



THOMAS A. SCHWEICH
Missouri State Auditor

To the County Commission
and
Officeholders of Marion County, Missouri

The Office of the State Auditor is responsible under Section 29.230, RSMo, for auditing certain operations of Marion 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". The signature is written in a cursive style with a large, sweeping "S" at the end.

Thomas A. Schweich
State Auditor

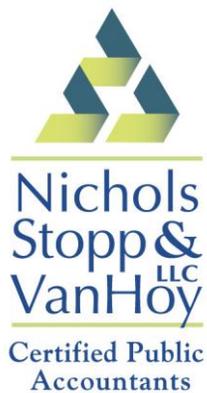
September 2011
Report No. 2011-73

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



**The County of Marion
Palmyra, Missouri
Table of Contents**

<u>Financial Section</u>	<u>Page</u>
Independent Auditor's Report	1
 <u>Financial Statements</u>	
Statement of Receipts, Disbursements, and Changes in Cash- All Government Funds: Regulatory Basis	
Year Ended December 31, 2010	3
Year Ended December 31, 2009	4
 Comparative Statements of Receipts, Disbursements, and Changes in Cash- Budget & Actual, All Government Funds: Regulatory Basis	
Years Ended December 31, 2010 and 2009	5
 Notes to the Financial Statements	 17
 <u>Supplementary Schedules and Auditor's Report</u>	
 <u>State Compliance Section</u>	
Schedule of State Findings	29
 <u>Federal Compliance Section</u>	
Report on Internal Control over Financial Statements and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Governmental Auditing Standards</i>	30
Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133	32
Schedule of Expenditures of Federal Awards	34
Notes to Expenditures of Federal Awards	35
Schedule of Findings and Questioned Costs	
Years Ended December 31, 2010 & 2009	36



Independent Auditor's Report

To the County Commission and
Officeholders of Marion County, Missouri

We have audited the accompanying financial statements of Marion 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, Marion 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 Marion 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 Marion 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

10425 Old Olive
Street Road,
Suite 101

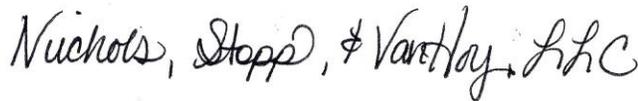
Creve Coeur,
Missouri 63141

PHONE:
314-569-3800
FAX:
314-569-0020

www.nsvcpa.com

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 audits were performed for the purpose of forming opinions on the financial statements as a whole. The schedule of expenditures of federal awards is presented for the 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 financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in cursive script that reads "Nichols, Stopp, & VanHoy, LLC".

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

**The County of Marion
Palmyra, 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	\$ 327,779.71	\$ 4,592,374.81	\$ 4,839,641.84	\$ 80,512.68
Road & Bridge	68,145.48	1,880,558.74	1,893,922.84	54,781.38
Assessment	203.78	324,154.74	302,868.68	21,489.84
Law Enforcement Training	4,529.61	7,101.00	6,883.97	4,746.64
Sheriff	38,890.90	83,240.89	90,307.14	31,824.65
Drug Enforcement	993.10	-	-	993.10
Sheriff Revolving	22,091.71	12,584.86	5,433.00	29,243.57
Sheriff Dep. Salary Supp.	180.00	28,235.00	25,505.00	2,910.00
Domestic Violence	0.84	2,053.71	947.55	1,107.00
Law Enforcement Restitution	41,828.66	42,863.62	79,333.31	5,358.97
PA Training	1,698.68	1,211.93	748.70	2,161.91
PA Delinquent Tax	7,721.20	8,097.54	9,486.30	6,332.44
Capital Improvement	34,575.59	1,627,484.48	1,326,934.92	335,125.15
Continued Progress	257,678.14	-	257,678.14	-
LEPC	51,577.94	38,772.51	63,393.71	26,956.74
Recorder's Preservation	20,394.76	10,244.39	13,273.92	17,365.23
Recorder's Tech	21,515.55	5,841.08	7,495.98	19,860.65
Election Services	10,183.33	2,411.39	7,219.28	5,375.44
Election HAVA	(10,703.09)	15,854.45	10,058.86	(4,907.50)
Collector's Tax Maintenance	64,491.13	28,877.56	61,025.64	32,343.05
Total	<u>\$ 963,777.02</u>	<u>\$ 8,711,962.70</u>	<u>\$ 9,002,158.78</u>	<u>\$ 673,580.94</u>

See Notes to Financial Statements

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

<u>Fund</u>	Cash and Equivalents January 1, 2009 (Restated)	Receipts 2009	Disbursements 2009	Cash and Equivalents December 31, 2009
General Revenue	\$ 235,573.59	\$ 4,813,556.54	\$ 4,721,350.42	\$ 327,779.71
Road & Bridge	135,340.77	1,893,688.03	1,960,883.32	68,145.48
Assessment	6,215.02	340,283.02	346,294.26	203.78
Law Enforcement Training	332.73	7,882.22	3,685.34	4,529.61
Sheriff	49,888.09	96,538.46	107,535.65	38,890.90
Drug Enforcement	993.10	-	-	993.10
Sheriff Revolving	13,871.74	13,253.97	5,034.00	22,091.71
Sheriff Dep. Salary Supp.	-	1,410.00	1,230.00	180.00
Domestic Violence	0.98	2,000.86	2,001.00	0.84
Law Enforcement Restitution	99,069.35	43,390.38	100,631.07	41,828.66
PA Training	1,525.87	1,335.88	1,163.07	1,698.68
PA Delinquent Tax	8,742.80	8,626.79	9,648.39	7,721.20
Capital Improvement	59,218.00	1,411,621.26	1,436,263.67	34,575.59
Continued Progress	30,250.77	1,341,669.88	1,114,242.51	257,678.14
LEPC	31,585.55	41,483.58	21,491.19	51,577.94
Recorder's Preservation	14,269.67	11,289.03	5,163.94	20,394.76
Recorder's Tech	20,127.29	6,329.26	4,941.00	21,515.55
Election Services	10,631.80	5,361.27	5,809.74	10,183.33
Election HAVA	-	-	10,703.09	(10,703.09)
Collector's Tax Maintenance	56,984.91	29,617.53	22,111.31	64,491.13
Total	<u>\$ 774,622.03</u>	<u>\$ 10,069,337.96</u>	<u>\$ 9,880,182.97</u>	<u>\$ 963,777.02</u>

See Notes to Financial Statements

The County of Marion
Palmyra, 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 Revenue Fund			
	2010		2009	
	Budget	Actual	Budget	Actual
Receipts				
Property Taxes	\$ 425,000.00	\$ 363,999.00	\$ 325,000.00	\$ 376,369.31
Sales Taxes	2,195,000.00	2,110,145.79	2,265,000.00	2,208,412.36
Intergovernmental	843,185.00	900,275.45	890,464.38	814,904.39
Charges for Services	876,050.00	732,162.04	824,050.00	897,773.92
Interest	12,000.00	3,712.54	24,000.00	10,338.92
Other	75,750.00	68,079.99	74,050.00	125,882.64
Transfers In	414,000.00	414,000.00	428,315.95	379,875.00
Total Receipts	<u>\$ 4,840,985.00</u>	<u>\$ 4,592,374.81</u>	<u>\$ 4,830,880.33</u>	<u>\$ 4,813,556.54</u>
Disbursements				
County Commission	\$ 183,635.44	\$ 182,502.88	\$ 179,330.34	\$ 177,146.84
County Clerk	232,827.16	232,152.76	230,941.57	227,570.54
Elections	147,500.69	117,874.11	73,444.79	71,284.80
Buildings and Grounds	206,560.30	186,743.29	202,895.39	192,412.79
Employee Fringe Benefits	57,000.00	85,081.57	47,000.00	39,784.24
Treasurer	85,090.06	84,565.20	83,484.95	81,777.13
Collector	241,353.81	231,399.73	241,251.33	240,668.08
Recorder of Deeds	194,413.12	187,805.00	194,332.09	192,807.06
Circuit Clerk	46,850.00	31,600.51	46,550.00	26,573.07
Associate Circuit Court	10,242.90	2,461.83	10,242.90	2,843.25
Probate Court	8,500.00	9,519.37	9,000.00	6,137.79
Court Administration	41,500.00	31,493.19	41,025.00	27,862.51
Public Administrator	178,885.68	177,159.68	177,921.84	178,056.44
Sheriff	601,762.72	610,782.84	600,907.13	582,318.54
Jail	1,764,836.56	1,742,639.58	1,753,064.31	1,772,196.13
Prosecuting Attorney	304,281.44	299,845.54	305,207.48	305,295.71
Juvenile Officer	146,158.00	92,366.92	146,146.37	94,869.69
Coroner	59,939.28	48,169.84	59,640.54	51,987.73
Planning and Zoning	17,407.63	12,754.49	13,750.25	10,935.93
Child Support Enforcement	116,134.91	115,243.95	129,668.28	127,436.94
TIF Wal-Mart Payments	104,140.00	112,993.12	85,140.00	85,782.01
Other	247,414.46	244,486.44	251,601.25	208,203.20
Transfers Out	19,800.00	-	35,000.00	17,400.00
Emergency Fund	145,500.00	-	146,500.00	-
Total Disbursements	<u>\$ 5,161,734.16</u>	<u>\$ 4,839,641.84</u>	<u>\$ 5,064,045.81</u>	<u>\$ 4,721,350.42</u>
Receipts Over (Under)				
Disbursements	\$ (320,749.16)	\$ (247,267.03)	\$ (233,165.48)	\$ 92,206.12
Cash, January 1	<u>\$ 327,779.71</u>	<u>\$ 327,779.71</u>	<u>\$ 235,573.59</u>	<u>\$ 235,573.59</u>
Cash, December 31	<u>\$ 7,030.55</u>	<u>\$ 80,512.68</u>	<u>\$ 2,408.11</u>	<u>\$ 327,779.71</u>

See Notes to Financial Statements

**The County of Marion
Palmyra, 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
Receipts				
Property Taxes	\$ 1,150,000.00	\$ 1,123,412.29	\$ 975,000.00	\$ 1,163,506.48
Sales Taxes	-	-	-	-
Intergovernmental	495,842.94	512,928.69	530,433.30	492,609.75
Charges for Services	-	-	-	-
Interest	4,000.00	1,485.67	7,000.00	3,402.83
Other	123,000.00	78,732.09	128,500.00	234,168.97
Transfers In	54,000.00	164,000.00	200,000.00	-
Total Receipts	<u>\$ 1,826,842.94</u>	<u>\$ 1,880,558.74</u>	<u>\$ 1,840,933.30</u>	<u>\$ 1,893,688.03</u>
Disbursements				
Salaries	\$ 727,486.00	\$ 729,192.94	\$ 739,452.00	\$ 741,552.53
Employee Fringe Benefits	422,697.49	399,297.34	439,647.43	431,913.94
Supplies	258,200.00	254,825.56	255,200.00	190,878.69
Insurance	40,523.23	43,055.40	47,838.84	46,855.70
Road & Bridge Materials	247,500.00	281,830.33	237,500.00	258,464.57
Equipment Repairs	100,000.00	126,689.48	100,000.00	92,405.19
Rentals	500.00	-	500.00	-
Equipment Purchases	-	-	10,000.00	79,322.26
R & B Construction	2,000.00	-	2,000.00	2,547.86
Other Expenditures	95,650.00	59,031.79	91,850.00	68,501.63
Transfers Out	-	-	48,440.95	48,440.95
Total Disbursements	<u>\$ 1,894,556.72</u>	<u>\$ 1,893,922.84</u>	<u>\$ 1,972,429.22</u>	<u>\$ 1,960,883.32</u>
Receipts Over (Under)				
Disbursements	\$ (67,713.78)	\$ (13,364.10)	\$ (131,495.92)	\$ (67,195.29)
Cash, January 1	<u>\$ 68,145.48</u>	<u>\$ 68,145.48</u>	<u>\$ 135,340.77</u>	<u>\$ 135,340.77</u>
Cash, December 31	<u><u>\$ 431.70</u></u>	<u><u>\$ 54,781.38</u></u>	<u><u>\$ 3,844.85</u></u>	<u><u>\$ 68,145.48</u></u>

See Notes to Financial Statements

The County of Marion
Palmyra, 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				Law Enforcement Training Fund			
	2010		2009		2010		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	328,744.00	320,119.95	323,600.00	320,351.35	-	-	-	-
Charges for Services	-	-	-	-	8,000.00	7,101.00	8,000.00	7,882.22
Interest	500.00	476.14	1,000.00	480.67	-	-	-	-
Other	2,000.00	3,558.65	2,000.00	2,051.00	-	-	-	-
Transfers In	19,800.00	-	35,000.00	17,400.00	-	-	-	-
Total Receipts	<u>\$ 351,044.00</u>	<u>\$ 324,154.74</u>	<u>\$ 361,600.00</u>	<u>\$ 340,283.02</u>	<u>\$ 8,000.00</u>	<u>\$ 7,101.00</u>	<u>\$ 8,000.00</u>	<u>\$ 7,882.22</u>
<u>Disbursements</u>								
Salaries	\$ 227,086.52	\$ 181,926.27	\$ 239,608.05	\$ 220,706.31	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	92,623.74	76,603.35	94,700.85	89,537.25	-	-	-	-
Materials and Supplies	5,000.00	4,615.45	7,000.00	7,353.41	-	-	-	-
Services and Other	17,000.00	17,473.30	11,500.00	19,204.60	5,000.00	6,883.97	8,000.00	3,685.34
Capital Outlay	9,000.00	22,250.31	13,000.00	9,492.69	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 350,710.26</u>	<u>\$ 302,868.68</u>	<u>\$ 365,808.90</u>	<u>\$ 346,294.26</u>	<u>\$ 5,000.00</u>	<u>\$ 6,883.97</u>	<u>\$ 8,000.00</u>	<u>\$ 3,685.34</u>
Receipts Over (Under)								
Disbursements	\$ 333.74	\$ 21,286.06	\$ (4,208.90)	\$ (6,011.24)	\$ 3,000.00	\$ 217.03	\$ -	\$ 4,196.88
Cash, January 1	<u>\$ 203.78</u>	<u>\$ 203.78</u>	<u>\$ 6,215.20</u>	<u>\$ 6,215.02</u>	<u>\$ 4,529.61</u>	<u>\$ 4,529.61</u>	<u>\$ 332.73</u>	<u>\$ 332.73</u>
Cash, December 31	<u>\$ 537.52</u>	<u>\$ 21,489.84</u>	<u>\$ 2,006.30</u>	<u>\$ 203.78</u>	<u>\$ 7,529.61</u>	<u>\$ 4,746.64</u>	<u>\$ 332.73</u>	<u>\$ 4,529.61</u>

See Notes to Financial Statements

The County of Marion
Palmyra, 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 Fund				Drug Enforcement Fund			
	2010		2009		2010		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	70,000.00	83,044.34	60,000.00	96,051.62	-	-	-	-
Interest	500.00	196.55	7,000.00	486.84	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 70,500.00</u>	<u>\$ 83,240.89</u>	<u>\$ 67,000.00</u>	<u>\$ 96,538.46</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	2,000.00	1,998.25	-	1,757.43	-	-	-	-
Services and Other	8,000.00	24,937.55	5,000.00	10,697.80	-	-	-	-
Capital Outlay	55,000.00	63,371.34	45,000.00	95,080.42	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 65,000.00</u>	<u>\$ 90,307.14</u>	<u>\$ 50,000.00</u>	<u>\$ 107,535.65</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Receipts Over (Under)								
Disbursements	\$ 5,500.00	\$ (7,066.25)	\$ 17,000.00	\$ (10,997.19)	\$ -	\$ -	\$ -	\$ -
Cash, January 1	<u>\$ 38,890.90</u>	<u>\$ 38,890.90</u>	<u>\$ 49,888.09</u>	<u>\$ 49,888.09</u>	<u>\$ 993.10</u>	<u>\$ 993.10</u>	<u>\$ 993.10</u>	<u>\$ 993.10</u>
Cash, December 31	<u>\$ 44,390.90</u>	<u>\$ 31,824.65</u>	<u>\$ 66,888.09</u>	<u>\$ 38,890.90</u>	<u>\$ 993.10</u>	<u>\$ 993.10</u>	<u>\$ 993.10</u>	<u>\$ 993.10</u>

See Notes to Financial Statements

The County of Marion
Palmyra, 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 Deputy Salary Supp. Fund			
	2010		2009		2010		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	7,000.00	12,470.00	7,500.00	13,074.28	30,000.00	28,235.00	30,000.00	1,410.00
Interest	200.00	114.86	-	179.69	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 7,200.00</u>	<u>\$ 12,584.86</u>	<u>\$ 7,500.00</u>	<u>\$ 13,253.97</u>	<u>\$ 30,000.00</u>	<u>\$ 28,235.00</u>	<u>\$ 30,000.00</u>	<u>\$ 1,410.00</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	2,500.00	4,307.50	1,000.00	4,984.00	30,000.00	25,505.00	30,000.00	1,230.00
Capital Outlay	1,000.00	1,125.50	3,000.00	50.00	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 3,500.00</u>	<u>\$ 5,433.00</u>	<u>\$ 4,000.00</u>	<u>\$ 5,034.00</u>	<u>\$ 30,000.00</u>	<u>\$ 25,505.00</u>	<u>\$ 30,000.00</u>	<u>\$ 1,230.00</u>
Receipts Over (Under)								
Disbursements	\$ 3,700.00	\$ 7,151.86	\$ 3,500.00	\$ 8,219.97	\$ -	\$ 2,730.00	\$ -	\$ 180.00
Cash, January 1	<u>\$ 22,091.71</u>	<u>\$ 22,091.71</u>	<u>\$ 13,871.74</u>	<u>\$ 13,871.74</u>	<u>\$ 180.00</u>	<u>\$ 180.00</u>	<u>\$ -</u>	<u>\$ -</u>
Cash, December 31	<u>\$ 25,791.71</u>	<u>\$ 29,243.57</u>	<u>\$ 17,371.74</u>	<u>\$ 22,091.71</u>	<u>\$ 180.00</u>	<u>\$ 2,910.00</u>	<u>\$ -</u>	<u>\$ 180.00</u>

See Notes to Financial Statements

**The County of Marion
Palmyra, 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			
	2010		2009	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	2,000.00	2,011.00	2,250.00	1,997.00
Interest	5.00	42.71	10.00	3.86
Other	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	<u>\$ 2,005.00</u>	<u>\$ 2,053.71</u>	<u>\$ 2,260.00</u>	<u>\$ 2,000.86</u>
<u>Disbursements</u>				
Salaries	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services and Other	2,000.00	947.55	2,250.00	2,001.00
Capital Outlay	-	-	-	-
Construction	-	-	-	-
Transfers Out	-	-	-	-
Total Disbursements	<u>\$ 2,000.00</u>	<u>\$ 947.55</u>	<u>\$ 2,250.00</u>	<u>\$ 2,001.00</u>
Receipts Over (Under)				
Disbursements	\$ 5.00	\$ 1,106.16	\$ 10.00	\$ (0.14)
Cash, January 1	<u>\$ 0.84</u>	<u>\$ 0.84</u>	<u>\$ 0.98</u>	<u>\$ 0.98</u>
Cash, December 31	<u><u>\$ 5.84</u></u>	<u><u>\$ 1,107.00</u></u>	<u><u>\$ 10.98</u></u>	<u><u>\$ 0.84</u></u>

See Notes to Financial Statements

The County of Marion
Palmyra, 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 Restitution Fund				PA Training Fund			
	2010		2009		2010		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	48,000.00	42,768.68	45,000.00	42,637.34	1,500.00	1,211.93	1,500.00	1,335.88
Interest	800.00	94.94	4,500.00	753.04	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 48,800.00</u>	<u>\$ 42,863.62</u>	<u>\$ 49,500.00</u>	<u>\$ 43,390.38</u>	<u>\$ 1,500.00</u>	<u>\$ 1,211.93</u>	<u>\$ 1,500.00</u>	<u>\$ 1,335.88</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	50,000.00	79,333.31	50,000.00	100,631.07	1,500.00	748.70	1,500.00	1,163.07
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 50,000.00</u>	<u>\$ 79,333.31</u>	<u>\$ 50,000.00</u>	<u>\$ 100,631.07</u>	<u>\$ 1,500.00</u>	<u>\$ 748.70</u>	<u>\$ 1,500.00</u>	<u>\$ 1,163.07</u>
Receipts Over (Under)								
Disbursements	\$ (1,200.00)	\$ (36,469.69)	\$ (500.00)	\$ (57,240.69)	\$ -	\$ 463.23	\$ -	\$ 172.81
Cash, January 1	<u>\$ 41,828.66</u>	<u>\$ 41,828.66</u>	<u>\$ 99,069.35</u>	<u>\$ 99,069.35</u>	<u>\$ 1,698.68</u>	<u>\$ 1,698.68</u>	<u>\$ 1,525.87</u>	<u>\$ 1,525.87</u>
Cash, December 31	<u>\$ 40,628.66</u>	<u>\$ 5,358.97</u>	<u>\$ 98,569.35</u>	<u>\$ 41,828.66</u>	<u>\$ 1,698.68</u>	<u>\$ 2,161.91</u>	<u>\$ 1,525.87</u>	<u>\$ 1,698.68</u>

See Notes to Financial Statements

**The County of Marion
Palmyra, 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**

	PA Delinquent Tax Fund			
	2010		2009	
	Budget	Actual	Budget	Actual
<u>Receipts</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	8,000.00	8,061.41	10,250.00	8,525.11
Interest	200.00	36.13	200.00	101.68
Other	-	-	-	-
Transfers In	-	-	-	-
Total Receipts	<u>\$ 8,200.00</u>	<u>\$ 8,097.54</u>	<u>\$ 10,450.00</u>	<u>\$ 8,626.79</u>
<u>Disbursements</u>				
Salaries	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-
Materials and Supplies	-	-	-	-
Services and Other	10,000.00	9,486.30	4,800.00	9,648.39
Capital Outlay	-	-	-	-
Construction	-	-	-	-
Transfers Out	-	-	-	-
Total Disbursements	<u>\$ 10,000.00</u>	<u>\$ 9,486.30</u>	<u>\$ 4,800.00</u>	<u>\$ 9,648.39</u>
Receipts Over (Under)				
Disbursements	\$ (1,800.00)	\$ (1,388.76)	\$ 5,650.00	\$ (1,021.60)
Cash, January 1	<u>\$ 7,721.20</u>	<u>\$ 7,721.20</u>	<u>\$ 8,742.80</u>	<u>\$ 8,742.80</u>
Cash, December 31	<u>\$ 5,921.20</u>	<u>\$ 6,332.44</u>	<u>\$ 14,392.80</u>	<u>\$ 7,721.20</u>

See Notes to Financial Statements

**The County of Marion
Palmyra, 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**

	Capital Improvement Fund				Continued Progress Fund			
	2010		2009		2010		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	1,340,000.00	1,316,814.48	-	-	-	-	1,345,000.00	1,338,034.67
Intergovernmental	50,000.00	38,407.55	950,000.00	1,116,491.52	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Interest	3,000.00	3,233.15	-	-	-	-	15,000.00	3,635.21
Other	100.00	11,351.16	100.00	95,129.74	-	-	-	-
Transfers In	257,678.14	257,678.14	229,375.00	200,000.00	-	-	-	-
Total Receipts	<u>\$1,650,778.14</u>	<u>\$ 1,627,484.48</u>	<u>\$ 1,179,475.00</u>	<u>\$ 1,411,621.26</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,360,000.00</u>	<u>\$ 1,341,669.88</u>
 <u>Disbursements</u>								
UMB COP Payment	\$ -	\$ 513,183.08	\$ -	\$ -	\$ 508,541.25	\$ -	\$ 540,562.50	\$ 544,367.51
Trustee Fee Expense	-	-	-	-	-	-	-	-
Other Expenses	573,940.44	813,751.84	1,234,135.66	1,436,263.67	458,000.00	257,678.14	799,250.00	569,875.00
Total Disbursements	<u>573,940.44</u>	<u>1,326,934.92</u>	<u>1,234,135.66</u>	<u>1,436,263.67</u>	<u>966,541.25</u>	<u>257,678.14</u>	<u>1,339,812.50</u>	<u>1,114,242.51</u>
Receipts Over (Under) Disbursements	<u>\$1,076,837.70</u>	<u>\$ 300,549.56</u>	<u>\$ (54,660.66)</u>	<u>\$ (24,642.41)</u>	<u>\$ (966,541.25)</u>	<u>\$ (257,678.14)</u>	<u>\$ 20,187.50</u>	<u>\$ 227,427.37</u>
Cash, January 1	<u>\$ 34,575.59</u>	<u>\$ 34,575.59</u>	<u>\$ 59,218.00</u>	<u>\$ 59,218.00</u>	<u>\$ 257,678.14</u>	<u>\$ 257,678.14</u>	<u>\$ 30,250.77</u>	<u>\$ 30,250.77</u>
Cash, December 31	<u>\$1,111,413.29</u>	<u>\$ 335,125.15</u>	<u>\$ 4,557.34</u>	<u>\$ 34,575.59</u>	<u>\$ (708,863.11)</u>	<u>\$ -</u>	<u>\$ 50,438.27</u>	<u>\$ 257,678.14</u>

See Notes to the Financial Statements

The County of Marion
Palmyra, 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

	LEPC Fund				Recorder's Preservation Fund			
	2010		2009		2010		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	8,583.18	-	10,000.00	-	-	-	-
Charges for Services	-	30,000.00	10,000.00	-	11,300.00	10,174.00	11,500.00	10,050.00
Interest	300.00	189.33	300.00	370.08	1,000.00	70.39	250.00	1,239.03
Other	10,000.00	-	-	31,113.50	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 10,300.00</u>	<u>\$ 38,772.51</u>	<u>\$ 10,300.00</u>	<u>\$ 41,483.58</u>	<u>\$ 12,300.00</u>	<u>\$ 10,244.39</u>	<u>\$ 11,750.00</u>	<u>\$ 11,289.03</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	2,000.00	-	2,000.00	-	-	-	-	-
Services and Other	50,850.00	61,997.71	15,500.00	17,320.15	15,000.00	13,273.92	9,000.00	5,163.94
Capital Outlay	5,000.00	1,396.00	7,000.00	4,171.04	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 57,850.00</u>	<u>\$ 63,393.71</u>	<u>\$ 24,500.00</u>	<u>\$ 21,491.19</u>	<u>\$ 15,000.00</u>	<u>\$ 13,273.92</u>	<u>\$ 9,000.00</u>	<u>\$ 5,163.94</u>
Receipts Over (Under)								
Disbursements	\$ (47,550.00)	\$ (24,621.20)	\$ (14,200.00)	\$ 19,992.39	\$ (2,700.00)	\$ (3,029.53)	\$ 2,750.00	\$ 6,125.09
Cash, January 1	<u>\$ 51,577.94</u>	<u>\$ 51,577.94</u>	<u>\$ 31,585.55</u>	<u>\$ 31,585.55</u>	<u>\$ 20,394.73</u>	<u>\$ 20,394.76</u>	<u>\$ 14,269.67</u>	<u>\$ 14,269.67</u>
Cash, December 31	<u>\$ 4,027.94</u>	<u>\$ 26,956.74</u>	<u>\$ 17,385.55</u>	<u>\$ 51,577.94</u>	<u>\$ 17,694.73</u>	<u>\$ 17,365.23</u>	<u>\$ 17,019.67</u>	<u>\$ 20,394.76</u>

See Notes to Financial Statements

The County of Marion
Palmyra, 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 Tech Fund				Election Services Fund			
	2010		2009		2010		2009	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>Receipts</u>								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	6,300.00	5,765.29	6,000.00	6,128.75	4,500.00	2,379.45	4,000.00	5,257.11
Interest	200.00	75.79	350.00	200.51	100.00	31.94	150.00	104.16
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 6,500.00</u>	<u>\$ 5,841.08</u>	<u>\$ 6,350.00</u>	<u>\$ 6,329.26</u>	<u>\$ 4,600.00</u>	<u>\$ 2,411.39</u>	<u>\$ 4,150.00</u>	<u>\$ 5,361.27</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	-	-	-	-
Services and Other	5,000.00	7,495.98	7,500.00	4,941.00	10,300.00	7,219.28	8,000.00	5,809.74
Capital Outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 5,000.00</u>	<u>\$ 7,495.98</u>	<u>\$ 7,500.00</u>	<u>\$ 4,941.00</u>	<u>\$ 10,300.00</u>	<u>\$ 7,219.28</u>	<u>\$ 8,000.00</u>	<u>\$ 5,809.74</u>
Receipts Over (Under)								
Disbursements	\$ 1,500.00	\$ (1,654.90)	\$ (1,150.00)	\$ 1,388.26	\$ (5,700.00)	\$ (4,807.89)	\$ (3,850.00)	\$ (448.47)
Cash, January 1	<u>\$ 21,515.55</u>	<u>\$ 21,515.55</u>	<u>\$ 20,127.29</u>	<u>\$ 20,127.29</u>	<u>\$ 10,183.33</u>	<u>\$ 10,183.33</u>	<u>\$ 10,631.80</u>	<u>\$ 10,631.80</u>
Cash, December 31	<u>\$ 23,015.55</u>	<u>\$ 19,860.65</u>	<u>\$ 18,977.29</u>	<u>\$ 21,515.55</u>	<u>\$ 4,483.33</u>	<u>\$ 5,375.44</u>	<u>\$ 6,781.80</u>	<u>\$ 10,183.33</u>

See Notes to Financial Statements

The County of Marion
Palmyra, 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

	Election HAVA 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	18,263.80	15,854.45	-	-	-	-	-	-
Charges for Services	-	-	-	-	34,300.00	27,825.59	32,000.00	28,985.39
Interest	-	-	-	-	700.00	1,051.97	1,000.00	632.14
Other	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Receipts	<u>\$ 18,263.80</u>	<u>\$ 15,854.45</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,000.00</u>	<u>\$ 28,877.56</u>	<u>\$ 33,000.00</u>	<u>\$ 29,617.53</u>
<u>Disbursements</u>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Fringe Benefits	-	-	-	-	-	-	-	-
Materials and Supplies	-	-	-	-	1,000.00	318.50	750.00	597.91
Services and Other	11,638.00	1,750.00	-	5,707.74	19,500.00	12,785.02	19,250.00	16,681.35
Capital Outlay	6,625.80	8,308.86	-	4,995.35	25,000.00	47,922.12	15,000.00	4,832.05
Construction	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Disbursements	<u>\$ 18,263.80</u>	<u>\$ 10,058.86</u>	<u>\$ -</u>	<u>\$ 10,703.09</u>	<u>\$ 45,500.00</u>	<u>\$ 61,025.64</u>	<u>\$ 35,000.00</u>	<u>\$ 22,111.31</u>
Receipts Over (Under)								
Disbursements	\$ -	\$ 5,795.59	\$ -	\$ (10,703.09)	\$ (10,500.00)	\$ (32,148.08)	\$ (2,000.00)	\$ 7,506.22
Cash, January 1	<u>\$ (10,703.09)</u>	<u>\$ (10,703.09)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,491.13</u>	<u>\$ 64,491.13</u>	<u>\$ 56,984.91</u>	<u>\$ 56,984.91</u>
Cash, December 31	<u>\$ (10,703.09)</u>	<u>\$ (4,907.50)</u>	<u>\$ -</u>	<u>\$ (10,703.09)</u>	<u>\$ 53,991.13</u>	<u>\$ 32,343.05</u>	<u>\$ 54,984.91</u>	<u>\$ 64,491.13</u>

See Notes to Financial Statements

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

Note 1 - Summary of Significant Accounting Policies

Organized in 1826, the county of Marion was named after Francis Marion of the Revolution. Marion County is a county-organized, third-class county and is part of the Tenth Judicial Circuit. The county seat is Palmyra. Marion 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 Marion County, Missouri.

Marion 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 Marion 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 Marion 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.

The Marion County 911 Board and the Marion County SB40 Board, although funds of the county with separately appointed or elected boards, are separately audited by independent certified public accountants, and, therefore, not included in the audit report. For copies of the audited financial statements, please contact the Marion County 911 Board at (573) 221-1121 and the Marion County SB40 Board at (573) 248-1077.

Basis of Presentation

The accompanying financial statements present the receipts, disbursements, and changes in cash of all funds of Marion 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 the 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.

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

Note 1 - Summary of Significant Accounting Policies (continued)

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 reasonably determinable, are presumed to be material.

As a result of the use of this regulatory basis of accounting, certain assets (such as accounts receivable and capital 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 Marion 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, Marion 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 Law Enforcement Training Fund, Sheriff's Fund, Sheriff's Revolving Fund, Law Enforcement Restitution Fund, PA Delinquent Tax Fund, Local Emergency Planning Council Fund, Recorder's Technology Fund, Election HAVA Fund, and Collectors Tax Maintenance 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.

**The County of Marion
Palmyra, Missouri
(the Primary Government)
Notes to the Financial Statements
December 31, 2010 & 2009**

Note 1 - Summary of Significant Accounting Policies (continued)

Budget and Budgetary Accounting (concluded)

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.

Budgets are prepared and adopted on the cash basis of accounting.

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 Marion County's boundaries for the calendar year 2010 and 2009, for the purposes of taxation was:

	<u>2010</u>	<u>2009</u>
Real Estate	240,558,750	227,396,240
Personal Property	90,004,480	96,977,160
Railroad and Utilities	18,764,082	16,770,959
	<u>349,327,312</u>	<u>\$ 341,146,368</u>

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

	<u>2010</u>	<u>2009</u>
General Revenue Fund	\$ 0.1057	\$ 0.1138
Road and Bridge	0.3393	0.3341
	<u>\$ 0.4450</u>	<u>\$ 0.4479</u>

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.

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

Note 1 - Summary of Significant Accounting Policies (concluded)

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 Marion 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.

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

Marion 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 Balance Sheet Governmental Funds arising from cash transactions as "Cash and Equivalents" under each fund's caption.

Deposits - Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2010 and 2009, the carrying amount of Marion County's deposits was \$673,580.94 and \$963,777.02 and the bank balance was \$966,808.83 and \$1,432,204.03 respectively. As of December 31, 2010, 100% of Marion County's investments were guaranteed by the U.S. Government.

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

Deposits	673,580.94
Investments	-
Restricted Cash	-
Total Deposits & Investments as of December 31, 2010	<u>673,580.94</u>

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

Note 2 - Deposits and Investments (concluded)

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

Deposits	963,777.02
Investments	-
Restricted Cash	-
Total Deposits & Investments as of December 31, 2009	<u>963,777.02</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. Marion County's investment policy does not include custodial credit risk requirements. Marion County's deposits were not exposed to custodial credit risk for the years ended December 31, 2010, and 2009.

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 Marion County or its agent but not in the government's name. Marion 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 Marion 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. Marion 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 Marion 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). Marion 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. Marion County's deposits were not exposed to concentration of investment credit risk for the years ended in December 31, 2010 and 2009.

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

Note 3 - Long-Term Debt

Certificates of Participation consist of:

The 2009 Series - \$2,200,000 original principal lease Certificates of Participation, due in varying annual principal installments ranging from \$470,000 to \$280,000 through December 1, 2014. Interest rate is variable from 1.75% to 2.75%. Principal payment are made annually on June 1, and interest is paid semi-annually.

The 2006 Series - \$584,000 original principal lease Certificates of Participation, due in varying annual principal installments ranging from \$29,000 to \$50,000 through June 1, 2021. Interest rate is variable from 4.00% to 4.70%. Principal payment are made annually on June 1, and interest is paid semi-annually.

The 2004 Series - \$4,395,000 original principal lease Certificates of Participation, due in varying annual principal installments ranging from \$340,000 to \$505,000 through December 1, 2014. Interest rate is variable from 2.25% to 4.10%. Principal payment are made annually on December 1, and interest is paid semi-annually. The 2004 series was refunded by the 2009 series on December 1, 2009.

The following are details of the Certificates of Participation transactions for the years ended December 31, 2010 and 2009:

2010					
<u>Debt</u>	<u>Balance at 1/1/2010</u>	<u>Amount Borrowed</u>	<u>Amount Repaid</u>	<u>Balance at 12/31/2010</u>	<u>Interest Paid During Year</u>
2006 COP's	\$ 495,000.00	\$ -	\$ 30,000.00	\$ 465,000.00	\$ 22,972.01
Total	<u>\$ 495,000.00</u>	<u>\$ -</u>	<u>\$ 30,000.00</u>	<u>\$ 465,000.00</u>	<u>\$ 22,972.01</u>

<u>Debt</u>	<u>Balance at 1/1/2010</u>	<u>Amount Borrowed</u>	<u>Amount Repaid</u>	<u>Balance at 12/31/2010</u>	<u>Interest Paid During Year</u>
2009 COP's	\$2,200,000.00	\$ -	\$ 470,000.00	\$1,730,000.00	\$ 43,183.08
Total	<u>\$2,200,000.00</u>	<u>\$ -</u>	<u>\$ 470,000.00</u>	<u>\$1,730,000.00</u>	<u>\$ 43,183.08</u>

2009					
<u>Debt</u>	<u>Balance at 1/1/2009</u>	<u>Amount Borrowed</u>	<u>Amount Repaid</u>	<u>Balance at 12/31/2009</u>	<u>Interest Paid During Year</u>
2004 COP's	\$2,810,000.00	\$ -	\$2,810,000.00	\$ -	\$ 105,562.50
Total	<u>\$2,810,000.00</u>	<u>\$ -</u>	<u>\$2,810,000.00</u>	<u>\$ -</u>	<u>\$ 105,562.50</u>

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

Note 3 - Long-Term Debt (continued)

		2009				
<u>Debt</u>	<u>Balance at 1/1/2009</u>	<u>Amount Borrowed</u>	<u>Amount Repaid</u>	<u>Balance at 12/31/2009</u>	<u>Interest Paid During Year</u>	
2006 COP's	\$ 525,000.00	\$ -	\$ 30,000.00	\$ 495,000.00	\$ 22,657.50	
Total	<u>\$ 525,000.00</u>	<u>\$ -</u>	<u>\$ 30,000.00</u>	<u>\$ 495,000.00</u>	<u>\$ 22,657.50</u>	

<u>Debt</u>	<u>Balance at 1/1/2009</u>	<u>Amount Borrowed</u>	<u>Amount Repaid</u>	<u>Balance at 12/31/2009</u>	<u>Interest Paid During Year</u>
2009 COP's	\$ -	\$2,200,000.00	\$ -	\$2,200,000.00	\$ -
Total	<u>\$ -</u>	<u>\$2,200,000.00</u>	<u>\$ -</u>	<u>\$2,200,000.00</u>	<u>\$ -</u>

2010 Amortizations:

Series 2006 Certificates of Participation Schedule

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	35,000.00	75,850.00	110,850.00
2012	35,000.00	18,678.75	53,678.75
2013	35,000.00	17,226.25	52,226.25
2014	40,000.00	15,630.00	55,630.00
2015-2021	320,000.00	54,945.00	374,945.00
Total	<u>465,000.00</u>	<u>182,330.00</u>	<u>647,330.00</u>

Series 2009 Certificates of Participation Schedule

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	475,000.00	39,175.00	514,175.00
2012	485,000.00	30,862.50	515,862.50
2013	490,000.00	19,950.00	509,950.00
2014	280,000.00	7,700.00	287,700.00
Total	<u>1,730,000.00</u>	<u>97,687.50</u>	<u>1,827,687.50</u>

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

Note 3 - Long-Term Debt (continued)

2009 Amortizations:

Series 2006 Certificates of Participation Schedule			
Year	Principal	Interest	Total
2010	\$ 30,000.00	\$ 21,457.50	\$ 51,457.50
2011	\$ 35,000.00	\$ 75,850.00	\$ 110,850.00
2012	\$ 35,000.00	\$ 18,678.75	\$ 53,678.75
2013	\$ 35,000.00	\$ 17,226.25	\$ 52,226.25
2014-2021	\$ 360,000.00	\$ 70,575.00	\$ 430,575.00
Total	<u>\$ 495,000.00</u>	<u>\$ 203,787.50</u>	<u>\$ 698,787.50</u>

Series 2009 Certificates of Participation Schedule			
Year	Principal	Interest	Total
2010	\$ 470,000.00	\$ 45,581.25	\$ 515,581.25
2011	\$ 475,000.00	\$ 39,175.00	\$ 514,175.00
2012	\$ 485,000.00	\$ 30,862.50	\$ 515,862.50
2013	\$ 490,000.00	\$ 19,950.00	\$ 509,950.00
2014	\$ 280,000.00	\$ 7,700.00	\$ 287,700.00
Total	<u>\$ 2,200,000.00</u>	<u>\$ 143,268.75</u>	<u>\$ 2,343,268.75</u>

Note 4 - Interfund Transfers

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

	2010		2009	
	Transfers In	Transfers Out	Transfers In	Transfers Out
<u>Major Funds:</u>				
General Revenue	\$ 414,000.00	\$ -	\$ 428,315.95	\$ 17,400.00
Road & Bridge	164,000.00	-	-	48,440.95
Assessment	-	-	17,400.00	-
Capital Improvements	257,678.14	568,000.00	200,000.00	-
Continued Progress	-	257,678.14	-	569,875.00
Collector's Tax Maintenance	-	10,000.00	-	10,000.00
Total	<u>\$ 835,678.14</u>	<u>\$ 835,678.14</u>	<u>\$ 645,715.95</u>	<u>\$ 645,715.95</u>

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

Note 5 - Local Government Employees Retirement System (LAGERS)

Marion County 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 401a and it is tax exempt. The Missouri Local Government Employees Retirement System issues a publicly available financial report that includes financial statements and supplementary information. That report may be obtained by writing to LAGERS, P.O. Box 1665, Jefferson City, MO, 65102 or by calling 1-800-447-4334.

Funding Status

Marion County's full time employees do not contribute to the pension plan. The political subdivision is required to contribute at an actuarially determined rate; the current rates for 2010 are 12.9% (general) and 9.1% (police), for 2009 they are 11.9% (general) and 8.1% (police) of the annual covered payroll. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute.

Annual Pension Cost (APC) and Net Pension Obligation (NPO)

For 2010, the political subdivision's annual pension cost of \$378,586 was equal to the annual required contributions and the remaining net pension obligation. The 2010 required contribution was determined as part of the February 29, 2008 and/or February 28, 2009 annual actuarial valuation using the entry age actuarial cost method. For 2009, the political subdivision's annual pension cost of \$468,191 was equal to the required and actual contributions. The required contribution was determined as part of the February 28, 2007 and/or February 29, 2008 annual actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included: (a) a rate of return on the investment of present and future assets of 7.5% per year, compounded annually, (b) projected salary increases of 4.0% per year, compounded annually, attributable to inflation, (c) additional projected salary increases ranging from 0.0% to 6.0% per year, depending on age and division, attributable to seniority/merit, (d) pre-retirement mortality based on the RP-2000 Combined Healthy Table set back 0 years for men and 0 years for women, and (e) post-retirement mortality based on the 1971 Group Annuity Mortality table projected to 2000 set back 1 year for men and 7 years for women. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis for 2009 and 2010. The amortization period of February 29, 2008 was 15 years for the General division and 15 years for the Police division. The amortization period of February 28, 2009, was 30 years for the General division and 9 years for the Police division.

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

Note 5 - Local Government Employees Retirement System (LAGERS) (continued)

Three Year Trend Information - 2010

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2008	\$ 696,850	100.0%	\$ -
6/30/2009	468,191	100.0%	-
6/30/2010	378,586	93.3%	25,365

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Entry Age Actuarial Accrued Liability	(b-a) Unfunded Accrued Liability (UAL)	(a/b) Funded Ratio	(c) Annual Covered Payroll	[(b - a) / c] UAL as a Percentage of Covered Payroll
6/30/2008	\$ 5,231,835	\$ 6,047,274	\$ 815,439	87%	\$ 2,959,937	28%
6/30/2009	\$ 4,746,963	\$ 6,252,741	\$ 1,505,778	76%	\$ 2,867,382	53%
6/30/2010	\$ 5,009,231	\$ 6,368,566	\$ 1,359,335	79%	\$ 2,932,531	46%

Note: The above assets and actuarial liability do not include the assets and present value of benefits associated with the Benefit Reserve Fund and Casualty Reserve Fund. The actuarial assumptions were changed in conjunction with the February 28, 2006 annual actuarial valuations. For a complete description of the actuarial assumptions used in the annual valuations, please contact the LAGERS office in Jefferson City.

Three Year Trend Information - 2009

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2007	\$ 222,523	100%	\$ -
6/30/2008	696,850	100%	-
6/30/2009	468,191	100%	-

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Entry Age Actuarial Accrued Liability	(b-a) Unfunded Accrued Liability (UAL)	(a/b) Funded Ratio	(c) Annual Covered Payroll	[(b - a) / c] UAL as a Percentage of Covered Payroll
6/30/2007	\$ 4,885,058	\$ 4,373,766	\$ (511,292)	112%	\$ 2,646,939	0%
6/30/2008	\$ 5,231,835	\$ 6,047,274	\$ 815,439	87%	\$ 2,959,937	28%
6/30/2009	\$ 4,746,963	\$ 6,252,741	\$ 1,505,778	76%	\$ 2,867,382	53%

Note: The above assets and actuarial liability do not include the assets and present value of benefits associated with the Benefit Reserve Fund and Casualty Reserve Fund. The actuarial assumptions were changed in conjunction with the February 28, 2006 annual actuarial valuations. For a complete description of the actuarial assumptions used in the annual valuations, please contact the LAGERS office in Jefferson City.

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

Note 6 - 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 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 nine 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 funded through various fees collected by counties and remitted to the CERF. Eligible employees hired before February 2002 have an option to contribute 2% of their annual salary, while employees hired after February 2002 are required to contribute 6% of their annual salary in order to participate in CERF. During 2010 and 2009, the County collected and remitted to CERF. Of the 6% contribution, 4% is contributed by the County and the remaining 2% is covered through employee contributions to LAGERS.

Note 7 - Prosecuting Attorney Retirement Fund

In accordance with state statute Chapter 56.807 RSMo, Marion 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. Marion County has contributed \$7,106 and \$13,379, respectively, for the years ended December 31, 2010 and 2009.

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

Note 8 - Post-Employment Benefits

Marion 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 Marion County.

Note 9 - Claims, Commitments and Contingencies

Litigation

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

Compensated Absences

The County provides employees with up to four weeks of paid vacation based upon the number of years of continuous service. Upon termination from county employment, an employee is not reimbursed for unused vacation and overtime, if applicable. Sick time is paid for at the rate of 50% for any unused sick pay up to 120 hours. These have not been subjected to auditing procedures.

Note 10 - 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 created pursuant to state statute (Chapter 537.70 RSMo. 1986). 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 to produce sufficient funds to meet its obligations, the risk pool is empowered with the ability to make specific assessments. Members are jointly and severally liable for all claims against the risk pool.

The County is also a member of the Missouri Association of Counties Self-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.

Note 11 - Prior Period Adjustments

January 1, 2009 cash has been restated to include the Sheriffs Fund and the PA Delinquent Tax Fund.

**The County of Marion
Palmyra, 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 Law Enforcement Training Fund, Sheriff's Fund, Sheriff's Revolving Fund, Law Enforcement Restitution Fund, PA Delinquent Tax Fund, Local Emergency Planning Council Fund, Recorder's Technology Fund, Election HAVA Fund, and Collectors Tax Maintenance 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 Marion County, Missouri

We have audited the accompanying financial statements of Marion 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 Marion 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 Marion County, Missouri's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Marion 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 questioned costs 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.

10425 Old Olive
Street Road,
Suite 101

Creve Coeur,
Missouri 63141

PHONE:
314-569-3800
FAX:
314-569-0020

www.nsvcpa.com

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Marion 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 questioned costs FS 10/09-4.

Marion County, Missouri's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Marion 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, Missouri State Auditor's Office, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Nichols, Stopp, & VanHoy, LLC

Creve Coeur, Missouri
July 8, 2011



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT
ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the County Commission and
Officeholders of Marion County, Missouri

Compliance

We have audited Marion County, Missouri's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of Marion County, Missouri's major federal programs for the year ended December 31, 2010 and 2009. Marion County, Missouri's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Marion County, Missouri's management. Our responsibility is to express an opinion on Marion 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 Marion 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 Marion County, Missouri's compliance with those requirements.

In our opinion, Marion County, Missouri complied, in all material respects, with the compliance 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

Management of Marion 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 audit, we considered Marion County, Missouri's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the 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 Marion County, Missouri's internal control over compliance.

10425 Old Olive
Street Road,
Suite 101

Creve Coeur,
Missouri 63141

PHONE:
314-569-3800
FAX:
314-569-0020

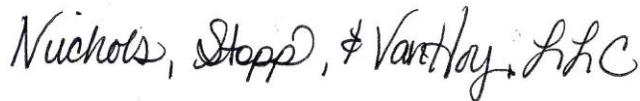
www.nsvcpa.com

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. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as items SA 10/09-1 and 10/09-2. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

A handwritten signature in black ink that reads "Nichols, Stopp, & VanHoy, LLC". The signature is written in a cursive, flowing style.

Creve Coeur, Missouri
July 8, 2011

**The County of Marion
Palmyra, Missouri
Schedule of Expenditures of Federal Awards
Years Ended December 31, 2010 and 2009**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Number	Federal Expenditures Year Ended December 31,	
			2010	2009
U.S. Department of Transportation				
Passed through state:				
Highway and Transportation Commission -				
Highway Planning and Construction	20.205	BRO - 064(20)	38,809.00	
Highway Planning and Construction	20.205	SRTS-INF-H283	8,475.00	
Highway Planning and Construction	20.205	BRO - 064(15)		942,734.61
Department of Public Safety -				
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	HMEP EPA		30,000.00 10,000.00
Total U.S. Department of Transportation			<u>47,284.00</u>	<u>982,734.61</u>
U.S. Department of Housing and Urban Development				
Passed through state:				
Department of Social Services				
Emergency Shelter Grants Program	14.231	ERO1640930		6,289.00
Election Assistance Commission				
Passed through state:				
Office of Secretary of State -				
Help America Vote Act Requirements Payments	90.401	HAVA	2,252.67	
General Services Administration				
Passed through state:				
Office of Secretary of State -				
Election Reform Payments	39.011		7,557.00	
U.S. Department of Health and Human Services				
Passed through state:				
Department of Social Services -				
Child Support Enforcement	93.563		142,626.97	115,378.87
Voting Access for Individuals with Disabilities	93.617			4,776.40
Total U.S. Department of Health and Human Services			<u>142,626.97</u>	<u>120,155.27</u>
U.S. Department of Homeland Security				
Passed through state:				
Department of Public Safety -				
Disaster Grants - Public Assistance Grants	97.036	FEMA	<u>289,214.97</u>	<u>151,483.48</u>
Total Expenditures of Federal Awards			<u><u>488,935.61</u></u>	<u><u>1,260,662.36</u></u>

**The County of Marion
Palmyra, Missouri
Notes to Schedule of Expenditures of Federal Awards
December 31, 2010 & 2009**

Note 1 - Summary of Significant Accounting Policies

Purpose of Schedule and Reporting Entity

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

This schedule includes all federal awards administered by Marion County, Missouri.

Basis of Presentation

Federal financial assistance means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals.

Federal award means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, under grants or contracts, used to buy goods or services from vendors.

Basis of Accounting

The Accompanying schedule of Expenditures of Federal Awards is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

Note 2 - Subrecipients

The county provided one federal award to a subrecipient during the year ended December 31, 2009. A non-profit organization expended \$6,289 of Emergency Shelter Grants Program monies that were passed through Marion County, Missouri.

**The County of Marion
Palmyra, Missouri
Schedule of Findings and Questioned Cost
Years Ended December 31, 2010 and 2009**

Section 1 - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unqualified Regulatory Basis			
Internal control over financial reporting:				
Material weakness(es) identified?	2010	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
	2009	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
Significant deficiencies identified that are not considered to be material weaknesses?	2010	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> None Reported	
	2009	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> None Reported	
Any noncompliance material to financial statements noted?	2010	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
	2009	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	

Federal Awards

Internal control over major programs:				
Material weakness(es) identified?	2010	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
	2009	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
Significant deficiencies identified not considered to be material weaknesses?	2010	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> None Reported	
	2009	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> None Reported	
Type of auditor's report issued on compliance for major programs:	2010	Unqualified		
	2009	Unqualified		
Any audit findings disclosed that are required to be reported in accordance with section 510 (a) of Circular A-133?	2010	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
	2009	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	

Identification of Major Programs:

CFDA Number	Year	Name of Federal Program or Cluster
97.036	2010	Disaster Grants - Public Assistance Grants
20.205	2009	Highway Planning and Construction

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee?	2010	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
	2009	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**The County of Marion
Palmyra, Missouri
Schedule of Findings and Questioned Cost
December 31, 2010 & 2009**

Section 2 - 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 statements 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: Marion County has prepared the 2010 and 2009 financial statements in compliance with Missouri Revised Statute 50.815.

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: Marion County will take the recommendation under advisement.

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.

**The County of Marion
Palmyra, Missouri
Schedule of Findings and Questioned Costs
December 31, 2010 & 2009**

FS 10/09-03 Recommendation: We recommend that the County address various risks in the environment, including risk of
Cont. fraud occurring by performing assessments to identify, analyze, and manage these risks.

Management's Response: Marion 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 has already established the procedure to amend the budget effective January
1, 2011 as needed to the State Auditor's Office.

**The County of Marion
Palmyra, Missouri
Schedule of Findings and Questioned Costs
December 31, 2010 & 2009**

Section 3 - Federal Award Findings and Questioned Costs for the Fiscal Years Ended December 31, 2010 and 2009

The following findings, recommendations, and questioned costs are the results of the single audit of Marion County, Missouri for fiscal years ended December 31, 2010 and 2009. Each finding is referenced with a two-digit number representing the fiscal years audited, an "SA" to indicate that it is a single audit finding, and a sequential number. The findings are presented by federal program and are classified according to federal and state department, type of compliance requirement, category of internal control weakness, and category of noncompliance

Category of Internal Weakness

If the finding represents a weakness in internal control, one of the following designations will appear:

Significant Deficiency: A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affect the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

Material Weakness: A material weakness in internal control over compliance is a significant deficiency or combination of significant deficiencies that result in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Category of Noncompliance Findings

If the finding represents an instance of noncompliance, one of the following designations will appear:

Material Noncompliance: A material noncompliance finding is a finding related to a major federal program which discusses conditions representing noncompliance with federal laws, regulations, contracts, or grants, the effects of which have a material effect in relation to a type of compliance requirement or audit objective identified in OMB Circular A-133 *Compliance Supplement*.

Questioned Cost Finding: A questioned cost finding is a finding which discusses known or likely questioned costs that are greater than \$10,000 for a type of compliance requirement, unless the conditions giving rise to the questioned costs are otherwise reported as a material noncompliance finding.

Federal Award Findings and Questioned Costs

Finding Number	Type of Finding/Questioned Costs	Findings and Recommendations
SA 10/09-1	Other Information: Significant Deficiency	<u>Findings:</u> The Schedule of Expenditures of Federal Awards contained errors. Controls were not in place to ensure that the schedule of expenditures of Federal Awards (SEFA) was prepared in accordance with federal requirements. The OMB Circular A-133 requires that the SEFA provide total federal awards expended for each individual federal program. It states that the determination of when an award is expended should be based on when the activity related to the award occurs, such as when the expenditures takes place.

**The County of Marion
Palmyra, Missouri
Schedule of Findings and Questioned Costs
December 31, 2010 & 2009**

Finding Number	Type of Finding/Questioned Costs	Findings and Recommendations
SA 10/09-1 cont.	Other Information: Significant Deficiency	<p>The Schedule of Expenditures of Federal Awards (SEFA) was prepared with various errors. These errors are described below:</p> <p style="padding-left: 40px;">Expenditures listed on the SEFA schedule submitted to the State Auditor's Office were incorrect. Expenditures listed on the SEFA did not agree to the general ledger.</p> <p><u>Recommendation:</u> The County should implement procedures to ensure that the SEFA is prepared in accordance with federal requirements. The County should continue in its efforts to establish an accounting system that will capture grant transactions in a manner sufficient to readily report the necessary information required on the SEFA. The cost center listing that identifies federal expenditures should be defined and cross matched in a table that is updated monthly by a designee of the County Clerk's Office.</p> <p><u>Management's Response:</u> Marion County will take the recommendation under advisement.</p>
SA 10/09-2	Other Information: Significant Deficiency	<p><u>Findings:</u> Documentation of internal control over compliance with single audit requirements has not been documented.</p> <p>Without documented internal controls, the County may not be able to ensure that controls are in place, communicated and operating effectively.</p> <p><u>Recommendation:</u> We recommend that the County develop the required internal control documentation over compliance with single audit requirements. Once this documentation is complete, those charged with governance have a responsibility to understand the controls and ensure they are operating effectively.</p> <p><u>Management's Response:</u> Marion County will take the recommendation under advisement.</p>

The County of Marion
Palmyra, Missouri
Follow-Up on Prior Audit Findings for an Audit of Financial
Statements Performed in Accordance with Government Auditing Standards

In accordance with Government Auditing Standards, this section reports the auditor's follow-up on action taken by Marion County, Missouri, on the applicable findings in the prior audit report issued for the two years ended December 31, 2008.

FS 08/07-01 Criteria: Auditors may continue to assist clients with the preparation of the financial statements now and in the future. However, under the Statement on Auditing Standards (SAS) No. 112, *Communicating Internal Control Related Matters in an Audit*, which is effective for periods ending on or after December 15, 2006, conditions necessitating the entity's auditor to provide such assistance is at least indicative of a significant deficiency.

Condition: During the current year, auditors of the County assisted with the preparation of the financial statements and the notes to financial statements.

Effect: Auditors may continue to assist clients with the preparation of the financial statements now and in the future. However, SAS 112 indicates that conditions necessitate the entity's auditor to provide such assistance is at least indicative of a significant deficiency in internal control over financial reporting.

Cause: Due to the short time frame for the implementation of the new SAS requirements, management did not prepare the financial statements or the notes to financial statements.

Recommendation: Due to the changing standards, the County may wish to consider alternatives available that would eliminate this situation.

Status: Unchanged.

FS 08/07-02 Criteria: Statement on Auditing Standards (SAS) No. 112, *Communicating Internal Control Related Matters in an Audit*, which is effective for the period ending on or after December 15, 2006, considers inadequate documentation of the components of internal control to be at least a significant deficiency.

Condition: Documentation of the County's internal controls has not been prepared.

Effect: The new SAS 112 considers inadequate documentation of the components of internal control to be at least a significant deficiency. Without documented internal controls, the County may not be able to ensure that controls are in place, communicated and operating effectively.

Cause: Due to the short time frame for the implementation of the new SAS requirements, the County did not prepare financial statements.

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.

Status: Unchanged.

The County of Marion
Palmyra, Missouri
Follow-Up on Prior Audit Findings for an Audit of Financial
Statements Performed in Accordance with Government Auditing Standards

FS 08/07-03 Criteria: Antifraud programs and controls are the policies and procedures put in place by an organization to help ensure that management directives are carried out. They are part of the overall system of internal control established to achieve reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.

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.

Status: Unchanged

**The County of Marion
Palmyra, Missouri
Summary Schedule of Prior Audit Findings In Accordance with OMB Circular A-133**

Section .315 of OMB Circular A-133 requires the auditee to prepare a Summary Schedule of Prior Audit Findings to report the status of all findings that are relative to federal awards and included in the prior audit report's Schedule of Findings and Questioned Costs. The summary schedule also must include findings reported in the prior audit's Summary Schedule of Prior Audit Findings, except those listed as corrected, no longer valid, or not warranting further action.

Section .500(e) of OMB Circular A-133, requires the auditor to follow up on these prior audit findings; to perform procedures to assess the reasonableness of the Summary Schedule of Prior Audit Findings; and to report, as a current year finding, when the auditor concludes that the schedule materially misrepresents the status of any prior findings.

Finding Number	Type of Finding/Questioned Costs	Findings and Recommendations
SA 08/07-1	Other Information: Significant Deficiency	<p><u>Findings:</u> Weakness in control over expenditures in compliance with single audit requirements.</p> <p>To prepare the Schedule of Expenditures of Federal Awards (SEFA) report, the County used Revenues instead of expenditures. Because the program is reimbursement in nature, revenues equal expenditures.</p> <p><u>Recommendation:</u> The County should track all federal expenditures in the general ledger system by adding a grant code at the end of the account code.</p> <p><u>Status:</u> The County has resolved this issue and now uses expenditures to prepare the Schedule of Expenditures of Federal Awards.</p>
SA 08/07-2	Other Information: Significant Deficiency	<p><u>Findings:</u> The Schedule of Expenditures of Federal Awards contained errors.</p> <p>Controls were not in place to ensure that the schedule of expenditures of Federal Awards (SEFA) was prepared in accordance with federal requirements. The OMB Circular A-133 requires that the SEFA provide total federal awards expended for each individual federal program. It states that the determination of when an award is expended should be based on when the activity related to the award occurs, such as when the expenditures takes place.</p> <p>The Schedule of Expenditures of Federal Awards (SEFA) was prepared with various errors. These errors are described below:</p> <p>The SEFA schedule contained several incorrect CFDA numbers of federal programs.</p> <p>Expenditures listed on the SEFA schedule submitted to the State Auditor's Office were incorrect. Revenue was used to prepare the SEFA instead of Expenditures. Actual Expenditures were not agreed to the general ledger.</p>

**The County of Marion
Palmyra, Missouri**

Summary Schedule of Prior Audit Findings In Accordance with OMB Circular A-133

SA 08/07-2
(Cont.)

Other Information:
Significant
Deficiency

Recommendation: The County should implement procedures to ensure that the SEFA is prepared in accordance with federal requirements. The County should continue in its efforts to establish an accounting system that will capture grant transactions in a manner sufficient to readily report the necessary information required on the SEFA. The cost center listing that identifies federal expenditures should be defined and cross matched in a table that is updated monthly by a designee of the County Clerk's Office.

Status: The County has resolved part of this issue and now uses the correct CFDA number, however, some expenditures were still incorrect on the Schedule of Expenditures of Federal Awards.