



DALLAS COUNTY, MISSOURI

TWO YEARS ENDED DECEMBER 31, 1998

**From The Office Of State Auditor  
Claire McCaskill**

Report No. 99-106  
November 8, 1999

**AUDIT REPORT**



Office Of The  
State Auditor Of Missouri  
Claire McCaskill

November 1999

**IMPORTANT: The Missouri State Auditor is required by Missouri law to conduct audits only once every four years in counties, like Dallas, which do not have a county auditor. However, to assist such counties in meeting federal audit requirements, the State Auditor will also perform a financial and compliance audit of various county operating funds every two years. This voluntary service to Missouri counties can only be provided when state auditing resources are available and does not interfere with the State Auditor's constitutional responsibility of auditing state government.**

**Once every four years, the State Auditor's statutory audit will cover additional areas of county operations, as well as the elected county officials, as required by Missouri's Constitution.**

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This audit of Dallas County was a financial and compliance audit of various county operating funds.

The audit includes some matters upon which the county should consider and take appropriate corrective action.

**Copies of the audit are available upon request.**

YELLOW SHEET

DALLAS COUNTY, MISSOURI

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State Auditor's Reports



**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

INDEPENDENT AUDITOR'S REPORT ON  
THE FINANCIAL STATEMENTS

To the County Commission  
and  
Officeholders of Dallas County, Missouri

We have audited the accompanying special-purpose financial statements of various funds of Dallas County, Missouri, as of and for the years ended December 31, 1998 and 1997, as identified in the table of contents. These special-purpose financial statements are the responsibility of the county's management. Our responsibility is to express an opinion on these special-purpose financial statements based on our audit.

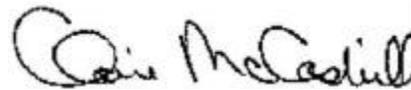
We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the special-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying special-purpose financial statements were prepared for the purpose of presenting the receipts, disbursements, and changes in cash of various funds of Dallas County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county and are not intended to be a complete presentation of the financial position and results of operations of those funds or of Dallas County.

In our opinion, the special-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the receipts, disbursements, and changes in cash of various funds of Dallas County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county as of and for the years ended December 31, 1998 and 1997, in conformity with the comprehensive basis of accounting discussed in Note 1, which is a basis of accounting other than generally accepted accounting principles.

Dallas County, Missouri, has not presented the disclosures required by Governmental Accounting Standards Board (GASB) Technical Bulletin 98-1, *Disclosures about Year 2000 Issues*, as amended by GASB Technical Bulletin 99-1, that the GASB has determined are necessary to supplement, although not be a part of, the basic financial statements. In addition, we do not provide assurance that the county is or will be year 2000-compliant, that the county's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the county does business are or will become year 2000-compliant.

In accordance with *Government Auditing Standards*, we also have issued our report dated August 11, 1999, on our consideration of the county's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

A handwritten signature in black ink, appearing to read "Claire McCaskill". The signature is written in a cursive style and is positioned above the printed name and title.

Claire McCaskill  
State Auditor

August 11, 1999 (fieldwork completion date)



**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the County Commission  
and  
Officeholders of Dallas County, Missouri

We have audited the special-purpose financial statements of various funds of Dallas County, Missouri, as of and for the years ended December 31, 1998 and 1997, and have issued our report thereon dated August 11, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

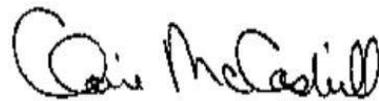
As part of obtaining reasonable assurance about whether the special-purpose financial statements of various funds of Dallas County, Missouri, are free of material misstatement, we performed tests of the county's compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance 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 that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance, which we have reported to the management of the county in the accompanying Letter on Other Matters.

Internal Control Over Financial Reporting

In planning and performing our audit of the special-purpose financial statements of various funds of Dallas County, Missouri, we considered the county's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements

in amounts that would be material in relation to the special-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, which we have reported to the management of the county in the accompanying Letter on Other Matters.

This report is intended for the information of the management of Dallas County, Missouri, and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink, appearing to read "Claire McCaskill". The signature is written in a cursive, flowing style.

Claire McCaskill  
State Auditor

August 11, 1999 (fieldwork completion date)

## Financial Statements

Exhibit A-1

DALLAS COUNTY, MISSOURI  
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS  
 YEAR ENDED DECEMBER 31, 1998

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 227,599	893,955	872,864	248,690
Special Road and Bridge	545,974	872,378	1,162,391	255,961
Assessment	3,720	146,186	147,223	2,683
Law Enforcement Training	3,029	7,664	7,675	3,018
Prosecuting Attorney Training	1,633	1,475	2,876	232
Capital Improvements Sales Tax	166,743	463,100	543,537	86,306
Law Enforcement Sales Tax	28,098	694,431	655,511	67,018
Prosecuting Attorney Bad Check	1,733	7,472	8,612	593
Prosecuting Attorney Tax Collection	455	29	464	20
Domestic Violence	35	585	435	185
Jury	203	11,831	11,617	417
Local Emergency Planning Committee	4,437	3,083	3,953	3,567
Law Enforcement Civil Fees	7,896	12,161	17,159	2,898
Health Center	137,456	296,948	297,726	136,678
Circuit Clerk Interest	2,213	1,523	1,442	2,294
Record Storage	30,918	9,819	10,231	30,506
Associate Circuit Division Interest	2,692	2,493	564	4,621
Law Library	3,511	5,653	7,699	1,465
Total	\$ 1,168,345	3,430,786	3,751,979	847,152

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

Exhibit A-2

DALLAS COUNTY, MISSOURI  
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS  
 YEAR ENDED DECEMBER 31, 1997

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 578,721	867,980	1,219,102	227,599
Special Road and Bridge	456,420	833,825	744,271	545,974
Assessment	1,156	164,386	161,822	3,720
Law Enforcement Training	3,094	4,008	4,073	3,029
Prosecuting Attorney Training	1,027	1,763	1,157	1,633
Capital Improvements Sales Tax	40,775	446,925	320,957	166,743
Law Enforcement Sales Tax	4,013	661,517	637,432	28,098
Prosecuting Attorney Bad Check	4,552	5,793	8,612	1,733
Prosecuting Attorney Tax Collection	1,410	404	1,359	455
Domestic Violence	35	620	620	35
Jury	734	13,000	13,531	203
Local Emergency Planning Committee	2,725	2,874	1,162	4,437
Law Enforcement Civil Fees	0	7,896	0	7,896
Health Center	137,814	347,707	348,065	137,456
Circuit Clerk Interest	7,770	892	6,449	2,213
Record Storage	21,831	9,087	0	30,918
Associate Circuit Division Interest	432	3,458	1,198	2,692
Law Library	2,829	4,596	3,914	3,511
Total	\$ 1,265,338	3,376,731	3,473,724	1,168,345

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

Exhibit B

DALLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 GENERAL REVENUE FUND

	Year Ended December 31,					
	1998			1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>RECEIPTS</b>						
Property taxes	\$ 12,700	16,071	3,371	16,100	14,093	-2,007
Sales taxes	440,000	455,336	15,336	425,000	438,951	13,951
Intergovernmental	125,619	87,636	-37,983	87,500	109,860	22,360
Charges for services	265,400	299,135	33,735	194,000	229,634	35,634
Interest	25,000	14,850	-10,150	30,000	27,718	-2,282
Other	20,917	12,315	-8,602	42,795	15,787	-27,008
Transfers in	35,000	8,612	-26,388	30,325	31,937	1,612
Total Receipts	924,636	893,955	#VALUE!	825,720	867,980	#VALUE!
<b>DISBURSEMENTS</b>						
County Commission	55,950	56,571	-621	55,300	54,739	561
County Clerk	56,118	55,298	820	52,690	52,298	392
Elections	46,890	31,308	15,582	16,900	13,711	3,189
Buildings and grounds	97,474	97,246	228	529,900	471,253	58,647
Employee fringe benefits	72,650	71,652	998	56,200	54,084	2,116
County Treasurer	26,240	25,839	401	24,907	21,979	2,928
County Collector	75,968	70,698	5,270	66,140	66,281	-141
Circuit Clerk	49,064	40,065	8,999	44,640	38,349	6,291
Associate Circuit Court	61,400	56,557	4,843	21,600	18,233	3,367
Court administration	10,435	9,380	1,055	10,982	15,405	-4,423
Public Administrator	40,450	40,561	-111	11,650	12,061	-411
Jail	2,000	1,744	256	1,500	1,590	-90
Prosecuting Attorney	72,550	72,408	142	69,000	68,962	38
Juvenile Officer	125,905	130,213	-4,308	101,680	111,739	-10,059
County Coroner	26,327	9,325	17,002	19,277	12,916	6,361
Insurance	17,000	10,790	6,210	15,000	15,397	-397
University extension council	28,000	28,000	0	26,825	26,825	0
Other	27,305	19,009	8,296	30,011	26,880	3,131
Transfers out	46,400	46,200	200	25,000	136,400	-111,400
Emergency Fund	28,000	0	28,000	40,000	0	40,000
Total Disbursements	966,126	872,864	93,262	1,219,202	1,219,102	100
RECEIPTS OVER (UNDER) DISBURSEMENTS	-41,490	21,091	#VALUE!	-393,482	-351,122	#VALUE!
CASH, JANUARY 1	227,599	227,599	0	578,721	578,721	0
CASH, DECEMBER 31	\$ 186,109	248,690	#VALUE!	185,239	227,599	#VALUE!

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

Exhibit C

DALLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 SPECIAL ROAD AND BRIDGE FUND

	Year Ended December 31,					
	1998			1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>RECEIPTS</b>						
Property taxes	\$ 235,600	224,645	-10,955	203,000	204,393	1,393
Intergovernmental	603,000	602,989	-11	541,000	585,978	44,978
Charges for services	6,000	8,585	2,585	8,500	5,978	-2,522
Interest	32,000	32,657	657	25,000	31,348	6,348
Other	3,000	3,502	502	0	6,128	6,128
Total Receipts	879,600	872,378	-7,222	777,500	833,825	56,325
<b>DISBURSEMENTS</b>						
Salaries	380,900	377,959	2,941	350,218	358,373	-8,155
Employee fringe benefits	89,640	97,624	-7,984	85,450	82,171	3,279
Supplies	104,500	82,215	22,285	94,500	96,181	-1,681
Insurance	18,000	14,278	3,722	18,000	13,586	4,414
Road and bridge materials	528,500	408,864	119,636	111,000	75,620	35,380
Equipment repairs	70,000	87,276	-17,276	10,000	27,846	-17,846
Equipment purchases	70,000	88,308	-18,308	42,000	61,874	-19,874
Other	12,500	5,867	6,633	12,500	5,295	7,205
Transfers out	26,388	0	26,388	23,325	23,325	0
Total Disbursements	1,300,428	1,162,391	138,037	746,993	744,271	2,722
RECEIPTS OVER (UNDER) DISBURSEMENTS	-420,828	-290,013	130,815	30,507	89,554	59,047
CASH, JANUARY 1	545,974	545,974	0	456,420	456,420	0
CASH, DECEMBER 31	\$ 125,146	255,961	130,815	486,927	545,974	59,047

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

Exhibit D

DALLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 ASSESSMENT FUND

	Year Ended December 31,					
	1998			1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental	\$ 108,000	108,939	939	89,682	89,526	-156
Interest	500	624	124	600	583	-17
Other	1,900	2,223	323	1,000	877	-123
Transfers in	36,400	34,400	-2,000	73,400	73,400	0
Total Receipts	146,800	146,186	-614	164,682	164,386	-296
DISBURSEMENTS						
Assessor	149,775	147,223	2,552	161,844	161,822	22
Total Disbursements	149,775	147,223	2,552	161,844	161,822	22
RECEIPTS OVER (UNDER) DISBURSEMENTS	-2,975	-1,037	1,938	2,838	2,564	-274
CASH, JANUARY 1	3,720	3,720	0	1,156	1,156	0
CASH, DECEMBER 31	\$ 745	2,683	1,938	3,994	3,720	-274

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

Exhibit E

DALLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 LAW ENFORCEMENT TRAINING FUND

Year Ended December 31,						
1998				1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental	\$ 0	1,761	1,761	0	0	0
Charges for services	7,500	5,903	-1,597	3,000	4,008	1,008
Total Receipts	<u>7,500</u>	<u>7,664</u>	<u>164</u>	<u>3,000</u>	<u>4,008</u>	<u>1,008</u>
DISBURSEMENTS						
Sheriff	8,555	7,675	880	5,900	4,073	1,827
Total Disbursements	<u>8,555</u>	<u>7,675</u>	<u>880</u>	<u>5,900</u>	<u>4,073</u>	<u>1,827</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	-1,055	-11	1,044	-2,900	-65	2,835
CASH, JANUARY 1	3,029	3,029	0	3,094	3,094	0
CASH, DECEMBER 31	<u>\$ 1,974</u>	<u>3,018</u>	<u>1,044</u>	<u>194</u>	<u>3,029</u>	<u>2,835</u>

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

Exhibit F

DALLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 PROSECUTING ATTORNEY TRAINING FUND

		Year Ended December 31,					
		1998			1997		
		Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS							
Charges for services	\$	1,800	1,475	-325	1,860	1,763	-97
Total Receipts		1,800	1,475	-325	1,860	1,763	-97
DISBURSEMENTS							
Prosecuting Attorney		2,950	924	2,026	1,539	1,157	382
Transfers out		0	1,952	-1,952	0	0	0
Total Disbursements		2,950	2,876	74	1,539	1,157	382
RECEIPTS OVER (UNDER) DISBURSEMENTS		-1,150	-1,401	-251	321	606	285
CASH, JANUARY 1		1,633	1,633	0	1,027	1,027	0
CASH, DECEMBER 31	\$	483	232	-251	1,348	1,633	285

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

Exhibit G

DALLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 CAPITAL IMPROVEMENTS SALES TAX FUND

		Year Ended December 31,					
		1998			1997		
		Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>RECEIPTS</b>							
	<b>Sales taxes</b>	\$ 440,000	455,337	15,337	425,000	438,951	13,951
	Interest	8,000	7,763	-237	5,000	7,776	2,776
	Other	0	0	0	500	198	-302
	Total Receipts	448,000	463,100	15,100	430,500	446,925	16,425
<b>DISBURSEMENTS</b>							
	Road and bridge materials	383,000	400,425	-17,425	323,000	259,277	63,723
	Contract labor	3,150	0	3,150	0	3,153	-3,153
	Equipment purchases	184,800	104,132	80,668	8,500	32,108	-23,608
	Bridge construction	30,000	38,270	-8,270	20,000	26,346	-6,346
	Other	2,000	710	1,290	1,500	73	1,427
	Total Disbursements	602,950	543,537	59,413	353,000	320,957	32,043
	RECEIPTS OVER (UNDER) DISBURSEMENTS	-154,950	-80,437	74,513	77,500	125,968	48,468
	CASH, JANUARY 1	166,743	166,743	0	40,775	40,775	0
	CASH, DECEMBER 31	\$ 11,793	86,306	74,513	118,275	166,743	48,468

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

Exhibit H

DALLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 LAW ENFORCEMENT SALES TAX FUND

Year Ended December 31,						
1998			1997			
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>RECEIPTS</b>						
<b>Sales taxes</b>	\$ 454,000	455,303	1,303	425,000	438,951	13,951
Intergovernmental	57,500	60,569	3,069	28,050	65,074	37,024
Charges for services	133,435	145,196	11,761	127,300	86,089	-41,211
Interest	1,800	3,933	2,133	1,700	1,970	270
Other	21,000	21,430	430	17,950	19,433	1,483
Transfers in	8,000	8,000	0	50,000	50,000	0
Total Receipts	675,735	694,431	18,696	650,000	661,517	11,517
<b>DISBURSEMENTS</b>						
Salaries	434,123	397,051	37,072	409,590	402,939	6,651
Office expenditures	6,300	9,304	-3,004	9,000	9,572	-572
Equipment	46,645	48,009	-1,364	25,500	23,453	2,047
Mileage and training	9,500	15,508	-6,008	11,500	10,288	1,212
Jail operations	47,177	43,073	4,104	35,993	53,573	-17,580
Prisoner cost	33,000	38,837	-5,837	34,367	35,639	-1,272
Jail equipment and repairs	6,050	4,226	1,824	6,050	4,337	1,713
Other	2,000	3,503	-1,503	10,000	1,631	8,369
Debt service	96,000	96,000	0	96,000	96,000	0
Total Disbursements	680,795	655,511	25,284	638,000	637,432	568
RECEIPTS OVER (UNDER) DISBURSEMENTS	-5,060	38,920	43,980	12,000	24,085	12,085
CASH, JANUARY 1	28,098	28,098	0	4,013	4,013	0
CASH, DECEMBER 31	\$ 23,038	67,018	43,980	16,013	28,098	12,085

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

Exhibit I

DALLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 PROSECUTING ATTORNEY BAD CHECK FUND

		Year Ended December 31,					
		1998			1997		
		Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>RECEIPTS</b>							
	<b>Charges for services</b>	\$ 7,000	5,005	-1,995	7,300	5,659	-1,641
	Interest	150	51	-99	165	134	-31
	Transfers in	0	2,416	2,416	0	0	0
	Total Receipts	7,150	7,472	322	7,465	5,793	-1,672
<b>DISBURSEMENTS</b>							
	Prosecuting Attorney	0	0	0	1,605	0	1,605
	Transfers out	8,612	8,612	0	8,612	8,612	0
	Total Disbursements	8,612	8,612	0	10,217	8,612	1,605
	RECEIPTS OVER (UNDER) DISBURSEMENTS	-1,462	-1,140	322	-2,752	-2,819	-67
	CASH, JANUARY 1	1,733	1,733	0	4,552	4,552	0
	CASH, DECEMBER 31	\$ 271	593	322	1,800	1,733	-67

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

Exhibit J

DALLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 PROSECUTING ATTORNEY TAX COLLECTION FUND

		Year Ended December 31,					
		1998			1997		
		Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>RECEIPTS</b>							
	<b>Intergovernmental</b>	\$ 350	15	-335	400	353	-47
	Interest	50	14	-36	30	51	21
	Total Receipts	400	29	-371	430	404	-26
<b>DISBURSEMENTS</b>							
	Prosecuting Attorney	700	0	700	1,375	1,359	16
	Transfers out	0	464	-464	0	0	0
	Total Disbursements	700	464	236	1,375	1,359	16
	RECEIPTS OVER (UNDER) DISBURSEMENTS	-300	-435	-135	-945	-955	-10
	CASH, JANUARY 1	455	455	0	1,410	1,410	0
	CASH, DECEMBER 31	\$ 155	20	-135	465	455	-10

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

Exhibit K

DALLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 DOMESTIC VIOLENCE FUND

Year Ended December 31,						
1998				1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charge for services	\$ 1,000	585	-415	500	620	120
Total Receipts	1,000	585	-415	500	620	120
DISBURSEMENTS						
Domestic violence shelter	1,000	435	565	535	620	-85
Total Disbursements	1,000	435	565	535	620	-85
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	150	150	-35	0	35
CASH, JANUARY 1	35	35	0	35	35	0
CASH, DECEMBER 31	\$ 35	185	150	0	35	35

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

Exhibit L

DALLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 JURY FUND

		Year Ended December 31,					
		1998			1997		
		Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS							
Other	\$	0	31	31	0	0	0
Transfers in		7,000	11,800	4,800	2,000	13,000	11,000
Total Receipts		<u>7,000</u>	<u>11,831</u>	<u>4,831</u>	<u>2,000</u>	<u>13,000</u>	<u>11,000</u>
DISBURSEMENTS							
Jury script		7,000	11,617	-4,617	2,500	13,531	-11,031
Total Disbursements		<u>7,000</u>	<u>11,617</u>	<u>-4,617</u>	<u>2,500</u>	<u>13,531</u>	<u>-11,031</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS		0	214	214	-500	-531	-31
CASH, JANUARY 1		203	203	0	734	734	0
CASH, DECEMBER 31	\$	<u>203</u>	<u>417</u>	<u>214</u>	<u>234</u>	<u>203</u>	<u>-31</u>

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

Exhibit M

DALLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 LOCAL EMERGENCY PLANNING COMMITTEE FUND

		Year Ended December 31,					
		1998			1997		
		Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS							
Intergovernmental	\$	0	3,083	3,083	1,000	2,874	1,874
Total Receipts		0	3,083	3,083	1,000	2,874	1,874
DISBURSEMENTS							
Local emergency planning		4,350	3,953	397	2,300	1,162	1,138
Total Disbursements		4,350	3,953	397	2,300	1,162	1,138
RECEIPTS OVER (UNDER) DISBURSEMENTS		-4,350	-870	3,480	-1,300	1,712	3,012
CASH, JANUARY 1		4,437	4,437	0	2,725	2,725	0
CASH, DECEMBER 31	\$	87	3,567	3,480	1,425	4,437	3,012

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

Exhibit N

DALLAS COUNTY, MISSOURI  
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 LAW ENFORCEMENT CIVIL FEES FUND

				Year Ended December 31,		
				1998		
				Budget	Actual	Variance Favorable (Unfavorable)
<b>RECEIPTS</b>						
	<b>Charges for services</b>	\$	15,600	12,161		-3,439
	Total Receipts		15,600	12,161		-3,439
<b>DISBURSEMENTS</b>						
	Sheriff		20,712	9,159		11,553
	Transfers out		0	8,000		-8,000
	Total Disbursements		20,712	17,159		3,553
	<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>		-5,112	-4,998		114
	<b>CASH, JANUARY 1</b>		7,896	7,896		0
	<b>CASH, DECEMBER 31</b>	\$	2,784	2,898		114

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

Exhibit O

DALLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 HEALTH CENTER FUND

		Year Ended December 31,					
		1998			1997		
		Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>RECEIPTS</b>							
	<b>Property taxes</b>	\$ 83,500	86,311	2,811	75,800	76,553	753
	Intergovernmental	239,350	181,003	-58,347	208,573	219,226	10,653
	Charges for services	12,225	9,632	-2,593	27,500	20,311	-7,189
	Interest	9,000	7,894	-1,106	9,500	8,197	-1,303
	Other	19,700	12,108	-7,592	28,424	23,420	-5,004
	<b>Total Receipts</b>	<b>363,775</b>	<b>296,948</b>	<b>-66,827</b>	<b>349,797</b>	<b>347,707</b>	<b>-2,090</b>
<b>DISBURSEMENTS</b>							
	Salaries	278,700	228,888	49,812	266,100	258,749	7,351
	Office expenditures	30,665	26,848	3,817	20,015	28,874	-8,859
	Equipment	2,650	687	1,963	2,100	1,057	1,043
	Mileage and training	8,100	3,089	5,011	9,500	9,195	305
	Other	41,150	38,214	2,936	65,465	50,190	15,275
	<b>Total Disbursements</b>	<b>361,265</b>	<b>297,726</b>	<b>63,539</b>	<b>363,180</b>	<b>348,065</b>	<b>15,115</b>
	<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<b>2,510</b>	<b>-778</b>	<b>-3,288</b>	<b>-13,383</b>	<b>-358</b>	<b>13,025</b>
	<b>CASH, JANUARY 1</b>	<b>137,456</b>	<b>137,456</b>	<b>0</b>	<b>137,814</b>	<b>137,814</b>	<b>0</b>
	<b>CASH, DECEMBER 31</b>	<b>\$ 139,966</b>	<b>136,678</b>	<b>-3,288</b>	<b>124,431</b>	<b>137,456</b>	<b>13,025</b>

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

Exhibit P

DALLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 CIRCUIT CLERK INTEREST FUND

	Year Ended December 31,					
	1998			1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Interest	0	1,523	1,523	3,275	892	-2,383
Total Receipts	0	1,523	1,523	3,275	892	-2,383
DISBURSEMENTS						
Circuit Clerk	500	1,442	-942	8,000	6,449	1,551
Total Disbursements	500	1,442	-942	8,000	6,449	1,551
RECEIPTS OVER (UNDER) DISBURSEMENTS	-500	81	581	-4,725	-5,557	-832
CASH, JANUARY 1	2,213	2,213	0	7,770	7,770	0
CASH, DECEMBER 31	\$ 1,713	2,294	581	3,045	2,213	-832

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

Exhibit Q

DALLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 RECORDER STORAGE FUND

		Year Ended December 31,					
		1998			1997		
		Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>RECEIPTS</b>							
<b>Charges for services</b>							
	\$	0	8,612	8,612	8,800	8,055	-745
		0	1,207	1,207	650	1,032	382
		0	9,819	9,819	9,450	9,087	-363
<b>DISBURSEMENTS</b>							
		28,000	10,231	17,769	22,500	0	22,500
		28,000	10,231	17,769	22,500	0	22,500
		-28,000	-412	27,588	-13,050	9,087	22,137
		30,918	30,918	0	21,831	21,831	0
	\$	2,918	30,506	27,588	8,781	30,918	22,137

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

Exhibit R

DALLAS COUNTY, MISSOURI  
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 ASSOCIATE CIRCUIT DIVISION INTEREST FUND

				Year Ended December 31,		
				1998		
				Budget	Actual	Variance Favorable (Unfavorable)
<b>RECEIPTS</b>						
	<b>Interest</b>	\$	800	2,493	1,693	
	Total Receipts		800	2,493	1,693	
<b>DISBURSEMENTS</b>						
	Associate Circuit Division		600	564	36	
	Total Disbursements		600	564	36	
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>			200	1,929	1,729	
<b>CASH, JANUARY 1</b>			2,692	2,692	0	
<b>CASH, DECEMBER 31</b>			\$ 2,892	4,621	1,729	

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

Notes to the Financial Statements

DALLAS COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Reporting Entity and Basis of Presentation

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

B. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from generally accepted accounting principles, which 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.

C. Budgets and Budgetary Practices

The County Commission and other applicable boards are responsible for the preparation and approval of budgets for various county funds in accordance with Sections 50.525 through 50.745, RSMo 1994 and RSMo Cumulative Supp. 1998, the county budget law. These budgets are adopted on the cash basis of accounting.

Although adoption of a formal budget is required by law, the county did not adopt formal budgets for the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Law Enforcement Civil Fees Fund	1997
Associate Circuit Division Interest Fund	1997
Law Library Fund	1998 and 1997

Warrants issued were in excess of budgeted amounts for the Jury Fund in 1998 and 1997, Circuit Clerk Interest Fund in 1998, and the Domestic Violence Fund in 1997. Section 50.740, RSMo 1994, prohibits expenditures in excess of the approved budgets.

D. Published Financial Statements

Under Sections 50.800 and 50.810, RSMo 1994, the County Commission is responsible for preparing and publishing in a local newspaper a detailed annual financial statement for the county. The financial statement is required to show receipts or revenues, disbursements or expenditures, and beginning and ending balances for each fund.

However, the county's published financial statements did not include the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Prosecuting Attorney Bad Check Fund	1998 and 1997
Prosecuting Attorney Tax Collection Fund	1998 and 1997
Circuit Clerk Interest Fund	1998 and 1997
Recorder Storage Fund	1998 and 1997
Associate Circuit Division Interest Fund	1998
Law Library Fund	1998 and 1997

2. Cash

Section 110.270, RSMo 1994, based on Article IV, Section 15, Missouri Constitution, authorizes counties to place their funds, either outright or by repurchase agreement, in U.S. Treasury and agency obligations. In addition, Section 30.950, RSMo Cumulative Supp. 1998, effective August 28, 1997, requires political subdivisions with existing authority to invest in instruments other than depository accounts at financial institutions to adopt a written investment policy. Among other things, the policy is to commit a political subdivision to the principles of safety, liquidity, and yield (in that order) when managing public funds and to prohibit purchase of derivatives (either directly or through repurchase agreements), use of leveraging (through either reverse repurchase agreements or other methods), and use of public funds for speculation. The county has not adopted such a policy.

In accordance with Statement No. 3 of the Governmental Accounting Standards Board, *Deposits with Financial Institutions, Investments (Including Repurchase Agreements), and Reverse Repurchase Agreements*, disclosures are provided below regarding the risk of potential loss of cash deposits. For the purposes of these disclosures, deposits with financial institutions are demand, time, and savings accounts, including certificates of deposit and negotiable order of withdrawal accounts, in banks, savings institutions, and credit unions.

The county's deposits at December 31, 1998 and 1997, were entirely covered by federal depository insurance or by collateral securities held by the county's custodial bank in the county's name.

The deposits of the Health Center Board at December 31, 1998 and 1997, were entirely covered by federal depository insurance or by collateral securities held by the Health Center Board's custodial bank in the Health Center Board's name.

3. Use Tax Liability

The local use tax under Section 144.748, RSMo 1994, was struck down in its entirety by the Missouri Supreme Court in *Associated Industries of Missouri v. Director of Revenue*, 918 S.W.2d 780 (Mo. banc 1996). In *St. Charles County v. Director of Revenue*, 961 S.W.2d 44 (Mo. banc 1998), the Missouri Supreme Court ruled that local use taxes paid prior to the repeal

of Section 144.748, RSMo 1994, must be refunded to taxpayers and authorized the Department of Revenue (DOR) to withhold amounts otherwise due to political subdivisions to the extent such withholding is necessary to cover the refund expense. On March 24, 1998, the Cole County Circuit Court entered final judgment in accordance with the Supreme Court's opinion and ordered the DOR to process refund claims filed.

The county has received \$258,348 in local use tax since its inception. The DOR has estimated the county's share of the total refund liability to be \$118,262. As of December 31, 1998, \$51,082 remains to be paid.

Schedule

DALLAS COUNTY, MISSOURI  
SCHEDULE OF FINDINGS  
YEARS ENDED DECEMBER 31, 1998 AND 1997

This schedule includes no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

## Follow-Up on Prior Audit Findings

DALLAS COUNTY, MISSOURI  
FOLLOW-UP ON PRIOR AUDIT FINDINGS

Our prior audit report issued for the three years ended December 31, 1996, included no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

SECTION ON OTHER MATTERS

DALLAS COUNTY, MISSOURI  
LETTER ON OTHER MATTERS

We have audited the special-purpose financial statements of various funds of Dallas County, Missouri, as of and for the years ended December 31, 1998 and 1997, and have issued our report thereon dated August 11, 1999.

We did not review the operations of elected officials with funds other than those presented in the special-purpose financial statements. The operations of such officials will be reviewed and reported on during the state auditor's next scheduled audit of the county.

This Letter on Other Matters presents matters other than the findings, if any, reported in the accompanying Schedule of Findings. These matters resulted from our audit of the special-purpose financial statements of Dallas County but do not meet the criteria for inclusion in the written report on compliance and on internal control over financial reporting that is required for an audit performed in accordance with *Government Auditing Standards*. Nevertheless, the county should consider these matters and take appropriate corrective action.

1. County Expenditures

The Prosecuting Attorney operates the county prosecuting attorney's office from her private law office. The county does not have a written agreement with the Prosecuting Attorney outlining what office, personnel and equipment costs will be provided by the county and what costs will be provided by the Prosecuting Attorney's private practice.

2. Personnel Policy

The county's personnel policy for vacation and sick leave addresses only full-time employees; however, the county allows some part-time employees to earn vacation and sick leave.

3. Fuel Usage and Controls

Fuel usage and meter reading logs are not maintained for county road and bridge vehicles and fuel tanks. All road and bridge employees have access to county road and bridge buildings and fuel tanks. While fuel usage logs are maintained for Sheriff Department vehicles, these logs are not reconciled to fuel purchased.

4. Health Center Policies and Procedures

Beginning and ending actual cash balances for the year ended December 31, 1998, were incorrectly reported on the 1999 budget and the health center had not established procedures to ensure their accuracy.

As of August 1999, bank reconciliations had not been performed since February 1999. Receipts are not recorded on accounting records until deposits are made, and receipts are not deposited daily or when accumulated receipts exceed \$100. In addition, receipts and petty cash fund monies are not maintained in a secure location.

Standard prenumbered sanitation permit forms are not always used, and a log of permits and inspections is not maintained.

The health center does not have a written depositary agreement with the bank.

The health center's checks require two signatures, a board member's and the administrator's; however, checks are occasionally signed in advance. Adequate supporting documentation was not retained for some expenditures, and some invoices were not canceled to prevent reuse.

Time sheets are not always prepared by employees of the health center, and some time sheets prepared were not signed by employees or approved by the administrator. Time sheets and leave records did not always accurately report hours worked and leave taken and earned.

Property records are not always complete and do not include some necessary information, such as acquisition date, serial number, cost, and date and method of disposal. In addition, the property records do not include the cost of land and buildings.

This Letter on Other Matters is intended for the information of the management of Dallas County, Missouri, and other applicable government officials. However, this letter is a matter of public record and its distribution is not limited.