



SUSAN MONTEE, JD, CPA
Missouri State Auditor

To the County Commission
and
Officeholders of Adair County, Missouri

The Office of the State Auditor is responsible under Section 29.230, RSMo, for auditing certain operations of Adair 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, 2009, through the state Office of Administration, Division of Purchasing and Materials Management. A copy of this audit, performed by McBride, Lock & Associates, Certified Public Accountants, is attached.

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

Susan Montee, JD, CPA
State Auditor

November 2010
Report No. 2010-132

ANNUAL FINANCIAL REPORT

ADAIR COUNTY, MISSOURI

For the Years Ended
December 31, 2009 and 2008

ADAIR COUNTY, MISSOURI

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INTRODUCTORY SECTION

ADAIR COUNTY, MISSOURI
List of Elected Officials

County Commission

Presiding Commissioner – Gary Jones

Associate Commissioner – Carson Adams

Associate Commissioner – Mark Thompson

Other Elected Officials

Assessor – Donnie Waybill

Circuit Clerk – Linda Decker

Collector – David Erwin

Coroner – Brian Noe

County Clerk – Sandy Collop

Prosecuting Attorney – Matt Wilson

Public Administrator – Jeanette Gregory

Recorder – Pat Shoush

Sheriff – Robert Hardwick

Treasurer – Lori Smith-Patterson

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McBRIDE, LOCK & ASSOCIATES

INDEPENDENT AUDITORS' REPORT

To the County Commission and
Officeholders of Adair County, Missouri

We have audited the accompanying financial statements of Adair County, Missouri as of and for the years ended December 31, 2009 and 2008, which collectively comprise the County's basic financial statements as identified in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audits.

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

As described more fully in Note 1, Adair County, Missouri has prepared these financial statements using accounting practices prescribed or permitted by the Missouri State Auditor's Office, which practices 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 Adair County, Missouri, as of December 31, 2009 and 2008, or the changes in its financial position for the years then ended.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of the funds of Adair County, Missouri, as of December 31, 2009 and 2008, and their respective cash receipts and disbursements, and budgetary results of these funds for the years then ended, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we also have issued our report dated May 28, 2010, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Adair County, Missouri's 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 not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

(Original Signed by Auditor)

McBride, Lock & Associates
May 28, 2010

FINANCIAL SECTION

ADAIR COUNTY, MISSOURI
 STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
 YEARS ENDED DECEMBER 31, 2008 AND 2009

Fund	Cash			Cash			Cash
	January 1, 2008	Receipts 2008	Disbursements 2008	December 31, 2008	Receipts 2009	Disbursements 2009	December 31, 2009
General Revenue	\$ 866,092	\$ 2,206,613	\$ 2,367,091	\$ 705,614	\$ 2,451,747	\$ 2,066,942	\$ 1,090,419
Special Road and Bridge	30,636	2,132,258	1,732,590	430,304	1,553,174	1,753,342	230,136
Assessment	29,420	247,022	276,388	54	308,936	266,068	42,922
Self-funded Insurance	238	1	-	239	-	-	239
Financial Emergency	268,833	15,315	-	284,148	12,942	-	297,090
Law Enforcement Bond	618	2	620	-	-	-	-
Senate Bill 40	-	351,558	351,558	-	350,855	350,855	-
Law Enforcement Services	464,120	434,822	354,434	544,508	737,311	500,000	781,819
E-911	15,160	57,181	58,004	14,337	54,974	56,027	13,284
Countryside	93,339	5,317	-	98,656	4,493	-	103,149
Violence Intervention	-	6,984	6,984	-	12,275	10,979	1,296
Domestic Violence	4,428	4,425	-	8,853	4,557	-	13,410
Milliken Cemetery	11,223	1,669	2,500	10,392	1,593	-	11,985
Election Administration	13,159	4,887	4,132	13,914	6,887	5,314	15,487
Recorder User	54,518	10,313	6,693	58,138	10,057	21,687	46,508
Recorder Technology	29,150	5,708	-	34,858	5,936	-	40,794
Collector's Tax	40,136	19,361	8,703	50,794	22,097	4,506	68,385
Criminal Costs	-	129,690	129,690	-	151,179	151,178	1
Law Enforcement General	181,092	1,389,246	1,364,523	205,815	1,546,574	1,671,318	81,071
Law Enforcement Training	710	4,054	4,116	648	2,760	2,633	775
Sheriff Civil	7,196	43,197	35,222	15,171	34,019	17,449	31,741
Sheriff Revolving	9,298	5,242	-	14,540	6,272	7,408	13,404
Prosecuting Attorney Training	4,185	911	433	4,663	902	203	5,362
Prosecuting Attorney Delinquent Tax	5,626	1,774	-	7,400	636	419	7,617
Prosecuting Attorney Administration	64,883	35,249	38,521	61,611	35,962	53,210	44,363
Child Support Enforcement	395	119,266	118,143	1,518	126,088	119,760	7,846
Juvenile Justice Center	470,436	808,087	806,385	472,138	965,239	805,784	631,593
Juvenile Grant Operations	43,718	427,305	389,900	81,123	415,891	401,962	95,052
Geographic Information System	-	4,368	4,368	-	-	-	-
Assessor Technology	-	34,857	15,595	19,262	40,705	22,377	37,590
Deputy Sheriff Supplemental	-	3,390	670	2,720	14,424	16,004	1,140
Total	\$ 2,708,609	\$ 8,510,072	\$ 8,077,263	\$ 3,141,418	\$ 8,878,485	\$ 8,305,425	\$ 3,714,478

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

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

	GENERAL REVENUE FUND			
	Year Ended December 31,			
	2008		2009	
	Budget	Actual	Budget	Actual
RECEIPTS				
Property taxes	\$ -	\$ -	\$ -	\$ -
Sales taxes	1,411,000	1,427,777	1,300,000	1,418,935
Intergovernmental	254,476	265,568	335,220	357,410
Charges for services	352,839	351,950	343,600	367,982
Interest	35,000	54,663	54,000	42,169
Other	67,450	98,155	102,200	100,501
Transfers in	11,239	8,500	8,250	164,750
Total Receipts	<u>\$ 2,132,004</u>	<u>\$ 2,206,613</u>	<u>\$ 2,143,270</u>	<u>\$ 2,451,747</u>
DISBURSEMENTS				
County Commission	\$ 94,870	\$ 88,392	\$ 97,770	\$ 93,562
County Clerk	127,225	124,221	135,490	127,307
Elections	121,105	120,780	16,700	16,130
Buildings and grounds	97,706	73,812	134,693	84,428
Employee fringe benefits	249,857	274,933	296,603	283,246
Treasurer	77,016	72,625	79,612	72,350
Collector	122,804	117,990	128,070	126,005
Recorder of Deeds	112,013	99,181	114,119	106,284
Circuit Clerk	69,525	59,525	75,000	52,853
Associate Circuit Court	26,000	23,174	-	-
Court administration	48,259	47,315	41,759	41,221
Public Administrator	70,319	70,680	73,865	75,956
Prosecuting Attorney	235,038	235,090	233,284	230,987
Coroner	34,000	31,850	39,500	14,170
Other County Government	409,947	437,441	348,445	453,604
Health and Welfare	105,600	123,131	116,284	111,955
Transfers out	528,336	352,643	170,384	176,884
Emergency fund	64,000	14,308	64,000	-
Total Disbursements	<u>\$ 2,593,620</u>	<u>\$ 2,367,091</u>	<u>\$ 2,165,578</u>	<u>\$ 2,066,942</u>
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	\$ (461,616)	\$ (160,478)	\$ (22,308)	\$ 384,805
CASH, JANUARY 1	<u>866,092</u>	<u>866,092</u>	<u>705,614</u>	<u>705,614</u>
CASH, DECEMBER 31	<u>\$ 404,476</u>	<u>\$ 705,614</u>	<u>\$ 683,306</u>	<u>\$ 1,090,419</u>

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

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

	SPECIAL ROAD AND BRIDGE FUND				ASSESSMENT FUND			
	Year Ended December 31,				Year Ended December 31,			
	2008		2009		2008		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ 620,868	\$ 640,905	\$ 654,504	\$ 637,859	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	882,438	1,124,087	946,566	839,686	231,216	185,380	282,974	251,872
Charges for services	55,200	117,680	38,000	23,704	-	-	-	-
Interest	5,000	10,296	10,000	23,974	3,000	3,210	3,200	2,945
Other	15,500	19,290	12,000	27,951	7,799	9,932	5,650	4,119
Transfers in	400,000	220,000	-	-	34,192	48,500	50,000	50,000
Total Receipts	<u>\$ 1,979,006</u>	<u>\$ 2,132,258</u>	<u>\$ 1,661,070</u>	<u>\$ 1,553,174</u>	<u>\$ 276,207</u>	<u>\$ 247,022</u>	<u>\$ 341,824</u>	<u>\$ 308,936</u>
DISBURSEMENTS								
Salaries	\$ 457,602	\$ 439,380	\$ 447,505	432,540	\$ 161,274	\$ 148,884	\$ 152,797	\$ 147,195
Employee fringe benefits	218,395	209,537	196,983	199,077	58,920	60,143	58,318	62,425
Materials and Supplies	639,500	317,103	931,000	242,220	14,100	35,636	13,485	29,115
Services and Other	127,842	71,840	272,501	66,335	69,245	31,725	57,716	27,333
Capital Outlay	61,498	31,498	-	-	-	-	-	-
Construction	99,394	663,232	177,000	663,170	-	-	-	-
Transfers out	-	-	-	150,000	-	-	14,308	-
Total Disbursements	<u>\$ 1,604,231</u>	<u>\$ 1,732,590</u>	<u>\$ 2,024,989</u>	<u>\$ 1,753,342</u>	<u>\$ 303,539</u>	<u>\$ 276,388</u>	<u>\$ 296,624</u>	<u>\$ 266,068</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 374,775	\$ 399,668	\$ (363,919)	\$ (200,168)	\$ (27,332)	\$ (29,366)	\$ 45,200	\$ 42,868
CASH, JANUARY 1	<u>30,636</u>	<u>30,636</u>	<u>430,304</u>	<u>430,304</u>	<u>29,420</u>	<u>29,420</u>	<u>54</u>	<u>54</u>
CASH, DECEMBER 31	<u>\$ 405,411</u>	<u>\$ 430,304</u>	<u>\$ 66,385</u>	<u>\$ 230,136</u>	<u>\$ 2,088</u>	<u>\$ 54</u>	<u>\$ 45,254</u>	<u>\$ 42,922</u>

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

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

	SELF-FUNDED INSURANCE FUND				FINANCIAL EMERGENCY FUND			
	Year Ended December 31,				Year Ended December 31,			
	2008		2009		2008		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	1	1	-	-	12,000	15,315	15,000	12,942
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,000</u>	<u>\$ 15,315</u>	<u>\$ 15,000</u>	<u>\$ 12,942</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	239	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 239</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (238)	\$ 1	\$ -	\$ -	\$ 12,000	\$ 15,315	\$ 15,000	\$ 12,942
CASH, JANUARY 1	<u>238</u>	<u>238</u>	<u>239</u>	<u>239</u>	<u>268,833</u>	<u>268,833</u>	<u>284,148</u>	<u>284,148</u>
CASH, DECEMBER 31	<u><u>\$ -</u></u>	<u><u>\$ 239</u></u>	<u><u>\$ 239</u></u>	<u><u>\$ 239</u></u>	<u><u>\$ 280,833</u></u>	<u><u>\$ 284,148</u></u>	<u><u>\$ 299,148</u></u>	<u><u>\$ 297,090</u></u>

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

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

	LAW ENFORCEMENT BOND FUND				SENATE BILL 40 FUND			
	Year Ended December 31,				Year Ended December 31,			
	2008		2009		2008		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 157,916	\$ 314,892	\$ -	\$ 314,840
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	3	2	-	-	-	590	-	-
Other	-	-	-	-	200,984	36,076	-	36,015
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 3</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 358,900</u>	<u>\$ 351,558</u>	<u>\$ -</u>	<u>\$ 350,855</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 157,916	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	-	-	-	-	200,984	351,558	-	350,855
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	620	-	-	-	-	-	-
Total Disbursements	<u>\$ -</u>	<u>\$ 620</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 358,900</u>	<u>\$ 351,558</u>	<u>\$ -</u>	<u>\$ 350,855</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>\$ 3</u>	<u>\$ (618)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
CASH, JANUARY 1	<u>618</u>	<u>618</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH, DECEMBER 31	<u><u>\$ 621</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

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

	LAW ENFORCEMENT SERVICES FUND				E-911 FUND			
	Year Ended December 31,				Year Ended December 31,			
	2008		2009		2008		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	175,000	405,243	600,000	705,098	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	7,500	29,579	28,000	32,213	700	948	900	635
Other	-	-	-	-	58,000	56,233	56,000	54,339
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 182,500</u>	<u>\$ 434,822</u>	<u>\$ 628,000</u>	<u>\$ 737,311</u>	<u>\$ 58,700</u>	<u>\$ 57,181</u>	<u>\$ 56,900</u>	<u>\$ 54,974</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	-	-	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	-	4,434	3,000	-	58,000	58,004	56,000	56,027
Capital Outlay and Construction	-	-	-	-	-	-	-	-
Transfers out	350,000	350,000	500,000	500,000	-	-	-	-
Total Disbursements	<u>\$ 350,000</u>	<u>\$ 354,434</u>	<u>\$ 503,000</u>	<u>\$ 500,000</u>	<u>\$ 58,000</u>	<u>\$ 58,004</u>	<u>\$ 56,000</u>	<u>\$ 56,027</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>\$ (167,500)</u>	<u>\$ 80,388</u>	<u>\$ 125,000</u>	<u>\$ 237,311</u>	<u>\$ 700</u>	<u>\$ (823)</u>	<u>\$ 900</u>	<u>\$ (1,053)</u>
CASH, JANUARY 1	<u>464,120</u>	<u>464,120</u>	<u>544,508</u>	<u>544,508</u>	<u>15,160</u>	<u>15,160</u>	<u>14,337</u>	<u>14,337</u>
CASH, DECEMBER 31	<u>\$ 296,620</u>	<u>\$ 544,508</u>	<u>\$ 669,508</u>	<u>\$ 781,819</u>	<u>\$ 15,860</u>	<u>\$ 14,337</u>	<u>\$ 15,237</u>	<u>\$ 13,284</u>

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

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

	COUNTRYSIDE FUND				VIOLENCE INTERVENTION FUND			
	Year Ended December 31,				Year Ended December 31,			
	2008		2009		2008		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	4,000	5,317	5,200	4,493	-	-	-	-
Other	-	-	-	-	14,905	6,984	5,299	12,275
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 4,000</u>	<u>\$ 5,317</u>	<u>\$ 5,200</u>	<u>\$ 4,493</u>	<u>\$ 14,905</u>	<u>\$ 6,984</u>	<u>\$ 5,299</u>	<u>\$ 12,275</u>
DISBURSEMENTS								
Salaries	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	-	-	-	-	14,905	6,984	5,299	10,979
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	20,000	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 20,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,905</u>	<u>\$ 6,984</u>	<u>\$ 5,299</u>	<u>\$ 10,979</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ (16,000)	\$ 5,317	\$ 5,200	\$ 4,493	\$ -	\$ -	\$ -	\$ 1,296
CASH, JANUARY 1	<u>93,339</u>	<u>93,339</u>	<u>98,656</u>	<u>98,656</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH, DECEMBER 31	<u><u>\$ 77,339</u></u>	<u><u>\$ 98,656</u></u>	<u><u>\$ 103,856</u></u>	<u><u>\$ 103,149</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,296</u></u>

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

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

	DOMESTIC VIOLENCE FUND				MILLIKEN CEMETERY FUND			
	Year Ended December 31,				Year Ended December 31,			
	2008		2009		2008		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	150	351	300	471	500	617	600	487
Other	4,200	4,074	4,000	4,086	900	1,052	1,000	1,106
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 4,350</u>	<u>\$ 4,425</u>	<u>\$ 4,300</u>	<u>\$ 4,557</u>	<u>\$ 1,400</u>	<u>\$ 1,669</u>	<u>\$ 1,600</u>	<u>\$ 1,593</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	-	-	-	-	1,325	2,500	500	-
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,325</u>	<u>\$ 2,500</u>	<u>\$ 500</u>	<u>\$ -</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>\$ 4,350</u>	<u>\$ 4,425</u>	<u>\$ 4,300</u>	<u>\$ 4,557</u>	<u>\$ 75</u>	<u>\$ (831)</u>	<u>\$ 1,100</u>	<u>\$ 1,593</u>
CASH, JANUARY 1	<u>4,428</u>	<u>4,428</u>	<u>8,853</u>	<u>8,853</u>	<u>11,223</u>	<u>11,223</u>	<u>10,392</u>	<u>10,392</u>
CASH, DECEMBER 31	<u><u>\$ 8,778</u></u>	<u><u>\$ 8,853</u></u>	<u><u>\$ 13,153</u></u>	<u><u>\$ 13,410</u></u>	<u><u>\$ 11,298</u></u>	<u><u>\$ 10,392</u></u>	<u><u>\$ 11,492</u></u>	<u><u>\$ 11,985</u></u>

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

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

	ELECTION ADMINISTRATION FUND				RECORDER USER FUND			
	Year Ended December 31,				Year Ended December 31,			
	2008		2009		2008		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	6,129	4,048	6,230	6,189	-	-	-	-
Interest	700	839	750	698	2,600	3,181	2,500	2,593
Other	-	-	-	-	8,000	7,132	6,500	7,464
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 6,829</u>	<u>\$ 4,887</u>	<u>\$ 6,980</u>	<u>\$ 6,887</u>	<u>\$ 10,600</u>	<u>\$ 10,313</u>	<u>\$ 9,000</u>	<u>\$ 10,057</u>
DISBURSEMENTS								
Salaries	-	-	-	-	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	4,629	4,132	7,830	5,314	-	-	-	-
Services and Other	-	-	-	-	6,850	6,693	21,793	21,687
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 4,629</u>	<u>\$ 4,132</u>	<u>\$ 7,830</u>	<u>\$ 5,314</u>	<u>\$ 6,850</u>	<u>\$ 6,693</u>	<u>\$ 21,793</u>	<u>\$ 21,687</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 2,200	\$ 755	\$ (850)	\$ 1,573	\$ 3,750	\$ 3,620	\$ (12,793)	\$ (11,630)
CASH, JANUARY 1	<u>13,159</u>	<u>13,159</u>	<u>13,914</u>	<u>13,914</u>	<u>54,518</u>	<u>54,518</u>	<u>58,138</u>	<u>58,138</u>
CASH, DECEMBER 31	<u><u>\$ 15,359</u></u>	<u><u>\$ 13,914</u></u>	<u><u>\$ 13,064</u></u>	<u><u>\$ 15,487</u></u>	<u><u>\$ 58,268</u></u>	<u><u>\$ 58,138</u></u>	<u><u>\$ 45,345</u></u>	<u><u>\$ 46,508</u></u>

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

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

	RECORDER TECHNOLOGY FUND				COLLECTOR'S TAX FUND			
	Year Ended December 31,				Year Ended December 31,			
	2008		2009		2008		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	4,500	3,961	3,600	4,282	20,500	16,607	16,500	19,385
Interest	1,300	1,747	1,300	1,654	2,500	2,754	2,500	2,712
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 5,800</u>	<u>\$ 5,708</u>	<u>\$ 4,900</u>	<u>\$ 5,936</u>	<u>\$ 23,000</u>	<u>\$ 19,361</u>	<u>\$ 19,000</u>	<u>\$ 22,097</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	12,200	8,703	5,000	4,506
Services and Other	-	-	-	-	3,300	-	4,800	-
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,500</u>	<u>\$ 8,703</u>	<u>\$ 9,800</u>	<u>\$ 4,506</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>\$ 5,800</u>	<u>\$ 5,708</u>	<u>\$ 4,900</u>	<u>\$ 5,936</u>	<u>\$ 7,500</u>	<u>\$ 10,658</u>	<u>\$ 9,200</u>	<u>\$ 17,591</u>
CASH, JANUARY 1	<u>29,150</u>	<u>29,150</u>	<u>34,858</u>	<u>34,858</u>	<u>40,136</u>	<u>40,136</u>	<u>50,794</u>	<u>50,794</u>
CASH, DECEMBER 31	<u>\$ 34,950</u>	<u>\$ 34,858</u>	<u>\$ 39,758</u>	<u>\$ 40,794</u>	<u>\$ 47,636</u>	<u>\$ 50,794</u>	<u>\$ 59,994</u>	<u>\$ 68,385</u>

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

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

	CRIMINAL COSTS FUND				LAW ENFORCEMENT GENERAL FUND			
	Year Ended December 31,				Year Ended December 31,			
	2008		2009		2008		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	700,000	657,400	600,000	710,808
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	281,121	322,467	413,850	244,120
Interest	-	-	-	-	7,000	10,991	10,000	6,552
Other	110,000	129,690	110,000	151,179	64,250	45,760	65,082	68,036
Transfers in	-	-	-	-	389,541	352,628	504,000	517,058
Total Receipts	<u>\$ 110,000</u>	<u>\$ 129,690</u>	<u>\$ 110,000</u>	<u>\$ 151,179</u>	<u>\$ 1,441,912</u>	<u>\$ 1,389,246</u>	<u>\$ 1,592,932</u>	<u>\$ 1,546,574</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 716,713	\$ 700,290	\$ 807,744	\$ 789,426
Employee fringe benefits	-	-	-	-	300,158	262,570	312,698	270,397
Materials and Supplies	-	-	-	-	357,406	265,088	546,910	283,464
Services and Other	110,000	129,690	110,000	151,178	59,400	127,554	98,600	219,524
Capital Outlay	-	-	-	-	-	7,013	-	91,449
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	2,008	-	17,058
Total Disbursements	<u>\$ 110,000</u>	<u>\$ 129,690</u>	<u>\$ 110,000</u>	<u>\$ 151,178</u>	<u>\$ 1,433,677</u>	<u>\$ 1,364,523</u>	<u>\$ 1,765,952</u>	<u>\$ 1,671,318</u>
RECEIPTS OVER (UNDER)								
DISBURSEMENTS	\$ -	\$ -	\$ -	\$ 1	\$ 8,235	\$ 24,723	\$ (173,020)	\$ (124,744)
CASH, JANUARY 1								
	-	-	-	-	181,092	181,092	205,815	205,815
CASH, DECEMBER 31								
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 189,327</u>	<u>\$ 205,815</u>	<u>\$ 32,795</u>	<u>\$ 81,071</u>

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

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

	LAW ENFORCEMENT TRAINING FUND				SHERIFF CIVIL FUND			
	Year Ended December 31,				Year Ended December 31,			
	2008		2009		2008		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	40,000	41,887	45,000	32,973
Charges for services	-	-	-	-	-	-	-	-
Interest	76	24	20	26	1,000	1,310	1,200	1,046
Other	4,800	4,030	4,000	2,734	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 4,876</u>	<u>\$ 4,054</u>	<u>\$ 4,020</u>	<u>\$ 2,760</u>	<u>\$ 41,000</u>	<u>\$ 43,197</u>	<u>\$ 46,200</u>	<u>\$ 34,019</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	18,410	-	-
Services and Other	5,500	4,116	4,000	2,633	36,200	16,812	25,000	17,449
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 5,500</u>	<u>\$ 4,116</u>	<u>\$ 4,000</u>	<u>\$ 2,633</u>	<u>\$ 36,200</u>	<u>\$ 35,222</u>	<u>\$ 25,000</u>	<u>\$ 17,449</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (624)	\$ (62)	\$ 20	\$ 127	\$ 4,800	\$ 7,975	\$ 21,200	\$ 16,570
CASH, JANUARY 1	<u>710</u>	<u>710</u>	<u>648</u>	<u>648</u>	<u>7,196</u>	<u>7,196</u>	<u>15,171</u>	<u>15,171</u>
CASH, DECEMBER 31	<u>\$ 86</u>	<u>\$ 648</u>	<u>\$ 668</u>	<u>\$ 775</u>	<u>\$ 11,996</u>	<u>\$ 15,171</u>	<u>\$ 36,371</u>	<u>\$ 31,741</u>

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

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

	SHERIFF REVOLVING FUND				PROSECUTING ATTORNEY TRAINING FUND			
	Year Ended December 31,				Year Ended December 31,			
	2008		2009		2008		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	1,500	4,625	7,000	5,687	-	-	-	-
Interest	225	617	500	585	175	250	175	218
Other	-	-	-	-	700	661	700	684
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 1,725</u>	<u>\$ 5,242</u>	<u>\$ 7,500</u>	<u>\$ 6,272</u>	<u>\$ 875</u>	<u>\$ 911</u>	<u>\$ 875</u>	<u>\$ 902</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	500	-	1,000	7,408	-	433	-	-
Services and Other	-	-	3,500	-	875	-	875	203
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 500</u>	<u>\$ -</u>	<u>\$ 4,500</u>	<u>\$ 7,408</u>	<u>\$ 875</u>	<u>\$ 433</u>	<u>\$ 875</u>	<u>\$ 203</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 1,225	\$ 5,242	\$ 3,000	\$ (1,136)	\$ -	\$ 478	\$ -	\$ 699
CASH, JANUARY 1	<u>9,298</u>	<u>9,298</u>	<u>14,540</u>	<u>14,540</u>	<u>4,185</u>	<u>4,185</u>	<u>4,663</u>	<u>4,663</u>
CASH, DECEMBER 31	<u>\$ 10,523</u>	<u>\$ 14,540</u>	<u>\$ 17,540</u>	<u>\$ 13,404</u>	<u>\$ 4,185</u>	<u>\$ 4,663</u>	<u>\$ 4,663</u>	<u>\$ 5,362</u>

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

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

	<u>PROSECUTING ATTORNEY DELINQUENT TAX FUND</u>				<u>PROSECUTING ATTORNEY ADMINISTRATION FUND</u>			
	Year Ended December 31,				Year Ended December 31,			
	2008		2009		2008		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	225	352	225	341	2,750	3,596	2,750	2,931
Other	1,000	1,422	1,000	295	32,500	31,653	32,500	29,044
Transfers in	-	-	-	-	-	-	7,973	3,987
Total Receipts	<u>\$ 1,225</u>	<u>\$ 1,774</u>	<u>\$ 1,225</u>	<u>\$ 636</u>	<u>\$ 35,250</u>	<u>\$ 35,249</u>	<u>\$ 43,223</u>	<u>\$ 35,962</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,538	\$ 10,231
Employee fringe benefits	-	-	-	-	-	980	-	-
Materials and Supplies	1,225	-	1,225	419	10,000	6,912	7,500	7,036
Services and Other	-	-	-	-	35,900	30,629	22,500	27,693
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	8,250	8,250
Total Disbursements	<u>\$ 1,225</u>	<u>\$ -</u>	<u>\$ 1,225</u>	<u>\$ 419</u>	<u>\$ 45,900</u>	<u>\$ 38,521</u>	<u>\$ 48,788</u>	<u>\$ 53,210</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ -	\$ 1,774	\$ -	\$ 217	\$ (10,650)	\$ (3,272)	\$ (5,565)	\$ (17,248)
CASH, JANUARY 1	<u>5,626</u>	<u>5,626</u>	<u>7,400</u>	<u>7,400</u>	<u>64,883</u>	<u>64,883</u>	<u>61,611</u>	<u>61,611</u>
CASH, DECEMBER 31	<u>\$ 5,626</u>	<u>\$ 7,400</u>	<u>\$ 7,400</u>	<u>\$ 7,617</u>	<u>\$ 54,233</u>	<u>\$ 61,611</u>	<u>\$ 56,046</u>	<u>\$ 44,363</u>

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

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

	CHILD SUPPORT ENFORCEMENT FUND				JUVENILE JUSTICE CENTER FUND			
	Year Ended December 31,				Year Ended December 31,			
	2008		2009		2008		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	132,256	118,750	115,292	119,296	50,057	50,057	71,616	71,617
Charges for services	-	-	-	-	-	-	-	-
Interest	60	516	-	292	12,000	22,863	12,000	23,621
Other	-	-	-	-	667,381	651,024	611,640	749,617
Transfers in	-	-	-	6,500	84,143	84,143	120,384	120,384
Total Receipts	\$ 132,316	\$ 119,266	\$ 115,292	\$ 126,088	\$ 813,581	\$ 808,087	\$ 815,640	\$ 965,239
DISBURSEMENTS								
Salaries	\$ 75,500	\$ 75,500	\$ 75,500	\$ 75,500	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	23,556	23,402	23,967	24,151	-	-	-	-
Materials and Supplies	6,700	1,326	5,600	4,407	131,300	128,622	125,800	107,999
Services and Other	8,000	9,415	10,207	9,202	444,639	427,129	464,079	436,667
Capital Outlay	-	-	-	-	28,000	27,792	8,000	8,444
Construction	-	-	-	-	-	-	-	-
Transfers out	18,500	8,500	-	6,500	222,842	222,842	237,674	252,674
Total Disbursements	\$ 132,256	\$ 118,143	\$ 115,274	\$ 119,760	\$ 826,781	\$ 806,385	\$ 835,553	\$ 805,784
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 60	\$ 1,123	\$ 18	\$ 6,328	\$ (13,200)	\$ 1,702	\$ (19,913)	\$ 159,455
CASH, JANUARY 1	395	395	1,518	1,518	470,436	470,436	472,138	472,138
CASH, DECEMBER 31	\$ 455	\$ 1,518	\$ 1,536	\$ 7,846	\$ 457,236	\$ 472,138	\$ 452,225	\$ 631,593

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

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

	JUVENILE GRANT OPERATIONS FUND				GEOGRAPHIC INFORMATION SYSTEM FUND			
	Year Ended December 31,				Year Ended December 31,			
	2008		2009		2008		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	181,373	196,137	177,621	167,204	4,368	4,368	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Other	-	8,326	-	-	-	-	-	-
Transfers in	222,842	222,842	233,687	248,687	-	-	-	-
Total Receipts	<u>\$ 404,215</u>	<u>\$ 427,305</u>	<u>\$ 411,308</u>	<u>\$ 415,891</u>	<u>\$ 4,368</u>	<u>\$ 4,368</u>	<u>\$ -</u>	<u>\$ -</u>
DISBURSEMENTS								
Salaries	\$ 307,265	\$ 304,960	\$ 324,261	\$ 320,491	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	90,276	84,940	87,307	81,471	-	-	-	-
Materials and Supplies	-	-	-	-	4,368	4,368	-	-
Services and Other	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 397,541</u>	<u>\$ 389,900</u>	<u>\$ 411,568</u>	<u>\$ 401,962</u>	<u>\$ 4,368</u>	<u>\$ 4,368</u>	<u>\$ -</u>	<u>\$ -</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 6,674	\$ 37,405	\$ (260)	\$ 13,929	\$ -	\$ -	\$ -	\$ -
CASH, JANUARY 1	<u>43,718</u>	<u>43,718</u>	<u>81,123</u>	<u>81,123</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH, DECEMBER 31	<u><u>\$ 50,392</u></u>	<u><u>\$ 81,123</u></u>	<u><u>\$ 80,863</u></u>	<u><u>\$ 95,052</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

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

	ASSESSOR TECHNOLOGY FUND				DEPUTY SHERIFF SUPPLEMENTAL FUND			
	Year Ended December 31,				Year Ended December 31,			
	2008		2009		2008		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	34,000	33,816	65,244	39,090	-	3,390	8,400	14,424
Interest	571	1,041	1,000	1,615	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 34,571</u>	<u>\$ 34,857</u>	<u>\$ 66,244</u>	<u>\$ 40,705</u>	<u>\$ -</u>	<u>\$ 3,390</u>	<u>\$ 8,400</u>	<u>\$ 14,424</u>
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	19,571	12,371	45,000	9,196	-	-	-	-
Services and Other	15,000	3,224	21,244	13,181	-	670	11,120	16,004
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 34,571</u>	<u>\$ 15,595</u>	<u>\$ 66,244</u>	<u>\$ 22,377</u>	<u>\$ -</u>	<u>\$ 670</u>	<u>\$ 11,120</u>	<u>\$ 16,004</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ -	\$ 19,262	\$ -	\$ 18,328	\$ -	\$ 2,720	\$ (2,720)	\$ (1,580)
CASH, JANUARY 1	-	-	19,262	19,262	-	-	2,720	2,720
CASH, DECEMBER 31	<u>\$ -</u>	<u>\$ 19,262</u>	<u>\$ 19,262</u>	<u>\$ 37,590</u>	<u>\$ -</u>	<u>\$ 2,720</u>	<u>\$ -</u>	<u>\$ 1,140</u>

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

ADAIR COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 and 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting Entity

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

The financial statements referred to above include the primary government of Adair County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, offices that are considered by the Missouri State Auditor’s Office to comprise the County’s legal entity.

Certain elected County officials, particularly the County Collector, Treasurer, and Sheriff, may collect and hold monies in a trustee capacity as an agent of individuals, taxing units, or other governments. These assets, which are held by these officeholders for the sole benefit of external parties, are not reported on the accompanying financial statements.

B. Basis of Presentation

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

C. Basis of Accounting

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

D. Budgets and Budgetary Accounting

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

- 1) In accordance with Chapter 50 RSMo, the County's policy is to adopt a budget for each governmental fund.
- 2) On or before the second Monday in January, each elected officer and department director will transmit to the County Commission and County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.
- 3) The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning January 1. The proposed budget includes estimated revenues and proposed expenditures, on the cash basis of accounting, for all budgeted funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year. Budgeting of appropriations is based upon an estimated fund balance at the beginning of the year as well as estimated revenues to be received.
- 4) State law requires that, at the individual fund level, budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance.
- 5) A public hearing is conducted to obtain public comment on the budget. Prior to its approval by the County Commission, the budget document is available for public inspection, which usually takes place the third and fourth weeks of January.
- 6) Prior to February 1, the budget is legally enacted by a vote of the County Commission.
- 7) Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by a formal vote of the Commission. Budgeted amounts are as originally adopted, or as amended by the County Commission throughout the year.
- 8) Budgets are prepared and adopted on the cash basis of accounting.
- 9) Adoption of a formal budget is required by law. However, the County did not adopt a formal budget for the Senate Bill 40 fund for 2009 or for the Deputy Sheriff Salary Supplement fund for 2008.

10) Section 50.740, RSMo. prohibits expenditures in excess of the approved budgets. Actual expenditures, excluding entries for fund closures, exceeded budgeted amounts by more than an inconsequential amount for the following funds:

Fund	2009	2008
Special Road & Bridge	N/A	X
Law Enforcement Services	N/A	X
Violence Intervention	X	N/A
Milliken Cemetery	N/A	X
Criminal Costs	X	X
Sheriff Revolving	X	N/A
Child Support Enforcement	X	N/A
Deputy Sheriff Supplemental	X	X

Because a budget was not adopted for the Deputy Sheriff Salary Supplemental Fund (2008) or the Senate Bill 40 Fund (2009), expenditures in these funds exceeded budgetary authority to the extent that a budget was not adopted.

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

The assessed valuations of the tangible taxable property, included within the County's boundaries for the calendar year 2009 and 2008, for purposes of taxation were:

	2009	2008
Real Estate	\$ 172,722,770	\$ 167,282,055
Personal Property	20,534,806	21,919,362
Railroad and Utilities	3,556,116	3,901,200

During 2009 and 2008, the County Commission approved a tax levy per \$100 of assessed valuation of tangible taxable property for the calendar year 2009 and 2008, for purposes of County taxation, as follows:

	2009	2008
Special Road and Bridge	\$ 0.2682	\$ 0.2682
Senate Bill 40	0.1496	0.1493

F. Cash Deposits and Investments

Deposits and investments are stated at cost, which approximates market. Cash balances for all the County Treasurer funds are pooled and invested to the extent possible. Interest earned from such investments is allocated to each of the funds based on the fund's average daily cash balance. Cash equivalents may include repurchase agreements and any other instruments with an original maturity of ninety days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest bearing obligations guaranteed as to both principal and interest by the United States, bonds of the State of Missouri or other government bonds, or time certificates of deposit, purchased at a price at or below par. Funds in the form of cash on deposit or time certificates of deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investments held in the County's name at third-party banking institutions. Details of these cash balances are presented in Note 2.

G. Interfund Activity

During the course of operations, interfund activity occurs for purposes of providing supplemental funding, reimbursements for goods provided or services rendered, or short and long-term financing.

Interfund activities are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund. However, interfund reimbursements have been eliminated from the financial statements in order that reimbursed expenditures are reported only in the funds incurring the costs.

2. CASH AND INVESTMENTS

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

Deposits - Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2009 and 2008, the carrying amounts of the County's deposits were \$3,714,478 and \$3,141,418, respectively, and the bank balances were \$4,237,862 and \$3,799,729, respectively. Of the bank balances, \$250,000 and \$250,000 for December 31, 2009 and December 31, 2008, respectively, were covered by federal depository insurance and the balance was covered by collateral held at the Federal Reserve Bank and the County's safekeeping bank agent in the County's name or by a line of credit held by the County or by its agent in the County's name.

At December 31, 2009 and 2008, the County Collector held, in addition to the cash and cash listed above, cash representing collections of property taxes on behalf of various taxing districts in the County, including the County General Revenue Fund. These amounts, all of which were secured by pledged collateral, amounted to \$7,277,967 and \$6,892,655 at December 31, 2009 and 2008, respectively.

3. COUNTY EMPLOYEES' RETIREMENT PLANS

A. County Employees' Retirement Fund (CERF)

The County Employee's 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 elective or appointed officer or employee whose performance requires the actual performance of duties during not less than one thousand (1,000) hours per calendar year in each county of the state, except for any city not within a county and any county of the first classification having a charter form of government. It does not include county prosecuting attorneys covered under Sections 56.800 to 56.840, RSMo, circuit clerks and deputy circuit clerks covered under the Missouri State Retirement System, county sheriffs covered under Sections 57.949 to 57.997, RSMo, and certain personnel not defined as an employee per Section 50.1000(8), RSMo. The Fund was created by an act of the legislature and was effective August 28, 1994.

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

2) Pension Benefits

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

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

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

3) Funding Policy

In accordance with State Statutes, the Plan is partially funded through various fees collected by counties and remitted to the CERF. Further, a contribution to CERF of 2% of annual salary is required for eligible employees hired before February 2002, while a contribution of 6% of annual salary is required of employees hired after February 2002, in order to participate in CERF. During 2009 and 2008, the County collected and remitted to CERF employee contributions of approximately \$23,693 and \$21,096, respectively, for the years then ended.

4. POST EMPLOYMENT BENEFITS

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

5. CLAIMS, COMMITMENT AND CONTINGENCIES

1. Compensated Absences

The County provides full time employees with paid sick leave which accumulates at the rate of 1.85/2.31 hours per bi-weekly pay period. County employees may accumulate a maximum of 350/400 hours of paid sick leave. Upon termination, no payment will be made for unused days. Vacation time is accrued for every eligible employee, and accrues at the rate of 1.34/1.53 hours bi-weekly during the first year of employment, 2.69/3.07 hours bi-weekly for the 2nd through 7th year of employment, 4.03/4.61 hours bi-weekly for the 8th through 15th year of employment, and 5.38/6.15 hours bi-weekly beginning the 16th year of employment. County employees may accumulate a maximum of 175/200 hours of paid vacation. On termination of employment, unused vacation shall be paid to an employee at the employee's base hourly rate.

2. Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants, when performed, could result in the disallowance of certain costs. Accordingly, such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial and, therefore, no provision has been made in the accompanying financial statements for the potential refund of grant monies.

6. RISK MANAGEMENT

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

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

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

7. LONG TERM DEBT

The County had no outstanding debt as of December 31, 2009 and \$15,809 of outstanding debt as of December 31, 2008.

8. CHANGE IN REPORTING ENTITY

The County has changed its definition of the reporting entity, as of January 1, 2008, to exclude certain funds held by County officeholders, including the Collector and Treasurer for the benefit of other taxing districts and third parties. The effect of the aforementioned change in reporting entity is to decrease cash balances of the agency funds as previously reported at December 31, 2007 by the amount representing cash balances of the aforementioned funds.

COMPLIANCE SECTION

McBRIDE, LOCK & ASSOCIATES

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

To the County Commission and
Officeholders of Adair County, Missouri

We have audited the accompanying financial statements of Adair County, Missouri as of and for the years ended December 31, 2009 and 2008, which collectively comprise the County's basic financial statements as identified in the table of contents, and have issued our report thereon dated May 28, 2010. 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 audits, we considered Adair County, Missouri's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Adair County, Missouri's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Adair County, Missouri's internal control over financial reporting.

A deficiency in internal control 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 and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over financial reporting described in the accompanying schedule of findings and recommendations as item 1 to be a significant deficiency in internal control over financial reporting. A significant deficiency is a deficiency or combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Adair County, Missouri's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and recommendations as item 2.

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

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

(Original Signed by Auditor)

McBride, Lock & Associates
May 28, 2010

McBRIDE, LOCK & ASSOCIATES

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

To the County Commission and
Officeholders of Adair County, Missouri

Compliance

We have audited the compliance of Adair County, Missouri, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to its major federal programs for the years ended December 31, 2009 and 2008. Adair County, Missouri's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of federal findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal programs is the responsibility of Adair County, Missouri's management. Our responsibility is to express an opinion on Adair County, Missouri'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 Adair County, Missouri'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 Adair County, Missouri's compliance with those requirements.

In our opinion, Adair County, Missouri, 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, 2009 and 2008 and which are described in the accompanying schedule of findings. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of federal award findings and questioned costs as finding number 09-1.

Internal Control Over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, 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. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of federal award findings and questioned costs as finding 09-1 to be a significant deficiency.

Adair County, Missouri's responses to the findings identified in our audit are described in the accompanying schedule of findings. We did not audit Adair County, Missouri's responses and, accordingly, we express no opinion on the responses.

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

(Original Signed by Auditor)

McBride, Lock & Associates
May 28, 2010

ADAIR COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			2008	2009
U. S. DEPARTMENT OF AGRICULTURE				
Passed through state:				
10.550	Department of Social Services - Food Donation	RI-001-014	\$ 763	1,004
	Reimbursement for Meals	820-032	-	23,669
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed through state:				
14.228	Department of Economic Development - Community Development Block Grants/State's Program	CDBG2006-PF-0	-	6,002
14.231	Department of Social Services - Emergency Shelter Grants Program	ERO1641041 ERO1640900	- 6,984	1,296 10,979
15.809	U.S. Geological Service National Spatial Data Infrastructure Cooperative Agreements (NSDI) Development Assistance Program (DAP)		4,368	-
U.S. DEPARTMENT OF JUSTICE				
16.607	Bullet Proof Vest Partnership		5,584	-
Passed Through State:				
Department of Public Safety				
16.540	Juvenile Justice and Delinquency Prevention - Allocation to States	MO11098-07-0707-E1	23,500	-
	Community Betterment Victim Restitution Program	08-060-01	-	6,953
	Multi-Disciplinary Training for Child Welfare Cases	08-066-14	-	513
16.547	Victims of Child Abuse - Court Appointed Special Advocates	MO11098-07-0708-E2	-	15,000
16.738	Edward Byrne Memorial Justice Assistance Grant Program			
	MOSTMART 2009	2008DDBX0163	-	18,872
	MOSMART 2008	DPS2008MOSM	-	18,717
	NOMO Drug Task Force	2009JAG-DTF-00	-	22,620
	NOMO Drug Task Force	2006-JAG-018	-	147,406
	NOMO Drug Task Force	2009JAGRA001	-	99,379
	NOMO Drug Task Force	2007JAGINT004	-	14,731
	NOMO Drug Task Force	2008-NMDTF	83,584	-
	NOMO Drug Task Force	2006-JAG-018	49,707	-
	NOMO Drug Task Force	2005-JAG-INT-00	88,933	-
	NOMO Drug Task Force Supplement	2009-JAG-DTF-001	27,271	-
U. S. DEPARTMENT OF LABOR				
Passed through state:				
17.245	MO Department of Economic Development Trade Act On-The-Job Training	95.060	8,216	2,719
U. S. DEPARTMENT OF TRANSPORTATION				
Passed through state Highway and Transportation Commission				
20.205	Highway and Transportation Commission - Highway Planning and Construction	BRO - BOO1 - (42) BRO - BOO1 - (44) BRO - BOO1 - (19) BRO - BOO1 - (41) BRO - BOO1 - (43) BRO - BOO1 - (45)	110,635 16,415 86 - - -	25,510 11,020 - 701 898 25,600
20.600	State and Community Highway Safety - 2008 Step Enforcement		997	-
GENERAL SERVICES ADMINISTRATION				
Passed through the Office of Secretary of State -				
39.011	Election Reform Payments	SOSEVA1 08Z SOSEPT1 08Z	- -	360 1,179
ELECTION ASSISTANCE COMMISSION				
Passed through the Office of Secretary of State -				
90.401	Help America Vote Act Requirements Payments	SOSE8P2 08Z SC231 S7EL00M	- -	10,200 2,225
U. S. DEPARTMENT OF HOMELAND SECURITY - FEMA				
97.036	Passed through state: Emergency Management Agency - Department of Public Safety			
	Disaster Grant 2008	FEMA 1773 DR-MO	394,212	81,609
	Disaster Grant 2008	FEMA 1809 DR-MO	-	67,262
	Disaster Grant 2009	FEMA 1847 DR-MO	-	10,669
Total Expenditures of Federal Awards			<u>\$ 821,255</u>	<u>\$ 627,093</u>

ADAIR COUNTY, MISSOURI
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditure of Federal Awards (the Schedule) summarizes activity of the County's federal award programs. The schedule has been prepared on the cash basis of accounting.

NOTE B – MATCHING REQUIREMENTS

Certain Federal programs require that the County contribute non-Federal funds (matching funds) to support the Federally-funded programs. The County has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.

NOTE C – SUBRECEIPIENTS

The County provided no federal awards to sub-recipients during the years ended December 31, 2009 and 2008.

ADAIR COUNTY, MISSOURI
 SCHEDULE OF FEDERAL FINDINGS AND QUESTIONED COSTS
 (INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)
 YEARS ENDED DECEMBER 31, 2009 AND 2008

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements:

Type of Auditors' Report Issued: Unqualified

Internal Control Over Financial Reporting:

- Material weakness(es) identified? Yes No
- Significant deficiencies identified that are not considered to be material weaknesses? Yes None Reported
- Noncompliance material to financial statements noted? Yes No

Federal Awards:

Internal Control Over Major Programs:

- Material weakness(es) identified? Yes No
- Significant deficiencies identified that are not considered to be material weaknesses? Yes None Reported

Type of Auditor's Report Issued on Compliance For Major Programs: Unqualified

Any audit findings disclosed that are required to be Reported in accordance with section 510(A) of Circular A-133? Yes No

Identification of Major Programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)
16.738	Edward Byrne Memorial Justice Assistance Grant Program

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

Auditee Qualified as low-risk: Yes No

SECTION II – FINANCIAL STATEMENTS FINDINGS

Financial Statement Findings Required to be Reported in Accordance with Generally Accepted Governmental Auditing Standards

See Findings and Recommendations section:

1. Interfund Transfers
2. Budgetary Practices

Summary of Schedule of Prior Audit Findings

1. Property Tax Internal Controls
2. Accounting for Bond Debt Service
3. Transfers Between Funds
4. Controls Over Revenues in the Sheriff's Office
5. Controls Over Bank Account Reconciliations in the Sheriff's Office
6. Staffing and Segregation of Duties in the Sheriff's Office
7. Preparation of Schedule of Expenditure of Federal Awards (SEFA)
8. Investment Policy
9. Budgetary Controls
10. Documentation of Departmental Collections

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Financial Statement Findings Required to be Reported in Accordance with Generally Accepted Governmental Auditing Standards

Finding No. 09-1. Schedule of Expenditure of Federal Awards (SEFA)

Federal Grantor: Department of Justice

Federal CFDA Number: 16.738

Program Title: Edward Byrne Memorial Justice Assistance Grant Program

Pass Through Entity Identifying Numbers:

MOSTMART 2009	2008DDBX0163
MOSMART 2008	DPS2008MOSM
NOMO Drug Task Force	2009JAG-DTF-00
NOMO Drug Task Force	2006-JAG-018
NOMO Drug Task Force	2009JAGRA001
NOMO Drug Task Force	2007JAGINT004
NOMO Drug Task Force	2008-NMDTF
NOMO Drug Task Force	2006-JAG-018
NOMO Drug Task Force	2005-JAG-INT-00
NOMO Drug Task Force Supplement	2009-JAG-DTF-001

Award Years: 2008 and 2009

Questioned Costs: None

Federal Grantor: Department of Homeland Security
Federal CFDA Number: 97.036
Program Title: Disaster Grants – Public Assistance
Pass Through Entity Identifying Numbers:

FEMA 1773-DR-MO
FEMA 1809-DR-MO
FEMA 1847-DR-MO

Award Years: 2008 and 2009
Questioned Costs: None

09-1 Incorrect Schedule of Expenditure of Federal Awards (SEFA)

Condition: The County Clerk did not prepare an accurate SEFA for the years ending December 31, 2008 and 2009 as required by Office of Management and Budget (OMB) Circular A-133, Subpart C, Section 300(A). This section reads as follows:

“Auditee responsibilities. The auditee shall: (a) Identify, in its accounts, all Federal awards received and expended and the Federal programs under which they were received. Federal program and award identification shall include, as applicable, the CFDA title and number, award number and year, name of the Federal agency, and name of the pass-through entity.”

The County does not have adequate procedures in place to track federal awards for the preparation of the Schedule of Expenditures of Federal Awards (SEFA), and as a result, the County's SEFA contained errors and omissions. Expenditures were understated by approximately \$14,000 in the year ended December 31, 2009. This was caused principally by the omission of the Election Reform Payments Program and the Help America Vote Act Program. Additionally, for the years ending December 31, 2008 and 2009, incorrect or missing Federal Grantors, Pass-Through Grantors, and Program Titles were utilized and incorrect Federal CFDA Numbers and/or pass-through entity identifying numbers were assigned to the following programs as noted:

- Emergency Shelter Grants, CFDA 14.231 (\$6,984) – In 2008, the correct pass-through entity identifying number was ERO1640900 rather than 14-231 as submitted.
- Juvenile Justice and Delinquency Prevention, CFDA 16.540 (\$23,500) – In 2008, the correct Federal CFDA number was 16.540 rather than 16.547 as submitted and the pass-through entity identifying number was MO11098-07-0707-E1 rather than MO11098-07-070 as submitted.
- Victims of Child Abuse - (Court Appointed Special Advocates), CFDA 16.547 (\$15,000) – In 2009, the correct pass-through identifying number was MO11098-07-0708-E2 rather than MO11098-07-070 as submitted.
- Edward Byrne Memorial Justice Assistance Grant Program, CFDA 16.738, (\$27,271) – In 2008, the correct pass-through identifying number was 2009-JAG-DTF-001 rather than 2009-JAG-DTF-00 as submitted.

- Trade Act On-the-Job Training, CFDA 17.245, (\$8,216 and \$2,719) – In 2008 and 2009, the Program Title was Trade Act On-the-Job Training where none was submitted and the Federal Grantor was the Department of Labor rather than the Department of Health and Human Services as submitted. Additionally, in 2008 and 2009, the correct Federal CFDA number was 17.245 rather than 95.060 as submitted and the pass-through entity identifying number was 95.060 where none was submitted.
- FEMA Disaster Grants, CFDA 97.036, 2008/2009 (\$394,212 and \$159,540) – In 2008 and 2009, the Pass-Through Grantor was the Emergency Management Agency - Department of Public Safety where none was submitted. In 2008 and 2009, the correct pass-through entity identifying numbers were FEMA 1773 DR-MO, FEMA 1809 DR-MO, and FEMA 1847 DR-MO, respectively, rather than DR-MO001-9900 as submitted.
- Bullet Proof Vest Partnership, CFDA 16.607, (\$5,584) – In 2008, the correct Federal CFDA number was 16.607 rather than 97.067 as submitted.
- Help America Vote Act Requirements Payments. CFDA 90.401 – CFDA numbers were omitted from the SEFA.
- Election Reform Payments, CFDA 39.011 – CFDA numbers were omitted from the SEFA.

Recommendation: We recommend the County Commission and the County Clerk work together to ensure the accuracy of the Schedule of Expenditure of Federal Awards. The County Commission should take steps to ensure all departments and/or officials properly track federal awards so that all federal awards can be identified and properly reported on the SEFA.

The County should perform the following to ensure the accuracy of the SEFA:

- Conduct a survey of departmental officials to identify and quantify Federal awards received and expended,
- Reconcile amounts on the schedule to the County's financial statements,
- Ensure that correct Federal Grantors, Pass-Through Grantors, Program Titles, Federal CFDA numbers, and Pass-Through Entity Identifying Numbers are assigned to each program, and
- Review financial statements and other supporting documentation to identify Federal grants not properly reported on the SEFA.

County Response: The County will develop appropriate procedures to ensure the accuracy of all future SEFAs.

Auditor's Evaluation: The stated corrective action is responsive to the recommendation.

SECTION IV – FOLLOW-UP ON PRIOR YEAR'S FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Federal Award Tracking

The County does not have adequate procedures in place to track federal awards for the preparation of the Schedule of Expenditures of Federal Awards.

Status – Not resolved. See Finding 09-1 above.

FINDINGS AND RECOMMENDATIONS

ADAIR COUNTY, MISSOURI
FINDINGS AND RECOMMENDATIONS

MATERIAL WEAKNESSES IN INTERNAL CONTROL

None

SIGNIFICANT INTERNAL CONTROL DEFICIENCY

1. Interfund Transfers

Condition: The County does not consistently ensure that transfers between funds are properly recorded as transfers in the respective funds. Amounts recorded as transfers-in for 2009 exceeded amounts recorded as transfers-out by \$42,608 and amounts recorded as transfers-in for 2008 exceeded transfers-out by \$8,858. The differences resulted from the recording of transfers as expenditures or revenues rather than as transfers in the funds involved. The financial statements included in this report have been adjusted so that transfers in and out between funds are equal as of December 31, 2008 and 2009.

Recommendation: We recommend the County Clerk ensure that transfers between funds are properly recorded as transfers in the respective funds. Transfers should consistently be recorded between funds within the “transfers” category, rather than as expenditures or revenues.

Auditee’s Response: In the future, the County Clerk will record transfers between funds as transfers rather than as expenditures or revenue.

Auditor’s Evaluation: The stated corrective action is responsive to the recommendation.

ITEM OF NONCOMPLIANCE

2. Budgetary Practices

Condition: The County Commission did not exercise appropriate budgetary control over a number of funds during the audit period. The County did not adopt an annual budget for each fund as required by State Statute. Also, disbursements exceeded the authorized budget for numerous funds in 2008 and in 2009.

Specifically, the County did not adopt a formal budget for the Senate Bill 40 fund for 2009 or for the Deputy Sheriff Salary Supplement fund for 2008. The County also approved expenditures in excess of the approved budgets for the following funds:

- Special Road & Bridge – 2008
- Law Enforcement Services – 2008
- Violence Intervention – 2009
- Milliken Cemetery – 2008
- Criminal Costs – 2008 and 2009
- Sheriff Revolving - 2009

- Child Support Enforcement – 2009
- Deputy Sheriff Supplemental - 2009

Also, because a budget was not adopted for the Deputy Sheriff Salary Supplemental Fund (2008) or the Senate Bill 40 Fund (2009), expenditures in these funds exceeded budgetary authority to the extent that a budget was not adopted.

Recommendation: We recommend the County adopt complete formal budgets for all funds as required by law. We also recommend that the County strictly adhere to the authorized spending limits as documented in the adopted County budget. If spending needs are deemed to make the existing budgetary authority inappropriate, appropriate procedures should be undertaken to amend the budget in a public meeting.

Auditee's Response: Adair County will incorporate internal procedural improvements to ensure that budgets are properly established and adhered to for all funds. We are taking steps to ensure that the County follows all procedures required by state statute in the future.

Auditor's Evaluation: The stated corrective action is responsive to the recommendation.

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

In accordance with Government Auditing Standards, this section reports the auditors' follow-up on action taken by Adair County, Missouri, on the applicable findings in the prior audit report issued for the two years ended December 31, 2007 and 2006.

Material Weaknesses in Internal Control

07.1 Property Tax Internal Controls

State Statutes provide for an independent review of property taxes by the County Clerk. The County Clerk should verify the accuracy of the current and delinquent tax books. During the period under audit, 2006 and 2007, the County Clerk's office received a copy of the tax books and any additions and abatements that may have occurred throughout the year but did not verify them against the Collector's monthly and annual settlements.

Status – Resolved.

07.2 Accounting for Bond Debt Service

The County maintains an account with a trustee for use in recording principal and interest payments on bonds. The final disbursement from this account to pay the remaining debt service on the bonds was not recorded in the financial statements.

Status – Resolved.

07.3 Transfers Between Funds

Transfers between funds are not always properly recorded as transfers in the respective funds. Amounts recorded as transfers-in for 2007, per the financial statements published in the annual budget, exceeded amounts recorded as transfers-out by \$648,448, and amounts recorded as transfers-in for 2006 exceeded transfers-out by \$648,448.

Status – Not Resolved. See Finding 1.

Significant Internal Control Deficiencies

07.4 Controls over Revenues in the Sheriff's Office

The Sheriff's Office has identified missing receipts from the receipt book used to record fees and bonds. Upon investigation, it was noted by the Sheriff that certain cash receipt transactions amounting to \$1,549.25 were entered into the subsidiary records without a corresponding receipt or deposit.

The above irregularities were allowed to occur because the same individual was capable of receiving cash, writing receipts, recording cash collections in the accounting system and inputting cash collections into the computer. As there was no review of these processes and

records by an independent party, receipts could be removed and the related cash deposit could be reduced without anyone detecting the variance between these amounts and the accounting records.

Status – Resolved.

07.5 Controls over Bank Account Reconciliations in the Sheriff’s Office

The Sheriff’s Office accounts for inmate monies in a separate bank account. The bank account is not reconciled to the listing of cash held for each inmate and in total and the same individual who receives and records inmate account collections also receives the bank statement. The bank statement is reconciled to current month recorded transactions and not to the ending cash balance, and the reconciliation is not reviewed by anyone independent of this function.

Status – Resolved.

07.6 Staffing and Segregation of Duties in Sheriff’s Office

The Sheriff employs an office manager who oversees the administrative and financial aspects of the office. The individual who records and accounts for inmate monies is a relative of the office manager. This situation reduces the ability to provide an independent review of transactions and bank reconciliations and also may result in less effective supervision.

Status – Resolved.

Items of Noncompliance

07.7 Preparation of Schedule of Expenditure of Federal Awards

The County does not have adequate procedures in place to track federal awards for the preparation of the Schedule of Expenditures of Federal Awards (SEFA), and as a result, the County’s SEFA contained errors and omissions. Expenditures were significantly understated by amounts of approximately \$200,000 and \$500,000 in each of the years ended December 31, 2007 and 2006. This was caused principally by the omission of the Narcotics Control Assistance Program and the Community Development Block Grant.

Section .310(b) of Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, requires the county to prepare a SEFA for the period covered by the County’s financial statements. The County is required to submit the SEFA to the State Auditor’s Office as a part of the annual budget.

Status – Not resolved. See Finding 09-1.

07.8 Investment Policy

The County has not adopted an investment policy. Investment policies are established to ensure that investments made by the county appropriately commit the county to investments for safety, liquidity, and yield. RSMo 30.950 requires political subdivision with authority to invest in instruments other than depository accounts to have an investment policy.

Status – Resolved.

07.9 Budgetary Controls

The County Commission did not exercise adequate budgetary control over a number of funds during the audit period. During the audit period, there were 12 different funds for which expenditures were approved for payment which exceed the approved budget.

Status – Not resolved. See Finding 2.

07.10 Documentation of Departmental Collections

Various County officeholders collect revenues from the sale of maps and other items, fees, taxes, and charges for services. These revenues are generally noted on a form that accompanies the deposit of cash with the Treasurer. During the audit we observed that the listings are not consistently detailed, totaled and signed in order that the Treasurer can readily determine that the cash transmitted is correct and supported by the accounting document. This failure to total and sign the document places the Treasurer in the untenable position of receiving cash and checks without an ability to determine whether there is an error in the amount transmitted.

Status – Resolved.