



**THOMAS A. SCHWEICH**  
**Missouri State Auditor**

To the County Commission  
and  
Officeholders of Holt County, Missouri

The Office of the State Auditor is responsible under Section 29.230, RSMo, for auditing certain operations of Holt 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, 2010, 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 black ink that reads "Thomas A. Schweich".

Thomas A. Schweich  
State Auditor

September 2011  
Report No. 2011-70

ANNUAL FINANCIAL REPORT

**HOLT COUNTY, MISSOURI**

For the Years Ended  
December 31, 2010 and 2009

HOLT COUNTY, MISSOURI

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## **INTRODUCTORY SECTION**

HOLT COUNTY, MISSOURI  
List of Elected Officials

*County Commission*

Presiding Commissioner – Mark Sitherwood

Associate Commissioner – Bill Gordon

Associate Commissioner – Don Holstine

*Other Elected Officials*

Assessor – Carla Markt

Circuit Clerk/Recorder – Vicki Book

Collector – Billie Sharp

Coroner – Susan Lentz

County Clerk – Kathy Kunkel

Prosecuting Attorney – Robert Shepherd

Public Administrator – Ed Meng

Sheriff – Scott Wedlock

Treasurer – Gay Quick

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CERTIFIED PUBLIC ACCOUNTANTS

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## McBRIDE, LOCK & ASSOCIATES

### INDEPENDENT AUDITORS' REPORT

To the County Commission and  
Officeholders of Holt County, Missouri

We have audited the accompanying financial statements of Holt 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, Holt 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 Holt 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 Holt 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 May 2, 2011, 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 Holt County, Missouri's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by 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 2, 2011

## **FINANCIAL SECTION**

HOLT COUNTY, MISSOURI  
 STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS  
 YEARS ENDED DECEMBER 31, 2009 AND 2010

Fund	Cash			Cash			Cash
	January 1, 2009	Receipts 2009	Disbursements 2009	December 31, 2009	Receipts 2010	Disbursements 2010	December 31, 2010
General Revenue	\$ 311,593	\$ 1,510,060	\$ 1,498,539	\$ 323,114	\$ 1,384,795	\$ 1,537,889	\$ 170,020
Special Road & Bridge	322,207	1,402,399	1,575,062	149,544	1,249,574	1,200,069	199,049
Assessment	37,170	133,231	145,258	25,143	131,872	124,951	32,064
Law Enforcement Training	4,659	5,969	8,442	2,186	5,283	4,956	2,513
Prosecuting Attorney Training	4,168	1,025	1,861	3,332	876	1,531	2,677
Recorder's Special	31,243	3,927	10,436	24,734	3,714	11,695	16,753
Local CART	17,465	184,565	187,030	15,000	203,248	200,000	18,248
State CART	310,231	330,237	250,000	390,468	342,739	350,000	383,207
Sheriff's Civil Fees	5,049	7,935	5,667	7,317	5,111	6,932	5,496
Prosecuting Attorney Check Collection	1,439	766	127	2,078	756	125	2,709
Neighborhood Improvement District Pool	3,524	2,971	3,222	3,273	3,471	2,555	4,189
Clerk's Election Fees	6,060	931	3,998	2,993	2,028	1,718	3,303
Victims of Domestic Violence	576	175	576	175	130	-	305
Johnson Grass	15,343	34,352	26,299	23,396	37,764	26,436	34,724
Cemetery Trust	29,405	1,277	3,457	27,225	749	355	27,619
Community Development Block Grant	-	262,683	262,683	-	27,917	27,917	-
Collector's Tax Maintenance	18,582	8,746	15,207	12,121	8,373	13,741	6,753
Senior Citizen's Services	5,287	43,360	44,153	4,494	47,457	41,071	10,880
911	77,254	89,305	91,332	75,227	162,681	126,286	111,622
Local Emergency Planning Committee	-	9,203	3,062	6,141	-	3,753	2,388
Law Library	212	3,555	2,581	1,186	3,061	1,681	2,566
Total	<u>\$ 1,201,467</u>	<u>\$ 4,036,672</u>	<u>\$ 4,138,992</u>	<u>\$ 1,099,147</u>	<u>\$ 3,621,599</u>	<u>\$ 3,683,661</u>	<u>\$ 1,037,085</u>

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

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

	GENERAL REVENUE FUND			
	Year Ended December 31,			
	2009		2010	
	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>				
Property taxes	\$ 294,000	\$ 297,523	\$ 305,000	\$ 357,485
Sales taxes	375,000	349,092	350,000	386,247
Intergovernmental	436,000	454,662	431,750	357,726
Charges for services	190,015	190,361	193,015	191,999
Interest	2,000	-	-	78
Other	109,500	110,340	49,000	3,009
Transfers in	95,000	108,082	135,500	88,251
Total Receipts	<u>\$ 1,501,515</u>	<u>\$ 1,510,060</u>	<u>\$ 1,464,265</u>	<u>\$ 1,384,795</u>
<b>DISBURSEMENTS</b>				
County Commission	\$ 75,320	\$ 73,043	\$ 77,280	\$ 76,849
County Clerk	106,000	95,705	102,500	93,929
Elections	33,500	30,504	68,500	44,360
Buildings and grounds	54,380	52,198	195,500	187,255
Employee fringe benefits	290,000	221,382	239,000	222,101
Treasurer	38,500	36,966	40,000	38,125
Collector	64,840	62,892	65,970	63,299
Recorder of Deeds	22,250	19,974	22,250	19,280
Associate Circuit Court	12,000	6,912	13,500	3,599
Court administration	10,900	1,148	10,900	9
Public Administrator	22,020	21,799	22,790	21,753
Sheriff	204,220	180,056	205,880	189,211
Jail	157,500	147,906	165,500	135,844
Prosecuting Attorney	73,780	68,479	78,200	70,426
Juvenile Officer	9,400	7,401	9,100	6,448
Coroner	14,700	13,885	19,300	17,032
Other County Government	466,958	435,622	355,124	331,980
Health and Welfare	5,750	5,750	5,750	5,750
Transfers out	20,500	16,917	14,000	10,639
Emergency fund	42,000	-	44,000	-
Total Disbursements	<u>\$ 1,724,518</u>	<u>\$ 1,498,539</u>	<u>\$ 1,755,044</u>	<u>\$ 1,537,889</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (223,003)	\$ 11,521	\$ (290,779)	\$ (153,094)
CASH, JANUARY 1	<u>311,593</u>	<u>311,593</u>	<u>323,114</u>	<u>323,114</u>
CASH, DECEMBER 31	<u>\$ 88,590</u>	<u>\$ 323,114</u>	<u>\$ 32,335</u>	<u>\$ 170,020</u>

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

HOLT 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,							
	2009		2010		2009		2010	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ 320,000	\$ 316,372	\$ 320,000	\$ 349,407	\$ -	\$ -	\$ -	\$ -
Sales taxes	180,000	174,538	175,000	193,117	-	-	-	-
Intergovernmental	261,750	467,062	468,000	154,119	115,000	122,019	117,000	116,172
Charges for services	1,250	5,590	5,100	2,442	2,000	2,100	6,500	6,700
Interest	2,000	-	-	94	250	-	-	-
Other	3,500	1,807	1,750	395	-	112	-	-
Transfers in	702,000	437,030	552,000	550,000	9,000	9,000	9,000	9,000
Total Receipts	<u>\$ 1,470,500</u>	<u>\$ 1,402,399</u>	<u>\$ 1,521,850</u>	<u>\$ 1,249,574</u>	<u>\$ 126,250</u>	<u>\$ 133,231</u>	<u>\$ 132,500</u>	<u>\$ 131,872</u>
<b>DISBURSEMENTS</b>								
Salaries	\$ 290,000	\$ 271,474	\$ 290,000	257,672	\$ 87,140	\$ 86,332	\$ 90,796	\$ 87,033
Employee fringe benefits	115,000	90,372	116,500	93,727	11,660	8,038	11,656	8,852
Materials and supplies	333,000	255,669	230,500	586,530	9,350	3,167	29,453	6,481
Services and other	148,700	138,502	140,000	106,732	51,710	46,221	15,850	21,085
Capital outlay	68,000	14,316	1,000	14,100	-	-	-	-
Construction	595,000	741,193	800,000	84,608	-	-	-	-
Transfers out	60,000	63,536	79,000	56,700	-	1,500	-	1,500
Total Disbursements	<u>\$ 1,609,700</u>	<u>\$ 1,575,062</u>	<u>\$ 1,657,000</u>	<u>\$ 1,200,069</u>	<u>\$ 159,860</u>	<u>\$ 145,258</u>	<u>\$ 147,755</u>	<u>\$ 124,951</u>
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<u>\$ (139,200)</u>	<u>\$ (172,663)</u>	<u>\$ (135,150)</u>	<u>\$ 49,505</u>	<u>\$ (33,610)</u>	<u>\$ (12,027)</u>	<u>\$ (15,255)</u>	<u>\$ 6,921</u>
<b>CASH, JANUARY 1</b>	<u>322,207</u>	<u>322,207</u>	<u>149,544</u>	<u>149,544</u>	<u>37,170</u>	<u>37,170</u>	<u>25,143</u>	<u>25,143</u>
<b>CASH, DECEMBER 31</b>	<u>\$ 183,007</u>	<u>\$ 149,544</u>	<u>\$ 14,394</u>	<u>\$ 199,049</u>	<u>\$ 3,560</u>	<u>\$ 25,143</u>	<u>\$ 9,888</u>	<u>\$ 32,064</u>

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

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

	LAW ENFORCEMENT TRAINING FUND				PROSECUTING ATTORNEY TRAINING FUND			
	Year Ended December 31,				Year Ended December 31,			
	2009		2010		2009		2010	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	2,000	1,915	4,000	1,724	-	-	-	-
Charges for services	4,000	4,054	4,000	3,516	1,000	1,025	1,000	876
Interest	25	-	-	-	25	-	-	-
Other	-	-	-	43	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 6,025</u>	<u>\$ 5,969</u>	<u>\$ 8,000</u>	<u>\$ 5,283</u>	<u>\$ 1,025</u>	<u>\$ 1,025</u>	<u>\$ 1,000</u>	<u>\$ 876</u>
<b>DISBURSEMENTS</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and Supplies	1,200	19	100	-	-	-	-	-
Services and other	9,300	8,423	10,000	4,956	4,000	1,861	4,300	1,531
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 10,500</u>	<u>\$ 8,442</u>	<u>\$ 10,100</u>	<u>\$ 4,956</u>	<u>\$ 4,000</u>	<u>\$ 1,861</u>	<u>\$ 4,300</u>	<u>\$ 1,531</u>
<b>RECEIPTS OVER (UNDER)</b>								
<b>DISBURSEMENTS</b>	\$ (4,475)	\$ (2,473)	\$ (2,100)	\$ 327	\$ (2,975)	\$ (836)	\$ (3,300)	\$ (655)
<b>CASH, JANUARY 1</b>	<u>4,659</u>	<u>4,659</u>	<u>2,186</u>	<u>2,186</u>	<u>4,168</u>	<u>4,168</u>	<u>3,332</u>	<u>3,332</u>
<b>CASH, DECEMBER 31</b>	<u>\$ 184</u>	<u>\$ 2,186</u>	<u>\$ 86</u>	<u>\$ 2,513</u>	<u>\$ 1,193</u>	<u>\$ 3,332</u>	<u>\$ 32</u>	<u>\$ 2,677</u>

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

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

	RECORDER'S SPECIAL FUND				LOCAL CART FUND			
	Year Ended December 31,				Year Ended December 31,			
	2009		2010		2009		2010	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	190,000	174,539	175,000	193,117
Intergovernmental	-	-	-	-	12,000	10,026	10,100	10,131
Charges for services	3,700	3,927	3,700	3,714	-	-	-	-
Interest	100	-	-	-	100	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 3,800</u>	<u>\$ 3,927</u>	<u>\$ 3,700</u>	<u>\$ 3,714</u>	<u>\$ 202,100</u>	<u>\$ 184,565</u>	<u>\$ 185,100</u>	<u>\$ 203,248</u>
<b>DISBURSEMENTS</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	6,000	1,864	6,000	4,695	-	-	-	-
Services and other	18,500	8,572	18,000	7,000	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	200,000	187,030	200,000	200,000
Total Disbursements	<u>\$ 24,500</u>	<u>\$ 10,436</u>	<u>\$ 24,000</u>	<u>\$ 11,695</u>	<u>\$ 200,000</u>	<u>\$ 187,030</u>	<u>\$ 200,000</u>	<u>\$ 200,000</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (20,700)	\$ (6,509)	\$ (20,300)	\$ (7,981)	\$ 2,100	\$ (2,465)	\$ (14,900)	\$ 3,248
CASH, JANUARY 1	<u>31,243</u>	<u>31,243</u>	<u>24,734</u>	<u>24,734</u>	<u>17,465</u>	<u>17,465</u>	<u>15,000</u>	<u>15,000</u>
CASH, DECEMBER 31	<u>\$ 10,543</u>	<u>\$ 24,734</u>	<u>\$ 4,434</u>	<u>\$ 16,753</u>	<u>\$ 19,565</u>	<u>\$ 15,000</u>	<u>\$ 100</u>	<u>\$ 18,248</u>

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

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

	STATE CART FUND				SHERIFF'S CIVIL FEES FUND			
	Year Ended December 31,				Year Ended December 31,			
	2009		2010		2009		2010	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	325,000	330,237	330,000	342,739	1,000	-	-	-
Charges for services	-	-	-	-	7,000	6,140	7,900	5,111
Interest	1,000	-	-	-	10	-	-	-
Other	-	-	-	-	100	378	375	-
Transfers in	-	-	-	-	-	1,417	-	-
Total Receipts	<u>\$ 326,000</u>	<u>\$ 330,237</u>	<u>\$ 330,000</u>	<u>\$ 342,739</u>	<u>\$ 8,110</u>	<u>\$ 7,935</u>	<u>\$ 8,275</u>	<u>\$ 5,111</u>
<b>DISBURSEMENTS</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	-	-	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	9,500	5,667	9,500	6,932
Services and other	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	500,000	250,000	350,000	350,000	-	-	-	-
Total Disbursements	<u>\$ 500,000</u>	<u>\$ 250,000</u>	<u>\$ 350,000</u>	<u>\$ 350,000</u>	<u>\$ 9,500</u>	<u>\$ 5,667</u>	<u>\$ 9,500</u>	<u>\$ 6,932</u>
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<u>\$ (174,000)</u>	<u>\$ 80,237</u>	<u>\$ (20,000)</u>	<u>\$ (7,261)</u>	<u>\$ (1,390)</u>	<u>\$ 2,268</u>	<u>\$ (1,225)</u>	<u>\$ (1,821)</u>
<b>CASH, JANUARY 1</b>	<u>310,231</u>	<u>310,231</u>	<u>390,468</u>	<u>390,468</u>	<u>5,049</u>	<u>5,049</u>	<u>7,317</u>	<u>7,317</u>
<b>CASH, DECEMBER 31</b>	<u><u>\$ 136,231</u></u>	<u><u>\$ 390,468</u></u>	<u><u>\$ 370,468</u></u>	<u><u>\$ 383,207</u></u>	<u><u>\$ 3,659</u></u>	<u><u>\$ 7,317</u></u>	<u><u>\$ 6,092</u></u>	<u><u>\$ 5,496</u></u>

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

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

	PROSECUTING ATTORNEY CHECK COLLECTION FUND				NEIGHBORHOOD IMPROVEMENT DISTRICT POOL FUND			
	Year Ended December 31,				Year Ended December 31,			
	2009		2010		2009		2010	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 3,100	\$ 2,971	\$ 3,000	\$ 3,471
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	300	766	500	756	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 300</u>	<u>\$ 766</u>	<u>\$ 500</u>	<u>\$ 756</u>	<u>\$ 3,100</u>	<u>\$ 2,971</u>	<u>\$ 3,000</u>	<u>\$ 3,471</u>
<b>DISBURSEMENTS</b>								
Salaries	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	1,100	127	1,250	125	5,000	3,222	3,500	2,555
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 1,100</u>	<u>\$ 127</u>	<u>\$ 1,250</u>	<u>\$ 125</u>	<u>\$ 5,000</u>	<u>\$ 3,222</u>	<u>\$ 3,500</u>	<u>\$ 2,555</u>
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<u>\$ (800)</u>	<u>\$ 639</u>	<u>\$ (750)</u>	<u>\$ 631</u>	<u>\$ (1,900)</u>	<u>\$ (251)</u>	<u>\$ (500)</u>	<u>\$ 916</u>
<b>CASH, JANUARY 1</b>	<u>1,439</u>	<u>1,439</u>	<u>2,078</u>	<u>2,078</u>	<u>3,524</u>	<u>3,524</u>	<u>3,273</u>	<u>3,273</u>
<b>CASH, DECEMBER 31</b>	<u><u>\$ 639</u></u>	<u><u>\$ 2,078</u></u>	<u><u>\$ 1,328</u></u>	<u><u>\$ 2,709</u></u>	<u><u>\$ 1,624</u></u>	<u><u>\$ 3,273</u></u>	<u><u>\$ 2,773</u></u>	<u><u>\$ 4,189</u></u>

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

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

	CLERK'S ELECTION FEES FUND				VICTIMS OF DOMESTIC VIOLENCE FUND			
	Year Ended December 31,				Year Ended December 31,			
	2009		2010		2009		2010	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	389	-	-	-	-
Charges for services	2,500	-	5,000	-	150	175	150	130
Interest	10	-	-	-	-	-	-	-
Other	-	931	-	-	-	-	-	-
Transfers in	-	-	-	1,639	-	-	-	-
Total Receipts	<u>\$ 2,510</u>	<u>\$ 931</u>	<u>\$ 5,000</u>	<u>\$ 2,028</u>	<u>\$ 150</u>	<u>\$ 175</u>	<u>\$ 150</u>	<u>\$ 130</u>
<b>DISBURSEMENTS</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	7,500	3,998	7,500	1,718	600	576	325	-
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 7,500</u>	<u>\$ 3,998</u>	<u>\$ 7,500</u>	<u>\$ 1,718</u>	<u>\$ 600</u>	<u>\$ 576</u>	<u>\$ 325</u>	<u>\$ -</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (4,990)	\$ (3,067)	\$ (2,500)	\$ 310	\$ (450)	\$ (401)	\$ (175)	\$ 130
CASH, JANUARY 1	<u>6,060</u>	<u>6,060</u>	<u>2,993</u>	<u>2,993</u>	<u>576</u>	<u>576</u>	<u>175</u>	<u>175</u>
CASH, DECEMBER 31	<u><u>\$ 1,070</u></u>	<u><u>\$ 2,993</u></u>	<u><u>\$ 493</u></u>	<u><u>\$ 3,303</u></u>	<u><u>\$ 126</u></u>	<u><u>\$ 175</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 305</u></u>

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

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

	JOHNSON GRASS FUND				CEMETERY TRUST FUND			
	Year Ended December 31,				Year Ended December 31,			
	2009		2010		2009		2010	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ 30,005	\$ 33,603	\$ 35,005	\$ 37,764	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	600	749	550	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	250	-	-	-	1,200	1,277	1,200	749
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 30,855</u>	<u>\$ 34,352</u>	<u>\$ 35,555</u>	<u>\$ 37,764</u>	<u>\$ 1,200</u>	<u>\$ 1,277</u>	<u>\$ 1,200</u>	<u>\$ 749</u>
<b>DISBURSEMENTS</b>								
Salaries	20,000	15,188	20,000	14,215	-	-	-	-
Employee fringe benefits	2,000	1,162	2,000	1,087	-	-	-	-
Materials and supplies	16,500	9,949	16,500	3,742	-	-	-	-
Services and other	-	-	-	3,392	6,000	3,457	7,000	355
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	2,000	-	4,000	4,000	-	-	-	-
Total Disbursements	<u>\$ 40,500</u>	<u>\$ 26,299</u>	<u>\$ 42,500</u>	<u>\$ 26,436</u>	<u>\$ 6,000</u>	<u>\$ 3,457</u>	<u>\$ 7,000</u>	<u>\$ 355</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (9,645)	\$ 8,053	\$ (6,945)	\$ 11,328	\$ (4,800)	\$ (2,180)	\$ (5,800)	\$ 394
CASH, JANUARY 1	<u>15,343</u>	<u>15,343</u>	<u>23,396</u>	<u>23,396</u>	<u>29,405</u>	<u>29,405</u>	<u>27,225</u>	<u>27,225</u>
CASH, DECEMBER 31	<u>\$ 5,698</u>	<u>\$ 23,396</u>	<u>\$ 16,451</u>	<u>\$ 34,724</u>	<u>\$ 24,605</u>	<u>\$ 27,225</u>	<u>\$ 21,425</u>	<u>\$ 27,619</u>

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

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

	COMMUNITY DEVELOPMENT BLOCK GRANT FUND				COLLECTOR'S TAX MAINTENANCE FUND			
	Year Ended December 31,				Year Ended December 31,			
	2009		2010		2009		2010	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	297,000	262,683	31,000	27,917	-	-	-	-
Charges for services	-	-	-	-	9,000	8,194	7,500	8,373
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	552	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 297,000</u>	<u>\$ 262,683</u>	<u>\$ 31,000</u>	<u>\$ 27,917</u>	<u>\$ 9,000</u>	<u>\$ 8,746</u>	<u>\$ 7,500</u>	<u>\$ 8,373</u>
<b>DISBURSEMENTS</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	1,900	-	1,000	9,159
Services and other	27,000	8,200	15,000	4,100	6,200	1,289	2,200	3,531
Capital outlay	-	-	-	-	-	-	-	-
Construction	270,000	254,483	16,000	23,817	-	-	-	-
Transfers out	-	-	-	-	15,920	13,918	14,052	1,051
Total Disbursements	<u>\$ 297,000</u>	<u>\$ 262,683</u>	<u>\$ 31,000</u>	<u>\$ 27,917</u>	<u>\$ 24,020</u>	<u>\$ 15,207</u>	<u>\$ 17,252</u>	<u>\$ 13,741</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ -	\$ -	\$ -	\$ -	\$ (15,020)	\$ (6,461)	\$ (9,752)	\$ (5,368)
CASH, JANUARY 1	-	-	-	-	18,582	18,582	12,121	12,121
CASH, DECEMBER 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,562</u>	<u>\$ 12,121</u>	<u>\$ 2,369</u>	<u>\$ 6,753</u>

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

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

	SENIOR CITIZEN'S SERVICES FUND				911 FUND			
	Year Ended December 31,				Year Ended December 31,			
	2009		2010		2009		2010	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ 43,000	\$ 42,424	\$ 45,000	\$ 47,441	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	95,000	87,270	126,000	154,720
Intergovernmental	1,100	936	1,050	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	50	-	-	16	250	-	-	-
Other	-	-	-	-	2,000	2,035	2,000	7,961
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 44,150</u>	<u>\$ 43,360</u>	<u>\$ 46,050</u>	<u>\$ 47,457</u>	<u>\$ 97,250</u>	<u>\$ 89,305</u>	<u>\$ 128,000</u>	<u>\$ 162,681</u>
<b>DISBURSEMENTS</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	150	-	-	-	20,250	11,803	20,250	21,108
Services and other	47,300	44,153	47,300	41,071	72,100	45,401	67,850	59,291
Capital outlay	-	-	-	-	5,000	5,000	5,000	20,887
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	30,000	29,128	39,500	25,000
Total Disbursements	<u>\$ 47,450</u>	<u>\$ 44,153</u>	<u>\$ 47,300</u>	<u>\$ 41,071</u>	<u>\$ 127,350</u>	<u>\$ 91,332</u>	<u>\$ 132,600</u>	<u>\$ 126,286</u>
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<u>\$ (3,300)</u>	<u>\$ (793)</u>	<u>\$ (1,250)</u>	<u>\$ 6,386</u>	<u>\$ (30,100)</u>	<u>\$ (2,027)</u>	<u>\$ (4,600)</u>	<u>\$ 36,395</u>
<b>CASH, JANUARY 1</b>	<u>5,287</u>	<u>5,287</u>	<u>4,494</u>	<u>4,494</u>	<u>77,254</u>	<u>77,254</u>	<u>75,227</u>	<u>75,227</u>
<b>CASH, DECEMBER 31</b>	<u>\$ 1,987</u>	<u>\$ 4,494</u>	<u>\$ 3,244</u>	<u>\$ 10,880</u>	<u>\$ 47,154</u>	<u>\$ 75,227</u>	<u>\$ 70,627</u>	<u>\$ 111,622</u>

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

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

	LOCAL EMERGENCY PLANNING COMMITTEE FUND				LAW LIBRARY FUND			
	Year Ended December 31,				Year Ended December 31,			
	2009		2010		2009		2010	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	3,000	2,703	3,000	-	4,050	3,555	3,500	3,061
Charges for services	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	6,500	6,500	-	-	-	-	-	-
Total Receipts	<u>\$ 9,500</u>	<u>\$ 9,203</u>	<u>\$ 3,000</u>	<u>\$ -</u>	<u>\$ 4,050</u>	<u>\$ 3,555</u>	<u>\$ 3,500</u>	<u>\$ 3,061</u>
<b>DISBURSEMENTS</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	6,000	3,062	6,750	3,753	4,050	2,581	4,000	1,681
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 6,000</u>	<u>\$ 3,062</u>	<u>\$ 6,750</u>	<u>\$ 3,753</u>	<u>\$ 4,050</u>	<u>\$ 2,581</u>	<u>\$ 4,000</u>	<u>\$ 1,681</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 3,500	\$ 6,141	\$ (3,750)	\$ (3,753)	\$ -	\$ 974	\$ (500)	\$ 1,380
CASH, JANUARY 1	-	-	6,141	6,141	212	212	1,186	1,186
CASH, DECEMBER 31	<u>\$ 3,500</u>	<u>\$ 6,141</u>	<u>\$ 2,391</u>	<u>\$ 2,388</u>	<u>\$ 212</u>	<u>\$ 1,186</u>	<u>\$ 686</u>	<u>\$ 2,566</u>

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

HOLT COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2010 and 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

As discussed further in Note 1, these financial statements are presented using accounting practices prescribed or permitted by Missouri law, 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, state/county courts, county recorder, public safety, economic development, social and human services, and cultural and recreation services.

The financial statements referred to above include the primary government of Holt 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, Circuit Clerk/Recorder and Sheriff, 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. 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. Adoption of a formal budget is required by law. The County adopted a formal budget for all funds.
9. Section 50.740 RSMo. prohibits expenditures in excess of the approved budgets. Total actual expenditures did not exceeded total budgeted amounts in any funds.

- 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 2010 and 2009, for purposes of taxation were:

	<u>2010</u>	<u>2009</u>
Real Estate	\$ 55,353,197	\$ 54,396,470
Personal Property	22,282,360	21,437,419
Railroad and Utilities	18,217,184	15,575,399

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

	<u>2010</u>	<u>2009</u>
General Revenue	\$ 0.3424	\$ 0.3299
Special Road and Bridge	0.4314	0.4314
Johnson Grass	0.0396	0.0396
Senior Citizens Services Fund	0.0495	0.0495

F. Cash Deposits and Investments

Deposits and investments are stated at cost, which approximates market. Cash balances for all the County Treasurer funds, other than the funds of the Aggregate Cemetery Trust Fund, 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 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 and investment balances and the balances owned by the Aggregate Cemetery Trust Fund 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's portion of this pool is displayed on the financial statements within the "Cash and Investments" caption. Also included in the Cash and Investments caption are investments owned by the Aggregate Cemetery Trust Fund.

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 amounts of the County's deposits were \$1,037,085 and \$1,099,149, respectively. The corresponding bank balances at December 31, 2010 and 2009, were \$1,997,230 and \$1,943,800, respectively. Of the bank balances, \$1,964,252 and \$1,938,396 for December 31, 2010 and December 31, 2009, respectively, were covered by federal depository insurance and the remainder were 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, 2010 and 2009, the County Collector held, in addition to the cash and cash equivalents listed above, cash representing collections of property taxes on behalf of various taxing districts in the County, including the County General Revenue, Special Road and Bridge, Johnson Grass, and Senior Citizens Services Fund. Tax collections on deposit amounted to \$4,313,366 and \$3,922,009 at December 31, 2010 and 2009, respectively. The County Collector's deposits were covered by federal depository insurance of \$250,000 as of December 31, 2010 and 2009 and the remaining balances were collateralized at \$4,063,366 and \$3,672,009, 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 sixty. Any member with less than eight years of creditable service forfeits all rights in the fund but will be paid his or her accumulated contributions.

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

The County also participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries. LAGERS was created and is

governed by Statute, Section RSMo 70.600 – 70.755. As such, it is the system’s responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and it is tax-exempt.

The LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing LAGERS, P.O. Box 1665, Jefferson City, Missouri 65201 or by calling 1-800-447-4334.

### 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 2010 and 2009, the County collected and remitted to CERF employee contributions of approximately \$15,148 and \$12,971, respectively, for the years then ended.

The County’s full-time employees contribute 4% of gross pay to the LAGERS pension plan. The political subdivision is required by State Statute to contribute at an actuarially determined rate; the rate for 2010 was 13.5% (general) and 8.9% (police) and in 2009 the rate contributed was 13.6% (general) and 9.2% (police) of annual covered payroll. During 2010 and 2009, the County contributed approximately \$36,644 and \$34,652 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

### A. Compensated Absences

The County provides full time employees and part-time employees who receive benefits with four hours of sick leave on the first day of each month, up to a maximum of 240 hours. Twenty-four hours of sick leave is accrued on January 1 of each year. Upon termination, the employee is not compensated for accrued sick time. Vacation time is accrued for every full-time employee, and accrues at the rate of one week per year for employees with one year of service; two weeks per year for employees with 2 to 19 years of service; and 3 weeks for employees with 20 or more years of service up to a maximum of 120 hours. Upon termination, the employee is compensated for accrued vacation, up to a maximum of 120 hours.

## B. 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 and the refund of grant monies to the grantor agencies. Management believes that required refunds, if any, 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 Rural Services 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's debt outstanding at December 31, 2010 consisted of \$59,000 owed on a lease payable for the purchase of a John Deere motor grader financed by John Deere Credit. The lease bears interest at 3.95% and is scheduled to be paid in five annual payments of \$13,088 due March 15<sup>th</sup> of each year. The schedule of remaining payments and interest is listed below:

<u>Payment Date</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Due</u>
March 15, 2011	\$ 11,516	\$ 1,572	\$ 13,088
March 15, 2012	11,178	1,910	13,088
March 15, 2013	11,628	1,460	13,088
March 15, 2014	12,095	993	13,088
March 15, 2015	12,583	505	13,088

## 8. SUBSEQUENT EVENTS

The County has evaluated events subsequent to December 31, 2010 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through May 2, 2011, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

## **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 Holt County, Missouri

We have audited the accompanying financial statements of Holt 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 May 2, 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 Holt 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 Holt County, Missouri's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Holt 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, as defined above. 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 a certain deficiency in internal control over financial reporting, described in the accompanying schedule of findings and recommendations as item 1 that we consider to be a significant deficiency in internal control over financial reporting. 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.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether Holt 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 tests disclosed no instances of noncompliance or other matter that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of Holt County, Missouri in the findings and recommendations section as items 2 and 5.

Holt 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 Holt 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 2, 2011

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 Holt County, Missouri

Compliance

We have audited the compliance of Holt 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 could have a direct and material effect on each of its major federal programs for the years ended December 31, 2010 and 2009. Holt 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 each of its major federal programs is the responsibility of Holt County, Missouri's management. Our responsibility is to express an opinion on Holt 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 Holt 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 Holt County, Missouri's compliance with those requirements.

In our opinion, Holt County, Missouri, complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the years ended December 31, 2010 and 2009.

## Internal Control Over Compliance

The management of Holt 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 Holt 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 Holt 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.

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.

McBride, Lock & Associates  
May 2, 2011

HOLT 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, 2010	2009
U. S. DEPARTMENT OF AGRICULTURE				
Passed through state:				
10.557	Department of Health and Senior Services - Special Supplemental Nutrition Program for Women, Infants, and Children	ERS04510143 3MO70074	\$ 23,138	\$ 14,686
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed through state:				
14.228	Department of Economic Development - Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii		27,917	262,683
U. S. DEPARTMENT OF TRANSPORTATION				
Passed through state:				
20.205	Highway and Transportation Commission - Highway Planning and Construction	BRO-29 BRO-30	14,223 22,150	331,284
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through state:				
93.268	Department of Health and Senior Services - Immunization Grants	Non-Monetary	26,352	
93.283	Centers for Disease Control and Prevention - Investigations and Technical Assistance Non-monetary VFC RPHPP	TP716971-10 DH080006013	17,645	14,938 7,802
93.069	Public Health Emergency Preparedness	IH75TP000360-0	9,819	
93.575	Child Care and Development Block Grant	DH090004017		1,031
93.712	Immunizations Reaching More Children and Adults	DH100009086 IP722543-07S	1,820 964	
93.994	Maternal and Child Health Services Block Grant to the States	DH080009040	16,090	16,211
U. S. DEPARTMENT OF HOMELAND SECURITY				
Passed through State Department of Public Safety:				
97.036	Disaster Grants - Public Assistance Grants (Presidentially declared disasters)	SEMA - Ice Storm SEMA - Ice Storm	7,970 4,276	
Total Expenditures of Federal Awards			<u>\$ 172,364</u>	<u>\$ 648,635</u>

**HOLT COUNTY, MISSOURI**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEARS ENDED DECEMBER 31, 2010 AND 2009**

**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, 2010 and 2009.

HOLT COUNTY, MISSOURI  
 SCHEDULE OF FEDERAL FINDINGS AND QUESTIONED COSTS  
 (INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)  
 YEARS ENDED DECEMBER 31, 2010 AND 2009

**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>
20.205	Highway and Transportation – Highway Planning and Construction
14.228	Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii

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:

1. Unauthorized Signer on Sheriff's Bank Account

Summary of Schedule of Prior Audit Findings:

- 08-1. Schedule of Expenditures of Federal Awards (SEFA)
- 08-2. Outstanding Checks
- 08-3. Expenditures
- 08-4. Budgetary Controls

## **SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

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

None

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

- 08-1. Schedule of Expenditures of Federal Awards

Resolved

## **FINDINGS AND RECOMMENDATIONS**

HOLT COUNTY, MISSOURI  
FINDINGS AND RECOMMENDATIONS

**MATERIAL WEAKNESSES IN INTERNAL CONTROL**

None

**SIGNIFICANT INTERNAL CONTROL DEFICIENCY**

**1. Unauthorized Signer on Sheriff's Bank Account**

Condition: We noted that a former employee is still an authorized signer on the Sheriff's bank account.

Recommendation: We recommend that steps be taken to immediately remove this individual as an authorized signer on the Sheriff's bank account.

County's Response: The County Commission has reviewed this issue with Sheriff Scott Wedlock and asks that he take immediate action to remedy the situation and put policies and procedures in place to alleviate this circumstance in the future.

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

**OTHER MATTERS**

In planning and performing our audit of the financial statements of Holt County, Missouri (the County) as of and for the years ended December 31, 2010 and 2009, in accordance with generally accepted government auditing standards, we considered the County's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

However, during our audit we became aware of certain matters that are opportunities for strengthening internal controls and operating efficiency. Our comments and suggestions regarding those matters are summarized below. We previously reported on the County's internal control in our report dated May 2, 2011. (A separate report dated May 2, 2011 contains our report on significant deficiencies in the County's internal control). This document does not affect our report dated May 2, 2011.

## **2. Accounting for Transfers**

Condition: The financial statements of the County as presented in the annual budget document present transfers between funds. However, we noted that some transfers were identified as expenditures and revenues within the funds. Additionally, there were costs identified as reimbursements that were shown as transfers. The financial statements included in this report have been adjusted so that transfers in and out between funds are equal as of December 31, 2010 and 2009.

Recommendation: In order to ensure that transfers are properly reported and are in balance (transfers to other funds equal to transfers from other funds), we recommend the transfers be clearly identified as transfers and presented in the budget within the Transfer category. Other types of transactions should not be presented in the Transfers Category.

County Response: The County Clerk as Chief Budget Officer notes that no funds have been misappropriated and that time-honored tradition in the County Budget Document has guided the logging of various transfers from fund to fund. An effort will be made at the onset of a new budget to log transfers in their appropriate budgetary categories.

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

## **3. Outstanding Checks**

Condition: As of December 31, 2010, the County Treasurer listed on the bank reconciliation five outstanding checks totaling \$154 that were written prior to 2008, with one check going as far back as February 2005. All of these checks were for minor amounts with the largest being \$80. None of these checks had been voided or the subject of a stop payment order.

Recommendation: We recommend that the County remit dollars represented by the outstanding checks that are older than three years to the State's Unclaimed Property Fund as required and submit Reports of Unclaimed Property annually, if applicable, to the Missouri State Treasurer according to RSMo 447.

County Response: The County Treasurer and County Clerk will continue to work to clear outstanding checks and will review and implement procedures for reporting those items to the State Treasurer through the Unclaimed Property Fund.

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

#### **4. Discounts Lost**

Condition: When reviewing expenditures, we noted a cash disbursement to an oil company. The respective invoice offered a fifteen cent per gallon discount if the invoice was paid within ten days. The County failed to take advantage of the cash discount resulting in discounts lost of \$361 on that one invoice.

Recommendation: We recommend that the County be cognizant of cash discounts offered by vendors and take advantage of them whenever possible.

County Response: The County Commission has reviewed the discount mentioned and finds that the vendor does not offer said discount for Holt County Road and Bridge purposes, and such vendor normally marks the discount as void. A few tickets were submitted to the county with the discount listed in error. The County Commission will continue to be vigilant in using discounts and rebates for items regularly purchased when made available.

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

#### **5. Check Copies**

Condition: Copies of executed checks are maintained with cash disbursement documentation. There is nothing on the copy of the executed check that indicates that this copy is non-negotiable.

Recommendation: We recommend that the County implement procedures to ensure that copies of executed disbursement checks are marked as non-negotiable.

County Response: The County Clerk agrees with such finding and has made request of the check printing vendor to add a watermark to the checks that will clearly indicate when a copy has been made of such item. These watermarked-checks will be issued with the next order from said vendor.

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

HOLT 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 Holt County, Missouri, on the applicable findings in the prior audit report issued for the two years ended December 31, 2008 and 2007.

1. The County Clerk did not prepare an accurate SEFA for the year ended December 31, 2007 as required by Office of Management and Budget (OMB) Circular A-133, Subpart C, Section 300(A).

*Status - Resolved.*

2. The County Treasurer listed on the bank reconciliation thirteen outstanding checks that were written prior to 2008.

*Status - Not Resolved. See finding No.3.*

3. Our expenditure testwork revealed two instances in which purchasing procedures were inconsistent with statutory requirements.

*Status - Resolved*

4. The County had expenditures in excess of budgeted amounts for the Senior Citizens Fund in 2007.

*Status - Resolved*