



THOMAS A. SCHWEICH
Missouri State Auditor

To the County Commission
and
Officeholders of Stoddard County, Missouri

The Office of the State Auditor is responsible under Section 29.230, RSMo, for auditing certain operations of Stoddard 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, 2012, through the state Office of Administration, Division of Purchasing and Materials Management. A copy of this audit, performed by Daniel Jones & Associates, Certified Public Accountants, is attached.

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

Thomas A. Schweich
State Auditor

August 2013
Report No. 2013-071

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORTS
AND SUPPLEMENTARY INFORMATION
DECEMBER 31, 2012 & 2011

**THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
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FINANCIAL SECTION



Daniel Jones & Associates

MEMBERS OF
MISSOURI SOCIETY OF CPA'S
AMERICAN INSTITUTE OF CPA'S

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the County Commission
The County of Stoddard, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of the County of Stoddard, Missouri, which comprise cash and unencumbered cash for each fund as of December 31, 2012 and 2011, and the related statements of cash receipts and disbursements-budget and actual for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with regulatory basis of accounting, a financial reporting framework prescribed or permitted by Missouri law as described in Note I of the accompanying financial statements. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note I of the financial statements, the financial statements are prepared on the basis of financial reporting provisions prescribed or permitted by Missouri law, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Missouri.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note I and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the County as of December 31, 2012 and 2011, or changes in financial position or cash flows thereof for the year then ended.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash of each fund of the County as of December 31, 2012 and 2011, and their respective cash receipts and disbursements, and budgetary results for the year then ended in accordance with the financial reporting provisions prescribed or permitted by Missouri law described in Note I.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the County of Stoddard’s basic financial statements. The schedule of expenditures of federal awards, as required by *Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations* is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2013 on our consideration of the County of Stoddard's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County of Stoddard's internal control over financial reporting and compliance.

Daniel Jones & Associates

DANIEL JONES & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

June 25, 2013

FINANCIAL STATEMENTS

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

FUND	CASH AND INVESTMENTS JANUARY 1, 2012	RECEIPTS 2012	DISBURSEMENTS 2012	CASH AND INVESTMENTS DECEMBER 31, 2012
General Revenue	\$ 2,138,789.97	\$ 4,425,723.63	\$ 3,680,697.55	\$ 2,883,816.05
Special Road & Bridge	1,002,466.67	1,483,944.00	1,461,492.85	1,024,917.82
Capital Improvements	1,632,820.56	132,832.71	54,399.24	1,711,254.03
Assessment	344,543.84	370,056.95	366,809.89	347,790.90
Drainage Districts	234,609.42	49,312.83	44,430.00	239,492.25
County Farm	23,159.87	-	-	23,159.87
Law Enforcement Training	1,090.71	2,351.56	865.30	2,576.97
Archives	6,337.59	30,205.40	18,960.01	17,582.98
Prosecuting Attorney Training	13,606.92	665.28	4,239.95	10,032.25
Prosecuting Attorney Administration	62,301.26	28,927.65	42,405.13	48,823.78
Sheriff's Commissary	49,469.78	31,274.83	51,043.55	29,701.06
Sheriff Civil Process	53,684.66	24,676.63	26,256.32	52,104.97
Essex Special Paving Project	18,809.15	-	-	18,809.15
Collector Maintenance	171,976.64	45,749.53	79,565.70	138,160.47
Recorder Maintenance	13,098.64	18,691.99	3,845.00	27,945.63
Domestic Violence	3,939.35	3,583.06	3,600.00	3,922.41
Prosecuting Attorney Retirement	923.00	2,500.00	2,244.00	1,179.00
Law Enforcement Restitution	31,328.51	30,238.60	14,360.59	47,206.52
Prosecuting Attorney Delinquent Tax	15,034.83	321.59	3,854.00	11,502.42
County Employee Retirement	-	198,369.77	198,369.77	-
Sheriff Donations Canine Technology	1,224.50	1,358.42	-	2,582.92
Election Services	4,886.75	3,101.30	6,182.17	1,805.88
Sheriff Revolving	28,423.46	17,905.06	14,474.30	31,854.22
Intangible Tax	-	37,770.94	37,770.94	-
Court Cost	-	286,737.63	286,737.63	-
POST Fund	1,074.52	1,276.92	1,272.36	1,079.08
Sheriff Deputy Supplement Surcharge	732.90	8,766.03	9,498.93	-
Inmate Security	296.00	1,382.89	-	1,678.89
Mental Health Board	192.25	500.00	100.00	592.25
911 Services	296,580.35	312,671.18	322,517.83	286,733.70
Total	\$ 6,151,402.10	\$ 7,550,896.38	\$ 6,735,993.01	\$ 6,966,305.47

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2011

FUND	CASH AND INVESTMENTS JANUARY 1, 2011	RECEIPTS 2011	DISBURSEMENTS 2011	CASH AND INVESTMENTS DECEMBER 31, 2011
General Revenue	\$ 3,034,841.96	\$ 4,338,682.08	\$ 5,234,734.07	\$ 2,138,789.97
Special Road & Bridge	1,028,878.43	1,064,578.79	1,090,990.55	1,002,466.67
Capital Improvements	293,047.52	1,639,773.04	300,000.00	1,632,820.56
Assessment	263,589.78	422,525.56	341,571.50	344,543.84
Drainage Districts	219,446.70	62,166.12	47,003.40	234,609.42
County Farm	26,099.87	-	2,940.00	23,159.87
Law Enforcement Training	(643.89)	2,085.71	351.11	1,090.71
Archives	2,164.90	19,796.50	15,623.81	6,337.59
Prosecuting Attorney Training	13,468.00	938.47	799.55	13,606.92
Prosecuting Attorney Administration	56,817.82	33,683.77	28,200.33	62,301.26
Sheriff's Commissary	51,105.36	56,052.35	57,687.93	49,469.78
Sheriff Civil Process	42,857.53	26,649.38	15,822.25	53,684.66
Essex Special Paving Project	90,000.00	269,170.40	340,361.25	18,809.15
Collector Maintenance	165,635.78	48,433.11	42,092.25	171,976.64
Recorder Maintenance	10,479.01	17,292.79	14,673.16	13,098.64
Domestic Violence	3,675.75	3,663.60	3,400.00	3,939.35
Prosecuting Attorney Retirement	667.00	2,500.00	2,244.00	923.00
Law Enforcement Restitution	32,172.33	25,479.14	26,322.96	31,328.51
Prosecuting Attorney Delinquent Tax	12,182.34	5,852.49	3,000.00	15,034.83
County Employee Retirement	-	192,111.44	192,111.44	-
Sheriff Donations Canine Technology	4,875.05	122.35	3,772.90	1,224.50
Election Services	4,174.15	2,743.48	2,030.88	4,886.75
Sheriff Revolving	20,249.25	16,281.84	8,107.63	28,423.46
Intangible Tax	-	37,908.30	37,908.30	-
Court Cost	-	174,707.21	174,707.21	-
POST Fund	420.98	1,116.92	463.38	1,074.52
Sheriff Deputy Supplement Surcharge	800.25	9,794.19	9,861.54	732.90
Inmate Security	-	296.00	-	296.00
Mental Health Board	392.25	-	200.00	192.25
911 Services	262,756.86	316,016.46	282,192.97	296,580.35
Total	<u>\$ 5,640,154.98</u>	<u>\$ 8,790,421.49</u>	<u>\$ 8,279,174.37</u>	<u>\$ 6,151,402.10</u>

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2012 AND 2011

	GENERAL REVENUE FUND			
	2012		2011	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Property taxes	\$ -	\$ -	\$ -	\$ -
Sales taxes	2,670,000.00	2,796,321.34	2,582,600.00	2,669,344.47
Intergovernmental	602,060.00	708,185.20	409,150.00	779,042.46
Charges for services	766,400.00	775,360.23	809,400.00	694,947.77
Interest Income	75,000.00	22,812.80	90,000.00	95,880.53
Other	64,950.00	68,844.06	40,600.00	45,266.85
Transfers in	54,200.00	54,200.00	55,000.00	54,200.00
TOTAL RECEIPTS	4,232,610.00	4,425,723.63	3,986,750.00	4,338,682.08
DISBURSEMENTS				
County Commission	96,600.00	96,252.27	94,850.00	93,003.92
County Clerk	151,502.96	135,951.11	148,503.00	123,787.37
Elections	115,500.00	111,381.40	100,000.00	65,209.23
Buildings and grounds	304,262.84	253,039.31	302,978.40	257,622.05
Employee fringe benefits	633,000.00	629,721.29	600,000.00	583,523.42
County Treasurer	211,588.20	196,163.98	208,188.20	181,770.14
Collector	-	-	-	-
Recorder of Deeds	161,642.60	140,753.41	130,142.60	127,868.40
Circuit Clerk	83,400.00	66,325.99	74,900.00	60,725.48
Associate Circuit Court	-	-	-	-
Court Administration	17,000.00	8,242.98	17,000.00	12,251.17
Public Administrator	94,738.00	94,821.24	90,942.40	86,253.69
Sheriff	749,060.49	738,237.05	716,395.00	707,857.80
Jail	297,508.40	260,913.72	283,441.12	263,458.21
Prosecuting Attorney	187,574.78	176,015.82	192,049.26	175,951.84
Juvenile Officer	180,926.80	171,077.25	172,479.12	159,794.22
Coroner	47,070.00	48,036.92	35,700.00	34,801.07
Building Improvements and Misc.	-	-	-	-
Emergency Management	38,355.00	33,215.69	53,475.00	61,878.40
Juvenile Detention Services	279,512.00	212,053.62	280,319.60	216,980.80
Other	298,931.00	268,374.50	561,311.00	492,996.86
Health and Welfare	7,500.00	7,500.00	7,500.00	7,000.00
Transfers out	40,000.00	32,620.00	1,550,000.00	1,522,000.00
Emergency fund	125,000.00	-	125,000.00	-
TOTAL DISBURSEMENTS	4,120,673.07	3,680,697.55	5,745,174.70	5,234,734.07
RECEIPTS OVER (UNDER) DISBURSEMENTS	111,936.93	745,026.08	(1,758,424.70)	(896,051.99)
CASH AND INVESTMENT BALANCES, JANUARY 1	2,138,789.97	2,138,789.97	3,034,841.96	3,034,841.96
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 2,250,726.90	\$ 2,883,816.05	\$ 1,276,417.26	\$ 2,138,789.97

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF STODDARD
 BLOOMFIELD, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES
 BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
 YEARS ENDED DECEMBER 31, 2012 AND 2011

	SPECIAL ROAD & BRIDGE FUND			
	2012		2011	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Property taxes	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-
Intergovernmental	1,800,000.00	1,475,341.44	1,700,000.00	1,041,375.44
Charges for services	-	-	-	-
Interest Income	18,000.00	8,602.56	30,000.00	23,203.35
Other	-	-	-	-
Transfers in	-	-	-	-
TOTAL RECEIPTS	<u>1,818,000.00</u>	<u>1,483,944.00</u>	<u>1,730,000.00</u>	<u>1,064,578.79</u>
DISBURSEMENTS				
Salaries	-	-	-	-
Employee fringe benefits	-	-	-	-
Materials and Supplies	2,500.00	1,045.58	2,200.00	272.43
Services and Other	-	-	-	-
Capital Outlay	-	-	-	-
Construction	1,800,000.00	1,406,247.27	1,700,000.00	1,036,518.12
Transfers out	54,200.00	54,200.00	54,200.00	54,200.00
TOTAL DISBURSEMENTS	<u>1,856,700.00</u>	<u>1,461,492.85</u>	<u>1,756,400.00</u>	<u>1,090,990.55</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(38,700.00)	22,451.15	(26,400.00)	(26,411.76)
CASH AND INVESTMENT BALANCES, JANUARY 1	<u>1,002,466.67</u>	<u>1,002,466.67</u>	<u>1,028,878.43</u>	<u>1,028,878.43</u>
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u>\$ 963,766.67</u>	<u>\$ 1,024,917.82</u>	<u>\$ 1,002,478.43</u>	<u>\$ 1,002,466.67</u>

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF STODDARD
 BLOOMFIELD, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES
 BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
 YEARS ENDED DECEMBER 31, 2012 AND 2011

	CAPITAL IMPROVEMENTS FUND			
	2012		2011	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Property taxes	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-
Intergovernmental	-	115,000.00	-	115,000.00
Charges for services	-	-	-	-
Interest Income	10,000.00	17,832.71	10,000.00	24,773.04
Other	-	-	-	-
Transfers in	115,000.00	-	1,615,000.00	1,500,000.00
TOTAL RECEIPTS	<u>125,000.00</u>	<u>132,832.71</u>	<u>1,625,000.00</u>	<u>1,639,773.04</u>
DISBURSEMENTS				
Capital Improvements Miscellaneous	54,399.24	54,399.24	1,500,000.00	300,000.00
TOTAL DISBURSEMENTS	<u>54,399.24</u>	<u>54,399.24</u>	<u>1,500,000.00</u>	<u>300,000.00</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	70,600.76	78,433.47	125,000.00	1,339,773.04
CASH AND INVESTMENT BALANCES, JANUARY 1	<u>1,632,820.56</u>	<u>1,632,820.56</u>	<u>293,047.52</u>	<u>293,047.52</u>
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u>\$ 1,703,421.32</u>	<u>\$ 1,711,254.03</u>	<u>\$ 418,047.52</u>	<u>\$ 1,632,820.56</u>

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF STODDARD
 BLOOMFIELD, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES
 BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
 YEARS ENDED DECEMBER 31, 2012 AND 2011

	ASSESSMENT FUND				DRAINAGE DISTRICTS FUND			
	2012		2011		2012		2011	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Property taxes	-	-	-	-	37,700.00	44,039.10	42,200.00	35,721.03
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	325,000.00	309,030.17	281,000.00	360,218.57	3,000.00	3,000.00	3,000.00	20,068.53
Charges for services	9,000.00	8,596.30	8,000.00	10,324.50	-	-	-	-
Interest Income	10,000.00	3,742.34	15,000.00	9,887.24	5,880.00	2,273.73	5,880.00	6,376.56
Transfers in	8,000.00	48,688.14	45,000.00	42,095.25	-	-	-	-
TOTAL RECEIPTS	<u>352,000.00</u>	<u>370,056.95</u>	<u>349,000.00</u>	<u>422,525.56</u>	<u>46,580.00</u>	<u>49,312.83</u>	<u>51,080.00</u>	<u>62,166.12</u>
DISBURSEMENTS								
Assessor	395,936.52	366,809.89	404,674.52	341,571.50	-	-	-	-
Drainage Districts	-	-	-	-	84,000.00	44,430.00	89,000.00	47,003.40
TOTAL DISBURSEMENTS	<u>395,936.52</u>	<u>366,809.89</u>	<u>404,674.52</u>	<u>341,571.50</u>	<u>84,000.00</u>	<u>44,430.00</u>	<u>89,000.00</u>	<u>47,003.40</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(43,936.52)	3,247.06	(55,674.52)	80,954.06	(37,420.00)	4,882.83	(37,920.00)	15,162.72
CASH AND INVESTMENT BALANCES, JANUARY 1	<u>344,543.84</u>	<u>344,543.84</u>	<u>263,589.78</u>	<u>263,589.78</u>	<u>234,609.42</u>	<u>234,609.42</u>	<u>219,446.70</u>	<u>219,446.70</u>
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u>\$ 300,607.32</u>	<u>\$ 347,790.90</u>	<u>\$ 207,915.26</u>	<u>\$ 344,543.84</u>	<u>\$ 197,189.42</u>	<u>\$ 239,492.25</u>	<u>\$ 181,526.70</u>	<u>\$ 234,609.42</u>

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF STODDARD
 BLOOMFIELD, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES
 BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
 YEARS ENDED DECEMBER 31, 2012 AND 2011

	COUNTY FARM FUND				LAW ENFORCEMENT TRAINING FUND			
	2012		2011		2012		2011	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	2,500.00	2,345.00	3,050.00	1,990.00
Interest Income	200.00	-	200.00	-	100.00	6.56	100.00	95.71
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	<u>200.00</u>	<u>-</u>	<u>200.00</u>	<u>-</u>	<u>2,600.00</u>	<u>2,351.56</u>	<u>3,150.00</u>	<u>2,085.71</u>
DISBURSEMENTS								
Miscellaneous Expenses	<u>6,000.00</u>	<u>-</u>	<u>10,000.00</u>	<u>2,940.00</u>	<u>1,000.00</u>	<u>865.30</u>	<u>2,500.00</u>	<u>351.11</u>
TOTAL DISBURSEMENTS	<u>6,000.00</u>	<u>-</u>	<u>10,000.00</u>	<u>2,940.00</u>	<u>1,000.00</u>	<u>865.30</u>	<u>2,500.00</u>	<u>351.11</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(5,800.00)	-	(9,800.00)	(2,940.00)	1,600.00	1,486.26	650.00	1,734.60
CASH AND INVESTMENT BALANCES, JANUARY 1	<u>23,159.87</u>	<u>23,159.87</u>	<u>26,099.87</u>	<u>26,099.87</u>	<u>1,090.71</u>	<u>1,090.71</u>	<u>(643.89)</u>	<u>(643.89)</u>
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u>\$ 17,359.87</u>	<u>\$ 23,159.87</u>	<u>\$ 16,299.87</u>	<u>\$ 23,159.87</u>	<u>\$ 2,690.71</u>	<u>\$ 2,576.97</u>	<u>\$ 6.11</u>	<u>\$ 1,090.71</u>

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF STODDARD
 BLOOMFIELD, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES
 BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
 YEARS ENDED DECEMBER 31, 2012 AND 2011

	ARCHIVES FUND				PROSECUTING ATTORNEY TRAINING FUND			
	2012		2011		2012		2011	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	600.00	588.90	700.00	527.77
Interest Income	-	-	-	-	300.00	76.38	250.00	410.70
Other	-	85.40	-	296.50	-	-	-	-
Transfers in	29,700.00	30,120.00	17,500.00	19,500.00	-	-	-	-
TOTAL RECEIPTS	<u>29,700.00</u>	<u>30,205.40</u>	<u>17,500.00</u>	<u>19,796.50</u>	<u>900.00</u>	<u>665.28</u>	<u>950.00</u>	<u>938.47</u>
DISBURSEMENTS								
Archives	29,693.24	18,960.01	19,634.24	15,623.81	-	-	-	-
Miscellaneous Expenses & Mileage	-	-	-	-	5,000.00	4,239.95	5,000.00	799.55
TOTAL DISBURSEMENTS	<u>29,693.24</u>	<u>18,960.01</u>	<u>19,634.24</u>	<u>15,623.81</u>	<u>5,000.00</u>	<u>4,239.95</u>	<u>5,000.00</u>	<u>799.55</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	6.76	11,245.39	(2,134.24)	4,172.69	(4,100.00)	(3,574.67)	(4,050.00)	138.92
CASH AND INVESTMENT BALANCES, JANUARY 1	<u>6,337.59</u>	<u>6,337.59</u>	<u>2,164.90</u>	<u>2,164.90</u>	<u>13,606.92</u>	<u>13,606.92</u>	<u>13,468.00</u>	<u>13,468.00</u>
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u>\$ 6,344.35</u>	<u>\$ 17,582.98</u>	<u>\$ 30.66</u>	<u>\$ 6,337.59</u>	<u>\$ 9,506.92</u>	<u>\$ 10,032.25</u>	<u>\$ 9,418.00</u>	<u>\$ 13,606.92</u>

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THE COUNTY OF STODDARD
 BLOOMFIELD, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES
 BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
 YEARS ENDED DECEMBER 31, 2012 AND 2011

	PROSECUTING ATTORNEY ADMINISTRATION FUND				SHERIFF'S COMMISSARY FUND			
	2012		2011		2012		2011	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	35,000.00	28,575.53	43,000.00	31,593.81	55,000.00	31,023.83	50,000.00	54,693.32
Interest Income	1,800.00	352.12	2,500.00	2,089.96	1,000.00	251.00	2,000.00	1,359.03
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	<u>36,800.00</u>	<u>28,927.65</u>	<u>45,500.00</u>	<u>33,683.77</u>	<u>56,000.00</u>	<u>31,274.83</u>	<u>52,000.00</u>	<u>56,052.35</u>
DISBURSEMENTS								
Miscellaneous Expenses	15,000.00	12,047.46	7,000.00	9,212.11	41,000.00	37,606.31	57,687.93	42,260.60
Overtime Payroll	-	-	-	264.00	-	-	-	-
Secretary & Fringe	6,500.00	-	21,500.00	2,907.00	-	-	-	-
Fringe	-	2,157.31	-	3,465.42	-	-	-	-
Assist. Prosec. Atty Sal. & Fringe	26,500.00	28,200.36	-	12,351.80	-	-	-	-
Jail/Prisoner Supplies	-	-	-	-	15,000.00	13,437.24	-	15,427.33
TOTAL DISBURSEMENTS	<u>48,000.00</u>	<u>42,405.13</u>	<u>28,500.00</u>	<u>28,200.33</u>	<u>56,000.00</u>	<u>51,043.55</u>	<u>57,687.93</u>	<u>57,687.93</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(11,200.00)	(13,477.48)	17,000.00	5,483.44	-	(19,768.72)	(5,687.93)	(1,635.58)
CASH AND INVESTMENT BALANCES, JANUARY 1	<u>62,301.26</u>	<u>62,301.26</u>	<u>56,817.82</u>	<u>56,817.82</u>	<u>49,469.78</u>	<u>49,469.78</u>	<u>51,105.36</u>	<u>51,105.36</u>
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u>\$ 51,101.26</u>	<u>\$ 48,823.78</u>	<u>\$ 73,817.82</u>	<u>\$ 62,301.26</u>	<u>\$ 49,469.78</u>	<u>\$ 29,701.06</u>	<u>\$ 45,417.43</u>	<u>\$ 49,469.78</u>

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THE COUNTY OF STODDARD
 BLOOMFIELD, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES
 BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
 YEARS ENDED DECEMBER 31, 2012 AND 2011

	SHERIFF CIVIL PROCESS FUND				ESSEX SPECIAL PAVING PROJECT FUND			
	2012		2011		2012		2011	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	25,000.00	24,391.75	28,000.00	25,435.51	-	-	-	-
Interest Income	800.00	284.88	1,200.00	1,213.87	-	-	-	-
Other	-	-	-	-	-	-	250,000.00	269,170.40
Transfers in	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	<u>25,800.00</u>	<u>24,676.63</u>	<u>29,200.00</u>	<u>26,649.38</u>	<u>-</u>	<u>-</u>	<u>250,000.00</u>	<u>269,170.40</u>
DISBURSEMENTS								
Sheriff Civil Process	46,700.00	26,256.32	43,358.12	15,822.25	-	-	-	-
Engineering Fees	-	-	-	-	-	-	340,361.25	340,361.25
TOTAL DISBURSEMENTS	<u>46,700.00</u>	<u>26,256.32</u>	<u>43,358.12</u>	<u>15,822.25</u>	<u>-</u>	<u>-</u>	<u>340,361.25</u>	<u>340,361.25</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(20,900.00)	(1,579.69)	(14,158.12)	10,827.13	-	-	(90,361.25)	(71,190.85)
CASH AND INVESTMENT BALANCES, JANUARY 1	<u>53,684.66</u>	<u>53,684.66</u>	<u>42,857.53</u>	<u>42,857.53</u>	<u>18,809.15</u>	<u>18,809.15</u>	<u>90,000.00</u>	<u>90,000.00</u>
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u>\$ 32,784.66</u>	<u>\$ 52,104.97</u>	<u>\$ 28,699.41</u>	<u>\$ 53,684.66</u>	<u>\$ 18,809.15</u>	<u>\$ 18,809.15</u>	<u>\$ (361.25)</u>	<u>\$ 18,809.15</u>

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THE COUNTY OF STODDARD
 BLOOMFIELD, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES
 BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
 YEARS ENDED DECEMBER 31, 2012 AND 2011

	COLLECTOR MAINTENANCE FUND				RECORDER MAINTENANCE FUND			
	2012		2011		2012		2011	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	45,000.00	43,388.76	46,000.00	43,701.99	20,000.00	18,605.50	20,000.00	16,918.00
Interest Income	3,500.00	2,360.77	5,000.00	4,731.12	500.00	86.49	1,000.00	374.79
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	<u>48,500.00</u>	<u>45,749.53</u>	<u>51,000.00</u>	<u>48,433.11</u>	<u>20,500.00</u>	<u>18,691.99</u>	<u>21,000.00</u>	<u>17,292.79</u>
DISBURSEMENTS								
Collector Maintenance	79,565.70	30,877.56	52,800.00	-	-	-	-	-
Miscellaneous Expenses	-	-	-	-	12,932.14	3,845.00	14,673.16	14,673.16
Transfers Out	-	48,688.14	-	42,092.25	-	-	-	-
TOTAL DISBURSEMENTS	<u>79,565.70</u>	<u>79,565.70</u>	<u>52,800.00</u>	<u>42,092.25</u>	<u>12,932.14</u>	<u>3,845.00</u>	<u>14,673.16</u>	<u>14,673.16</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(31,065.70)	(33,816.17)	(1,800.00)	6,340.86	7,567.86	14,846.99	6,326.84	2,619.63
CASH AND INVESTMENT BALANCES, JANUARY 1	<u>171,976.64</u>	<u>171,976.64</u>	<u>165,635.78</u>	<u>165,635.78</u>	<u>13,098.64</u>	<u>13,098.64</u>	<u>10,479.01</u>	<u>10,479.01</u>
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u>\$ 140,910.94</u>	<u>\$ 138,160.47</u>	<u>\$ 163,835.78</u>	<u>\$ 171,976.64</u>	<u>\$ 20,666.50</u>	<u>\$ 27,945.63</u>	<u>\$ 16,805.85</u>	<u>\$ 13,098.64</u>

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THE COUNTY OF STODDARD
 BLOOMFIELD, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES
 BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
 YEARS ENDED DECEMBER 31, 2012 AND 2011

	DOMESTIC VIOLENCE FUND				PROSECUTING ATTORNEY RETIREMENT FUND			
	2012		2011		2012		2011	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	3,400.00	3,552.00	3,400.00	3,505.00	-	-	-	-
Interest Income	100.00	31.06	150.00	158.60	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	2,500.00	2,500.00	2,500.00	2,500.00
TOTAL RECEIPTS	<u>3,500.00</u>	<u>3,583.06</u>	<u>3,550.00</u>	<u>3,663.60</u>	<u>2,500.00</u>	<u>2,500.00</u>	<u>2,500.00</u>	<u>2,500.00</u>
DISBURSEMENTS								
Expenses	3,600.00	3,600.00	3,400.00	3,400.00	-	-	-	-
Retirement sent to State	-	-	-	-	2,500.00	2,244.00	2,500.00	2,244.00
TOTAL DISBURSEMENTS	<u>3,600.00</u>	<u>3,600.00</u>	<u>3,400.00</u>	<u>3,400.00</u>	<u>2,500.00</u>	<u>2,244.00</u>	<u>2,500.00</u>	<u>2,244.00</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(100.00)	(16.94)	150.00	263.60	-	256.00	-	256.00
CASH AND INVESTMENT BALANCES, JANUARY 1	<u>3,939.35</u>	<u>3,939.35</u>	<u>3,675.75</u>	<u>3,675.75</u>	<u>923.00</u>	<u>923.00</u>	<u>667.00</u>	<u>667.00</u>
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u>\$ 3,839.35</u>	<u>\$ 3,922.41</u>	<u>\$ 3,825.75</u>	<u>\$ 3,939.35</u>	<u>\$ 923.00</u>	<u>\$ 1,179.00</u>	<u>\$ 667.00</u>	<u>\$ 923.00</u>

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THE COUNTY OF STODDARD
 BLOOMFIELD, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES
 BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
 YEARS ENDED DECEMBER 31, 2012 AND 2011

	LAW ENFORCEMENT RESTITUTION FUND				PROSECUTING ATTORNEY DELINQUENT TAX FUND			
	2012		2011		2012		2011	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	28,000.00	30,049.50	28,000.00	24,521.65	4,500.00	232.50	3,000.00	5,440.20
Interest Income	600.00	189.10	1,000.00	957.49	150.00	89.09	150.00	412.29
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	<u>28,600.00</u>	<u>30,238.60</u>	<u>29,000.00</u>	<u>25,479.14</u>	<u>4,650.00</u>	<u>321.59</u>	<u>3,150.00</u>	<u>5,852.49</u>
DISBURSEMENTS								
Sheriff CRLERF	32,000.00	14,360.59	33,016.50	26,322.96	-	-	-	-
Miscellaneous Expenses	-	-	-	-	3,854.00	3,854.00	3,000.00	3,000.00
TOTAL DISBURSEMENTS	<u>32,000.00</u>	<u>14,360.59</u>	<u>33,016.50</u>	<u>26,322.96</u>	<u>3,854.00</u>	<u>3,854.00</u>	<u>3,000.00</u>	<u>3,000.00</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(3,400.00)	15,878.01	(4,016.50)	(843.82)	796.00	(3,532.41)	150.00	2,852.49
CASH AND INVESTMENT BALANCES, JANUARY 1	<u>31,328.51</u>	<u>31,328.51</u>	<u>32,172.33</u>	<u>32,172.33</u>	<u>15,034.83</u>	<u>15,034.83</u>	<u>12,182.34</u>	<u>12,182.34</u>
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u><u>\$ 27,928.51</u></u>	<u><u>\$ 47,206.52</u></u>	<u><u>\$ 28,155.83</u></u>	<u><u>\$ 31,328.51</u></u>	<u><u>\$ 15,830.83</u></u>	<u><u>\$ 11,502.42</u></u>	<u><u>\$ 12,332.34</u></u>	<u><u>\$ 15,034.83</u></u>

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THE COUNTY OF STODDARD
 BLOOMFIELD, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES
 BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
 YEARS ENDED DECEMBER 31, 2012 AND 2011

	COUNTY EMPLOYEE RETIREMENT FUND				SHERIFF DONATIONS CANINE TECHNOLOGY FUND			
	2012		2011		2012		2011	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	45,000.00	42,840.21	40,000.00	57,871.94	-	-	-	-
Interest Income	500.00	74.69	1,000.00	138.79	75.00	8.42	150.00	122.35
Other	150,000.00	155,454.87	169,000.00	134,100.71	1,000.00	1,350.00	1,100.00	-
Transfers in	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	195,500.00	198,369.77	210,000.00	192,111.44	1,075.00	1,358.42	1,250.00	122.35
DISBURSEMENTS								
C.E.R.F	195,500.00	198,369.77	210,000.00	192,111.44	-	-	-	-
Tech Purchases	-	-	-	-	2,000.00	-	4,785.00	3,772.90
TOTAL DISBURSEMENTS	195,500.00	198,369.77	210,000.00	192,111.44	2,000.00	-	4,785.00	3,772.90
RECEIPTS OVER (UNDER) DISBURSEMENTS	-	-	-	-	(925.00)	1,358.42	(3,535.00)	(3,650.55)
CASH AND INVESTMENT BALANCES, JANUARY 1	-	-	-	-	1,224.50	1,224.50	4,875.05	4,875.05
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ -	\$ -	\$ -	\$ -	\$ 299.50	\$ 2,582.92	\$ 1,340.05	\$ 1,224.50

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THE COUNTY OF STODDARD
 BLOOMFIELD, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES
 BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
 YEARS ENDED DECEMBER 31, 2012 AND 2011

	ELECTION SERVICES FUND				SHERIFF REVOLVING FUND			
	2012		2011		2012		2011	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	7,300.00	3,077.38	5,000.00	2,587.70	-	-	-	-
Charges for services	-	-	-	-	14,000.00	17,761.00	12,000.00	15,710.00
Interest Income	50.00	23.92	-	155.78	300.00	144.06	500.00	571.84
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	<u>7,350.00</u>	<u>3,101.30</u>	<u>5,000.00</u>	<u>2,743.48</u>	<u>14,300.00</u>	<u>17,905.06</u>	<u>12,500.00</u>	<u>16,281.84</u>
DISBURSEMENTS								
Miscellaneous Expenses	2,500.00	2,128.99	2,500.00	804.70	18,900.00	14,474.30	20,249.25	8,107.63
HAVA Expenses	1,500.00	1,229.06	1,500.00	1,041.20	-	-	-	-
Training Expenses	3,200.00	2,824.12	2,100.00	184.98	-	-	-	-
TOTAL DISBURSEMENTS	<u>7,200.00</u>	<u>6,182.17</u>	<u>6,100.00</u>	<u>2,030.88</u>	<u>18,900.00</u>	<u>14,474.30</u>	<u>20,249.25</u>	<u>8,107.63</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	150.00	(3,080.87)	(1,100.00)	712.60	(4,600.00)	3,430.76	(7,749.25)	8,174.21
CASH AND INVESTMENT BALANCES, JANUARY 1	<u>4,886.75</u>	<u>4,886.75</u>	<u>4,174.15</u>	<u>4,174.15</u>	<u>28,423.46</u>	<u>28,423.46</u>	<u>20,249.25</u>	<u>20,249.25</u>
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u>\$ 5,036.75</u>	<u>\$ 1,805.88</u>	<u>\$ 3,074.15</u>	<u>\$ 4,886.75</u>	<u>\$ 23,823.46</u>	<u>\$ 31,854.22</u>	<u>\$ 12,500.00</u>	<u>\$ 28,423.46</u>

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF STODDARD
 BLOOMFIELD, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES
 BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
 YEARS ENDED DECEMBER 31, 2012 AND 2011

	INTANGIBLE TAX FUND				COURT COST FUND			
	2012		2011		2012		2011	
	BUDGET	ACTUAL	BUDGET	Actual	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-
Other	45,000.00	37,770.94	65,000.00	37,908.30	286,737.63	286,737.63	180,000.00	174,707.21
Transfers in	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	<u>45,000.00</u>	<u>37,770.94</u>	<u>65,000.00</u>	<u>37,908.30</u>	<u>286,737.63</u>	<u>286,737.63</u>	<u>180,000.00</u>	<u>174,707.21</u>
DISBURSEMENTS								
Court Costs	-	-	-	-	286,737.63	286,737.63	180,000.00	174,707.21
Intangible Tax	45,000.00	37,770.94	65,000.00	37,908.30	-	-	-	-
TOTAL DISBURSEMENTS	<u>45,000.00</u>	<u>37,770.94</u>	<u>65,000.00</u>	<u>37,908.30</u>	<u>286,737.63</u>	<u>286,737.63</u>	<u>180,000.00</u>	<u>174,707.21</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	-	-	-	-	-	-	-	-
CASH AND INVESTMENT BALANCES, JANUARY 1	-	-	-	-	-	-	-	-
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF STODDARD
 BLOOMFIELD, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES
 BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
 YEARS ENDED DECEMBER 31, 2012 AND 2011

	POST FUND				SHERIFF DEPUTY SUPPLEMENT SURCHARGE FUND			
	2012		2011		2012		2011	
	BUDGET	ACTUAL	BUDGET	Actual	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	1,200.00	1,272.36	1,979.02	1,090.24	-	-	-	-
Interest Income	50.00	4.56	100.00	26.68	-	-	-	-
Other	-	-	-	-	11,000.00	8,766.03	10,199.75	9,794.19
Transfers in	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	<u>1,250.00</u>	<u>1,276.92</u>	<u>2,079.02</u>	<u>1,116.92</u>	<u>11,000.00</u>	<u>8,766.03</u>	<u>10,199.75</u>	<u>9,794.19</u>
DISBURSEMENTS								
POST Expenses	2,000.00	1,272.36	2,500.00	463.38	-	-	-	-
Fees remitted to state	-	-	-	-	11,000.00	9,498.93	11,000.00	9,861.54
TOTAL DISBURSEMENTS	<u>2,000.00</u>	<u>1,272.36</u>	<u>2,500.00</u>	<u>463.38</u>	<u>11,000.00</u>	<u>9,498.93</u>	<u>11,000.00</u>	<u>9,861.54</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(750.00)	4.56	(420.98)	653.54	-	(732.90)	(800.25)	(67.35)
CASH AND INVESTMENT BALANCES, JANUARY 1	<u>1,074.52</u>	<u>1,074.52</u>	<u>420.98</u>	<u>420.98</u>	<u>732.90</u>	<u>732.90</u>	<u>800.25</u>	<u>800.25</u>
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u>\$ 324.52</u>	<u>\$ 1,079.08</u>	<u>\$ -</u>	<u>\$ 1,074.52</u>	<u>\$ 732.90</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 732.90</u>

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF STODDARD
 BLOOMFIELD, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES
 BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
 YEARS ENDED DECEMBER 31, 2012 AND 2011

	INMATE SECURITY FUND				MENTAL HEALTH BOARD FUND			
	2012		2011		2012		2011	
	BUDGET	ACTUAL	BUDGET	Actual	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	500.00	500.00	-	-
Interest Income	-	2.39	-	-	-	-	-	-
Other	1,000.00	1,380.50	-	296.00	-	-	-	-
TOTAL RECEIPTS	1,000.00	1,382.89	-	296.00	500.00	500.00	-	-
DISBURSEMENTS								
Miscellaneous	-	-	-	-	500.00	100.00	-	200.00
TOTAL DISBURSEMENTS	-	-	-	-	500.00	100.00	-	200.00
RECEIPTS OVER (UNDER) DISBURSEMENTS	1,000.00	1,382.89	-	296.00	-	400.00	-	(200.00)
CASH AND INVESTMENT BALANCES, JANUARY 1	296.00	296.00	-	-	-	192.25	-	392.25
CASH AND INVESTMENT BALANCES, DECEMBER 31	\$ 1,296.00	\$ 1,678.89	\$ -	\$ 296.00	\$ -	\$ 592.25	\$ -	\$ 192.25

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF STODDARD
 BLOOMFIELD, MISSOURI
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH AND INVESTMENT BALANCES
 BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS - REGULATORY BASIS
 YEARS ENDED DECEMBER 31, 2012 AND 2011

	911 SERVICES FUND			
	2012		2011	
	BUDGET	ACTUAL	BUDGET	ACTUAL
RECEIPTS				
Tariff	\$ 277,000.00	\$ 267,460.43	\$ 282,890.00	\$ 283,781.25
Interest Income	1,700.00	2,514.67	1,755.00	2,105.64
Other (Miscellaneous)	1,950.00	42,696.08	30,294.00	30,129.57
TOTAL RECEIPTS	<u>280,650.00</u>	<u>312,671.18</u>	<u>314,939.00</u>	<u>316,016.46</u>
DISBURSEMENTS				
Engineering Fees	-	-	-	-
Personnel Expense	64,000.00	60,879.13	61,900.00	57,578.39
Contingency	5,000.00	-	5,000.00	-
Office Expense	73,900.00	62,520.59	63,750.00	60,506.19
Capital Projects	20,500.00	86,551.80	60,600.00	56,948.52
Travel	4,500.00	2,987.79	3,500.00	3,100.26
Professional Expense	1,500.00	637.50	1,000.00	950.00
Contract Labor	109,500.00	108,941.02	105,000.00	103,109.61
TOTAL DISBURSEMENTS	<u>278,900.00</u>	<u>322,517.83</u>	<u>300,750.00</u>	<u>282,192.97</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	1,750.00	(9,846.65)	14,189.00	33,823.49
CASH AND INVESTMENT BALANCES, JANUARY 1	<u>296,580.35</u>	<u>296,580.35</u>	<u>262,756.86</u>	<u>262,756.86</u>
CASH AND INVESTMENT BALANCES, DECEMBER 31	<u>\$ 298,330.35</u>	<u>\$ 286,733.70</u>	<u>\$ 276,945.86</u>	<u>\$ 296,580.35</u>

The accompanying notes to the financial statements are an integral part of this statement.

THE COUNTY OF STODDARD
 BLOOMFIELD, MISSOURI
 STATEMENTS OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS
 AGENCY FUNDS - REGULATORY BASIS
 AS OF DECEMBER 31, 2012

	GENERAL SCHOOL	TAX SALE SURPLUS	COMBINED ACCUMULATED INTEREST	COMMERCIAL PROP SURCHARGE	RECORDER	COLLECTOR
ASSETS						
Cash and Cash Equivalents	\$ 22,988.27	\$ 21,405.84	\$ 8,026.83	\$ 14,973.09	\$ 21,554.15	\$ 14,175,992.95
Investments	-	-	-	-	-	-
TOTAL ASSETS	<u>22,988.27</u>	<u>21,405.84</u>	<u>8,026.83</u>	<u>14,973.09</u>	<u>21,554.15</u>	<u>14,175,992.95</u>
LIABILITIES AND FUND BALANCES						
TOTAL LIABILITIES	-	-	-	-	-	-
UNRESERVED FUND BALANCES	<u>22,988.27</u>	<u>21,405.84</u>	<u>8,026.83</u>	<u>14,973.09</u>	<u>21,554.15</u>	<u>14,175,992.95</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 22,988.27</u>	<u>\$ 21,405.84</u>	<u>\$ 8,026.83</u>	<u>\$ 14,973.09</u>	<u>\$ 21,554.15</u>	<u>\$ 14,175,992.95</u>
	SHERIFF INMATE	SHERIFF	TOTAL FIDUCIARY FUNDS			
ASSETS						
Cash and Cash Equivalents	\$ 3,597.25	\$ 2,153.93	\$ 14,270,692.31			
Investments	-	-	-			
TOTAL ASSETS	<u>3,597.25</u>	<u>2,153.93</u>	<u>14,270,692.31</u>			
LIABILITIES AND FUND BALANCES						
TOTAL LIABILITIES	-	-	-			
UNRESERVED FUND BALANCES	<u>3,597.25</u>	<u>2,153.93</u>	<u>14,270,692.31</u>			
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,597.25</u>	<u>\$ 2,153.93</u>	<u>\$ 14,270,692.31</u>			

The accompanying notes to the financial statements are an integral part of this financial statement.

THE COUNTY OF STODDARD
 BLOOMFIELD, MISSOURI
 STATEMENTS OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS
 AGENCY FUNDS - REGULATORY BASIS
 AS OF DECEMBER 31, 2011

	GENERAL SCHOOL	TAX SALE SURPLUS	COMBINED ACCUMULATED INTEREST	COMMERCIAL PROP SURCHARGE	RECORDER	COLLECTOR
ASSETS						
Cash and Cash Equivalents	\$ 17,110.71	\$ 27,566.73	\$ 7,017.18	\$ 18,420.10	\$ 16,838.43	\$ 13,872,287.13
Investments	-	-	-	-	-	-
TOTAL ASSETS	<u>17,110.71</u>	<u>27,566.73</u>	<u>7,017.18</u>	<u>18,420.10</u>	<u>16,838.43</u>	<u>13,872,287.13</u>
LIABILITIES AND FUND BALANCES						
TOTAL LIABILITIES	-	-	-	-	-	-
UNRESERVED FUND BALANCES	17,110.71	27,566.73	7,017.18	18,420.10	16,838.43	13,872,287.13
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 17,110.71</u>	<u>\$ 27,566.73</u>	<u>\$ 7,017.18</u>	<u>\$ 18,420.10</u>	<u>\$ 16,838.43</u>	<u>\$ 13,872,287.13</u>
			TOTAL			
	SHERIFF INMATE	SHERIFF	FIDUCARY FUNDS			
ASSETS						
Cash and Cash Equivalents	\$ 6,849.33	\$ 646.25	\$ 13,966,735.86			
Investments	-	-	-			
TOTAL ASSETS	<u>6,849.33</u>	<u>646.25</u>	<u>13,966,735.86</u>			
LIABILITIES AND FUND BALANCES						
TOTAL LIABILITIES	-	-	-			
UNRESERVED FUND BALANCES	6,849.33	646.25	13,966,735.86			
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 6,849.33</u>	<u>\$ 646.25</u>	<u>\$ 13,966,735.86</u>			

The accompanying notes to the financial statements are an integral part of this financial statement.

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Stoddard, Missouri (“County”), which is governed by a three-member board of commissioners, was established in 1835 by an Act of the Missouri Territory. In addition to the three Commissioners, there are nine elected Constitutional Officers: County Clerk, Treasurer and ex officio Collector, Circuit Clerk, 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).

A. Reporting Entity

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

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

The financial statements referred to above include only the county of Stoddard County, Missouri, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the County’s legal entity.

B. Basis of Presentation

The financial statements are presented using accounting practices prescribed or permitted by Missouri law, which include a Statement of Receipts, Disbursements and Changes in Cash and Investment Balances – All Governmental Funds, a Comparative Statement of Receipts and Disbursements – Budget and Actual – All Governmental Funds, and a Statement of Assets and Liabilities Arising from Cash Transactions – Agency 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. The following fund types are used by the County:

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation (concluded)

Governmental Fund Types

Governmental funds are those through which most governmental functions are financed. The County's expendable financial resources are accounted for through governmental funds. The measurement focus is upon determination of and changes in financial position rather than upon net income.

Fiduciary Fund Types

Agency – Agency funds are used to account for assets held by the County in a trustee capacity as an agent of individuals, private organizations, other funds or other governmental units. Agency funds are accounted for and reported similar to the governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. These funds account for activities of collections for other taxing units by the Collector of Revenue and other officeholders.

C. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements.

The financial statements are prepared on the regulatory basis of accounting. This basis of accounting recognizes amounts when received or disbursed in cash and 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.

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 the 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.

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Budget 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 adopts a budget for each governmental fund.
2. 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.
3. The County Clerk submits to the County Commission a proposed budget for the fiscal year beginning 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.
4. 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.
5. Prior to February 1, the budget is legally enacted by a vote of the County Commission.
6. 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 information in the 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.

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

State law requires that budgeted expenditures not exceed budgeted revenues plus anticipated beginning fund balance. Section 50.740 RSMo prohibits expenditures in excess of the approved budgets.

THE COUNTY OF STODDARD
 BLOOMFIELD, MISSOURI
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2012 AND 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

E. Property Taxes

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

The assessed valuation of the tangible taxable property, included within the County's boundaries for the calendar year 2012 and 2011, for purposes of taxation was:

	2012	2011
Real Estate	\$ 240,876,673	\$ 237,776,316
Personal Property	126,234,340	115,004,760
Railroad and Utilities	47,501,299	48,537,244
	\$ 414,612,312	\$ 401,318,320

During 2012 and 2011, the County Commission approved a \$.0803 and \$.0800, respectively, tax levy per \$100 of assessed valuation of tangible taxable property for the calendar year 2012 and 2011, for purposes of County taxation, as follows:

	2012	2011
Mental Health Board	\$ 0.0803	\$ 0.0800

F. Cash and Investments

The County pools cash and investment resources of various funds in the County Treasurer's office in order to facilitate the management of cash and investments. Cash and investments applicable to a particular fund are readily identifiable. Some County offices also hold cash and investments in their own separate bank accounts as required by state statute. The balance in the pooled cash account is available to meet current operating requirements.

G. Interfund Transactions

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables, if applicable, are eliminated due to reporting the financial statements on the regulatory basis of accounting.

Legally required transfers are reported as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund.

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

II. CASH AND INVESTMENTS

The County maintains a cash and temporary investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed as "Cash and Equivalents" under each fund's caption. Deposits with maturities greater than three months are considered investments. In addition, cash and investments are separately held by several of the County's funds. Investments of the County consist of certificates of deposit with local banking institutions.

Deposits - Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2012 and 2011, the carrying amount of the County's deposits was \$6,966,305.47 and \$6,151,402.10, and the bank balance was \$15,952,247.49 and \$16,621,014.01, respectively. The total bank balances as of December 31, 2012, and 2011 were insured through the Federal Deposit Insurance Corporation and securities set by the County's financial institutions.

SUMMARY OF CARRYING VALUES

The carrying values of deposits and investments shown above are included in the financial statements at December 31, 2012, as follows:

Included in the following fund financial statement captions:

Statement of Receipts, Disbursements and Changes in Cash and Investment Balances -	
Deposits	\$ 6,866,305.47
Investments	100,000.00
	<hr/>
Total Deposits & Investments as of December 31, 2012	\$ <u>6,966,305.47</u>

The carrying values of deposits and investments at December 31, 2011, are as follows:

Included in the following fund financial statement captions:

Statement of Receipts, Disbursements and Changes in Cash and Investment Balances -	
Deposits	\$ 6,051,402.10
Investments	100,000.00
	<hr/>
Total Deposits & Investments as of December 31, 2011	\$ <u>6,151,402.10</u>

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

II. DEPOSITS AND INVESTMENTS (concluded)

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. The County's investment policy does not include custodial credit risk requirements. The County's deposits were not exposed to custodial credit risk for the years ended December 31, 2012, and 2011.

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 who sold the security to the County or its agent but not in the government's name. The County does not have a policy for custodial credit risk relating to investments. All investments, evidenced by individual securities, are registered in the name of the 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. The 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 investment credit risk is required to be disclosed by the 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). The 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. The County's investments were not exposed to concentration of investment credit risk for the years ended December 31, 2012 and 2011.

III. LONG-TERM DEBT

The County has no outstanding long-term debt.

IV. LEASES

The County has no outstanding leases.

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

V. INTERFUND TRANSFERS

Transfers between funds for the years ended December 31, 2012 and 2011 are as follows:

	2012		2011	
	Transfers In	Transfers Out	Transfers In	Transfers Out
General Revenue Fund	\$ 54,200.00	\$ 32,620.00	\$ 54,200.00	\$ 1,522,000.00
Special Road and Bridge Fund	-	54,200.00	-	54,200.00
Assessment Fund	48,688.14	-	42,092.25	-
Capital Improvements Fund	-	-	1,500,000.00	-
Archives Fund	30,120.00	-	19,500.00	-
Collector Maintenance Fund	-	48,688.14	-	42,092.25
Prosecuting Attorney Retirement Fund	2,500.00	-	2,500.00	-
TOTAL	\$ 135,508.14	\$ 135,508.14	\$ 1,618,292.25	\$ 1,618,292.25

Transfers are used to (1) move receipts from the fund that statute or budget requires to collect them to the fund that statute or budget requires to disburse them, and (2) use unrestricted receipts in the General Revenue Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

VI. COUNTY EMPLOYEES' RETIREMENT FUND (CERF)

A. Plan Description

CERF was established by an act of the Missouri General Assembly effective August 28, 1994. Laws governing the retirement fund are found in Sections 50.1000-50.1300 of the Missouri Revised Statutes (RSMo). The Board of Directors consists of eleven members, nine of whom are county employee participants. Two members, who have no beneficiary interest in CERF, are appointed by the Governor of Missouri. The Board of Directors has the authority to adopt rules and regulations for administering the system.

CERF is a mandatory cost-sharing multiple employer retirement system for each county in the state of Missouri, except any city not within a county (which excludes the City of St. Louis) and counties of the first classification with a charter form of government. CERF covers county elective or appointive officers or employees whose position requires the actual performance of duties not less than 1,000 hours per year; including employees of circuit courts located in a first class, non-charter county which is not participating in the Local Government Employees Retirement System (LAGERS); and does not cover circuit clerks, deputy circuit clerks, county prosecuting attorneys, and county sheriffs. Until January 1, 2000, employees hired before January 1, 2000 could opt out of the system.

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

VI. COUNTY EMPLOYEES' RETIREMENT FUND (CERF) (concluded)

A. Plan Description (concluded)

CERF is a defined benefit plan providing retirement and death benefits to its members. All benefits vest after 8 years of creditable service. Employees who retire on or after age 62 are entitled to an allowance for life based on the form of payment selected. The normal form of payment is a single life annuity. Optional joint and survivor annuity and 10-year certain and life annuity payments are also offered to members in order to provide benefits to a named survivor annuitant after their death. Employees who have a minimum of 8 years of creditable service may retire with an early retirement benefit and receive a reduced allowance after attaining age 55. Annual cost-of-living adjustments, not to exceed 1%, are provided for eligible retirees and survivor annuitants, up to a lifetime maximum of 50% of the initial benefit which the member received upon retirement. Benefit provisions are fixed by state statute and may be amended only by action of the Missouri Legislature. Administrative expenses for the operation of CERF are paid out of the funds of the system.

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, 2121 Schotthill Woods Drive, Jefferson City, MO 65101, or by calling 1-573-632-9203.

B. Contributions

Prior to January 1, 2003, participating county employees, except for those who participated in LAGERS, were required to make contributions equal to 2% of gross compensation. Effective January 1, 2003, participating county employees hired on or after February 25, 2002, are required to make contributions of 4% if they are in a LAGERS county and contributions of 6% if they are in a non-LAGERS county. If an employee leaves covered employment before attaining 8 years of creditable service, accumulated employee contributions are refunded to the employee. The contribution rate is set by state statute and may be amended only by action of the Missouri Legislature. Counties may elect to make all or a portion of the required 4% contribution on behalf of employees. Total contributions remitted to CERF for the years ended December 31, 2012, and 2011 were \$26,032.15 and \$17,398.36, respectively.

VII. LOCAL GOVERNMENT EMPLOYEES RETIREMENT SYSTEM (LAGERS)

A. Plan Description

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

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

VII. LOCAL GOVERNMENT EMPLOYEES RETIREMENT SYSTEM (LAGERS) (continued)

A. Plan Description (concluded)

The Missouri Local Government Employees Retirement System issues a publicly available financial report that includes financial statements and required 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.

B. Funding Status

Full-time employees of Stoddard County do not contribute to the pension plan. The June 30th statutorily required contribution rates are 6.1% (General) and 6.0% (Police) for 2011 and 7.1% (General) and 7.0% (Police) for 2012, of 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.

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

The subdivision's annual pension cost and net pension obligation for the current years 2012 and 2011 were as follows:

2012

Annual required contribution	\$	132,422
Interest on net pension obligation		-
Adjustment to annual required contribution		-
Annual pension cost		132,422
Actual contributions		132,422
Increase (decrease) in NPO		-
NPO beginning of year		-
NPO end of year	\$	-

The annual required contribution (ARC) was determined as part of the February 28, 2010 and February 28, 2011 annual actuarial valuations using the entry age actuarial cost method. The actuarial assumptions as of February 29, 2012, included: (a) a rate of return on the investment of present and future assets of 7.25% per year, compounded annually, (b) projected salary increases of 3.5% 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 75% of the RP-2000 Combined Healthy table set back 0 years for men and 0 years for women and (e) post-retirement mortality based on 105% of the 1994 Group Annuity Mortality table set back 0 years for men and 0 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. The amortization period as of February 28, 2010 was 2 years for the General division and 9 years for the Police division. The amortization period as of February 28, 2011 was 2 years for the General division and 4 year for the Police division.

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

VII. LOCAL GOVERNMENT EMPLOYEES RETIREMENT SYSTEM (LAGERS) (continued)

C. Annual Pension Cost (APC) and Net Pension Obligation (NPO) (continued)

THREE-YEAR TREND INFORMATION

Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2010	\$ 86,213	100.0%	\$ -
2011	101,692	100.0	-
2012	132,422	100.0	-

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Funding Progress

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
2/28/2010	\$3,159,290	\$2,986,183	\$ (173,107)	106%	\$1,827,197	(9.47)%
2/28/2011	3,286,441	3,219,984	(66,457)	102	1,761,319	(3.77)
2/29/2012	3,722,070	3,514,523	(207,547)	106	2,007,424	(10.34)

Note: The above assets and actuarial accrued liability do not include the assets and present value of benefits associated with the Benefit Reserve Fund and the Casualty Reserve Fund. The actuarial assumptions were changed in conjunction with the February 28, 2011 annual actuarial valuations. For a complete description of the actuarial assumptions used in the annual valuations, please contact the LAGERS office in Jefferson City.

2011

Annual required contribution	\$ 101,692
Interest on net pension obligation	-
Adjustment to annual required contribution	-
Annual pension cost	101,692
Actual contributions	101,692
Increase (decrease) in NPO	-
NPO beginning of year	-
NPO end of year	\$ -

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

VII. LOCAL GOVERNMENT EMPLOYEES RETIREMENT SYSTEM (LAGERS) (concluded)

C. Annual Pension Cost (APC) and Net Pension Obligation (NPO) (concluded)

The annual required contribution (ARC) was determined as part of the February 28, 2009 and February 28, 2010 annual actuarial valuations using the entry age actuarial cost method. The actuarial assumptions as of February 28, 2011 included: (a) a rate of return on the investment of present and future assets of 7.25% per year, compounded annually, (b) projected salary increases of 3.5% 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 75% of the RP-2000 Combined Healthy Table set back 0 years for men and 0 years for women and (e) post-retirement mortality based on 105% of the 1994 Group Annuity Mortality table set back 0 years for men and 0 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. The amortization period as of February 28, 2009 was 2 years for the General division and 4 years for the Police division. The amortization period as of February 28, 2010 was 2 years for the General division and 9 years for the Police division.

THREE-YEAR TREND INFORMATION

Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2009	\$ 85,279	100.0%	\$ -
2010	86,213	100.0	-
2011	101,692	100.0	-

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Funding Progress

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
2/28/2009	\$3,160,811	\$2,979,400	\$ (181,411)	106%	\$1,800,171	(10.08)%
2/28/2010	3,159,290	2,986,183	(173,107)	106	1,827,197	(9.47)
2/28/2011	3,286,441	3,219,984	(66,457)	102	1,761,319	(3.77)

Note: The above assets and actuarial accrued liability do not include the assets and present value of benefits associated with the Benefit Reserve Fund and the Casualty Reserve Fund. The actuarial assumptions were changed in conjunction with February 28, 2011 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 STODDARD
BLOOMFIELD, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

VIII. 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. The County had one COBRA participant at December 31, 2012, and the County had two COBRA participants at December 31, 2011.

IX. PROSECUTING ATTORNEY RETIREMENT FUND

In accordance with state statute Chapter 56.807 RSMo, the County contributes monthly to the Missouri Office of Prosecution Services for deposit to the credit of the Missouri Prosecuting Attorneys and Circuit Attorney Retirement System Fund. Once remitted, the State of Missouri is responsible for administration of this plan. The County has contributed \$2,244 and \$2,244, respectively, for the years ended December 31, 2012 and 2011.

X. CLAIMS COMMITMENTS AND CONTINGENCIES

A. Litigation

The County is involved in pending litigation as of the audit report date. The financial impact to the County is considered immaterial, if any.

B. Compensated Absences

The County provides employees with up to four weeks of paid vacation based upon the number of years of continuous service. Employees receive one week of vacation after the first year of service, two weeks of vacation per year after two years of employment, three weeks of vacation per year after ten years of employment, and four weeks of vacation per year after twenty years of employment. Vacation days do not carry forward if they are unused. Upon termination, an employee is reimbursed for any unused vacation days. Employees accrue one sick day per month. The County allows employees to have a maximum of thirty-five days. However, upon termination, employees do not get reimbursed for sick leave. These have not been subjected to auditing procedures.

C. Federal and State Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants are required and certain costs may be questioned as inappropriate expenditures under the grant agreements. 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. No provision has been made in the accompanying financial statements for the potential refund of grant monies.

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

XI. 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. Insurance is obtained from commercial insurance companies. 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 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.

XII. SUBSEQUENT EVENTS

There are no subsequent events to report up to the date of the audit report.

SUPPLEMENTARY SCHEDULES AND AUDITOR'S REPORT

STATE COMPLIANCE SECTION

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
SCHEDULE OF STATE FINDINGS
YEARS ENDED DECEMBER 31, 2012 AND 2011

SCHEDULE OF STATE FINDINGS

- A. For the year ended December 31, 2012, expenditures exceeded those budgeted for the following: County Employee Retirement Fund, and the 911 Services Fund.
- B. For the year ended December 31, 2011, the following fund was deficit budgeted: Essex Special Paving Project Fund.
- C. For the year ended December 31, 2011, the following funds did not have budgets: Mental Health Board Fund and Inmate Security Fund.

FEDERAL 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*

Independent Auditor's Report

To the County Commission
The County of Stoddard, Missouri

We have audited, in accordance with the 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, the financial statements of the County of Stoddard ("County") as of and for the years ended December 31, 2012 and 2011, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 25, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies. [FS 12/11-01 and FS 12/11-02]

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The County's Response to Findings

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Daniel Jones & Associates

DANIEL JONES & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

June 25, 2013



**Daniel Jones
& Associates**
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF
MISSOURI SOCIETY OF CPA'S
AMERICAN INSTITUTE OF CPA'S

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON
INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY OMB CIRCULAR A-133

Independent Auditor's Report

To The County Commission
The County of Stoddard
Bloomfield, Missouri

Report on Compliance for Each Major Federal Program

We have audited the County of Stoddard'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 each of the County's major federal programs for the years ended December 31, 2012 and 2011. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of 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, 2012 and 2011.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item SA 12/11-01. Our opinion on each major federal program is not modified with respect to this matter.

The County's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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. *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.

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 material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item SA 12/11-01, that we consider to be a significant deficiency.

The County's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the County as of and for the years ended December 31, 2012 and 2011, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated June 25, 2013, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Daniel Jones & Associates

DANIEL JONES & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

June 25, 2013

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

FEDERAL GRANTOR / PASS-THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH ENTITY NUMBER	12/31/2012 EXPENDITURES	12/31/2011 EXPENDITURES
U.S. DEPARTMENT OF INTERIOR				
Direct Program:				
PILT - Payment in Lieu of Taxes	15.226	N/A	\$ 1,747.00	\$ 1,711.00
National Wildlife Refuge Fund	15.659	N/A	13,778.00	12,857.00
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed Through State:				
State Department of Economic Development				
Community Development Block Grant/State Program	14.228	2008-DI-68	40,574.00	25,000.00
Missouri Department of Social Services				
Homeless Prevention and Rapid Re-Housing Program	14.257	ER1610061A	12,498.71	58,284.13
U.S. DEPARTMENT OF TRANSPORTATION				
Passed Through State:				
Highway and Transportation Commission:				
Highway Planning and Construction	20.205	BRO-103(46)	-	441.35
		BRO-123(50)	2,381.65	-
		BRO-103(55)	406,519.69	38,863.04
			408,901.34	39,304.39
U.S. DEPARTMENT OF HOMELAND SECURITY				
Passed Through State:				
Missouri State Emergency Management Agency				
Presidentially Declared Disaster Grant	97.036	DR 1980 PA FED	23,849.02	-
Emergency Management Performance Grant	97.042	EMPG 2010	-	6,719.96
		EMPG 2011	-	11,750.00
		EMPG 2012	7,493.47	-
			7,493.47	18,469.96
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 508,841.54	\$ 155,626.48

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this statement.

THE COUNTY OF STODDARD
 BLOOMFIELD, MISSOURI
 NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 YEARS ENDED DECEMBER 31, 2012 AND 2011

NOTE 1 – BASIS OF PRESENTATION

A. 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 major program and the Catalog of Federal Domestic Assistance (CFDA) number or other identifying number when the CFDA information is not available.

The schedule includes all federal awards administered by Stoddard County, Missouri.

B. Basis of Presentation

OMB Circular A-133 includes these definitions, which govern the contents of the schedule:

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.

Accordingly, the schedule includes expenditures of both cash and noncash awards.

C. Basis of Accounting

The schedule is presented on the cash basis of accounting, which recognizes amounts only when disbursed in cash.

NOTE 2 – SUB-RECIPIENTS

The County provided federal awards to sub-recipients during the years ended December 31, 2012, and 2011. The sub-recipients are as follows:

<u>Name of Program</u>	<u>CFDA</u>	<u>Subrecipient</u>	<u>2012</u>	<u>2011</u>
National Wildlife Refuge Fund	15.659	Duck Creek Township	\$ 6,889.00	\$ 6,428.50
National Wildlife Refuge Fund	15.659	Puxico School District	6,889.00	6,428.50
Homeless Prevention and Rapid Re-Housing	14.257	Delta Area Economic Oppurtunity Corporation	<u>12,498.71</u>	<u>58,284.13</u>
Total			<u><u>\$ 26,276.71</u></u>	<u><u>\$ 71,141.13</u></u>

THE COUNTY OF STODDARD
 BLOOMFIELD, MISSOURI
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 YEARS ENDED DECEMBER 31, 2012 AND 2011

I. SUMMARY OF AUDITOR'S RESULTS

A. Financial Statements

1. Type of auditor's report issued: Unmodified – Regulatory Basis
2. Internal control over financial reporting:
 - a. Material weakness(es) identified?

	2012	___	Yes	___	No
	2011	___	Yes	___	No
 - b. Significant deficiencies identified?

	2012	___	Yes	___	None Reported
	2011	___	Yes	___	None Reported
3. Noncompliance material to financial statements noted?

	2012	___	Yes	___	No
	2011	___	Yes	___	No

B. Federal Awards

1. Internal control over major programs:
 - a. Material weakness(es) identified?

	2012	___	Yes	___	No
	2011	___	Yes	___	No
 - b. Significant deficiencies identified?

	2012	___	Yes	___	None Reported
	2011	___	Yes	___	None Reported
2. Type of auditor's report issued on compliance for major programs:

	2012 - Unmodified
	2011 - Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with section 510 (a) of *Circular A-133*?

	2012	___	Yes	___	No
	2011	___	Yes	___	No

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEARS ENDED DECEMBER 31, 2012 AND 2011

II. FINANCIAL STATEMENT FINDINGS (continued)

FS 12/11-02 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.

Context: During discussions with management, we noted there were no formal fraud risk assessments implemented.

Effect: Lack of an appropriate 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 identified 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.

Views of responsible officials and planned corrective actions: The County will address fraud risk assessment specifically in the Sheriff's office and the Collector's office. The Sheriff and Collector will be requested to assess their procedures and report to the County Commission by Dec. 31, 2013. The Prosecutor, Recorder, Assessor, and Clerk will be requested to report to the County Commission by February 2014. The County Clerk's office phone number is (573)568-3339.

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEARS ENDED DECEMBER 31, 2012 AND 2011

The following findings, recommendations, and questioned costs are the results of the single audit of Stoddard County, Missouri for the fiscal years ended December 31, 2012 and 2011. 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.

A. Category of Internal Control Weakness

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

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEARS ENDED DECEMBER 31, 2012 AND 2011

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEARS ENDED DECEMBER 31, 2012 AND 2011 (continued)

A. Category of Internal Control Weakness (concluded)

1. Significant Deficiency: 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.
2. Material Weakness: 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.

B. Category of Noncompliance Findings

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

1. 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*.
2. 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.

C. Federal Award Findings and Questioned Costs

SA 12/11-01	Federal Grantor:	U.S. Department of Transportation
Other Information	Pass-Through Grantor:	Missouri Department of Transportation
Significant Deficiency	Federal CFDA Number:	20.205
	Program Title:	Highway Planning and Construction

Information on the federal program: The Schedule of Expenditures of Federal Awards contained errors.

Criteria: OMB Circular A-133 requires the auditee to prepare the Schedule of Federal Expenditures and Awards.

Condition: Through auditing procedures, we were able to correct and support the amounts reported on the Schedule of Expenditures of Federal Awards (SEFA). Prior to these corrections, the Schedule of Expenditures of Federal Awards (SEFA) was prepared with incorrect financial information.

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEARS ENDED DECEMBER 31, 2012 AND 2011

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEARS ENDED DECEMBER 31, 2012 AND 2011 (continued)

C. Federal Award Findings and Questioned Costs (concluded)

SA 12/11-01 Questioned Costs: Not applicable

Context: During the audit of federal programs we discovered a number of errors related to the Schedule of Expenditures of Federal Awards (SEFA).

Effect: No control monitoring or control over federal expenditures reporting, as required by *Governmental Accounting and Financial Reporting Standards*.

Cause: Adequate emphasis was not placed on the preparation of the Schedule of Expenditures of Federal Awards (SEFA).

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.

Views of responsible officials and planned corrective actions: OMB Circular A-133 is being reviewed and training sessions will be initiated on October 1, 2013 in the County Clerk's (Joe Watson) office. The completion goal is December 31, 2013. The training will focus on capturing grant transactions in a manner sufficient to readily report the necessary information required on the SEFA. Included in the training will be proper communications with other departments to ensure they are transmitting the information required on the SEFA to the County Clerk. The County Clerk's office phone number is (573) 568-3339.

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
YEARS ENDED DECEMBER 31, 2012 AND 2011

I. PRIOR YEAR FINANCIAL STATEMENT FINDINGS

FS 10/09-01 Criteria: Auditors may continue to assist clients with the preparation of the financial statements now and in the future. However, under Statement on Auditing Standards (SAS) No. 115, *Communicating Internal Control Related Matters Identified in an Audit*, which is effective for periods ending on or after December 15, 2009, conditions necessitating the entity's auditor to provide such assistance is at least indicative of a significant deficiency. SAS No. 115 supersedes SAS No. 112.

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

Context: During discussions with management, we noted that we will be assisting the County with the preparation of their audited financial statements and footnotes.

Effect: Auditors may continue to assist clients with the preparation of the financial statements now and in the future. However, SAS 115 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: 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: Management has corrected this finding and has the skills and knowledge to prepare the financial statements.

FS 10/09-02 Criteria: Statement on Auditing Standards (SAS) No. 115, *Communicating Internal Control Related Matters Identified in an Audit*, which is effective for periods ending on or after December 15, 2009, 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.

Context: During discussions with management, we noted that internal control documentation has not been prepared.

Effect: SAS 115 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: The County did not prepare the required documentation.

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
YEARS ENDED DECEMBER 31, 2012 AND 2011

I. PRIOR YEAR FINANCIAL STATEMENT FINDINGS (continued)

FS 10/09-02 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: Management has not implemented appropriate corrective action. See finding at FS 12/11-01.

FS 10/09-03 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.

Context: During discussions with management, we noted there were no formal fraud risk assessments implemented.

Effect: Lack of an appropriate 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 identified 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: Management has not implemented appropriate corrective action. See finding at FS 12/11-02.

FS 10/09-04 Criteria: The Internal Revenue Service requires employers to withhold taxes from employee wages. It also requires employers to pay the liability portion for the employer's portion of social security and medicare taxes.

Condition: During our audit, we noted that the Federal 941s were not completed correctly.

Context: During discussions with management, we noted that Federal 941s were not completed correctly.

Effect: Failure to properly complete the Federal 941s could cause the County additional tax liability, penalties or interest owed.

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
YEARS ENDED DECEMBER 31, 2012 AND 2011

I. PRIOR YEAR FINANCIAL STATEMENT FINDINGS (continued)

FS 10/09-04 Cause: Management has not properly trained staff on how to complete the Federal 941 Form.

Recommendation: We recommend that County employees receive appropriate training in the preparation of tax documents or obtain outside services.

Status: Management has implemented an appropriate corrective action plan and corrected the finding in the current audit period.

FS 10/09-05 Criteria: Bank reconciliations must properly be prepared monthly on a timely basis by the Sheriff's office.

Condition: During our audit, we discovered that bank reconciliations were not prepared properly for the Sheriff's General account and Inmate account.

Context: This deficiency became apparent through our testing of the Sheriff's General and Inmate cash accounts and related reconciliations.

Effect: Errors may go undetected if proper controls are not in place to review cash transactions.

Cause: Management does not place adequate emphasis upon reviewing cash transactions and preparing accurate reconciliations.

Recommendation: We recommend that the Sheriff's office properly reconcile its accounts on a monthly basis and monitor the reconciliations to be sure they are being properly prepared. These reconciliations will ensure meaningful and accurate financial statements.

Status: Management has implemented an appropriate corrective action plan and corrected the finding in the current audit period.

FS 10/09-06 Criteria: SAS No. 55, *Consideration of Internal Control in a Financial Statement Audit*, as amended by SAS No. 78, *Consideration of Internal Control in a Financial Statement Audit: An Amendment to SAS No. 55*.

Condition: During our audit, we noted certain instances in the Recorder's office that cause concern. First, the Recorder is able to perform all cash receipts and disbursement duties. Second, the Recorder only issues receipts for cash. The Recorder must also issue receipts for checks received or any other type of payment allowable by the office. Lastly, receipts issued are not pre-numbered, which is another deficiency in internal controls.

Context: During discussions with management, we noted that the Recorder is able to perform all cash receipts and disbursement duties, and does not issue receipts for checks received, only for cash. Also, the receipts issued were not pre-numbered.

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
YEARS ENDED DECEMBER 31, 2012 AND 2011

I. PRIOR YEAR FINANCIAL STATEMENT FINDINGS (continued)

FS 10/09-06 Effect: Sound internal controls require segregation of duties in the office. Segregation of duties is critical to effective internal controls because it reduces the risk of mistakes and inappropriate actions. Other areas of internal control require the issuing and recording of all receipts for payments received regardless of the type of payment collected. Receipts should be pre-numbered as well, so payments can be tracked. If such internal controls are ignored, fraud or inefficiencies can occur in the office.

Cause: The Recorder has not implemented sound internal controls in the office.

Recommendation: We recommend that the Recorder segregate duties in her office if possible as well as issue and record receipts for all payments collected in the office. Also, the Recorder of Deeds should have pre-numbered receipts so payments may be tracked.

Status: Management has implemented an appropriate corrective action plan and corrected the finding in the current audit period.

FS 10/09-07 Criteria: SAS No. 55, *Consideration of Internal Control in a Financial Statement Audit*, as amended by SAS No. 78, *Consideration of Internal Control in a Financial Statement Audit: An Amendment to SAS No. 55*.

Condition: During our audit, we noted certain instances in the Treasurer's and Collector's offices. First, the office clerk is able to perform all duties of the cash receipts and disbursement process. Second, disbursements of court cost monies distributed by the Treasurer's and Collector's offices require no approval or dual authorization for approving disbursements.

Context: During discussions with management, we noted that the office clerk is able to perform all duties of the cash receipts and disbursement process. Also, disbursement of court costs monies distributed require no approval or dual authorization for approving disbursements.

Effect: Failure to segregate duties and require approval or dual authorization for approving disbursements shows a lack of internal controls.

Cause: The Treasurer and Collector have not implemented sound internal controls in their offices.

Recommendation: We recommend that the Treasurer's and Collector's offices require approval or dual authorization for approving disbursements and segregate duties in their offices.

Status: Management has implemented an appropriate corrective action plan and corrected the finding in the current audit period.

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
YEARS ENDED DECEMBER 31, 2012 AND 2011

II. PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

SA 10/09-01	Federal Grantor:	U.S. Department of Transportation
Other Information	Pass-Through Grantor:	Missouri Department of Transportation
Significant Deficiency	Federal CFDA Number:	20.205
	Program Title:	Highway Planning and Construction

Information on the federal program: The Schedule of Expenditures of Federal Awards contained errors.

Criteria: OMB Circular A-133 requires the auditee to prepare the Schedule of Federal Expenditures and Awards.

Condition: Through auditing procedures, we were able to correct and support the amounts reported on the Schedule of Expenditures of Federal Awards (SEFA). Prior to these corrections, the Schedule of Expenditures of Federal Awards (SEFA) was prepared with incorrect financial information.

Questioned Costs: Not applicable

Context: During the audit of federal programs we discovered a number of errors related to the Schedule of Expenditures of Federal Awards (SEFA).

Effect: No control monitoring or control over federal expenditures reporting, as required by *Governmental Accounting and Financial Reporting Standards*.

Cause: Adequate emphasis was not placed on the preparation of the Schedule of Expenditures of Federal Awards (SEFA).

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: Management has not implemented an appropriate corrective action. See finding at SA 12/11-01.

THE COUNTY OF STODDARD
BLOOMFIELD, MISSOURI
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
YEARS ENDED DECEMBER 31, 2012 AND 2011

II. PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (concluded)

SA 10/09-02	Federal Grantor:	U.S. Department of Transportation
Davis-Bacon	Pass-Through Grantor:	Missouri Department of Transportation
Significant Deficiency	Federal CFDA Number:	20.205
	Program Title:	Highway Planning and Construction

Information on the federal program: The County was non compliant with the minimum wage rates set forth by the Davis-Bacon Act.

Criteria: The compliance matrix to OMB Circular A-133 requires that recipients of Highway Planning and Construction funding must document their compliance with the Davis-Bacon Act.

Condition: We noted an instance of non compliance with the Davis Bacon Act.

Questioned Costs: Not applicable

Context: During our testing of a sample of Davis Bacon wages we noted instances of non compliance.

Effect: The County was non compliant with the Davis-Bacon Act.

Cause: Unknown.

Recommendation: The County should review all Davis-Bacon wage reports and review them for compliance with Federal minimum wage rates set by the Department of Labor by job classification and the date of the work.

Status: Management has implemented an appropriate corrective action plan and corrected the finding in the current audit period.



Daniel Jones & Associates

MEMBERS OF
MISSOURI SOCIETY OF CPA'S
AMERICAN INSTITUTE OF CPA'S

CERTIFIED PUBLIC ACCOUNTANTS

June 25, 2013

To the Board of Commissioners
County of Stoddard

In planning and performing our audit of the regulatory based financial statements of the County of Stoddard (the "County") as of and for the years ended December 31, 2012, and December 31, 2011, in accordance with auditing standards generally accepted in the United States of America, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

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. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

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. We consider the following deficiencies in the County's internal control to be significant deficiencies as noted in section I:

Our comments concerning internal control and other significant matters are presented as follows:

- I. Deficiencies Considered to be Significant
- II. Information Required by Professional Standards

The County's management has provided written responses to the findings in this report that were identified in our audit. These responses have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

This communication is intended solely for the information and use of the County Commission, County Office Holders, the Missouri State Auditor and federal agencies and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Daniel Jones & Associates

DANIEL JONES & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

I. DEFICIENCIES CONSIDERED TO BE SIGNIFICANT

FS 12/11-01 Criteria: Statement on Auditing Standards (SAS) No. 115, *Communicating Internal Control Related Matters Identified in an Audit*, which is effective for periods ending on or after December 15, 2009, as amended by SAS No. 122 *Statements on Auditing Standards: Clarification and Recodification*, 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.

Context: During discussions with management, we noted that internal control documentation has not been prepared.

Effect: SAS 122 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: The County did not prepare the required documentation.

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.

Views of responsible officials and planned corrective actions: The County has started researching the COSO internal control guidance and will begin the process of internal control documentation in the County Clerk's (Joe Watson) office with a completion date of February 2014. The County Clerk's office phone number is (573)568-3339.

FS 12/11-02 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.

Context: During discussions with management, we noted there were no formal fraud risk assessments implemented.

Effect: Lack of an appropriate 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 identified 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.

I. DEFICIENCIES CONSIDERED TO BE SIGNIFICANT (concluded)

FS 12/11-02 Views of responsible officials and planned corrective actions: The County will address fraud risk assessment specifically in the Sheriff's office and the Collector's office. The Sheriff and Collector will be requested to assess their procedures and report to the County Commission by Dec. 31, 2013. The Prosecutor, Recorder, Assessor, and Clerk will be requested to report to the County Commission by February 2014. The County Clerk's office phone number is (573)568-3339.

SA 12/11-01	Federal Grantor:	U.S. Department of Transportation
Other Information	Pass-Through Grantor:	Missouri Department of Transportation
Significant Deficiency	Federal CFDA Number:	20.205
	Program Title:	Highway Planning and Construction

Information on the federal program: The Schedule of Expenditures of Federal Awards contained errors.

Criteria: OMB Circular A-133 requires the auditee to prepare the Schedule of Federal Expenditures and Awards.

Condition: Through auditing procedures, we were able to correct and support the amounts reported on the Schedule of Expenditures of Federal Awards (SEFA). Prior to these corrections, the Schedule of Expenditures of Federal Awards (SEFA) was prepared with incorrect financial information.

Questioned Costs: Not applicable

Context: During the audit of federal programs we discovered a number of errors related to the Schedule of Expenditures of Federal Awards (SEFA).

Effect: No control monitoring or control over federal expenditures reporting, as required by *Governmental Accounting and Financial Reporting Standards*.

Cause: Adequate emphasis was not placed on the preparation of the Schedule of Expenditures of Federal Awards (SEFA).

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.

Views of responsible officials and planned corrective actions: OMB Circular A-133 is being reviewed and training sessions will be initiated on October 1, 2013 in the County Clerk's (Joe Watson) office. The completion goal is December 31, 2013. The training will focus on capturing grant transactions in a manner sufficient to readily report the necessary information required on the SEFA. Included in the training will be proper communications with other departments to ensure they are transmitting the information required on the SEFA to the County Clerk. The County Clerk's office phone number is (573) 568-3339.

II. INFORMATION REQUIRED BY PROFESSIONAL STANDARDS

Our Responsibilities under U.S. Generally Accepted Auditing Standards and *Government Auditing Standards*

Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and OMB Circular A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 16, 2013. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the County are described in Note I to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the 2012-2011 fiscal years. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Due to the County applying the regulatory basis of accounting, no estimates are made during the preparation of financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 25, 2013.

II. INFORMATION REQUIRED BY PROFESSIONAL STANDARDS (concluded)

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the County’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with a regulatory basis of accounting, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We noted during our audit certain matters that were not considered to be significant deficiencies or material weaknesses. Several county offices have limited numbers of staff which inherently increases the risk of misstatement. Office holders appear to have mitigating controls in place to lower these risks to an acceptable level but the commission does need to be aware of these risks and offices need to remain vigilant in deterring the potential for erroneous or fraudulent activity.