



THOMAS A. SCHWEICH
Missouri State Auditor

To the County Commission
and
Officeholders of Gentry County, Missouri

The Office of the State Auditor has contracted for an audit of the county's financial statements for the 2 years ended December 31, 2011, through the state Office of Administration, Division of Purchasing and Materials Management. A copy of this audit, performed by McBride, Lock & Associates, Certified Public Accountants, is attached.

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

Thomas A. Schweich
State Auditor

June 2012
Report No. 2012-64

ANNUAL FINANCIAL REPORT

GENTRY COUNTY, MISSOURI

For the Years Ended
December 31, 2011 and 2010

GENTRY COUNTY, MISSOURI

TABLE OF CONTENTS

Page

INTRODUCTORY SECTION

List of Elected Officials	i
---------------------------	---

FINANCIAL SECTION

Independent Auditors' Report	ii
------------------------------	----

BASIC FINANCIAL STATEMENTS:

Statements of Receipts, Disbursements and Changes in Cash – All Governmental Funds – Regulatory Basis	1
---	---

Comparative Statements of Receipts, Disbursements and Changes in Cash – Budget and Actual – All Governmental Funds – Regulatory Basis	2
---	---

Notes to the Financial Statements	15
-----------------------------------	----

COMPLIANCE SECTION

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	22
--	----

Independent Auditors' 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	24
---	----

Schedule of Expenditures of Federal Awards	26
--	----

Notes to the Schedule of Expenditures of Federal Awards	27
---	----

Schedule of Findings and Questioned Costs (Including Management's Plan for Corrective Action)	28
---	----

Findings and Recommendations	30
------------------------------	----

Schedule of Prior Year Audit Findings	34
---------------------------------------	----

INTRODUCTORY SECTION

GENTRY COUNTY, MISSOURI
List of Elected Officials

County Commission

Presiding Commissioner – Rod Dollars

Associate Commissioner – Larry B. Wilson

Associate Commissioner – Gary Carlson

Other Elected Officials

Assessor – Sheryl Coburn

Circuit Clerk/Recorder – Janet Parsons

Collector/Treasurer – Linda Combs

Coroner – Noah Mays

County Clerk – Carol Reidlinger

Prosecuting Attorney – Jerome Biggs, Jr.

Public Administrator – Jody Novak

Sheriff – Tim Davis

FINANCIAL SECTION

McBRIDE, LOCK & ASSOCIATES

INDEPENDENT AUDITORS' REPORT

To the County Commission and
Officeholders of Gentry County, Missouri

We have audited the accompanying financial statements of Gentry County, Missouri as of and for the years ended December 31, 2011 and 2010, 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, Gentry 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 Gentry County, Missouri, as of December 31, 2011 and 2010, 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 Gentry County, Missouri, as of December 31, 2011 and 2010, and their respective cash receipts and disbursements, and budgetary results of these funds for the years then ended, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we also have issued our report dated May 25, 2012, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over

financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Gentry County, Missouri's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

(Original Signed by Auditor)

McBride, Lock & Associates
May 25, 2012

GENTRY COUNTY, MISSOURI
STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2010 AND 2011

Fund	Cash and Cash Equivalents		Cash and Cash Equivalents		Cash and Cash Equivalents		
	January 1, 2010	Receipts 2010	Disbursements 2010	December 31, 2010	Receipts 2011	Disbursements 2011	December 31, 2011
General Revenue	\$ 594,902	\$ 1,490,110	\$ 1,178,667	\$ 906,345	\$ 1,262,525	\$ 1,131,551	\$ 1,037,319
Special Road & Bridge	88,315	1,827,793	1,884,931	31,177	1,075,755	991,259	115,673
Assessment	41,452	135,150	114,098	62,504	123,764	120,193	66,075
Emergency Preparedness	23,194	10,967	20,745	13,416	11,233	14,003	10,646
Bad Check	26,442	9,525	4,212	31,755	8,131	7,817	32,069
Prosecuting Attorney Training	1,483	198	375	1,306	149	-	1,455
Law Enforcement Training	633	792	1,253	172	600	393	379
Children's Trust	4,480	235	-	4,715	340	5,000	55
Prosecuting Attorney Tax Collection	6,320	-	-	6,320	-	-	6,320
Post Commission	164	518	500	182	500	500	182
Emergency	228,870	42,205	-	271,075	40,389	-	311,464
Sheriff's Civil Fees	19,580	13,037	13,393	19,224	13,888	8,603	24,509
Recorder User	9,829	2,470	-	12,299	2,465	-	14,764
County Clerk's Election	7,571	980	6,942	1,609	2,130	192	3,547
Recorder Technology	6,521	1,411	1,908	6,024	1,356	62	7,318
Special Election	-	5,470	5,470	-	17,450	17,450	-
Tax Maintenance	33,625	12,560	5,492	40,693	13,061	5,521	48,233
Sheriff's Revolving	4,216	1,700	3,000	2,916	2,300	638	4,578
Law Library	3,049	4,467	3,779	3,737	3,615	5,385	1,967
Law Enforcement Restitution	28,289	6,805	4,566	30,528	9,037	10,921	28,644
War Memorial	1,910	20	-	1,930	19	-	1,949
Senior Citizen's Services	11,828	42,736	42,189	12,375	36,786	39,839	9,322
Levee Restoration Project	2,094	21	-	2,115	21	-	2,136
Local Emergency Planning Committee	-	9,268	5,300	3,968	2,512	2,599	3,881
CDBG - Gentryville Project	56	90,736	89,425	1,367	25,810	26,975	202
Total	\$ 1,144,823	\$ 3,709,174	\$ 3,386,245	\$ 1,467,752	\$ 2,653,836	\$ 2,388,901	\$ 1,732,687

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

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

GENERAL REVENUE FUND		Year Ended December 31,		
	2010		2011	
	Budget	Actual	Budget	Actual
RECEIPTS				
Property taxes	\$ 453,000	\$ 472,451	\$ 468,000	\$ 402,821
Sales taxes	292,000	328,366	295,000	295,122
Intergovernmental	218,386	247,799	179,090	182,918
Charges for services	273,110	270,917	269,599	243,387
Interest	10,000	13,229	10,900	16,259
Other	25,742	63,615	76,010	122,018
Transfers in	62,000	93,733	-	-
Total Receipts	<u>\$ 1,334,238</u>	<u>\$ 1,490,110</u>	<u>\$ 1,298,599</u>	<u>\$ 1,262,525</u>
DISBURSEMENTS				
County Commission	\$ 81,554	78,387	\$ 81,970	\$ 81,015
County Clerk	121,701	107,194	107,680	91,446
Elections	49,100	36,030	11,200	9,497
Buildings and grounds	120,600	95,713	102,900	91,985
Employee fringe benefits	140,700	123,233	140,200	126,070
Treasurer	70,121	67,187	71,272	68,580
Circuit Clerk	17,150	14,481	23,100	21,036
Court administration	2,000	1,066	2,500	2,453
Public Administrator	32,975	32,851	33,912	33,450
Sheriff	367,499	320,006	284,027	261,620
Prosecuting Attorney	71,437	70,427	78,417	77,965
Juvenile Officer	9,053	6,427	9,000	7,939
Coroner	16,362	13,603	15,671	14,673
Other County Government	347,073	158,588	287,691	189,430
Health and Welfare	15,400	12,474	15,900	14,392
Transfers out	40,000	41,000	40,000	40,000
Total Disbursements	<u>\$ 1,502,725</u>	<u>\$ 1,178,667</u>	<u>\$ 1,305,440</u>	<u>\$ 1,131,551</u>
RECEIPTS OVER (UNDER)				
DISBURSEMENTS	\$ (168,487)	\$ 311,443	\$ (6,841)	\$ 130,974
CASH and CASH EQUIVALENTS, JANUARY 1	594,902	594,902	906,345	906,345
CASH and CASH EQUIVALENTS, DECEMBER 31	<u>\$ 426,415</u>	<u>\$ 906,345</u>	<u>\$ 899,504</u>	<u>\$ 1,037,319</u>

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

GENTRY COUNTY, MISSOURI

COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	SPECIAL ROAD AND BRIDGE FUND				ASSESSMENT FUND			
	2010		2011		2010		2011	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ 16,000	\$ 15,351	\$ 16,000	\$ 15,347	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	1,732,629	1,688,259	1,435,665	971,212	116,000	133,407	131,000	114,521
Charges for services	-	-	-	-	600	781	600	8,215
Interest	2,000	1,964	2,000	699	600	742	650	956
Other	126,000	122,219	73,000	88,497	-	220	-	72
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 1,876,629	\$ 1,827,793	\$ 1,526,665	\$ 1,075,755	\$ 117,200	\$ 135,150	\$ 132,250	\$ 123,764
DISBURSEMENTS								
Salaries	\$ 143,000	\$ 142,141	\$ 145,000	\$ 144,113	\$ 76,138	\$ 76,096	\$ 77,966	\$ 77,685
Employee fringe benefits	40,300	36,519	42,400	37,816	22,713	21,713	26,712	23,242
Materials and supplies	376,000	367,418	351,000	328,779	14,200	9,613	14,975	10,460
Services and other	48,752	41,165	13,752	10,654	9,675	6,676	9,725	8,806
Capital outlay	19,000	19,072	30,000	30,000	-	-	-	-
Construction	1,116,500	1,106,280	942,000	414,100	-	-	-	-
Transfers out	206,000	172,336	25,000	25,797	-	-	-	-
Total Disbursements	\$ 1,949,552	\$ 1,884,931	\$ 1,549,152	\$ 991,259	\$ 122,726	\$ 114,098	\$ 129,378	\$ 120,193
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (72,923)	\$ (57,138)	\$ (22,487)	\$ 84,496	\$ (5,526)	\$ 21,052	\$ 2,872	\$ 3,571
CASH and CASH EQUIVALENTS, JANUARY 1	88,315	88,315	31,177	31,177	41,452	41,452	62,504	62,504
CASH and CASH EQUIVALENTS, DECEMBER 31	\$ 15,392	\$ 31,177	\$ 8,690	\$ 115,673	\$ 35,926	\$ 62,504	\$ 65,376	\$ 66,075

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

GENTRY COUNTY, MISSOURI

COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	EMERGENCY PREPAREDNESS FUND				BAD CHECK FUND			
	Year Ended December 31,		2011		2010		Year Ended December 31,	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	11,366	10,967	10,980	11,233	-	-	-	-
Charges for services	-	-	-	-	10,500	9,525	10,000	8,131
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 11,366	\$ 10,967	\$ 10,980	\$ 11,233	\$ 10,500	\$ 9,525	\$ 10,000	\$ 8,131
DISBURSEMENTS								
Salaries	\$ 10,353	\$ 10,353	\$ 10,509	\$ 10,509	\$ 500	\$ 1,291	\$ 600	\$ -
Employee fringe benefits	1,070	889	1,090	978	-	-	-	-
Materials and supplies	450	75	450	63	2,300	610	2,900	-
Services and other	4,236	2,718	4,846	2,453	6,000	2,311	6,300	2,817
Capital outlay	-	-	-	-	-	-	7,000	5,000
Construction	-	-	-	-	-	-	-	-
Transfers out	6,710	6,710	-	-	-	-	-	-
Total Disbursements	\$ 22,819	\$ 20,745	\$ 16,895	\$ 14,003	\$ 8,800	\$ 4,212	\$ 16,800	\$ 7,817
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (11,453)	\$ (9,778)	\$ (5,915)	\$ (2,770)	\$ 1,700	\$ 5,313	\$ (6,800)	\$ 314
CASH and CASH EQUIVALENTS, JANUARY 1	23,194	23,194	13,416	13,416	26,442	26,442	31,755	31,755
CASH and CASH EQUIVALENTS, DECEMBER 31	\$ 11,741	\$ 13,416	\$ 7,501	\$ 10,646	\$ 28,142	\$ 31,755	\$ 24,955	\$ 32,069

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

GENTRY COUNTY, MISSOURI

COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	PROSECUTING ATTORNEY TRAINING FUND				LAW ENFORCEMENT TRAINING FUND			
	Year Ended December 31,		2011		Year Ended December 31,		2011	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	200	198	200	149	950	792	800	600
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 200	\$ 198	\$ 200	\$ 149	\$ 950	\$ 792	\$ 800	\$ 600
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	400	375	400	-	1,300	1,253	900	393
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 400	\$ 375	\$ 400	\$ -	\$ 1,300	\$ 1,253	\$ 900	\$ 393
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (200)	\$ (177)	\$ (200)	\$ 149	\$ (350)	\$ (461)	\$ (100)	\$ 207
CASH and CASH EQUIVALENTS, JANUARY 1	1,483	1,483	1,306	1,306	633	633	172	172
CASH and CASH EQUIVALENTS, DECEMBER 31	\$ 1,283	\$ 1,306	\$ 1,106	\$ 1,455	\$ 283	\$ 172	\$ 72	\$ 379

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

GENTRY COUNTY, MISSOURI

COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	CHILDREN'S TRUST FUND						PROSECUTING ATTORNEY TAX COLLECTION FUND					
	Year Ended December 31,			Year Ended December 31,			Year Ended December 31,			Year Ended December 31,		
	2010		2011	2010		2011	2010		2011	2010		2011
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS												
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-	-	-
Charges for services	350	235	300	340	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Total Receipts	\$ 350	\$ 235	\$ 300	\$ 340	\$ -	\$ 340	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DISBURSEMENTS												
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-	-	-	-	-
Services and other	500	-	5,000	5,000	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total Disbursements	\$ 500	\$ -	\$ 5,000	\$ 5,000	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RECEIPTS OVER (UNDER) DISBURSEMENTS												
	\$ (150)	\$ 235	\$ (4,700)	\$ (4,660)	\$ -	\$ (4,660)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CASH and CASH EQUIVALENTS, JANUARY 1	4,480	4,480	4,715	4,715	6,320	6,320	6,320	6,320	6,320	6,320	6,320	6,320
CASH and CASH EQUIVALENTS, DECEMBER 31	\$ 4,330	\$ 4,715	\$ 15	\$ 55	\$ 6,320	\$ 6,320	\$ 6,320	\$ 6,320	\$ 6,320	\$ 6,320	\$ 6,320	\$ 6,320

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

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

	POST COMMISSION FUND				EMERGENCY FUND			
	Year Ended December 31,		2011		Year Ended December 31,		2011	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	-	\$ -	-	\$ -	-	\$ -	-	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	500	500	500	500	-	-	-	-
Interest	-	-	-	-	-	1,205	400	389
Other	-	18	-	-	-	-	-	-
Transfers in	-	-	-	-	40,000	41,000	40,000	40,000
Total Receipts	\$ 500	\$ 518	\$ 500	\$ 500	\$ 40,000	\$ 42,205	\$ 40,400	\$ 40,389
DISBURSEMENTS								
Salaries	-	-	\$ -	-	-	-	\$ -	-
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	650	500	600	500	100,000	-	100,000	-
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 650	\$ 500	\$ 600	\$ 500	\$ 100,000	\$ -	\$ 100,000	\$ -
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (150)	\$ 18	\$ (100)	\$ -	\$ (60,000)	\$ 42,205	\$ (59,600)	\$ 40,389
CASH and CASH EQUIVALENTS, JANUARY 1	164	164	182	182	228,870	228,870	271,075	271,075
CASH and CASH EQUIVALENTS, DECEMBER 31	\$ 14	\$ 182	\$ 82	\$ 182	\$ 168,870	\$ 271,075	\$ 211,475	\$ 311,464

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

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

	SHERIFF'S CIVIL FEES FUND						RECORDER USER FUND					
	Year Ended December 31,			Year Ended December 31,			Year Ended December 31,			Year Ended December 31,		
	2010		2011		2010		2011		2010		2011	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS												
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-	-	-
Charges for services	14,000	13,037	13,200	13,888	2,500	2,470	2,500	2,500	2,500	2,465	2,500	2,465
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Total Receipts	\$ 14,000	\$ 13,037	\$ 13,200	\$ 13,888	\$ 2,500	\$ 2,470	\$ 2,500	\$ 2,470	\$ 2,500	\$ 2,465	\$ 2,500	\$ 2,465
DISBURSEMENTS												
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-	-	-	-	-
Materials and supplies	1,500	1,380	9,500	5,736	3,500	-	-	-	5,000	-	-	-
Services and other	7,500	3,013	7,500	2,867	-	-	-	-	-	-	-	-
Capital outlay	5,000	-	-	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	9,000	9,000	-	-	-	-	-	-	-	-	-	-
Total Disbursements	\$ 23,000	\$ 13,393	\$ 17,000	\$ 8,603	\$ 3,500	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -
RECEIPTS OVER (UNDER) DISBURSEMENTS												
	\$ (9,000)	\$ (356)	\$ (3,800)	\$ 5,285	\$ (1,000)	\$ 2,470	\$ (2,500)	\$ 2,470	\$ (2,500)	\$ 2,465	\$ (2,500)	\$ 2,465
CASH and CASH EQUIVALENTS, JANUARY 1	19,580	19,580	19,224	19,224	9,829	9,829	12,299	9,829	12,299	12,299	12,299	12,299
CASH and CASH EQUIVALENTS, DECEMBER 31	\$ 10,580	\$ 19,224	\$ 15,424	\$ 24,509	\$ 8,829	\$ 12,299	\$ 9,799	\$ 12,299	\$ 9,799	\$ 14,764	\$ 9,799	\$ 14,764

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

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

	COUNTY CLERK'S ELECTION FUND				RECORDER TECHNOLOGY FUND			
	Year Ended December 31,		Year Ended December 31,		Year Ended December 31,		Year Ended December 31,	
	2010		2011		2010		2011	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	1,500	905	1,000	702	1,500	1,411	1,500	1,356
Charges for services	1,500	-	1,500	-	-	-	-	-
Interest	200	65	50	28	-	-	-	-
Other	-	10	-	-	-	-	-	-
Transfers in	-	-	-	1,400	-	-	-	-
Total Receipts	\$ 3,200	\$ 980	\$ 2,550	\$ 2,130	\$ 1,500	\$ 1,411	\$ 1,500	\$ 1,356
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	500	-	1,000	-	-	-	-	-
Services and other	6,300	6,942	1,000	192	2,000	1,908	1,500	62
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 6,800	\$ 6,942	\$ 2,000	\$ 192	\$ 2,000	\$ 1,908	\$ 1,500	\$ 62
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (3,600)	\$ (5,962)	\$ 550	\$ 1,938	\$ (500)	\$ (497)	\$ -	\$ 1,294
CASH and CASH EQUIVALENTS, JANUARY 1	7,571	7,571	1,609	1,609	6,521	6,521	6,024	6,024
CASH and CASH EQUIVALENTS, DECEMBER 31	\$ 3,971	\$ 1,609	\$ 2,159	\$ 3,547	\$ 6,021	\$ 6,024	\$ 6,024	\$ 7,318

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

GENTRY COUNTY, MISSOURI

COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	SPECIAL ELECTION FUND				TAX MAINTENANCE FUND			
	Year Ended December 31,		2011		Year Ended December 31,		2011	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	24,000	5,470	24,000	17,450	-	-	-	-
Charges for services	-	-	-	-	14,243	12,560	12,000	13,061
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 24,000	\$ 5,470	\$ 24,000	\$ 17,450	\$ 14,243	\$ 12,560	\$ 12,000	\$ 13,061
DISBURSEMENTS								
Salaries	-	-	-	-	-	-	-	-
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	833	-	7,956	3,400	3,476	3,800	3,672
Services and other	24,000	4,637	24,000	8,094	17,100	2,016	17,600	1,849
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	1,400	-	-	-	-
Total Disbursements	\$ 24,000	\$ 5,470	\$ 24,000	\$ 17,450	\$ 20,500	\$ 5,492	\$ 21,400	\$ 5,521
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ -	\$ -	\$ -	\$ -	\$ (6,257)	\$ 7,068	\$ (9,400)	\$ 7,540
CASH and CASH EQUIVALENTS, JANUARY 1	-	-	-	-	33,625	33,625	40,693	40,693
CASH and CASH EQUIVALENTS, DECEMBER 31	\$ -	\$ -	\$ -	\$ -	\$ 27,368	\$ 40,693	\$ 31,293	\$ 48,233

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

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

	SHERIFF'S REVOLVING FUND				LAW LIBRARY FUND			
	Year Ended December 31,		2011		Year Ended December 31,		2011	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	4,000	4,425	4,200	3,615
Charges for services	1,200	1,700	1,700	2,300	-	-	-	-
Interest	-	-	-	-	-	42	40	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 1,200	\$ 1,700	\$ 1,700	\$ 2,300	\$ 4,000	\$ 4,467	\$ 4,240	\$ 3,615
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	1,000	-	2,000	638	4,000	3,779	6,000	5,385
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	3,000	3,000	-	-	-	-	-	-
Total Disbursements	\$ 4,000	\$ 3,000	\$ 2,000	\$ 638	\$ 4,000	\$ 3,779	\$ 6,000	\$ 5,385
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (2,800)	\$ (1,300)	\$ (300)	\$ 1,662	\$ -	\$ 688	\$ (1,760)	\$ (1,770)
CASH and CASH EQUIVALENTS, JANUARY 1	4,216	4,216	2,916	2,916	3,049	3,049	3,737	3,737
CASH and CASH EQUIVALENTS, DECEMBER 31	\$ 1,416	\$ 2,916	\$ 2,616	\$ 4,578	\$ 3,049	\$ 3,737	\$ 1,977	\$ 1,967

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

GENTRY COUNTY, MISSOURI

COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - REGULATORY BASIS

	LAW ENFORCEMENT RESTITUTION FUND				WAR MEMORIAL FUND			
	Year Ended December 31,		2011		Year Ended December 31,		2011	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	-	-	-	-	15	20	20	19
Other	9,000	6,805	9,000	9,037	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 9,000	\$ 6,805	\$ 9,000	\$ 9,037	\$ 15	\$ 20	\$ 20	\$ 19
DISBURSEMENTS								
Salaries	\$ 12,000	\$ 4,566	\$ 4,600	\$ 4,561	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-	-	-
Services and other	-	-	7,400	6,360	1,000	-	1,000	-
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 12,000	\$ 4,566	\$ 12,000	\$ 10,921	\$ 1,000	\$ -	\$ 1,000	\$ -
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (3,000)	\$ 2,239	\$ (3,000)	\$ (1,884)	\$ (985)	\$ 20	\$ (980)	\$ 19
CASH and CASH EQUIVALENTS, JANUARY 1	28,289	28,289	30,528	30,528	1,910	1,910	1,930	1,930
CASH and CASH EQUIVALENTS, DECEMBER 31	\$ 25,289	\$ 30,528	\$ 27,528	\$ 28,644	\$ 925	\$ 1,930	\$ 950	\$ 1,949

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

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

	SENIOR CITIZEN'S SERVICES FUND				LEVEE RESTORATION PROJECT FUND			
	2010		2011		2010		2011	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ 43,500	\$ 42,412	\$ 45,000	\$ 36,520	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	400	197	180	92	-	21	-	21
Other	200	127	150	174	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total Receipts	\$ 44,100	\$ 42,736	\$ 45,330	\$ 36,786	\$ -	\$ 21	\$ -	\$ 21
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	100	-	100	-	-	-	-	-
Services and other	46,800	42,189	47,200	39,839	2,094	-	2,115	-
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 46,900	\$ 42,189	\$ 47,300	\$ 39,839	\$ 2,094	\$ -	\$ 2,115	\$ -
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (2,800)	\$ 547	\$ (1,970)	\$ (3,053)	\$ (2,094)	\$ 21	\$ (2,115)	\$ 21
CASH and CASH EQUIVALENTS, JANUARY 1	11,828	11,828	12,375	12,375	2,094	2,094	2,115	2,115
CASH and CASH EQUIVALENTS, DECEMBER 31	\$ 9,028	\$ 12,375	\$ 10,405	\$ 9,322	\$ -	\$ 2,115	\$ -	\$ 2,136

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

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

	LOCAL EMERGENCY PLANNING COMMITTEE FUND				CDBG - GENTRYVILLE PROJECT FUND			
	Year Ended December 31,		Year Ended December 31,		Year Ended December 31,		Year Ended December 31,	
	2010	2011	2010	2011	2010	2011	2010	2011
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	2,627	2,558	2,558	2,512	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	133	-	13
Other	-	-	-	-	-	-	-	-
Transfers in	6,710	6,710	-	-	116,000	90,603	30,000	25,797
Total Receipts	\$ 9,337	\$ 9,268	\$ 2,558	\$ 2,512	\$ 116,000	\$ 90,736	\$ 30,000	\$ 25,810
DISBURSEMENTS								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee fringe benefits	-	-	-	-	-	-	-	-
Materials and supplies	1,500	1,430	908	133	-	-	-	-
Services and other	3,976	3,870	2,515	2,466	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Construction	-	-	-	-	116,000	89,425	30,000	26,975
Transfers out	-	-	-	-	-	-	-	-
Total Disbursements	\$ 5,476	\$ 5,300	\$ 3,423	\$ 2,599	\$ 116,000	\$ 89,425	\$ 30,000	\$ 26,975
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 3,861	\$ 3,968	\$ (865)	\$ (87)	\$ -	\$ 1,311	\$ -	\$ (1,165)
CASH and CASH EQUIVALENTS, JANUARY 1	-	-	3,968	3,968	56	56	1,367	1,367
CASH and CASH EQUIVALENTS, DECEMBER 31	\$ 3,861	\$ 3,968	\$ 3,103	\$ 3,881	\$ 56	\$ 1,367	\$ 1,367	\$ 202

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

GENTRY COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011 and 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting Entity

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

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

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

The County participates in a joint venture arrangement with the counties of DeKalb and Worth for operation of the Tri-County Health Department. Financial statements of the Tri-County Health Department can be obtained by contacting the Department's Administrator at 302 North Park, Stanberry, MO 64489.

B. Basis of Presentation

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

C. Basis of Accounting

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

D. Budgets and Budgetary Accounting

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

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

9. Adoption of a formal budget is required by law.

10. Section 50.740 RSMo. prohibits expenditures in excess of the approved budgets. Actual expenditures exceeded budgeted amounts for the following fund:

Fund	2011	2010
County Clerk's Election	N/A	X

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

The assessed valuations of the tangible taxable property, included within the County's boundaries for the calendar year 2011 and 2010, for purposes of taxation were:

	2011	2010
Real Estate	\$ 58,390,175	\$ 56,692,540
Personal Property	23,129,252	21,420,412
Railroad and Utilities	3,260,933	3,306,244

During 2011 and 2010, the County Commission approved a tax levy per \$100 of assessed valuation of tangible taxable property for the calendar years 2011 and 2010, for purposes of County taxation, as follows:

	2011	2010
General Revenue	\$ 0.5405	\$ 0.5384
Senior Citizens Services	0.0500	0.0500

F. Cash Deposits and Investments

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

G. Interfund Activity

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

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

2. CASH AND INVESTMENTS

The County maintains a cash and temporary investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements within the "Cash and Cash Equivalents" 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, 2011 and 2010, the carrying amounts of the County's deposits, were \$1,732,687 and \$1,467,752, respectively, and the bank balances were \$1,871,788 and \$1,634,274, respectively. Of the bank balances, \$412,844 and \$617,233 for December 31, 2011 and December 31, 2010, respectively, were covered by federal depository insurance and the remainder were covered by collateral held at the Federal Reserve Bank and the County's safekeeping bank agent in the County's name or by a line of credit held by the County or by its agent in the County's name.

At December 31, 2011 and 2010, the County Collector held, in addition to the cash and cash equivalents listed above, cash representing collections of property taxes on behalf of various taxing districts in the County, including the County General Revenue and Senior Citizen's Services funds. Tax Collections on deposit amounted to \$4,458,169 and \$3,914,364 at December 31, 2011 and 2010, respectively. The County Collector's deposits were covered by federal depository insurance of \$250,000 as of December 31, 2011 and 2010, and the remainder was covered by collateral held at the Federal Reserve Bank and the County's safekeeping bank agent in the County's name or by a line of credit held by the County or by its agent in the County's name.

3. COUNTY EMPLOYEES' RETIREMENT PLANS

A. County Employees' Retirement Fund (CERF)

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

1) Plan Description

The Retirement Fund is a cost-sharing multiple employer defined benefit pension plan covering any county elective or appointed officer or employee whose

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

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

2) Pension Benefits

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

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

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

3) Funding Policy

In accordance with State Statutes, the Plan is partially funded through various fees collected by counties and remitted to the CERF. Further, a contribution to CERF of 2% of annual salary is required for eligible employees hired before February 2002, while a contribution of 6% of annual salary is required of employees hired after February 2002, in order to participate in CERF. During 2011 and 2010, the County collected and remitted to CERF employee contributions of approximately \$70,616 and \$68,544, respectively, for the years then ended.

4. POST EMPLOYMENT BENEFITS

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

5. CLAIMS, COMMITMENT AND CONTINGENCIES

A. Compensated Absences

The County provides full time employees and part-time employees who occupy regular budgeted positions with sick time which accrues at the rate of one and one-half days per calendar month of employment, without limitation. Upon termination, no payment will be made for unused days. Vacation time is accrued for every full time employee, and accrues at the rate of two weeks per year. Vacation must be used within one year of the year it was accrued or it is lost. On termination of employment, no more than two weeks unused vacation may be paid to an employee.

B. Federal and State Assisted Programs

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

6. RISK MANAGEMENT

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

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

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

7. RESTATEMENT OF PRIOR AUDIT BALANCES

The County has changed its definition of the reporting entity, as of January 1, 2010, to exclude the MOPS and Deputy Sheriff Salary Supplemental funds, as these funds are fiduciary in nature, and the 911 Fund as a result of a legislative change adopted as RSMo 190.339.02, and to include the beginning balance of the CDBG-Gentryville Project fund. The effect of the

aforementioned change in reporting entity is to decrease cash balances of the governmental funds as previously reported at December 31, 2009 by the amount representing cash balances of the MOPS, Deputy Sheriff Salary Supplemental and 911 funds, which were \$150, \$890 and \$176,915 respectively, and to increase the cash balances reported at December 31, 2009 by the amount representing the beginning balance of the CDBG-Gentryville Project fund, which was \$56.

The cash balances of the General Revenue and Emergency funds as of January 1, 2010 have been increased by \$100,000 each to include Certificates of Deposit that were opened during 2009 but were not included in the ending cash balances of those funds as reported in the prior year financial statements.

8. SUBSEQUENT EVENTS

The County has evaluated events subsequent to December 31, 2011 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through May 25, 2012, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

COMPLIANCE SECTION

McBRIDE, LOCK & ASSOCIATES

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

To the County Commission and
Officeholders of Gentry County, Missouri

We have audited the accompanying financial statements of Gentry County, Missouri as of and for the years ended December 31, 2011 and 2010, which collectively comprise the County's basic financial statements as identified in the table of contents, and have issued our report thereon dated May 25, 2012. 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

Management of Gentry County, Missouri is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Gentry 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 Gentry County, Missouri's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Gentry County, Missouri's internal control over financial reporting.

A deficiency in internal control over financial reporting exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph in 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 as items 1 through 5, that we consider to be significant deficiencies in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Gentry County, Missouri's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed four 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 recommendations as items 6 through 8.

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

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

(Original Signed by Auditor)

McBride, Lock & Associates
May 25, 2012

McBRIDE, LOCK & ASSOCIATES

INDEPENDENT AUDITORS' 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 Gentry County, Missouri

Compliance

We have audited Gentry County, Missouri's (County) 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 the County's major federal program for the years ended December 31, 2011 and 2010. The County's major federal program is identified in the summary of auditors' results section of the accompanying schedule of federal findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that could have a direct and material effect on its major federal program for the years ended December 31, 2011 and 2010.

Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audits, we considered the County'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 the County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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

(Original Signed by Auditor)

McBride, Lock & Associates
May 25, 2012

GENTRY COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31, 2010	2011
U. S. DEPARTMENT OF AGRICULTURE				
10.766	Community Facility Grant	29-038-446000503	\$ 20,200	\$ -
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed through State Department of Economic Development:				
14.228	Community Development Block Grants/State's Program	2009-EM-03	90,603	25,797
U. S. DEPARTMENT OF TRANSPORTATION				
Passed through State Highway and Transportation Commission:				
20.205	Highway Planning and Construction	BRO-038(19)	74,894	-
		BRO-038(20)	532,236	78,921
		BRO-038(21)	219,232	16,320
		BRO-038(22)	235,561	16,851
		BRO-038(23)	18,540	139,723
		BRO-038(24)	17,680	155,874
		BRO-038(25)	-	47,430
GENERAL SERVICES ADMINISTRATION				
Passed through State Office of Administration:				
39.003	Donation of Federal Surplus Personal Property	N/A	11,798	-
U. S. DEPARTMENT OF HOMELAND SECURITY				
Passed through State Department of Public Safety:				
97.036	Disaster Grants - Public Assistance Grants (Presidentially declared disasters)	1773-DR-MO	4,726	-
97.042	Emergency Management Performance Grants	EMPG	8,946	-
97.067	Homeland Security Grant Program	EMPG	-	9,065
	Total Expenditures of Federal Awards		<u>\$ 1,234,416</u>	<u>\$ 489,981</u>

See accompanying Notes to the Schedule of Expenditures of Federal Awards

GENTRY COUNTY, MISSOURI
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B – MATCHING REQUIREMENTS

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

NOTE C – SUBRECIPIENTS

The County provided no federal awards to sub-recipients during the years ended December 31, 2011 and 2010.

GENTRY COUNTY, MISSOURI
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 (INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)
 YEARS ENDED DECEMBER 31, 2011 AND 2010

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements:

Type of Auditors' Report Issued: Unqualified

Internal Control Over Financial Reporting:

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

Federal Awards:

Internal Control Over Major Programs:

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

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

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

Identification of Major Programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.205	Highway and Transportation – Highway Planning and Construction

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

Auditee Qualified as low-risk: Yes No

SECTION II – FINANCIAL STATEMENTS FINDINGS

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

1. Pay Rate Authorizations
2. Interfund Transfers
3. Treasurer's Bank Reconciliations
4. Sheriff's Office Internal Controls
5. Employee Timesheets
6. Budgetary Controls
7. Absence of Investment Policy
8. Accounting for Certificates of Deposit

Summary Schedule of Prior Audit Findings:

1. Personnel Files
2. Interfund Transfers
3. Procurement Practices
4. 911 Board Payroll
5. Sheriff's Bank Reconciliations
6. 911 Board Accounting Controls
7. Budgetary Controls
8. Insufficient Collateral
9. Absence of Investment Policy
10. Law Library Financial Reporting
11. Authorized Signers

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

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

09-1. Incorrect Schedule of Expenditures of Federal Awards

The County Clerk did not prepare an accurate SEFA for the years ending December 31, 2008 and 2009 as required by Office of Management and Budget (OMB) Circular A-133, Subpart C, Section 300(A). Expenditures incurred in 2008 were incorrectly included on the December 31, 2009 SEFA.

Status – Resolved.

FINDINGS AND RECOMMENDATIONS

GENTRY COUNTY, MISSOURI
FINDINGS AND RECOMMENDATIONS

MATERIAL WEAKNESSES IN INTERNAL CONTROL

None

SIGNIFICANT INTERNAL CONTROL DEFICIENCIES

1. Pay Rate Authorizations

Condition: The County does not keep an updated record of each employee's pay rate in their personnel file or in the form of an approved County-wide pay scale. When an employee receives an increase in compensation there is no evidence of the effective date of the increase, the amount of the increase or whether the increase was properly approved. Currently the Deputy Clerk keeps an informal list of salary levels at her desk to use as a reference during payroll processing. Cost of living increases are noted in the Commission Minutes, however, the minutes only indicate a percentage increase and do not constitute an approved pay scale. Also, documentation is not maintained to indicate when an employee changes positions within the County. The County Clerk indicated that employees are verbally notified of position changes.

Without adequate documentation in the personnel files, payroll expenditures, which constitute a significant portion of the County's total expenditures, cannot be properly supported. Further lack of support for approved compensation levels could jeopardize claims for labor cost reimbursements by grantor agencies.

Recommendation: We recommend that the County maintain proper documentation in each employees personnel file such as approved pay rates and job titles to properly support salary expenditures.

County's Response: We will place a copy of the pay rate schedule in each employee's file marked with their years of employment and the corresponding pay rate. A copy of this schedule will also be approved by the Commission in general session and attached to the minutes. If any employee changes positions within the county, we will note that in their file.

Auditor's Evaluation: The response is appropriate to correct the concern.

2. Interfund Transfers

Condition: Transfers in recorded in the County's budget documents did not equal transfers out in either 2010 or 2011. Transfers should be recorded for transactions between County funds, should be clearly identified on the budget, and should be in balance at all times. The imbalances were the result of one fund recording a transaction as a transfer while the other fund is recording the transaction as either a revenue or expense.

The County also overstated revenues and expenses by improperly recording transfers between funds. Grant money received by the Special Road & Bridge fund in 2010 and 2011 and transferred to the CDBG – Gentryville Project fund was recorded as intergovernmental revenue in both funds. Also, the expenditures of the grant money by the CDBG – Gentryville Project fund were also recorded as construction expenditures in the Special Road & Bridge fund.

The financial statements presented in this report have been revised to balance transfers in and transfers out between funds.

Recommendation: We recommend that the County ensure that transactions between funds are recorded as transfers in and out and that they are in balance at all times.

County's Response: We will ensure that transactions between funds are consistently recorded as transfers and in balance.

Auditor's Evaluation: The response is appropriate to correct the concern.

3. Treasurer's Bank Reconciliations

Condition: The reconciliations of the Treasurer's main checking account at December 31, 2010 and December 31, 2011 listed three and five outstanding checks, respectively, that were more than 90 days old. The Treasurer's checks include the statement "Void After 90 Days", therefore, these checks should have been considered voided and should not have been listed on the bank reconciliations.

Recommendation: We recommend that the Treasurer remove checks from the bank reconciliations if they are still outstanding after 90 days and issue a new check if necessary.

County's Response: I will watch my outstanding checks close and issue new checks before they are 90 days outstanding.

Auditor's Evaluation: The response is appropriate to correct the concern.

4. Internal Controls Over Sheriff's Office Fiscal Processes

Condition: The Sheriff performs substantially all of the fiscal processes in his office without participation or review by another party. The Sheriff is responsible for receiving monies collected by his office for various fees, recording the receipts in the receipt book, preparing the deposit slips and depositing the money. Separation of various aspects of a transaction is important to help prevent and detect misappropriation of funds.

Recommendation: We recommend that the County Commission implement procedures to ensure that all revenues collected by the Sheriff's Office and accruing to the County are properly recorded, reported and deposited. These controls may include receipt and review of the Sheriff's bank statements by another County official in order to compare these documents to amounts deposited with and reported to the County Treasurer. Alternatively, the duties of collecting, recording and controlling cash within the Sheriff's Office could be assigned to separate personnel within the office in order to provide a system of checks and balances over financial transactions.

County's Response: I, Sheriff Tim Davis of the Gentry County Sheriff's Office, will have a County employee review my books, receipts, and bank statements 1-2 times per month.

Auditor's Evaluation: The response is appropriate to correct the concern.

5. Employee Timesheets

Condition: As part of our testing in the area of personnel, we selected a sample of employee timesheets to review for proper implementation of controls. According to the County's prescribed internal control procedures, timesheets should be signed by the employee and the employee's direct supervisor. However, we noted that the Road & Bridge department head does not have a supervisor's signature on his timesheets. According to the County Clerk, she reviews his timesheets every month and takes them to the Commission if she notes any issues, however, she does not sign off on his timesheet to certify that his reported hours are correct. A documented approval of timesheets is not only an important internal control, it is also required by Federal regulations to support salary charges to all Federal awards which, while not the situation for the timesheets tested, could expose the County to disallowed costs by grantor agencies.

Recommendation: We recommend that an elected official, such as the County Clerk, or County Commissioner with the most knowledge of the Road & Bridge department head's hours worked sign off on his monthly timesheets in order to certify that the hours he is reporting for payment are correct.

County's Response: The County Clerk will begin signing the timesheets of the Road and Bridge Supervisor.

Auditor's Evaluation: The response is appropriate to correct the concern.

ITEMS OF NONCOMPLIANCE

6. Budgetary Controls

Condition: Actual expenditures exceeded budgeted amounts for the County Clerk's Election fund in 2010. State statutes prohibit the County from approving expenditures in excess of the budgeted amount for any County fund. This requirement ensures that expenditures are subject to public scrutiny as provided by their inclusion in a budget adopted or amended at a public meeting.

Recommendation: We recommend that the County ensure that formal budgets are prepared for all funds and that the County refrain from approving expenditures in excess of budgeted amounts or formally amend the budget if conditions require additional expenditures.

County's Response: We will ensure that formal budgets are prepared and closely followed. Budgets will be formally amended when necessary.

Auditor's Evaluation: The response is appropriate to correct the concern.

7. Absence of Investment Policy

Condition: The County has not adopted an investment policy as required by State Statutes. An investment policy addresses topics such as collateralization of deposits, strategy with respect to investment of public funds, and other areas, and thus such a policy would be beneficial and also required for the County. Section 110.270, RSMo 2007, based on Article IV, Section 15, Missouri Constitution, authorizes counties to place their funds, either outright or by repurchase agreement, in U.S. Treasury and agency obligations. In addition, Section 30.950, RSMo 2007, requires political subdivisions with authority to invest in instruments other than depository accounts at financial institutions to adopt a written investment policy. Among other things, the policy is to commit a political subdivision to the principles of safety, liquidity, and yield (in that order) when managing public funds and to prohibit purchase of derivatives (either directly or through repurchase agreements), use of leveraging (through either reverse repurchase agreements or other methods), and use of public funds for speculation.

Recommendation: We recommend the County adopt an investment policy and review compliance with this policy at least annually. Additionally, the Missouri State Treasurer's Office has a model investment policy for political subdivisions on its website that the County can use as guidance.

County's Response: We have done research on an investment policy and plan to adopt and follow the investment policy from the State Treasurer's website.

Auditor's Evaluation: The response is appropriate to correct the concern.

8. Accounting for Certificates of Deposit

Condition: The County opened a \$150,000 Certificate of Deposit (CD) using General Revenue funds during 2010. However, the County incorrectly recorded this transaction as an expense of the General Revenue fund, which resulted in the cash balance of the General Revenue fund in the budget and published financial statements being understated by the balance of the CD, which was \$151,467 at December 31, 2010 and \$153,246 at December 31, 2011. Additionally, interest earned by this CD of \$1,467 and \$1,779 during 2010 and 2011, respectively, was not reported as interest revenue of the General Revenue fund.

Recommendation: We recommend that the County Clerk ensure that transactions related to Certificates of Deposit are recorded correctly and that all County money is reported in the cash balances of the County's funds on the budgets and published financial statements.

County's Response: The cash balances of the CD's will be recorded correctly in the budget and financial statements.

Auditor's Evaluation: The response is appropriate to correct the concern.

GENTRY COUNTY, MISSOURI
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

In accordance with Government Auditing Standards, this section reports the auditors' follow-up on action taken by Gentry County, Missouri, on the applicable findings in the prior audit report issued for the two years ended December 31, 2009 and 2008.

1. The County does not keep an updated record of each employee's pay rate in their personnel file or in the form of an approved County-wide pay scale.

Status – Not resolved. See finding No. 1.

2. Transfers out exceeded transfers in during 2008 and transfers in exceeded transfers out during 2009.

Status - Not resolved. See finding No. 2.

3. The County did not have controls in place during 2008 to prevent invoices from potentially being presented for payment more than once and to ensure that goods or services that the County has been billed for have been received. These controls were implemented for 2009 after the issuance of the prior audit recommendations. However, we noted a number of instances in 2009 where the County did not comply with these newly implemented control procedures.

Status – Resolved.

4. During our audit tests pertaining to the 911 Board, we identified one instance of an overpaid employee.

Status – Not involved in the scope of the current audit because of legislative change.

5. The Sheriff's Office did not prepare monthly bank reconciliations or any identification of outstanding checks or deposits in transit in 2009.

Status – Partially resolved. The Sheriff prepared monthly bank reconciliations, however, other issues were noted with internal controls in the Sheriff's office. See finding No. 4.

6. Expenditures as shown on the 911 Board's financial statements for the years ending December 31, 2008 and 2009 did not agree with expenditures reported to the County Clerk for inclusion in the Gentry County budget. Additionally, certain amounts listed on the 911 Board's financial statements are not mathematically accurate.

Status – Not involved in the scope of the current audit because of legislative change.

7. We noted three issues with the County's budgeting process during our audit:

A) The General Revenue, Road & Bridge, and Deputy Sheriff's Salary Supplemental funds had a negative ending cash balance in the 2009 budget.

B) The County did not adopt a formal budget for the Law Library fund in 2009 as required by law.

C) Actual expenditures exceeded budgeted expenditures for one fund in 2008 and three funds in 2009.

Status – A) Resolved. B) Resolved. C) Not resolved. See finding No. 6.

8. Bank account balances of Gentry County were under-collateralized on December 31, 2008 by \$2,130,630.

Status – Resolved.

9. The County has not adopted an investment policy as required by State Statutes.

Status – Not resolved. See finding No. 7.

10. Formal budgets were not prepared for the 2009 Law Library fund. Additionally, actual financial information (receipts, disbursements and cash balances) for the Law Library fund was not provided.

Status – Resolved.

11. The Treasurer's two bank accounts for the DePriest Cemetery Association both list the previous Treasurer and her assistant as authorized signers, both of which are no longer employed by the County. However, the current Treasurer and her assistant are not listed as authorized signers.

Status – Resolved.