



IRON COUNTY, MISSOURI

TWO YEARS ENDED DECEMBER 31, 1999

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

Report No. 2000-101
September 25, 2000
www.auditor.state.mo.us

AUDIT REPORT



Office Of The
State Auditor Of Missouri
Claire McCaskill

September 2000

www.auditor.state.mo.us

IMPORTANT: The Missouri State Auditor is required by Missouri law to conduct audits only once every four years in counties, like Iron, 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.

This audit of Iron 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

IRON COUNTY, MISSOURI

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FINANCIAL SECTION

State Auditor's Reports



CLAIRE C. McCASKILL
Missouri State Auditor

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL
STATEMENTS AND SUPPLEMENTARY SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS

To the County Commission
and
Officeholders of Iron County, Missouri

We have audited the accompanying special-purpose financial statements of various funds of Iron County, Missouri, as of and for the years ended December 31, 1999 and 1998, 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.

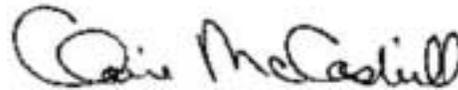
The accompanying special-purpose financial statements were prepared for the purpose of presenting the receipts, disbursements, and changes in cash of various funds of Iron County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county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

1999 and 1998, in conformity with the comprehensive basis of accounting discussed in Note 1, which is a basis of accounting other than generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we also have issued our report dated July 12, 2000, 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.

The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the special-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the special-purpose financial statements taken as a whole.



Claire McCaskill
State Auditor

July 12, 2000 (fieldwork completion date)

The following auditors participated in the preparation of this report:

Director of Audits:	Thomas J. Kremer, CPA
Audit Manager:	Debra S. Lewis, CPA
In-Charge Auditor:	Darrick A. Fulton
Audit Staff:	Douglas P. Robinson Norma L. Payne



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 Iron County, Missouri

We have audited the special-purpose financial statements of various funds of Iron County, Missouri, as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated July 12, 2000. 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

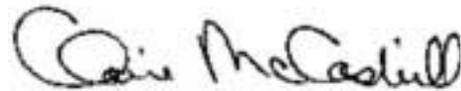
As part of obtaining reasonable assurance about whether the special-purpose financial statements of various funds of Iron County, Missouri, are free of material misstatement, we performed tests of the county's compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance 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 Iron 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 Iron County, Missouri; federal awarding agencies and pass-through entities; 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

July 12, 2000 (fieldwork completion date)

Financial Statements

Exhibit A-1

IRON COUNTY, MISSOURI
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS
 YEAR ENDED DECEMBER 31, 1999

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 304,562	1,220,961	1,161,542	363,981
Special Road and Bridge	395,426	973,153	967,539	401,040
Assessment	2,067	136,339	138,327	79
Law Enforcement Training	343	850	748	445
Prosecuting Attorney Training	1,358	442	0	1,800
Special Law Enforcement	5,647	3,861	6,000	3,508
Sheriff's Civil Fund	7,836	9,795	4,144	13,487
Record Preservation Fund	14,379	11,866	5,751	20,494
Iron County Industrial Development Association	10	35,178	34,499	689
Marriage Fund	542	534	0	1,076
Health Center	347,394	319,994	306,093	361,295
Board for the Developmentally Disabled	74,653	158,231	143,149	89,735
Prosecuting Attorney Delinquent Tax	462	23	0	485
Prosecuting Attorney Bad Checks	7,321	11,005	6,812	11,514
Circuit Clerk Interest	7,429	1,060	0	8,489
Associate Circuit Division Interest	1,596	370	0	1,966
Law Library	888	3,668	4,097	459
Sheriff's Commissions	593	3,501	1,353	2,741
Total	\$ 1,172,506	2,890,831	2,780,054	1,283,283

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

Exhibit A-2

IRON 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	\$ 254,955	1,180,850	1,131,243	304,562
Special Road and Bridge	385,587	896,254	886,415	395,426
Assessment	97	127,170	125,200	2,067
Law Enforcement Training	1,326	806	1,789	343
Prosecuting Attorney Training	922	436	0	1,358
Special Law Enforcement	3,026	15,445	12,824	5,647
Sheriff's Civil Fund	0	10,105	2,269	7,836
Record Preservation Fund	17,011	5,655	8,287	14,379
Iron County Industrial Development Association	8,865	26,162	35,017	10
Marriage Fund	1,158	584	1,200	542
Health Center	301,163	313,989	267,758	347,394
Board for the Developmentally Disabled	45,720	156,002	127,069	74,653
Prosecuting Attorney Delinquent Tax	440	22	0	462
Prosecuting Attorney Bad Checks	7,896	8,758	9,333	7,321
Circuit Clerk Interest	6,412	1,017	0	7,429
Associate Circuit Division Interest	953	643	0	1,596
Law Library	1	4,012	3,125	888
Sheriff's Commissions	920	3,728	4,055	593
Local Use Tax	62,204	996	63,200	0
Total	\$ 1,098,656	2,752,634	2,678,784	1,172,506

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

Exhibit B

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

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property taxes	\$ 409,000	435,586	26,586	369,000	379,071	10,071
Sales taxes	310,000	300,953	(9,047)	308,000	309,555	1,555
Intergovernmental	245,550	222,273	(23,277)	218,065	199,530	(18,535)
Charges for services	195,500	195,537	37	180,500	198,475	17,975
Interest	24,000	26,377	2,377	18,000	22,722	4,722
Other	3,100	4,091	991	1,800	39,497	37,697
Transfers in	43,250	36,144	(7,106)	32,000	32,000	0
Total Receipts	1,230,400	1,220,961	(9,439)	1,127,365	1,180,850	53,485
DISBURSEMENTS						
County Commission	77,424	74,536	2,888	51,066	49,066	2,000
County Clerk	82,277	80,532	1,745	63,013	62,512	501
Elections	800	488	312	37,328	31,448	5,880
Buildings and grounds	64,600	51,480	13,120	78,504	63,768	14,736
Employee fringe benefits	121,300	126,815	(5,515)	102,300	104,405	(2,105)
County Treasurer	35,690	34,107	1,583	23,276	21,028	2,248
County Collector	68,898	64,999	3,899	63,699	61,707	1,992
Circuit Clerk	25,172	23,150	2,022	19,972	22,667	(2,695)
Associate Circuit Court	19,665	19,257	408	17,625	16,577	1,048
Court administration	10,400	8,275	2,125	13,597	8,718	4,879
Public Administrator	12,500	11,430	1,070	8,350	22,029	(13,679)
Sheriff	396,745	387,404	9,341	329,015	297,484	31,531
Jail	52,000	56,914	(4,914)	53,944	48,991	4,953
Prosecuting Attorney	80,742	79,318	1,424	70,208	65,929	4,279
Juvenile Officer	39,900	28,820	11,080	42,640	42,640	0
County Coroner	7,288	6,912	376	7,185	6,836	349
Other	94,189	97,105	(2,916)	145,469	200,438	(54,969)
Transfers out	10,000	10,000	0	5,000	5,000	0
Emergency Fund	30,000	0	30,000	30,000	0	30,000
Total Disbursements	1,229,590	1,161,542	68,048	1,162,191	1,131,243	30,948
RECEIPTS OVER (UNDER) DISBURSEMENTS	810	59,419	58,609	(34,826)	49,607	84,433
CASH, JANUARY 1	304,562	304,562	0	254,955	254,955	0
CASH, DECEMBER 31	\$ 305,372	363,981	58,609	220,129	304,562	84,433

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

Exhibit C

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

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property taxes	\$ 393,000	387,510	(5,490)	339,000	380,717	41,717
Intergovernmental	726,500	509,066	(217,434)	512,900	487,416	(25,484)
Interest	24,000	27,903	3,903	19,000	24,072	5,072
Other	49,500	48,674	(826)	56,000	4,049	(51,951)
Total Receipts	<u>1,193,000</u>	<u>973,153</u>	<u>(219,847)</u>	<u>926,900</u>	<u>896,254</u>	<u>(30,646)</u>
DISBURSEMENTS						
Salaries	321,000	309,332	11,668	290,000	285,314	4,686
Employee fringe benefits	83,500	80,731	2,769	83,000	70,902	12,098
Supplies	79,700	71,448	8,252	84,600	79,963	4,637
Insurance	18,000	20,295	(2,295)	15,000	16,891	(1,891)
Road and bridge materials	176,000	207,396	(31,396)	170,000	124,846	45,154
Equipment repairs	50,800	45,908	4,892	65,800	64,146	1,654
Rentals	500	1,189	(689)	500	15	485
Equipment purchases	167,500	168,907	(1,407)	147,500	175,177	(27,677)
Construction, repair, and maintenance	267,000	300	266,700	49,000	0	49,000
Other	18,500	21,033	(2,533)	33,000	29,161	3,839
Transfers out	41,000	41,000	0	40,000	40,000	0
Total Disbursements	<u>1,223,500</u>	<u>967,539</u>	<u>255,961</u>	<u>978,400</u>	<u>886,415</u>	<u>91,985</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(30,500)	5,614	36,114	(51,500)	9,839	61,339
CASH, JANUARY 1	395,426	395,426	0	385,587	385,587	0
CASH, DECEMBER 31	<u>\$ 364,926</u>	<u>401,040</u>	<u>36,114</u>	<u>334,087</u>	<u>395,426</u>	<u>61,339</u>

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

Exhibit D

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

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental	\$ 135,830	132,383	(3,447)	128,500	126,124	(2,376)
Interest	0	1,043	1,043	1,000	1,011	11
Other	5,067	2,913	(2,154)	3,000	35	(2,965)
Transfers in	9,023	0	(9,023)	9,000	0	(9,000)
Total Receipts	<u>149,920</u>	<u>136,339</u>	<u>(13,581)</u>	<u>141,500</u>	<u>127,170</u>	<u>(14,330)</u>
DISBURSEMENTS						
Assessor	149,920	138,327	11,593	139,265	125,200	14,065
Total Disbursements	<u>149,920</u>	<u>138,327</u>	<u>11,593</u>	<u>139,265</u>	<u>125,200</u>	<u>14,065</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	(1,988)	(1,988)	2,235	1,970	(265)
CASH, JANUARY 1	2,067	2,067	0	97	97	0
CASH, DECEMBER 31	<u>\$ 2,067</u>	<u>79</u>	<u>(1,988)</u>	<u>2,332</u>	<u>2,067</u>	<u>(265)</u>

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

Exhibit E

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

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 1,000	838	(162)	1,500	782	(718)
Interest	50	12	(38)	60	24	(36)
Total Receipts	<u>1,050</u>	<u>850</u>	<u>(200)</u>	<u>1,560</u>	<u>806</u>	<u>(754)</u>
DISBURSEMENTS						
Sheriff	1,300	748	552	2,000	1,789	211
Total Disbursements	<u>1,300</u>	<u>748</u>	<u>552</u>	<u>2,000</u>	<u>1,789</u>	<u>211</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(250)	102	352	(440)	(983)	(543)
CASH, JANUARY 1	343	343	0	1,326	1,326	0
CASH, DECEMBER 31	<u>\$ 93</u>	<u>445</u>	<u>352</u>	<u>886</u>	<u>343</u>	<u>(543)</u>

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

Exhibit F

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

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 400	364	(36)	400	381	(19)
Interest	50	78	28	30	55	25
Total Receipts	450	442	(8)	430	436	6
DISBURSEMENTS						
Prosecuting Attorney	450	0	450	450	0	450
Total Disbursements	450	0	450	450	0	450
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	442	442	(20)	436	456
CASH, JANUARY 1	1,358	1,358	0	922	922	0
CASH, DECEMBER 31	\$ 1,358	1,800	442	902	1,358	456

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

Exhibit G

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

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 0	3,599	3,599	17,000	15,231	(1,769)
Interest	0	262	262	200	214	14
Total Receipts	0	3,861	3,861	17,200	15,445	(1,755)
DISBURSEMENTS						
Salaries	0	0	0	6,000	4,882	1,118
Equipment	0	0	0	5,000	0	5,000
Mileage and training	0	0	0	1,500	281	1,219
Other	0	1,000	(1,000)	2,100	2,661	(561)
Transfers out	5,000	5,000	0	5,000	5,000	0
Total Disbursements	5,000	6,000	(1,000)	19,600	12,824	6,776
RECEIPTS OVER (UNDER) DISBURSEMENTS	(5,000)	(2,139)	2,861	(2,400)	2,621	5,021
CASH, JANUARY 1	5,647	5,647	0	3,026	3,026	0
CASH, DECEMBER 31	\$ 647	3,508	2,861	626	5,647	5,021

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

Exhibit H

IRON COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 SHERIFF'S CIVIL FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 15,000	9,172	(5,828)	10,000	9,900	(100)
Interest	0	623	623	500	205	(295)
Total Receipts	15,000	9,795	(5,205)	10,500	10,105	(395)
DISBURSEMENTS						
Salaries	0	0	0	10,000	0	10,000
Equipment	0	0	0	0	2,269	(2,269)
Transfer Out	11,250	4,144	7,106	0	0	0
Total Disbursements	11,250	4,144	7,106	10,000	2,269	7,731
RECEIPTS OVER (UNDER) DISBURSEMENTS	3,750	5,651	1,901	500	7,836	7,336
CASH, JANUARY 1	8,258	7,836	(422)	0	0	0
CASH, DECEMBER 31	\$ 12,008	13,487	1,479	500	7,836	7,336

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

Exhibit I

IRON COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 RECORD PRESERVATION FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental	\$ 0	6,281	6,281	0	0	0
Charges for services	4,000	4,780	780	4,000	4,842	842
Interest	900	805	(95)	900	813	(87)
Total Receipts	4,900	11,866	6,966	4,900	5,655	755
DISBURSEMENTS						
Equipment	10,000	5,751	4,249	4,300	8,287	(3,987)
Total Disbursements	10,000	5,751	4,249	4,300	8,287	(3,987)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(5,100)	6,115	11,215	600	(2,632)	(3,232)
CASH, JANUARY 1	14,379	14,379	0	17,011	17,011	0
CASH, DECEMBER 31	\$ 9,279	20,494	11,215	17,611	14,379	(3,232)

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

Exhibit J

IRON COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 IRON COUNTY INDUSTRIAL DEVELOPMENT ASSOCIATION FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental	\$ 10,000	10,750	750	10,000	7,826	(2,174)
Interest	0	428	428	300	336	36
Transfers in	24,000	24,000	0	17,780	18,000	220
Total Receipts	34,000	35,178	1,178	28,080	26,162	(1,918)
DISBURSEMENTS						
Salaries	29,203	29,644	(441)	29,170	28,883	287
Office expenditures	1,200	1,623	(423)	2,000	1,885	115
Equipment	800	0	800	1,150	440	710
Mileage and training	1,300	2,009	(709)	1,600	2,624	(1,024)
Other	700	1,223	(523)	3,000	1,185	1,815
Total Disbursements	33,203	34,499	(1,296)	36,920	35,017	1,903
RECEIPTS OVER (UNDER) DISBURSEMENTS	797	679	(118)	(8,840)	(8,855)	(15)
CASH, JANUARY 1	10	10	0	8,865	8,865	0
CASH, DECEMBER 31	\$ 807	689	(118)	25	10	(15)

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

Exhibit K

IRON COUNTY, MISSOURI
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 MARRIAGE FUND

	Year Ended December 31,		
	1999		
	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS			
Charges for services	\$ 500	495	(5)
Interest	30	39	9
Total Receipts	530	534	4
DISBURSEMENTS			
Contract services	450	0	450
Total Disbursements	450	0	450
RECEIPTS OVER (UNDER) DISBURSEMENTS	80	534	454
CASH, JANUARY 1	542	542	0
CASH, DECEMBER 31	\$ 622	1,076	454

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

Exhibit L

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

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property taxes	\$ 151,045	153,889	2,844	148,200	152,288	4,088
Intergovernmental	105,736	103,524	(2,212)	107,028	108,393	1,365
Charges for services	31,000	38,208	7,208	32,000	31,943	(57)
Interest	12,000	17,982	5,982	10,000	17,468	7,468
Other	2,100	6,391	4,291	1,754	3,897	2,143
Total Receipts	<u>301,881</u>	<u>319,994</u>	<u>18,113</u>	<u>298,982</u>	<u>313,989</u>	<u>15,007</u>
DISBURSEMENTS						
Salaries	218,000	214,568	3,432	204,700	203,157	1,543
Office expenditures	18,000	16,317	1,683	16,500	14,073	2,427
Equipment	25,000	7,529	17,471	25,000	6,093	18,907
Mileage and training	6,800	5,227	1,573	6,300	5,488	812
Building and property	200,000	0	200,000	200,000	0	200,000
Other	181,475	62,452	119,023	147,645	38,947	108,698
Total Disbursements	<u>649,275</u>	<u>306,093</u>	<u>343,182</u>	<u>600,145</u>	<u>267,758</u>	<u>332,387</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>(347,394)</u>	<u>13,901</u>	<u>361,295</u>	<u>(301,163)</u>	<u>46,231</u>	<u>347,394</u>
CASH, JANUARY 1	347,394	347,394	0	301,163	301,163	0
CASH, DECEMBER 31	<u>\$ 0</u>	<u>361,295</u>	<u>361,295</u>	<u>0</u>	<u>347,394</u>	<u>347,394</u>

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

Exhibit M

IRON COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 BOARD FOR THE DEVELOPMENTALLY DISABLED FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property taxes	\$ 145,000	149,556	4,556	135,000	147,573	12,573
Interest	2,600	4,475	1,875	2,000	3,690	1,690
Other	4,200	4,200	0	2,450	4,739	2,289
Total Receipts	151,800	158,231	6,431	139,450	156,002	16,552
DISBURSEMENTS						
Health and Welfare	149,228	143,149	6,079	150,579	127,069	23,510
Total Disbursements	149,228	143,149	6,079	150,579	127,069	23,510
RECEIPTS OVER (UNDER) DISBURSEMENTS	2,572	15,082	12,510	(11,129)	28,933	40,062
CASH, JANUARY 1	74,653	74,653	0	45,980	45,720	(260)
CASH, DECEMBER 31	\$ 77,225	89,735	12,510	34,851	74,653	39,802

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

Notes to the Financial Statements

IRON 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 Iron 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, Health Center Board or the Board for the Developmentally Disabled. 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. 1999, 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>
Marriage Fund	1998
Prosecuting Attorney Bad Checks Fund	1999 and 1998
Circuit Clerk Interest Fund	1999 and 1998
Associate Circuit Division Interest Fund	1999 and 1998
Law Library Fund	1999 and 1998
Sheriff's Commissions Fund	1999 and 1998
Local Use Tax Fund	1998

Warrants issued were in excess of budgeted amounts for the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Special Law Enforcement Training Fund	1999
Record Preservation Fund	1998
Iron County Industrial Developmental Association Fund	1999

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>
Circuit Clerk Interest Fund	1999 and 1998
Associate Circuit Division Interest Fund	1999 and 1998
Sheriff's Commissions Fund	1999 and 1998
Law Library Fund	1999 and 1998

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. 1999, requires political subdivisions with authority to invest in instruments other than depositary 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 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, health center's, and the Board for the Developmentally Disabled's deposits at December 31, 1999 and 1998, were entirely covered by federal depository insurance or by collateral securities held by the county's, health center's, and Board for the Developmentally Disabled's custodial banks in the county's, health center's, or the board's names.

However, because of significantly higher bank balances in the Health Center Fund at certain times during the year, uninsured and uncollateralized balances existed at those times although not at year-end.

To protect the safety of health center deposits, Section 110.020, RSMo 1994, requires depositories to pledge collateral securities to secure health center deposits not insured by the Federal Deposit Insurance Corporation.

Supplementary Schedule

Schedule

IRON COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			1999	1998
U. S. DEPARTMENT OF AGRICULTURE				
Direct program -				
10.670	National Forest - Dependent Rural Communities	NA-96-0354	\$ 0	2,596
		NA-96-0355	0	2,700
		NA-97-0227	0	217
		NA-98-376	2,000	0
		NA-97-322	0	11,000
		NA-97-374	0	6,000
		NA-98-374	200	0
		NA-98-375	7,000	0
	Program Total		<u>9,200</u>	<u>22,513</u>
Passed through state:				
Department of Health -				
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	ER0045-9146	41,399	0
	Program Total	ER0045-8146	<u>0</u>	<u>44,059</u>
			<u>41,399</u>	<u>44,059</u>
Office of Administration -				
10.665	Schools and Roads - Grants to States	N/A	147,060	126,786
U.S. DEPARTMENT OF JUSTICE				
Direct program -				
16.710	Public Safety Partnership and Community Policing Grants	1999UMX3035	23,488	0
Passed through Missouri Sheriff's Association -				
16.unknown	Domestic Cannabis Eradication/Suppression Program	N/A	1,176	802
U. S. DEPARTMENT OF TRANSPORTATION				
Passed through state Highway and Transportation Commission:				
20.205	Highway Planning and Construction	BRO-047(05)	0	19,394
	Program Total	STP-21-2(35)	<u>0</u>	<u>33,909</u>
			<u>0</u>	<u>53,303</u>
GENERAL SERVICES ADMINISTRATION				
Passed through state Office of Administration -				
39.003	Donation of Federal Surplus Personal Property	N/A	0	24
FEDERAL EMERGENCY MANAGEMENT AGENCY				
Passed through state Department of Public Safety -				
83.534	Emergency Management - State and Local Assistance	N/A	2,357	2,189

Schedule

IRON COUNTY, MISSOURI
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			1999	1998
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Direct program -				
93.268	Immunization Grants	N/A	3,541	1,720
Passed through:				
Southeast Missouri Area Agency on Aging -				
93.043	Special Programs for the Aging - Title III, Part F - Disease Prevention and Health Promotion Services	N/A	1,900	1,554
State Department of Health -				
93.197	Childhood Lead Poisoning Prevention Projects - State and Community-Based Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	ER0146-9146	511	69
93.268	Immunization Grants	PG0064-8146	2,005	5,925
		N/A	25,408	23,857
	Program Total		<u>27,413</u>	<u>29,782</u>
State Department of Social Services -				
93.563	Child Support Enforcement	N/A	2,280	0
State Department of Health -				
93.575	Child Care and Development Block Grant	ER0146-9146	1,000	0
		ER0146-8146	0	1,084
	Program Total		<u>1,000</u>	<u>1,084</u>
93.919	Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs	ER0146-9146	1,379	0
		ER0146-8146	0	875
		ER0045-9146	1,194	0
		ER0045-8146	0	1,064
	Program Total		<u>2,573</u>	<u>1,939</u>
93.991	Preventive Health and Health Services Block Grant	N/A	302	620
93.994	Maternal and Child Health Services Block Grant to the State	ER0146-9146	16,663	0
		ER0146-8146	0	17,214
		N/A	1,512	2,169
	Program Total		<u>18,175</u>	<u>19,383</u>
	Total Expenditures of Federal Awards		<u>\$ 282,375</u>	<u>305,827</u>

N/A - Not applicable

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

Notes to the Supplementary Schedule

IRON COUNTY, MISSOURI
NOTES TO THE SUPPLEMENTARY SCHEDULE

1. Summary of Significant Accounting Policies

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 federal 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 Iron 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

Except as noted below, the schedule is presented on the cash basis of accounting, which recognizes amounts only when disbursed in cash.

Amounts for the Donation of Federal Surplus Personal Property (CFDA number 39.003) represent the estimated fair market value of property at the time of receipt.

The direct program amounts for Immunization Grants (CFDA number 93.268) represent the original acquisition cost of varicella (chicken pox) vaccine provided to

the Health Center through the Centers for Disease Control of the U.S. Department of Health and Human Services. Of the pass-through amounts for that program, \$25,408 and \$23,857 represent the original acquisition cost of other vaccines purchased by the Centers for Disease Control but distributed to the Health Center through the state Department of Health during the years ended December 31, 1999 and 1998. Of the amounts for the Preventive Health and Health Services Block Grant (CFDA number 93.991), \$302 and \$620 represent the original acquisition cost of vaccines received by the Health Center through the state Department of Health during the years ended December 31, 1999 and 1998. Of the amounts for the Maternal and Child Health Services Block Grant to the States (CFDA number 93.994), \$1,512 and \$2,169 also represent the original acquisition cost of vaccines received by the Health Center through the state Department of Health during the years ended December 31, 1999 and 1998. The remaining pass-through amounts for Immunization Grants, and the Maternal and Child Health Services Block Grant to the States represent cash disbursements.

2. Subrecipients

Of the federal expenditures presented in the schedule, the county provided \$2,357 and \$2,189 to a subrecipient under the Emergency Management - State and Local Assistance (CFDA number 83.534) during the years ended December 31, 1999 and 1998.

FEDERAL AWARDS -
SINGLE AUDIT SECTION

State Auditor's Report



CLAIRE C. McCASKILL
Missouri State Auditor

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the County Commission
and
Officeholders of Iron County, Missouri

Compliance

We have audited the compliance of Iron County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the years ended December 31, 1999 and 1998. 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. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the county's management. Our responsibility is to express an opinion on the county's compliance based on our audit.

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

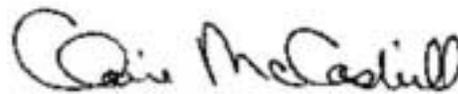
In our opinion, Iron County, Missouri, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the years ended December 31, 1999 and 1998.

Internal Control Over Compliance

The management of Iron County, Missouri, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the county's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control 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 noncompliance with the applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program 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 compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the management of Iron County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.



Claire McCaskill
State Auditor

July 12, 2000 (fieldwork completion date)

Schedule

IRON COUNTY, MISSOURI
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 (INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)
 YEARS ENDED DECEMBER 31, 1999 AND 1998

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified? _____ yes x no

Reportable conditions identified that are not considered to be material weaknesses? _____ yes x none reported

Noncompliance material to the financial statements noted? _____ yes x no

Federal Awards

Internal control over major programs:

Material weaknesses identified? _____ yes x no

Reportable conditions identified that are not considered to be material weaknesses? _____ yes x none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of OMB Circular A-133? _____ yes x no

Identification of major programs:

<u>CFDA or Other Identifying Number</u>	<u>Program Title</u>
10.665	Schools and Roads – Grants to States
20.205	Highway Planning and Construction

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

Auditee qualified as a low-risk auditee? yes no

Section II - Financial Statement Findings

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

Section III - Federal Award Findings and Questioned Costs

This section includes no audit findings that Section .510(a) of OMB Circular A-133 requires to be reported for an audit of federal awards.

Follow-Up on Prior Audit Findings for an
Audit of Financial Statements Performed in Accordance
With *Government Auditing Standards*

IRON COUNTY, MISSOURI
FOLLOW-UP ON PRIOR AUDIT FINDINGS FOR AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

Our prior audit report issued for the two years ended December 31, 1997, included no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

Summary Schedule of Prior Audit Findings
in Accordance With OMB Circular A-133

IRON COUNTY, MISSOURI
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
IN ACCORDANCE WITH OMB CIRCULAR A-133

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

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

Our prior audit report issued for the two years ended December 31, 1997, included no audit findings that Section .510(a) of OMB Circular A-133 requires to be reported for an audit of federal awards.

SECTION ON OTHER MATTERS

IRON COUNTY, MISSOURI
LETTER ON OTHER MATTERS

We have audited the special-purpose financial statements of various funds of Iron County, Missouri, as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated July 12, 2000. We also have audited the compliance of Iron County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the years ended December 31, 1999 and 1998, and have issued our report thereon dated July 12, 2000.

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 and Questioned Costs. These matters resulted from our audit of the special-purpose financial statements of Iron 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. Special Road and Bridge Fund Administrative Fee

Section 50.515, RSMo 1994, allows for a maximum three percent administrative service fee to be paid from the Special Road and Bridge Fund to the General Revenue Fund for road and bridge related administrative expenditures made from General Revenue. The county believes that a transfer from the Special Road and Bridge Fund for an administrative service that does not constitute an expense incurred by a county General Revenue Fund would not be subject to the three percent rule established in Section 50.515, and that the statute does not require that all administrative expenses for the county Special Road and Bridge Fund be incurred by the county General Revenue Fund.

The county transferred \$14,000 and \$13,000 in 1999 and 1998, respectively, from the Special Road and Bridge Fund to the Iron County Industrial Development Association Fund. In addition, the county transferred \$27,000 from the Special Road and Bridge Fund to the General Revenue fund in both 1999 and 1998.

The transfer of funds from the Special Road and Bridge Fund to both the General Revenue Fund and the ICIDA Fund appears to exceed the maximum three percent administrative service fee allowed by state law.

2. Iron County Board for the Developmentally Disabled

The Iron County Board for the Developmentally Disabled (ICBDD) provides funding to Ozark Crafts, a not-for-profit organization that operates the local sheltered

workshop which provides rehabilitation and education of handicapped persons. The ICBDD has not established procedures to review Ozark Crafts financial records. During the two years ended December 31, 1999, the Board did not obtain a copy of Ozark Crafts annual audit nor did they ensure progress reports were submitted quarterly as required by the contract. Reviewing information contained in the quarterly progress reports and an independent audit would provide the board with some assurance that the sheltered workshop is operating effectively and utilizing county tax dollars appropriately.

3. Sheriff Department Compensatory Time

While overtime worked is included on Sheriff's Department employees' time sheets, a balance of compensatory time earned, taken, or paid is not maintained. Compensatory balances should be maintained to ensure employees are properly compensated for compensatory time accumulated in excess of the maximum allowed by the Fair Labor Standards Act (FLSA).

4. Health Center Budgetary Procedures

The approved budgeted expenditures for the years ended December 31, 1999 and 1998 were significantly overestimated resulting in the fund balance being much less than actual. The practice of overestimating expenditures results in an inaccurate statement of the health center's financial position. For the budgets to be of maximum assistance to the Health Center Board of Trustees and the general public, accurate amounts should be shown for expenditures and fund balances.

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