
TOTAL RECEIPTS	655	8,642	7,987	6,500	9,013	2,513
DISBURSEMENTS						
Prosecuting Attorney	11,600	9,441	2,159	8,350	8,892	(542)
TOTAL DISBURSEMENTS	11,600	9,441	2,159	8,350	8,892	(542)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(10,945)	(799)	10,146	(1,850)	121	1,971
CASH AND INVESTMENT BALANCE, January 1	5,649	5,649	-	5,528	5,528	-
CASH AND INVESTMENT BALANCE, December 31	\$ (5,296)	\$ 4,850	\$ 10,146	\$ 3,678	\$ 5,649	\$ 1,971
<u>PROSECUTING ATTORNEY TRAINING FUND</u>						
RECEIPTS						
Charges for services	\$ 285	\$ 262	\$ (23)	\$ 285	\$ 278	\$ (7)
Interest	2	2	-	-	3	3
TOTAL RECEIPTS	287	264	(23)	285	281	(4)
DISBURSEMENTS						
Prosecuting Attorney	-	-	-	600	-	600
TOTAL DISBURSEMENTS	-	-	-	600	-	600
RECEIPTS OVER (UNDER) DISBURSEMENTS	287	264	(23)	(315)	281	596
CASH AND INVESTMENT BALANCE, January 1	882	882	-	601	601	-
CASH AND INVESTMENT BALANCE, December 31	\$ 1,169	\$ 1,146	\$ (23)	\$ 286	\$ 882	\$ 596

See accompanying notes.

DADE COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND
 INVESTMENT BALANCE – BUDGET AND ACTUAL – ALL GOVERNMENTAL FUNDS –
 REGULATORY BASIS (CONTINUED)

	Year Ended December 31,					
	2008			2007		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
<u>DOMESTIC VIOLENCE FUND</u>						
RECEIPTS						
Charges for services	\$ -	\$ 120	\$ 120	\$ 125	\$ 60	\$ (65)
Interest	-	1	1	-	1	1
TOTAL RECEIPTS	-	121	121	125	61	(64)
DISBURSEMENTS						
Domestic violence shelter	120	92	28	150	106	44
TOTAL DISBURSEMENTS	120	92	28	150	106	44
RECEIPTS OVER (UNDER) DISBURSEMENTS	(120)	29	149	(25)	(45)	(20)
CASH AND INVESTMENT BALANCE, January 1	61	61	-	106	106	-
CASH AND INVESTMENT BALANCE, December 31	<u>\$ (59)</u>	<u>\$ 90</u>	<u>\$ 149</u>	<u>\$ 81</u>	<u>\$ 61</u>	<u>\$ (20)</u>
<u>TAX MAINTENANCE FUND</u>						
RECEIPTS						
Charges for services	\$ -	\$ 10,951	\$ 10,951	\$ -	\$ 6,244	\$ 6,244
TOTAL RECEIPTS	-	10,951	10,951	-	6,244	6,244
DISBURSEMENTS						
Collector	-	3,478	(3,478)	-	1,593	(1,593)
TOTAL DISBURSEMENTS	-	3,478	(3,478)	-	1,593	(1,593)
RECEIPTS OVER DISBURSEMENTS	-	7,473	7,473	-	4,651	4,651
CASH AND INVESTMENT BALANCE, January 1	13,829	13,829	-	9,178	9,178	-
CASH AND INVESTMENT BALANCE, December 31	<u>\$ 13,829</u>	<u>\$ 21,302</u>	<u>\$ 7,473</u>	<u>\$ 9,178</u>	<u>\$ 13,829</u>	<u>\$ 4,651</u>
<u>ELECTION SERVICES FUND</u>						
RECEIPTS						
Intergovernmental	\$ -	\$ 1,337	\$ 1,337	\$ -	\$ -	\$ -
Interest	-	13	13	-	98	98
TOTAL RECEIPTS	-	1,350	1,350	-	98	98
DISBURSEMENTS						
Elections	-	10,567	(10,567)	-	-	-
TOTAL DISBURSEMENTS	-	10,567	(10,567)	-	-	-
RECEIPTS OVER (UNDER) DISBURSEMENTS	-	(9,217)	(9,217)	-	98	98
CASH AND INVESTMENT BALANCE, January 1	9,820	9,820	-	9,722	9,722	-
CASH AND INVESTMENT BALANCE, December 31	<u>\$ 9,820</u>	<u>\$ 603</u>	<u>\$ (9,217)</u>	<u>\$ 9,722</u>	<u>\$ 9,820</u>	<u>\$ 98</u>

See accompanying notes.

DADE COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND
 INVESTMENT BALANCE – BUDGET AND ACTUAL – ALL GOVERNMENTAL FUNDS –
 REGULATORY BASIS (CONTINUED)

	Year Ended December 31,					
	2008			2007		
	Budget	Actual	Variance With Final Budget	Budget	Actual	Variance With Final Budget
<u>SPECIAL ELECTION FUND</u>						
RECEIPTS						
Intergovernmental	\$ -	\$ 28,314	\$ 28,314	\$ -	\$ 11,444	\$ 11,444
TOTAL RECEIPTS	-	28,314	28,314	-	11,444	11,444
DISBURSEMENTS						
Elections	-	30,940	(30,940)	-	8,724	(8,724)
TOTAL DISBURSEMENTS	-	30,940	(30,940)	-	8,724	(8,724)
RECEIPTS OVER (UNDER) DISBURSEMENTS	-	(2,626)	(2,626)	-	2,720	2,720
CASH AND INVESTMENT BALANCE, January 1	2,798	2,798	-	78	78	-
CASH AND INVESTMENT BALANCE, December 31	\$ 2,798	\$ 172	\$ (2,626)	\$ 78	\$ 2,798	\$ 2,720
<u>911 EMERGENCY SERVICES FUND</u>						
RECEIPTS						
Sales taxes	\$ 301,450	\$ 292,297	\$ (9,153)	\$ 311,456	\$ 311,662	\$ 206
Charges for services	150	83	(67)	-	201	201
Interest	350	649	299	-	278	278
Other	1,800	1,500	(300)	1,800	1,800	-
TOTAL RECEIPTS	303,750	294,529	(9,221)	313,256	313,941	685
DISBURSEMENTS						
Salaries	193,000	177,568	15,432	200,000	182,889	17,111
Contractual services	19,550	9,353	10,197	36,282	8,037	28,245
Insurance	38,600	27,669	10,931	38,899	27,606	11,293
Office expenditures	3,120	2,253	867	3,375	2,619	756
Equipment	16,000	13,505	2,495	10,260	15,304	(5,044)
Building	3,500	-	3,500	4,700	-	4,700
Training	2,200	1,147	1,053	2,500	1,587	913
Other	25,678	1,881	23,797	16,336	4,803	11,533
TOTAL DISBURSEMENTS	301,648	233,376	68,272	312,352	242,845	69,507
RECEIPTS OVER DISBURSEMENTS	2,102	61,153	59,051	904	71,096	70,192
CASH AND INVESTMENT BALANCE, January 1	87,629	87,629	-	16,533	16,533	-
CASH AND INVESTMENT BALANCE, December 31	\$ 89,731	\$ 148,782	\$ 59,051	\$ 17,437	\$ 87,629	\$ 70,192

See accompanying notes.

DADE COUNTY, MISSOURI

STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS – AGENCY FUNDS – REGULATORY BASIS

December 31, 2008

	Tax Sale Surplus Fund	Loanable School Fund	Intangible Tax Fund	Collector of Revenue Fund	Protested Tax Account Fund
ASSETS					
Cash and investments	\$ 955	\$ 21,460	\$ 5,774	\$ 2,894,121	\$ 30,923
TOTAL ASSETS	\$ 955	\$ 21,460	\$ 5,774	\$ 2,894,121	\$ 30,923
LIABILITIES					
Due to others	\$ -	\$ -	\$ -	\$ -	\$ 30,923
Due to other governments	955	21,460	5,774	2,894,121	-
TOTAL LIABILITIES	\$ 955	\$ 21,460	\$ 5,774	\$ 2,894,121	\$ 30,923

See accompanying notes.

DADE COUNTY, MISSOURI
STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS – AGENCY FUNDS – REGULATORY BASIS
(CONTINUED)
December 31, 2008

	Sheriff's Office Fee Account Fund	Sheriff's Office Bond Fund	Recorder's User Fee Fund	Prosecuting Attorney's Restitution Fund	Circuit Clerk Fund	Total
ASSETS						
Cash and investments	\$ 4,367	\$ 304	\$ 4,364	\$ 725	\$ 24,826	\$ 2,987,819
TOTAL ASSETS	<u>\$ 4,367</u>	<u>\$ 304</u>	<u>\$ 4,364</u>	<u>\$ 725</u>	<u>\$ 24,826</u>	<u>\$ 2,987,819</u>
LIABILITIES						
Due to others	\$ -	\$ 97	\$ -	\$ 40	\$ 24,826	\$ 55,886
Due to other governments	4,367	207	4,364	685	-	2,931,933
TOTAL LIABILITIES	<u>\$ 4,367</u>	<u>\$ 304</u>	<u>\$ 4,364</u>	<u>\$ 725</u>	<u>\$ 24,826</u>	<u>\$ 2,987,819</u>

See accompanying notes.

DADE COUNTY, MISSOURI

STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS – AGENCY FUNDS – REGULATORY BASIS

December 31, 2007

	Tax Sale Surplus Fund	Loanable School Fund	Collector of Revenue Fund	Sheriff's Office Fee Account Fund	Sheriff's Office Bond Fund	Recorder's User Fee Fund	Prosecuting Attorney's Restitution Fund	Circuit Clerk Fund	Total
ASSETS									
Cash and investments	\$ 1,729	\$ 19,302	\$ 3,142,317	\$ 3,865	\$ 689	\$ 5,409	\$ 1,451	\$ 31,091	\$ 3,248,358
TOTAL ASSETS	<u>\$ 1,729</u>	<u>\$ 19,302</u>	<u>\$ 3,142,317</u>	<u>\$ 3,865</u>	<u>\$ 689</u>	<u>\$ 5,409</u>	<u>\$ 1,451</u>	<u>\$ 31,091</u>	<u>\$ 3,248,358</u>
LIABILITIES									
Due to others	\$ -	\$ -	\$ -	\$ -	\$ 500	\$ -	\$ 136	\$ 31,091	\$ 63,454
Due to other governments	1,729	19,302	3,142,317	3,865	189	5,409	1,315	-	3,184,904
TOTAL LIABILITIES	<u>\$ 1,729</u>	<u>\$ 19,302</u>	<u>\$ 3,142,317</u>	<u>\$ 3,865</u>	<u>\$ 689</u>	<u>\$ 5,409</u>	<u>\$ 1,451</u>	<u>\$ 31,091</u>	<u>\$ 3,248,358</u>

See accompanying notes.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

As discussed further in Note A, these financial statements are presented on the regulatory basis of accounting. This basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP).

Reporting Entity

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

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

Basis of Presentation

The financial statements are presented using accounting practices prescribed or permitted by the Missouri State Auditor’s Office, which include a Statements of Receipts, Disbursements and Changes in Cash and Investment Balances – All Governmental Funds, a Comparative Statement of Receipts and Disbursements – Budget and Actual – All Governmental Funds, and a Statement of Assets and Liabilities Arising from Cash Transactions – Agency Funds.

Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. A fund is considered a separate accounting entity with self-balancing accounts. The following funds are used by the County:

Governmental Funds – Governmental funds are those through which most governmental functions are financed. The County’s expendable financial resources are accounted for through governmental funds.

Fiduciary Funds – Fiduciary funds (agency funds) are used to account for assets held by the County in a trustee capacity as an agent of individuals, private organizations, or other governmental units. 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 and other officeholders.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Accounting

The financial statements are prepared on the regulatory 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 measureable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

Budgets and Budgetary Accounting

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

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

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1. Budgets are prepared and adopted on the cash basis of accounting.
2. Although adoption of a formal budget is required by law, the County did not adopt a formal budget for the following funds:
 - a. Circuit Clerk Interest Fund
 - b. Law Library Fund
 - c. Tax Maintenance Fund
 - d. Sheriff Revolving Fund
 - e. Election Services Fund
 - f. Special Election Fund
3. Section 50.740 RSMo. prohibits expenditures in excess of the approved budgets. Actual expenditures exceeded budgeted amounts for several funds of the County.

Cash and Investments

The County pools cash and investment resources of various funds in the County Treasurer's office in order to facilitate the management of cash and investments. Cash and investments applicable to a particular fund is readily identifiable. Some County offices also hold cash and investments in their own separate bank accounts as required by state statute. The balance in the pooled cash account is available to meet current operating requirements.

NOTE B – CASH AND INVESTMENTS

The County maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is displayed as "Cash and investments". In addition, cash and investments are separately held by several of the County's funds. Investments of the County consist of certificates of deposit with local banking institutions. State statutes require that County deposits be fully collateralized in the name of the County. As of December 31, 2008 and 2007, all bank balances and certificates of deposit are entirely insured or collateralized with securities.

NOTE C – CLAIMS, JUDGMENTS AND CONTINGENCIES

Federal and State Grants

The County participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Disbursements financed by grants are subject to audit by the appropriate grantor government. If disbursements are disallowed due to noncompliance with grant program regulations, the County may be required to reimburse the grantor government. As of December 31, 2008 and 2007, significant amounts of grant disbursements have not been audited by grantor governments, but the County believes that disallowed disbursements, if any, based on subsequent audits will not have a material effect on any of the individual government funds or the overall financial position of the County.

NOTE D – PENSION PLAN – CERF

STATE OF MISSOURI COUNTY EMPLOYEES' RETIREMENT FUND

Plan Description

Dade County participates in the County Employees' Retirement Fund (CERF), a cost-sharing multiple-employer pension plan. CERF is a defined benefit pension plan which provides retirement and death benefits to plan members and beneficiaries. CERF was created and is governed by state statute, RSMo. 50.1000 to 50.1300. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401a and it is tax exempt.

The County Employees' Retirement Fund issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to CERF, Boone County National Bank, P.O. Box 577, Columbia, MO 65202 or by calling 1-800-357-8557.

Funding Policy

Dade County's full-time employees hired before February 25, 2002, are required by state statute to contribute 0% of annual payroll to the pension plan. Dade County's full-time employees hired after February 25, 2002, are required by state statute to contribute 4% of annual covered payroll to the pension plan. The County is required by state statute to remit the fees collected under RSMo. Sections 52.290, 150.150, 137.280, 137.345 and Chapters 59 and 54, RSMo, plus interest. The required contributions have been made.

DADE COUNTY, MISSOURI
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2008

NOTE E – ASSESSED VALUATION, TAX LEVY AND LEGAL DEBT MARGIN

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1, and are payable by December 31.

The 2008 and 2007 assessed valuation of the tangible taxable property (excluding railroad and utilities) and the tax levies per \$100 assessed valuation of that property were as follows:

	<u>2008</u>	<u>2007</u>
ASSESSED VALUATION		
Real estate	\$ 73,720,336	\$ 73,033,000
Personal property	<u>22,829,663</u>	<u>22,911,480</u>
	<u>\$ 96,549,999</u>	<u>\$ 95,944,480</u>
TAX LEVY		
General Fund	<u>\$.1200</u>	<u>\$.1200</u>

The legal debt margin at December 31, 2008 and December 31, 2007, is computed as follows:

	<u>2008</u>	<u>2007</u>
Constitutional debt limit	\$ 9,655,000	\$ 9,594,448
General obligation bonds payable	<u>-</u>	<u>-</u>
LEGAL DEBT MARGIN	<u>\$ 9,655,000</u>	<u>\$ 9,594,448</u>

Under Article VI, Section 26(b) and (c), Missouri Constitution, the County, by a vote of its qualified electors voting therein, may incur an indebtedness for any purpose authorized by law of the County or by any general law of the State of Missouri. The borrowings authorized by this section shall not exceed ten percent of the value of the taxable tangible property in the County.

NOTE F – 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. The County has transferred its risk by obtaining coverage from commercial insurance companies. In addition, it has effectively managed risk through various employee education and prevention programs. There has been no significant reduction in insurance coverage from the previous year.

DADE COUNTY, MISSOURI
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2008

NOTE G – INTERFUND TRANSFERS

Interfund transfers for the years ended December 31, 2008 and 2007, consisted of the following:

	Transfers In (Out)	
	2008	2007
General Fund	\$ (160,000)	\$ (245,702)
Special Road and Bridge Fund	(27,500)	(41,000)
Assessment Fund	16,000	28,500
Law Enforcement Fund	171,500	258,202
	<u>\$ -</u>	<u>\$ -</u>

Transfers are used to (1) move receipts from the fund that statute or budget requires to collect them to the fund that statute or budget requires to disburse them, and (2) use unrestricted receipts in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

SUPPLEMENTARY SCHEDULE



DAVIS, LYNN &
MOOTS, P.C.
Certified Public
Accountants

LARRY M. BROWN, CPA
LAWRENCE W. DAVIS, CPA
ANTHONY D. LYNN, CPA
RANDALL G. MOOTS, CPA
ANGELA M. PATRICK, CPA
ANDREW A. MARMOUGET, CPA

3828 SOUTH AVENUE
SPRINGFIELD, MO 65807
(417) 882-0904
FAX (417) 882-4343

www.dlmcpa.com
e-mail: cpa@dlmcpa.com

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

County Commission
Dade County
Greenfield, Missouri

We have audited the financial statements of Dade County, Missouri as of and for the years ended December 31, 2008 and 2007, and have issued our report thereon dated May 13, 2009. The financial statements were prepared using accounting practices prescribed or permitted by the Missouri State Auditor's Office, which differ from accounting principles generally accepted in the United States of America. 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 of the financial statements of Dade County, Missouri, 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 County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with applicable accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 08-1 and 08-2 to be significant deficiencies in internal control over financial reporting.

County Commission
Dade County
Greenfield, Missouri

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 the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also consider to be material weaknesses. However, we believe that the significant deficiencies described above are material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements of Dade County, Missouri, 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*.

We also noted certain other matters that we reported to management of Dade County, Missouri, in a separate letter dated May 13, 2009.

The County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and, accordingly, we express no opinion on it.

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 to be and should not be used by anyone other than these specified parties.

Davis, Lynn & Moots, PC

DAVIS, LYNN & MOOTS, P.C.
May 13, 2009



DAVIS, LYNN &
MOOTS, P.C.
Certified Public
Accountants

LARRY M. BROWN, CPA
LAWRENCE W. DAVIS, CPA
ANTHONY D. LYNN, CPA
RANDALL G. MOOTS, CPA
ANGELA M. PATRICK, CPA
ANDREW A. MARMOUGET, CPA

3828 SOUTH AVENUE
SPRINGFIELD, MO 65807
(417) 882-0904
FAX (417) 882-4343

www.dlmcpa.com
e-mail: epa@dlmcpa.com

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

County Commission
Dade County
Greenfield, Missouri

Compliance

We have audited the compliance of Dade 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 its major federal programs for the years ended December 31, 2008 and 2007. Dade County's major federal programs are identified in the summary of auditor's results section of the accompanying summary schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal programs is the responsibility of Dade County's management. Our responsibility is to express an opinion on Dade 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 Dade 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 on Dade County's compliance with those requirements.

In our opinion, Dade County complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the years ended December 31, 2008 and 2007.

Internal Control Over Compliance

The management of Dade 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 Dade 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 the County's 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 internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify 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 to be and should not be used by anyone other than these specified parties.

Davis, Lynn; Moots, PC

DAVIS, LYNN & MOOTS, P.C.
May 13, 2009

DADE COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal Grantor Pass Through Grantor/ Program Title	Federal CFDA Number	Pass-through Grantor's Number	Federal Expenditures	
			Year Ended December 31, 2008	2007
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Direct				
Emergency Watershed Protection Program	10.923	EWP-057-07-003	\$ 4,238	\$ -
Emergency Watershed Protection Program		EWP-057-07-002	30,975	-
TOTAL U.S. DEPARTMENT OF AGRICULTURE			35,213	-
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
State Highway and Planning Commission				
Highway Planning and Construction	20.205	BRO-029(7)	358,643	40,978
Highway Planning and Construction	20.205	BRO-029(6)	-	309,938
Missouri Department of Public Safety				
Interagency Harzardous Materials Public Sector Training Grants	20.703	N/A	1,499	2,140
Alcohol Open Container Grant	20.607	LKK040	398	-
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			360,540	353,056
<u>ENVIRONMENTAL PROTECTION AGENCY</u>				
Missouri Department of Public Safety				
Chemical Emergency Preparedness Grant	66.810	N/A	2,606	-
TOTAL ENVIRONMENTAL PROTECTION AGENCY			2,606	-
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>				
Missouri Department of Public Safety				
Emergency Management - Performance Grants	97.042	N/A	7,798	13,706
SWMCOG				
Equipment Support Program	97.004	N/A	23,142	-
Missouri State Emergency Management Agency				
Public Assistance Grant	97.036	FEMA 1676	-	96,273
		FEMA 1748-DR	-	867,666
		FEMA 1736	15,787	-
		FEMA 1749	254,155	-
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			300,882	977,645
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 699,241	\$ 1,330,701

N/A - Not Applicable

DADE COUNTY, MISSOURI
NOTES TO THE SUPPLEMENTARY SCHEDULE
Years ended December 31, 2008 and 2007

1. Summary of Significant Accounting Policies

A. Purpose of Schedule and Reporting Entity

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

The schedule includes all federal awards administered by Dade 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 regulatory basis of accounting, which recognizes amounts only when disbursed in cash.

2. Subrecipients

The County provided no federal awards to subrecipients during the years ended December 31, 2008 and 2007.

DADE COUNTY
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Years ended December 31, 2008 and 2007

Summary of Auditor's Results

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified? X Yes No

Significant deficiencies identified that are not considered to be material weaknesses? Yes X None reported

Noncompliance material to the financial statements noted? Yes X No

Federal Awards

Internal control over major programs:

Material weaknesses identified? Yes X No

Significant deficiencies identified that are not considered to be material weaknesses? Yes X None reported

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

CFDA or Other

<u>Identifying Number</u>	<u>Program Title</u>
20.205	Highway Planning and Construction
97.036	Public Assistance Grant

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

Auditee qualified as a low -risk auditee? Yes X No

Financial Statement Findings

08-1 Segregation of Duties

Condition: Because of a limited number of available personnel, it is not always possible to adequately segregate certain incompatible duties so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction.

Criteria: Duties should be segregated so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction.

Effect: Risk is present that errors or irregularities in amounts that would be material to the basic financial statements may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Recommendation: We realize that because of limited resources and personnel, management may not be able to achieve a proper segregation of duties; however, our professional standards require that we bring this lack of segregation of duties to your attention in this report.

Response: The limited number of available personnel prohibits segregation of incompatible duties.

08-2 Wire Transfers

Condition: The depository agreements with the County banking institutions do not address by whom and to whom a wire transfer may be made. They also do not include special instructions for wire transfers.

Criteria: The County should have written and signed instructions with banking institutions requiring the approval of two authorized individuals before a wire transfer is made and by whom and to whom a wire transfer may be made..

Effect: Risk is present that unauthorized wire transfers may be made.

Recommendation: The County should include in future depository agreements with its banking institutions, who is authorized to make wire transfers for the County, and to whom wire transfers are allowed, and require two authorized signatures for approval.

Response: The County will update its depository agreements with its banking institutions to include who is authorized to make wire transfers for the County, to whom wire transfers are allowed, and require two authorized signatures for approval.

DADE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Years ended December 31, 2008 and 2007

Federal Award Findings and Questioned Costs

None

DADE COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
IN ACCORDANCE WITH OMB CIRCULAR A-133

This section represents the summary schedule of prior audit findings. The prior audit period was for the two years ended December 31, 2004.

04-02 Schedule of Expenditures of Federal Awards

Federal Grantor: U.S. Department of Transportation
Pass-Through Grantor: Highway and Transportation Commission
Federal CFDA Numbers: 20.205
Program Title: Highway Planning and Construction
Pass-Through Entity
Identifying Number: BRO 029(4), BRO 029(5), COE 029(1), and COE 029(2)
Award Years: 2004 and 2003
Questioned Costs: Not applicable

Federal Grantor: U.S. Department of Homeland Security
Pass-Through Grantor: Department of Public Safety
Federal CFDA Numbers: 97.036
Program Title: Public Assistance Grants
Pass-Through Entity
Identifying Number: 1412-DR-MO
Award Years: 2004 and 2003
Questioned Costs: Not applicable

The County did not adequately track or report federal assistance on the Schedule of Expenditures of Federal Awards.

Auditor's Recommendation:

The County prepare a complete and accurate schedule of expenditures of federal awards.

Status:

Corrective action has been taken.



DAVIS, LYNN &
MOOTS, P.C.
Certified Public
Accountants

LARRY M. BROWN, CPA
LAWRENCE W. DAVIS, CPA
ANTHONY D. LYNN, CPA
RANDALL G. MOOTS, CPA
ANGELA M. PATRICK, CPA
ANDREW A. MARMOUGET, CPA

3828 SOUTH AVENUE
SPRINGFIELD, MO 65807
(417) 882-0904
FAX (417) 882-4343

www.dlmcpa.com
e-mail: cpa@dlmcpa.com

Dade County Commission
Dade County
Greenfield, Missouri

In planning and performing our audit of the basic financial statements of Dade County, Missouri for the years ended December 31, 2008 and 2007, we considered the County's internal control to determine our auditing procedures for the purpose of expressing an opinion on the basic financial statements and not to provide assurance on the internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed in the 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*, we identified deficiencies in internal control over financial reporting that we consider to be material weaknesses.

In addition to the material weaknesses discussed in the 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*, we became aware of additional matters to bring to your attention. The following paragraphs summarize our comments and suggestions regarding these matters.

1. Special Revenue Funds of the County

The County currently maintains an Election Services Fund, a Special Election Fund, a Sheriff's Revolving Fund, a Law Library Fund, Tax Maintenance Fund, and a Circuit Clerk Interest Fund for the benefit of the various offices of the County. Although the monies are to be used for the benefit of the various offices, these monies represent County funds. Therefore the same policies of the County regarding budgeting, receipts, and disbursements should be followed for these funds as with other funds of the County.

We Recommend:

The County require these funds to be deposited with the County treasurer in their respective funds. Expenditures from these funds should be budgeted and the approval process for expenditures out of these funds should follow the same procedures as with other County expenditures.

2. Budgetary Compliance

The County was not in compliance with the budgetary statute, Chapter 50, RSMo. in the current year as a deficit was budgeted in the Assessment Fund, the Prosecuting Attorney Bad Check Fund, and the Domestic Violence Fund; and actual disbursements exceeded budgeted disbursements in the Special Road and Bridge Fund, the Law Enforcement Fund and the Law Enforcement Training Fund. The County was not in compliance with the budgetary statute, Chapter 50, RSMo. in 2007 as actual disbursements exceeded budgeted disbursements in the Assessment Fund and the Prosecuting Attorney Bad Check Fund. The budgetary statute prohibits the County from budgeting a deficit for any fund maintained by the County and actual disbursements exceeding budgeted disbursements.

We Recommend:

The County review expenditures during the year and amend the budget as necessary and to include necessary transfer amounts to ensure compliance with the budgetary statute (Chapter 50, RSMo)

3. Bank Reconciliations

Although bank reconciliations were performed for some bank accounts of the County, not all bank accounts were reconciled on a monthly basis to ensure all receipts, disbursements and reconciling items had been properly recorded in the County's financial records.

We Recommend:

The County perform monthly bank reconciliations on all of its accounts. A bank reconciliation is one of the most important internal control features that can be performed by County personnel. Reconciliations must be performed on a monthly basis. These reconciliations ensure that all accounting functions have been properly accomplished and that there are no errors or irregularities in the financial reports and statements. Bank reconciliations are performed by obtaining bank statement data from all banking institutions, adding to these statements any deposits that have been included on the County's financial statements that are not on the bank's statements, and deducting any County disbursements that have not cleared the bank as of the statement date. This amount is then compared to the County's financial statements to ensure that both sources agree. This procedure ensures that all County receipts have been properly deposited into the County's bank accounts and that all disbursement checks have been accounted for and properly recorded in the County's financial statements.

We will review the status of these comments during our next audit engagement. We will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters or to assist you in implementing the recommendations.

Dade County Commission
Dade County
Greenfield, Missouri
Page Two

We appreciate this opportunity to serve as Dade County's independent auditor and the courtesies and assistance extended to us by the County's employees.

Davis, Lynn; Moots, PC

DAVIS, LYNN & MOOTS, P.C.
May 13, 2009



DAVIS, LYNN &
MOOTS, P.C.
Certified Public
Accountants

LARRY M. BROWN, CPA
LAWRENCE W. DAVIS, CPA
ANTHONY D. LYNN, CPA
RANDALL G. MOOTS, CPA
ANGELA M. PATRICK, CPA
ANDREW A. MARMOUGET, CPA

3828 SOUTH AVENUE
SPRINGFIELD, MO 65807
(417) 882-0904
FAX (417) 882-4343

www.dlmcpa.com
e-mail: cpa@dlmcpa.com

County Commission
Dade County
Greenfield, Missouri

We have audited the basic financial statements of Dade County, Missouri for the years ended December 31, 2007 and 2008, and have issued our report thereon dated May 13, 2009. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated March 20, 2009, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter dated March 20, 2009.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Primary Government of Dade County, Missouri are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2007 or 2008.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. Material misstatements detected as a result of audit procedures were corrected by management for the following:

- Unrecorded Cash Activity

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 13, 2009.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the County's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the County's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Dade County Commission
Dade County
Greenfield, Missouri
Page Three

This report is intended solely for the use of the County Commission and management of the Primary Government of Dade County, Missouri and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

Davis, Lynn; Moots, PC

DAVIS, LYNN & MOOTS, P.C.
May 13, 2009