



THOMAS A. SCHWEICH
Missouri State Auditor

To the County Commission
and
Officeholders of Schuyler County, Missouri

The Office of the State Auditor is responsible under Section 29.230, RSMo, for auditing certain operations of Schuyler County, and issues a separate report on that audit. In addition, the Office of the State Auditor has contracted for an audit of the county's financial statements for the 2 years ended December 31, 2010, through the state Office of Administration, Division of Purchasing and Materials Management. A copy of this audit, performed by Nichols, Stopp, & VanHoy, LLC, Certified Public Accountants, is attached.

A handwritten signature in black ink that reads "Thomas A. Schweich".

Thomas A. Schweich
State Auditor

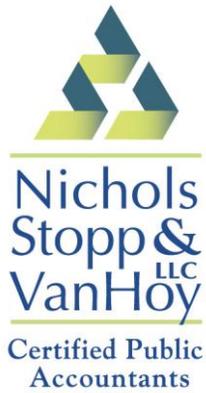
September 2011
Report No. 2011-62

**The County of Schuyler
Lancaster, Missouri
Financial Statements, Independent Auditor's Reports, and Supplementary Information
December 31, 2010 & 2009**



**The County of Schuyler
Lancaster, Missouri
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Independent Auditor's Report

To the County Commission and
Officeholders of Schuyler County, Missouri

We have audited the accompanying financial statements of Schuyler County, Missouri as of and for the years ended December 31, 2010 and 2009, 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, Schuyler County, Missouri has prepared these financial statements using accounting practices prescribed or permitted by Missouri law, 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 Schuyler County, Missouri, as of December 31, 2010 and 2009, 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 Schuyler County, Missouri, as of December 31, 2010 and 2009, 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 July 8, 2011, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain

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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.

Nichols, Stopp, & VanHoy, LLC

Nichols, Stopp, & VanHoy, LLC
July 8, 2011

**The County of Schuyler
Lancaster, Missouri
Statement of Receipts, Disbursements, and Changes in Cash
All Governmental Funds: Regulatory Basis
Year Ended December 31, 2010**

Fund	Cash and Equivalents January 1, 2010	Receipts 2010	Disbursements 2010	Cash and Equivalents December 31, 2010
General Revenue	\$ 116,711.58	\$ 522,524.23	\$ 455,390.93	\$ 183,844.88
Road & Bridge	312,408.16	696,513.86	705,023.85	303,898.17
Assessment	17,338.47	57,072.54	64,313.23	10,097.78
LETF	1,623.40	1,671.60	2,224.72	1,070.28
PA Training	48.01	291.11	305.01	34.11
Law Sales	180.61	279,893.51	277,720.74	2,353.38
Users Fees	14,513.09	1,581.32	1,973.99	14,120.42
CAFO	517.04	14.74	-	531.78
Sales Tax Trust	159,627.42	140,565.00	134,405.61	165,786.81
Bad Check	5,809.80	2,168.27	6,133.49	1,844.58
Civil Service	2,239.10	4,657.89	3,400.32	3,496.67
Co. Clerk 5% Elect.	609.24	1,655.47	1,310.42	954.29
Recorder's	363.38	849.00	10.00	1,202.38
Senior Citizen	8,289.01	19,886.55	18,520.00	9,655.56
Domestic Violence	1,636.00	110.00	-	1,746.00
Collector's Tax	8,085.38	5,176.27	3,871.74	9,389.91
Sheriff Revolving	2,356.30	2,019.84	328.73	4,047.41
Sheriff Salary	230.00	1,811.00	1,831.00	210.00
Homeless Prevention	-	18,352.50	15,261.25	3,091.25
Sheriff Grant	-	2,839.49	798.00	2,041.49
Total	<u>\$ 652,585.99</u>	<u>\$ 1,759,654.19</u>	<u>\$ 1,692,823.03</u>	<u>\$ 719,417.15</u>

See Notes to Financial Statements

**The County of Schuyler
Lancaster, Missouri
Statement of Receipts, Disbursements, and Changes in Cash
All Governmental Funds: Regulatory Basis
Year Ended December 31, 2009**

Fund	Cash and Equivalents January 1, 2009	Receipts 2009	Disbursements 2009	Cash and Equivalents December 31, 2009
General Revenue	\$ 68,113.17	\$ 486,739.41	\$ 438,141.00	\$ 116,711.58
Road & Bridge	331,272.71	726,198.90	745,063.45	312,408.16
Assessment	10,959.09	60,405.99	54,026.61	17,338.47
LETF	2,424.28	1,533.46	2,334.34	1,623.40
PA Training	18.82	253.01	223.82	48.01
Law Sales	2,549.79	255,206.04	257,575.22	180.61
Users Fees	14,000.06	1,629.98	1,116.95	14,513.09
CAFO	507.67	9.37	-	517.04
Sales Tax Trust	157,776.15	136,628.97	134,777.70	159,627.42
Bad Check	8,232.00	1,794.82	4,217.02	5,809.80
Civil Service	3,588.11	4,697.41	6,046.42	2,239.10
Co. Clerk 5% Elect.	1,402.60	1,370.14	2,163.50	609.24
Recorder's	2,048.35	823.75	2,508.72	363.38
Senior Citizen	7,233.28	19,565.73	18,510.00	8,289.01
Domestic Violence	1,494.51	141.49	-	1,636.00
Collector's Tax	9,286.60	4,609.59	5,810.81	8,085.38
Sheriff Revolving	2,189.69	522.24	355.63	2,356.30
Sheriff Salary	604.47	1,742.53	2,117.00	230.00
Homeless Prevention	-	-	-	-
Sheriff Grant	-	-	-	-
Total	<u>\$ 623,701.35</u>	<u>\$ 1,703,872.83</u>	<u>\$ 1,674,988.19</u>	<u>\$ 652,585.99</u>

See Notes to Financial Statements

**The County of Schuyler
Lancaster, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
Years Ended December 31, 2010 and 2009**

	General Fund			
	2010		2009	
	Budget	Actual	Budget	Actual
Receipts				
Property Taxes	\$ 121,500.00	\$ 120,287.08	\$ 126,600.00	\$ 113,582.40
Sales Taxes	250,000.00	275,693.61	205,000.00	243,861.80
Intergovernmental	12,700.00	10,859.55	10,111.27	12,945.20
Charges for Services	73,420.00	72,220.08	74,500.00	73,445.68
Interest	2,500.00	4,153.13	3,800.00	2,110.24
Other	6,450.00	5,849.63	9,675.00	5,603.15
Transfers In	58,208.96	33,461.15	63,663.48	35,190.94
Total Receipts	<u>\$ 524,778.96</u>	<u>\$ 522,524.23</u>	<u>\$ 493,349.75</u>	<u>\$ 486,739.41</u>
Disbursements				
County Commission	\$ 47,866.00	\$ 47,335.96	\$ 47,859.00	\$ 47,577.12
County Clerk	45,925.60	45,532.69	45,925.60	44,429.13
Elections	18,852.50	17,686.74	-	-
Building and Grounds	74,600.00	45,150.40	54,600.00	36,794.98
Employee Fringe Benefits	14,800.00	13,375.95	14,900.00	13,536.27
County Treasurer	23,715.00	23,186.39	23,540.00	23,188.06
Collector	40,896.80	40,536.99	41,096.80	39,621.98
Recorder of Deeds	-	-	-	-
Circuit Clerk	9,224.00	7,350.45	3,950.00	3,512.57
Associate Circuit Court	-	-	3,650.00	2,536.64
Probate Court	750.00	465.10	250.00	309.30
Court Administration	8,545.57	3,900.63	8,545.57	3,864.12
Public Administrator	13,300.00	12,981.93	13,950.00	13,867.44
Health and Welfare	11,839.15	16,786.96	9,500.00	10,433.16
Transfers Out	136,618.32	118,035.25	152,484.73	144,650.90
Emergency Fund	15,698.37	13,229.45	14,800.49	3,113.74
Other	60,950.47	49,836.04	60,619.47	50,705.59
Total Disbursements	<u>\$ 523,581.78</u>	<u>\$ 455,390.93</u>	<u>\$ 495,671.66</u>	<u>\$ 438,141.00</u>
Receipts Over (Under) Disbursements	\$ 1,197.18	\$ 67,133.30	\$ (2,321.91)	\$ 48,598.41
Cash, January 1	<u>\$ 116,711.58</u>	<u>\$ 116,711.58</u>	<u>\$ 2,985.04</u>	<u>\$ 68,113.17</u>
Cash, December 31	<u><u>\$ 117,908.76</u></u>	<u><u>\$ 183,844.88</u></u>	<u><u>\$ 663.13</u></u>	<u><u>\$ 116,711.58</u></u>

See Notes to Financial Statements

**The County of Schuyler
Lancaster, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
Years Ended December 31, 2010 and 2009**

	Road and Bridge Fund			
	2010		2009	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ 273,000.00	\$ 277,012.76	\$ 267,000.00	\$ 273,126.69
Sales Taxes	-	-	-	-
Intergovernmental	750,328.03	377,081.51	795,120.02	380,062.84
Charges for Services	18,000.00	27,994.11	7,500.00	21,495.43
Interest	7,000.00	10,399.44	15,000.00	6,948.09
Other	8,000.00	4,026.04	3,000.00	6,944.26
Transfers In	-	-	37,621.59	37,621.59
Total Receipts	<u>\$ 1,056,328.03</u>	<u>\$ 696,513.86</u>	<u>\$ 1,125,241.61</u>	<u>\$ 726,198.90</u>
<u>Disbursements</u>				
Salaries	\$ 220,000.00	\$ 164,586.19	\$ 220,000.00	\$ 191,629.73
Employee Fringe Benefits	34,000.00	23,656.37	34,000.00	25,562.16
Supplies	100,000.00	69,087.71	112,000.00	63,684.93
Insurance	16,000.00	15,953.50	16,000.00	15,933.50
Road & Bridge Materials	285,000.00	271,213.10	295,000.00	272,648.03
Equipment Repairs	50,000.00	60,703.66	50,000.00	27,247.00
Rentals	10,000.00	16,636.25	8,000.00	13,907.50
Equipment Purchases	30,000.00	10,500.00	60,000.00	27,539.38
R & B Construction	15,550.71	-	15,550.71	-
Other Expenditures	503,628.49	39,225.92	462,718.89	71,720.28
Transfers Out	58,208.96	33,461.15	63,663.48	35,190.94
Total Disbursements	<u>\$ 1,322,388.16</u>	<u>\$ 705,023.85</u>	<u>\$ 1,336,933.08</u>	<u>\$ 745,063.45</u>
Receipts Over (Under) Disbursements	\$ (266,060.13)	\$ (8,509.99)	\$ (211,691.47)	\$ (18,864.55)
Cash, January 1	<u>\$ 312,408.16</u>	<u>\$ 312,408.16</u>	<u>\$ 462,843.56</u>	<u>\$ 331,272.71</u>
Cash, December 31	<u><u>\$ 46,348.03</u></u>	<u><u>\$ 303,898.17</u></u>	<u><u>\$ 251,152.09</u></u>	<u><u>\$ 312,408.16</u></u>

See Notes to Financial Statements

**The County of Schuyler
Lancaster, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
Years Ended December 31, 2010 and 2009**

	Assessment Fund			
	2010		2009	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	59,311.83	55,557.49	61,783.20	58,994.88
Charges for Services	325.00	285.86	250.00	274.56
Interest	375.00	661.26	650.00	418.56
Other	762.00	567.93	520.00	717.99
Transfers In	-	-	-	-
Total Receipts	<u>\$ 60,773.83</u>	<u>\$ 57,072.54</u>	<u>\$ 63,203.20</u>	<u>\$ 60,405.99</u>
 <u>Disbursements</u>				
Salaries	\$ 37,208.19	\$ 38,803.20	\$ 36,766.40	\$ 39,990.39
Employee Fringe Benefits	3,700.00	4,506.13	3,500.00	3,416.71
Materials and Supplies	5,100.00	3,354.34	4,400.00	3,803.02
Services and Other	8,400.00	2,414.33	7,500.00	2,148.38
Capital Outlay	19,500.00	15,235.23	7,900.00	4,668.11
Transfers Out	-	-	-	-
Total Disbursements	<u>\$ 73,908.19</u>	<u>\$ 64,313.23</u>	<u>\$ 60,066.40</u>	<u>\$ 54,026.61</u>
Receipts Over (Under)				
Disbursements	\$ (13,134.36)	\$ (7,240.69)	\$ 3,136.80	\$ 6,379.38
Cash, January 1	<u>\$ 17,338.47</u>	<u>\$ 17,338.47</u>	<u>\$ 10,959.09</u>	<u>\$ 10,959.09</u>
Cash, December 31	<u><u>\$ 4,204.11</u></u>	<u><u>\$ 10,097.78</u></u>	<u><u>\$ 14,095.89</u></u>	<u><u>\$ 17,338.47</u></u>

See Notes to Financial Statements

**The County of Schuyler
Lancaster, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
Years Ended December 31, 2010 and 2009**

	Law Enforcement Training Fund				PA Training Fund			
	2010		2009		2010		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	500.00	500.00	450.00	500.00	-	-	-	-
Charges for Services	1,100.00	1,134.00	750.00	1,006.00	300.00	287.08	300.00	250.65
Interest	25.00	37.60	50.00	27.46	3.00	4.03	5.00	2.36
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 1,625.00</u>	<u>\$ 1,671.60</u>	<u>\$ 1,250.00</u>	<u>\$ 1,533.46</u>	<u>\$ 303.00</u>	<u>\$ 291.11</u>	<u>\$ 305.00</u>	<u>\$ 253.01</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	3,000.00	2,224.72	3,000.00	2,334.34	250.00	305.01	300.00	223.82
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 3,000.00</u>	<u>\$ 2,224.72</u>	<u>\$ 3,000.00</u>	<u>\$ 2,334.34</u>	<u>\$ 250.00</u>	<u>\$ 305.01</u>	<u>\$ 300.00</u>	<u>\$ 223.82</u>
Receipts Over (Under)								
Disbursements	\$ (1,375.00)	\$ (553.12)	\$ (1,750.00)	\$ (800.88)	\$ 53.00	\$ (13.90)	\$ 5.00	\$ 29.19
Cash, January 1	<u>\$ 1,623.40</u>	<u>\$ 1,623.40</u>	<u>\$ 2,424.28</u>	<u>\$ 2,424.28</u>	<u>\$ 48.01</u>	<u>\$ 48.01</u>	<u>\$ 18.82</u>	<u>\$ 18.82</u>
Cash, December 31	<u>\$ 248.40</u>	<u>\$ 1,070.28</u>	<u>\$ 674.28</u>	<u>\$ 1,623.40</u>	<u>\$ 101.01</u>	<u>\$ 34.11</u>	<u>\$ 23.82</u>	<u>\$ 48.01</u>

See Notes to Financial Statements

**The County of Schuyler
Lancaster, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
Years Ended December 31, 2010 and 2009**

	Law Sales Fund			
	2010		2009	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	135,000.00	137,891.22	135,000.00	134,155.24
Intergovernmental	1,200.00	430.50	1,500.00	-
Charges for Services	22,550.00	22,221.38	28,600.00	13,676.82
Interest	50.00	-	175.00	43.14
Other	325.00	1,315.16	680.00	301.53
Transfers In	136,618.32	118,035.25	114,863.14	107,029.31
Total Receipts	<u>\$ 295,743.32</u>	<u>\$ 279,893.51</u>	<u>\$ 280,818.14</u>	<u>\$ 255,206.04</u>
<u>Disbursements</u>				
Sheriff	\$ 138,596.00	\$ 128,547.09	\$ 129,580.00	\$ 126,084.94
Jail	73,930.00	79,236.03	70,000.00	64,096.93
Prosecutor	39,942.93	40,105.82	40,582.93	39,100.21
Juvenile Office	8,775.00	4,238.99	8,525.00	3,072.09
Coroner	14,180.00	6,956.71	14,180.00	6,760.18
Employee Fringe Benefits	20,500.00	18,636.10	20,500.00	18,460.87
Transfers Out	-	-	-	-
Total Disbursements	<u>\$ 295,923.93</u>	<u>\$ 277,720.74</u>	<u>\$ 283,367.93</u>	<u>\$ 257,575.22</u>
Receipts Over (Under)				
Disbursements	\$ (180.61)	\$ 2,172.77	\$ (2,549.79)	\$ (2,369.18)
Cash, January 1	<u>\$ 180.61</u>	<u>\$ 180.61</u>	<u>\$ 2,549.79</u>	<u>\$ 2,549.79</u>
Cash, December 31	<u><u>\$ 0.00</u></u>	<u><u>\$ 2,353.38</u></u>	<u><u>\$ 0.00</u></u>	<u><u>\$ 180.61</u></u>

See Notes to Financial Statements

**The County of Schuyler
Lancaster, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
Years Ended December 31, 2010 and 2009**

	Sales Tax Trust Fund			
	2010		2009	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	135,000.00	137,888.83	135,000.00	134,196.35
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Interest	2,500.00	2,676.17	6,200.00	2,432.62
Other	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	<u>\$ 137,500.00</u>	<u>\$ 140,565.00</u>	<u>\$ 141,200.00</u>	<u>\$ 136,628.97</u>
<u>Disbursements</u>				
Salaries	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services and Other	134,405.61	134,405.61	134,777.70	134,777.70
Capital Outlay	-	-	-	-
Transfers Out	-	-	-	-
Total Disbursements	<u>\$ 134,405.61</u>	<u>\$ 134,405.61</u>	<u>\$ 134,777.70</u>	<u>\$ 134,777.70</u>
Receipts Over (Under)				
Disbursements	\$ 3,094.39	\$ 6,159.39	\$ 6,422.30	\$ 1,851.27
Cash, January 1	<u>\$ 159,627.42</u>	<u>\$ 159,627.42</u>	<u>\$ 24,042.24</u>	<u>\$ 157,776.15</u>
Cash, December 31	<u><u>\$ 162,721.81</u></u>	<u><u>\$ 165,786.81</u></u>	<u><u>\$ 30,464.54</u></u>	<u><u>\$ 159,627.42</u></u>

See Notes to Financial Statements

**The County of Schuyler
Lancaster, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
Years Ended December 31, 2010 and 2009**

	User's Fees Fund				CAFO			
	2010		2009		2010		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	1,300.00	1,188.00	1,300.00	1,376.00	-	-	-	-
Interest	200.00	393.32	300.00	253.98	10.00	14.74	15.00	9.37
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 1,500.00</u>	<u>\$ 1,581.32</u>	<u>\$ 1,600.00</u>	<u>\$ 1,629.98</u>	<u>\$ 10.00</u>	<u>\$ 14.74</u>	<u>\$ 15.00</u>	<u>\$ 9.37</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	2,000.00	1,384.74	-	1,038.31	-	-	-	-
Services and Other	750.00	589.25	750.00	78.64	500.00	-	500.00	-
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 2,750.00</u>	<u>\$ 1,973.99</u>	<u>\$ 750.00</u>	<u>\$ 1,116.95</u>	<u>\$ 500.00</u>	<u>\$ -</u>	<u>\$ 500.00</u>	<u>\$ -</u>
Receipts Over (Under)								
Disbursements	\$ (1,250.00)	\$ (392.67)	\$ 850.00	\$ 513.03	\$ (490.00)	\$ 14.74	\$ (485.00)	\$ 9.37
Cash, January 1	<u>\$ 14,513.09</u>	<u>\$ 14,513.09</u>	<u>\$ 14,000.06</u>	<u>\$ 14,000.06</u>	<u>\$ 517.04</u>	<u>\$ 517.04</u>	<u>\$ 507.67</u>	<u>\$ 507.67</u>
Cash, December 31	<u><u>\$ 13,263.09</u></u>	<u><u>\$ 14,120.42</u></u>	<u><u>\$ 14,850.06</u></u>	<u><u>\$ 14,513.09</u></u>	<u><u>\$ 27.04</u></u>	<u><u>\$ 531.78</u></u>	<u><u>\$ 22.67</u></u>	<u><u>\$ 517.04</u></u>

See Notes to Financial Statements

**The County of Schuyler
Lancaster, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
Years Ended December 31, 2010 and 2009**

	Bad Check Fund			
	2010		2009	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	2,000.00	2,108.27	4,000.00	1,794.82
Interest	-	-	-	-
Other	-	60.00	-	-
Transfers In	-	-	-	-
Total Receipts	<u>\$ 2,000.00</u>	<u>\$ 2,168.27</u>	<u>\$ 4,000.00</u>	<u>\$ 1,794.82</u>
<u>Disbursements</u>				
Salaries	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services and Other	5,809.80	6,133.49	8,000.00	3,401.87
Capital Outlay	-	-	-	815.15
Transfers Out	-	-	-	-
Total Disbursements	<u>\$ 5,809.80</u>	<u>\$ 6,133.49</u>	<u>\$ 8,000.00</u>	<u>\$ 4,217.02</u>
Receipts Over (Under)				
Disbursements	\$ (3,809.80)	\$ (3,965.22)	\$ (4,000.00)	\$ (2,422.20)
Cash, January 1	<u>\$ 5,809.80</u>	<u>\$ 5,809.80</u>	<u>\$ 8,232.00</u>	<u>\$ 8,232.00</u>
Cash, December 31	<u><u>\$ 2,000.00</u></u>	<u><u>\$ 1,844.58</u></u>	<u><u>\$ 4,232.00</u></u>	<u><u>\$ 5,809.80</u></u>

See Notes to Financial Statements

**The County of Schuyler
Lancaster, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
Years Ended December 31, 2010 and 2009**

	Civil Service Fund				County Clerk 5% Election Fund			
	2010		2009		2010		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	500.00	536.50	-	439.45
Charges for Services	4,900.00	4,657.89	5,500.00	4,697.41	1,000.00	1,093.42	500.00	912.88
Interest	-	-	-	-	20.00	25.55	30.00	17.81
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 4,900.00</u>	<u>\$ 4,657.89</u>	<u>\$ 5,500.00</u>	<u>\$ 4,697.41</u>	<u>\$ 1,520.00</u>	<u>\$ 1,655.47</u>	<u>\$ 530.00</u>	<u>\$ 1,370.14</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	625.79	-	968.43
Services and Other	5,925.00	2,825.32	8,370.00	5,058.63	1,600.00	684.63	500.00	344.72
Capital Outlay	1,000.00	575.00	-	987.79	500.00	-	1,000.00	850.35
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 6,925.00</u>	<u>\$ 3,400.32</u>	<u>\$ 8,370.00</u>	<u>\$ 6,046.42</u>	<u>\$ 2,100.00</u>	<u>\$ 1,310.42</u>	<u>\$ 1,500.00</u>	<u>\$ 2,163.50</u>
Receipts Over (Under)								
Disbursements	\$ (2,025.00)	\$ 1,257.57	\$ (2,870.00)	\$ (1,349.01)	\$ (580.00)	\$ 345.05	\$ (970.00)	\$ (793.36)
Cash, January 1	<u>\$ 2,239.10</u>	<u>\$ 2,239.10</u>	<u>\$ 3,588.11</u>	<u>\$ 3,588.11</u>	<u>\$ 609.24</u>	<u>\$ 609.24</u>	<u>\$ 1,402.60</u>	<u>\$ 1,402.60</u>
Cash, December 31	<u>\$ 214.10</u>	<u>\$ 3,496.67</u>	<u>\$ 718.11</u>	<u>\$ 2,239.10</u>	<u>\$ 29.24</u>	<u>\$ 954.29</u>	<u>\$ 432.60</u>	<u>\$ 609.24</u>

See Notes to Financial Statements

**The County of Schuyler
Lancaster, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
Years Ended December 31, 2010 and 2009**

	Recorder's Fund				Senior Citizen Fund			
	2010		2009		2010		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 19,325.00	\$ 19,527.29	\$ 19,600.24	\$ 19,317.61
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	10.00	2.47	10.00	61.18
Charges for Services	800.00	849.00	950.00	823.75	-	-	-	-
Interest	-	-	-	-	500.00	356.79	360.00	186.94
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 800.00</u>	<u>\$ 849.00</u>	<u>\$ 950.00</u>	<u>\$ 823.75</u>	<u>\$ 19,835.00</u>	<u>\$ 19,886.55</u>	<u>\$ 19,970.24</u>	<u>\$ 19,565.73</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	1,100.00	10.00	2,750.00	2,508.72	18,600.00	18,520.00	18,600.00	18,510.00
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 1,100.00</u>	<u>\$ 10.00</u>	<u>\$ 2,750.00</u>	<u>\$ 2,508.72</u>	<u>\$ 18,600.00</u>	<u>\$ 18,520.00</u>	<u>\$ 18,600.00</u>	<u>\$ 18,510.00</u>
Receipts Over (Under)								
Disbursements	\$ (300.00)	\$ 839.00	\$ (1,800.00)	\$ (1,684.97)	\$ 1,235.00	\$ 1,366.55	\$ 1,370.24	\$ 1,055.73
Cash, January 1	<u>\$ 363.38</u>	<u>\$ 363.38</u>	<u>\$ 2,048.35</u>	<u>\$ 2,048.35</u>	<u>\$ 8,289.01</u>	<u>\$ 8,289.01</u>	<u>\$ 7,233.28</u>	<u>\$ 7,233.28</u>
Cash, December 31	<u>\$ 63.38</u>	<u>\$ 1,202.38</u>	<u>\$ 248.35</u>	<u>\$ 363.38</u>	<u>\$ 9,524.01</u>	<u>\$ 9,655.56</u>	<u>\$ 8,603.52</u>	<u>\$ 8,289.01</u>

See Notes to Financial Statements

**The County of Schuyler
Lancaster, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
Years Ended December 31, 2010 and 2009**

	Domestic Violence Fund				Collector's Tax Maintenance Fund			
	2010		2009		2010		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	150.00	110.00	200.00	141.49	4,500.00	4,890.63	4,500.00	4,412.93
Interest	-	-	-	-	200.00	285.64	300.00	196.66
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 150.00</u>	<u>\$ 110.00</u>	<u>\$ 200.00</u>	<u>\$ 141.49</u>	<u>\$ 4,700.00</u>	<u>\$ 5,176.27</u>	<u>\$ 4,800.00</u>	<u>\$ 4,609.59</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 1,700.00	\$ 1,614.75	\$ 1,500.00	\$ 1,614.75
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	1,000.00	-	1,000.00	-	8,550.00	2,256.99	9,786.60	2,289.07
Capital Outlay	-	-	-	-	2,500.00	-	2,500.00	1,906.99
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 1,000.00</u>	<u>\$ -</u>	<u>\$ 1,000.00</u>	<u>\$ -</u>	<u>\$ 12,750.00</u>	<u>\$ 3,871.74</u>	<u>\$ 13,786.60</u>	<u>\$ 5,810.81</u>
Receipts Over (Under)								
Disbursements	\$ (850.00)	\$ 110.00	\$ (800.00)	\$ 141.49	\$ (8,050.00)	\$ 1,304.53	\$ (8,986.60)	\$ (1,201.22)
Cash, January 1	<u>\$ 1,636.00</u>	<u>\$ 1,636.00</u>	<u>\$ 1,494.51</u>	<u>\$ 1,494.51</u>	<u>\$ 8,085.38</u>	<u>\$ 8,085.38</u>	<u>\$ 9,286.60</u>	<u>\$ 9,286.60</u>
Cash, December 31	<u>\$ 786.00</u>	<u>\$ 1,746.00</u>	<u>\$ 694.51</u>	<u>\$ 1,636.00</u>	<u>\$ 35.38</u>	<u>\$ 9,389.91</u>	<u>\$ 300.00</u>	<u>\$ 8,085.38</u>

See Notes to Financial Statements

**The County of Schuyler
Lancaster, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
Years Ended December 31, 2010 and 2009**

	Sheriff Revolving Fund				Sheriff Salary Fund			
	2010		2009		2010		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	500.00	1,930.00	500.00	484.00	1,900.00	1,811.00	1,812.00	1,742.53
Interest	40.00	89.84	50.00	38.24	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 540.00</u>	<u>\$ 2,019.84</u>	<u>\$ 550.00</u>	<u>\$ 522.24</u>	<u>\$ 1,900.00</u>	<u>\$ 1,811.00</u>	<u>\$ 1,812.00</u>	<u>\$ 1,742.53</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 2,130.00	\$ 1,831.00	\$ 2,416.47	\$ 2,117.00
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	2,500.00	328.73	2,000.00	355.63	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 2,500.00</u>	<u>\$ 328.73</u>	<u>\$ 2,000.00</u>	<u>\$ 355.63</u>	<u>\$ 2,130.00</u>	<u>\$ 1,831.00</u>	<u>\$ 2,416.47</u>	<u>\$ 2,117.00</u>
Receipts Over (Under) Disbursements	\$ (1,960.00)	\$ 1,691.11	\$ (1,450.00)	\$ 166.61	\$ (230.00)	\$ (20.00)	\$ (604.47)	\$ (374.47)
Cash, January 1	<u>\$ 2,356.30</u>	<u>\$ 2,356.30</u>	<u>\$ 2,189.69</u>	<u>\$ 2,189.69</u>	<u>\$ 230.00</u>	<u>\$ 230.00</u>	<u>\$ 604.47</u>	<u>\$ 604.47</u>
Cash, December 31	<u>\$ 396.30</u>	<u>\$ 4,047.41</u>	<u>\$ 739.69</u>	<u>\$ 2,356.30</u>	<u>\$ -</u>	<u>\$ 210.00</u>	<u>\$ -</u>	<u>\$ 230.00</u>

See Notes to Financial Statements

**The County of Schuyler
Lancaster, Missouri
Comparative Statement of Receipts, Disbursements, and Changes in Cash
Budget and Actual, All Governmental Funds: Regulatory Basis
Years Ended December 31, 2010 and 2009**

	Homeless Prevention & Rapid Housing Fund				Sheriff Grant Fund			
	2010		2009		2010		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	18,352.50	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	2,839.49	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ -</u>	<u>\$ 18,352.50</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,839.49</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	-	15,261.25	-	-	-	798.00	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ -</u>	<u>\$ 15,261.25</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 798.00</u>	<u>\$ -</u>	<u>\$ -</u>
Receipts Over (Under)								
Disbursements	\$ -	\$ 3,091.25	\$ -	\$ -	\$ -	\$ 2,041.49	\$ -	\$ -
Cash, January 1	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Cash, December 31	<u><u>\$ -</u></u>	<u><u>\$ 3,091.25</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,041.49</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See Notes to Financial Statements

**The County of Schuyler
Lancaster, Missouri
Notes to the Financial Statements
December 31, 2010 & 2009**

Note 1 - Summary of Significant Accounting Policies

Organized in 1845, the county of Schuyler was named after Phillip Schuyler, a Revolutionary War general. Schuyler County is a county-organized, third-class county and is part of the First Judicial Circuit. The county seat is Lancaster. Schuyler County's government is composed of a three-member county commission and the following separately elected Constitutional Officers: County Clerk, Collector, Treasurer, Circuit Clerk, an ex officio Recorder of Deeds, Sheriff, Assessor, Coroner, Public Administrator and Prosecuting Attorney.

As discussed further in Note I, 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

As required by generally accepted accounting principles, as applicable to the regulatory basis of accounting, these financial statements present financial accountability of Schuyler County, Missouri.

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

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

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

Basis of Presentation

The accompanying financial statements present the receipts, disbursements, and changes in cash of all funds of Schuyler County, Missouri, and the comparisons of such information with the corresponding budgeted information for all funds of the county. The funds presented are established under statutory or administrative authority, and their operations are under control of the County Commission or an elected county official. The General Revenue Fund is the county's general operation fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

Basis of Accounting

The financial statements were prepared using accounting practices prescribed or permitted by Missouri law, which differ from accounting principles generally accepted in the United States of America. The effects of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonable determinable, are presumed to be material.

**The County of Schuyler
Lancaster, Missouri
Notes to the Financial Statements
December 31, 2010 & 2009**

Note 1 - Summary of Significant Accounting Policies (continued)

Basis of Accounting (continued)

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

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

Budget and Budgetary Accounting

In accordance with Chapter 50 RSMo, Schuyler County adopts a budget for each governmental fund.

On or before January 15th, each elected officer and department director will transmit to the County Clerk, who serves as budget officer, the budget request and revenue estimates for their office or department for the budget year.

The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning the following January 1. The proposed budget included estimated revenues and proposed expenditures 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 unencumbered fund balance at the beginning of the year as well as estimated revenues to be received. The budget to actual comparisons in these financial statements, however, do not present encumbered fund balances, but only compare budgeted and actual revenues and expenditures. During our audit we noted that the County was not in compliance with Missouri budgetary state statute Chapter 50 RSMo. The PA Training Fund, User's Fees Fund, Bad Check Fund, County Clerk 5% Election Fund, Law Library Fund, Associate Court Interest Fund, Homeless Prevention & Rapid Housing Fund, and the Sheriff Grant Fund all had expenses exceeding their budget.

A public hearing is conducted to obtain public comment. Prior to its approval by the County Commission, the budget document is available for public inspection.

Prior to February 1, the budget is legally enacted by a vote of the County.

Subsequent to its formal approval of the budget, the County Commission has the authority to make necessary adjustments to the budget by formal vote of the Commission. Adjustments made during the year are reflected in the budget 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.

**The County of Schuyler
Lancaster, Missouri
Notes to the Financial Statements
December 31, 2010 & 2009**

Note 1 - Summary of Significant Accounting Policies (continued)

Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and tax bills are mailed to taxpayers in November, at which time they are payable. All unpaid property taxes become delinquent as of January 1, of the following year.

The assessed valuation of the tangible taxable property, included within the Schuyler County's boundaries for the calendar year 2010 and 2009, for the purposes of taxation was:

	<u>2010</u>	<u>2009</u>
Real Estate	\$ 23,434,920	\$ 22,800,770
Personal Property	11,031,558	10,953,366
Railroad and Utilities	<u>5,164,254</u>	<u>5,156,955</u>
	<u>\$ 39,630,732</u>	<u>\$ 38,911,091</u>

The tax levy per \$100 of the assessed valuation of tangible taxable property for the calendar years 2010 and 2009 for the purpose of County taxation was as follows:

	<u>2010</u>	<u>2009</u>
General Revenue Fund	\$ 0.3225	\$ 0.3176
Special Road & Bridge Fund	0.2600	0.2600
Common Road & Bridge Fund	0.4765	0.4765

The County also receives sales tax collected by the State and remitted based on the County's sales tax rate to the total sales tax collected in the County.

Cash Deposits and Investments

Deposits and investments are stated at cost, which approximates market. Cash balances for all the County Treasurer's funds are pooled and invested to the extent possible. Interest earned from such investments is allocated to each of the funds based on the funds' average daily cash balance. Cash equivalents include repurchase agreements and any other instruments with an original maturity of ninety days or less. State law authorizes the deposit of funds in banks and trust companies or the investment of funds in bonds or treasury certificates of the United States, other interest bearing obligations guaranteed as to both principal and interest by the United States, bonds of the State of Missouri or other government bonds, or time certificates of deposit, provided, however, that no such investments shall be purchased at a price in excess of 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 Schuyler County's name at third-party banking institutions. Details of these cash balances are presented in Note II.

Interfund Transactions

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.

**The County of Schuyler
Lancaster, Missouri
Notes to the Financial Statements
December 31, 2010 & 2009**

Note 1 - Summary of Significant Accounting Policies (continued)

Interfund Transactions (continued)

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.

Note 2 - Deposits and Investments

Schuyler County maintains a cash and temporary investment pool that is available for use by all funds. Deposits with maturities greater than three months are considered investments. Each fund type's portion of this pool is displayed on the statement of receipts, disbursements, and changes in cash arising from cash transactions as "Cash and Equivalents."

Deposits - Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2010 and 2009, the carrying amount of Schuyler County's deposits was \$721,300.24 and \$654,358.51, and the bank balance was \$739,307.26 and \$671,316.75, respectively. At December 31, 2010 & 2009, 100% of Schuyler County's deposits and investments were covered by the Federal Deposit Insurance Company (FDIC) or were collateralized.

The carrying values of deposits and investments shown above are included in the financial statements at December 31, 2010, as follows:

Deposits	\$ 378,409.60
Investments	341,007.55
Restricted Cash	<u>-</u>
Total Deposits & Investments as of December 31, 2010	<u><u>\$ 719,417.15</u></u>

The carrying values of deposits and investments shown above are included in the financial statements at December 31, 2009, as follows:

Deposits	\$ 316,487.17
Investments	336,098.82
Restricted Cash	<u>-</u>
Total Deposits & Investments as of December 31, 2009	<u><u>\$ 652,585.99</u></u>

Custodial Credit Risk - Deposits

For a deposit, custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Schuyler County's investment policy does not include custodial credit risk requirements. Schuyler County's deposits were not exposed to custodial credit risk for the years ended December 31, 2010, and 2009.

**The County of Schuyler
Lancaster, Missouri
Notes to the Financial Statements
December 31, 2010 & 2009**

Note 2 - Deposits and Investments (continued)

Custodial Credit Risk - Investments

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by the party that sold the security to Schuyler County or its agent but not in the government's name. Schuyler County does not have a policy for custodial credit risk relating to investments.

All investments, evidenced by individual securities, are registered in the name of the Schuyler County or of a type that are not exposed to custodial credit risk.

Investment Interest Rate Risk

Investment interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Schuyler County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Investment Credit Risk

Concentration of credit risk is required to be disclosed by Schuyler County for any single investment that represents 5% or more of total investments (excluding investments issued by or explicitly guaranteed by the U. S. Government, investments in mutual funds, investments in external investment pools and investments in other pooled investments). Schuyler County has no policy in place to minimize the risk of loss resulting from over concentration of assets in specific maturity, specific issuer or specific class of securities. Schuyler County's deposits were not exposed to concentration of investment credit risk for the years ended in December 31, 2010 and 2009.

Note 3 - Interfund Transfers

Transfers between funds for the years ended December 31, 2010 and 2009 are as follows:

<u>Major Funds:</u>	<u>2010</u>		<u>2009</u>	
	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Revenue	\$ 33,461.15	\$ 118,035.25	\$ 35,190.94	\$ 144,650.90
Road & Bridge	-	33,461.15	37,621.59	35,190.94
Law Sales	118,035.25	-	107,029.31	-
Total	<u>\$ 151,496.40</u>	<u>\$ 151,496.40</u>	<u>\$ 179,841.84</u>	<u>\$ 179,841.84</u>

Note 4 - County Employees Retirement Fund (CERF)

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

**The County of Schuyler
Lancaster, Missouri
Notes to the Financial Statements
December 31, 2010 & 2009**

Note 4 - County Employees Retirement Fund (CERF) (continued)

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 (1000) one thousand hours per calendar year in each county of the state, except for any city not within a county and any county of the first classification having a charter form of government. It does not include county prosecuting attorneys covered under Sections 56.800 to 56.840, RSMo, circuit clerks and deputy circuit clerks covered under the Missouri State Retirement System, county sheriffs covered under Section 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 eleven persons.

Pension Benefits

Beginning January 1, 1997, employees attaining the age of sixty-two 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 amount, targeted replacement ratio formula, and the prior plan's formula). A death benefit of \$10,000 will be paid to the designated beneficiary of every active member upon his or her death. Upon termination of employment, any member who is vested is entitled to a deferred annuity, payable at age sixty-two. Early retirement at age fifty-five with reduced benefit is allowed for the police department, all other departments in the county the age is sixty. Any member with less than eight years creditable service forfeits all rights in the fund but will be paid his or her accumulated contributions.

The County Employee's 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.

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 2010 and 2009, the County collected and remitted to CERF employee contributions of approximately \$36,092.83 and \$33,619.17, respectively, for the years then ended.

Note 5 - Prosecuting Attorney Retirement Fund

In accordance with state statute Chapter 56.807 RSMo, Schuyler County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. The Schuyler County has contributed \$2244 and \$2244, respectively, for the years ended December 31, 2010 and 2009.

Note 6 - Post-Employment Benefits

Schuyler 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 County.

**The County of Schuyler
Lancaster, Missouri
Notes to the Financial Statements
December 31, 2010 & 2009**

Note 7 - Claims, Commitments and Contingencies

Litigation

Schuyler County is not involved in any pending litigations as of December 31, 2010.

Compensated Absences

The County provides employees with up to two weeks of paid vacation based upon the number of years of continuous service. Upon termination from county employment, an employee is reimbursed for unused vacation and overtime, if applicable. This has not been subjected to auditing procedures.

Note 8 - Risk Management

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

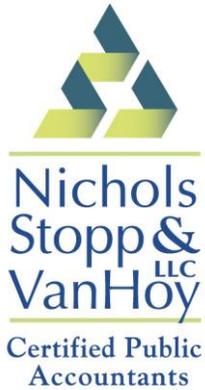
The County is a member of the Missouri Association of Counties Self-Injured Workers' Compensation and Insurance Fund. The County purchases workers' compensation insurance through this Fund, a non-profit corporation established for the purpose of providing insurance coverage for Missouri counties. The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

**The County of Schuyler
Lancaster, Missouri
Schedule of State Findings
December 31, 2010 & 2009**

Schedule of State Findings

During our audit we noted that the County was not in compliance with Missouri budgetary state statute Chapter 50 RSMo. The PA Training Fund, User's Fees Fund, Bad Check Fund, County Clerk 5% Election Fund, Law Library Fund, Associate Court Interest Fund, Homeless Prevention & Rapid Housing Fund, and the Sheriff Grant Fund all had expenses exceeding their budget.

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 Schuyler County, Missouri

We have audited the accompanying financial statements of Schuyler County, Missouri as of and for the years ended December 31, 2010 and 2009, which collectively comprise the County's basic financial statements as identified in the table of contents, and have issued our report thereon dated July 8, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Schuyler 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 Schuyler County, Missouri's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Schuyler 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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity'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 over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying Schedule of Findings and Responses that we consider to be significant deficiencies in internal control over financial reporting: FS 10/09-1, FS 10/09-2, and FS 10/09-3. A significant deficiency is a deficiency, or a 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.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Schuyler County, Missouri's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our test disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying Schedule of Findings and Responses FS 10/09-4.

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

This report is intended solely for the information and use of management, County Commission, County Officeholders, others within the entity, and the Missouri State Auditor's Office, and is not intended to be and should not be used by anyone other than these specified parties.

Nichols, Stopp, & VanHay, LLC

Creve Coeur, Missouri
July 8, 2011

**The County of Schuyler
Lancaster, Missouri
Schedule of Findings and Responses
December 31, 2010 & 2009**

Section 1 - Financial Statement Findings

FS 10/09-01 Condition: During the current year, it was necessary for the auditors of the County to assist with the preparation of the external financial statements and the notes to financial statements.

Effect: If the management of the County does not have the ability to prepare the external financial statements and the notes to the financial statements without the assistance of the auditors, management may be unable to review and take responsibility of the financial statement and notes.

Cause: Management of the County does not possess the technical accounting skills to prepare the external financial statements without the assistance of the auditors.

Recommendation: We recommend the County either provide training to current management, hire additional staff who possess the accounting skills needed to prepare and review the external financial statements, or contract with an outside accountant to prepare and review the external financial statements.

Management's Response: Schuyler County will take the recommendation under advisement, and try to remedy this finding as funds become available.

FS 10/09-02 Condition: Documentation of the County's internal controls has not been prepared.

Effect: Without documented internal controls, the County may not be able to ensure that controls are in place, communicated and operating effectively.

Cause: Management has not prepared documentation of internal control.

Recommendation: We recommend that the County develop the required internal control documentation. In addition, we recommend studying the COSO internal control guidance and tools as a means to begin the process. Once this documentation is complete, those charged with governance have a responsibility to understand the controls and ensure they are operating effectively.

Management's Response: Schuyler County will take the recommendation under advisement.

**The County of Schuyler
Lancaster, Missouri
Schedule of Findings and Responses
December 31, 2010 & 2009**

FS 10/09-03 Condition: During our audit, we noted there is no formal fraud risk assessment in place.

Effect: Lack of an appropriate audit risk assessment process may result in certain risks not being identified by County's management. Opportunities to commit and conceal a fraud or irregularity may go undetected by management without proper assessment procedures.

Cause: Management has not prepared documentation of risk assessments, including identifying risks and mitigating controls.

Recommendation: We recommend that the County address various risks in the environment, including risk of fraud occurring by performing assessments to identify, analyze, and manage these risks.

Management's Response: Schuyler County will take the recommendation under advisement.

FS 10/09-04 Condition: During our audit, we noted several funds with actual expenditures that exceeded the budgeted expenditures.

Effect: Missouri Statutes requires Counties to prepare an annual budget and expenditures are not to exceed the budget. Due to exceeding budget in certain funds the County is in violation of Missouri Revised Statutes.

Cause: Oversight

Recommendation: We recommend that the County periodically review its actual expenditures as compared to budgeted amounts. An amended budget should be prepared and approved as necessary to comply with statutes.

Management's Response: The County Clerk as budget officer will track budgets and amend them as necessary.

Section 2 - Follow-Up Prior Year Findings

There are no prior audit findings that Government Auditing Standards requires to have follow up action taken by Schuyler County, Missouri for the years ended December 31, 2008 and 2007.