



DENT COUNTY, MISSOURI

TWO YEARS ENDED DECEMBER 31, 1999

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

Report No. 2000-49
June 21, 2000
www.auditor.state.mo.us

AUDIT REPORT



Office Of The
State Auditor Of Missouri
Claire McCaskill

June 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 Dent, 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 Dent County was a financial and compliance audit of various county operating funds. The following concerns were noted as part of the audit:

- As reported in our prior audit report, the County Clerk has not established procedures to ensure all receipts and disbursements are properly recorded on the county's computerized financial records and included in the County Treasurer's semi-annual settlement totals which are used to prepare county budgets. The cash balances on the budgeted documents are sometimes inaccurate and inconsistent. While the ending cash balance should agree to the County Treasurer's December semi-annual settlement, these amounts often differed.
- Also as noted in our prior report, the County Treasurer has not maintained perpetual cash balances in fund ledgers. The December 31, 1999, bank reconciliation for the general checking account contained numerous errors and the corrected reconciled bank balance exceeded the cash balances on the County Treasurer's semi-annual settlements by more than \$7,000.

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

Copies of the audit are available upon request.

YELLOW SHEET

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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 Dent County, Missouri

We have audited the accompanying special-purpose financial statements of various funds of Dent 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.

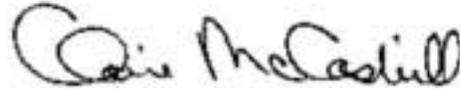
We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable 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 Dent 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 Dent 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 Dent 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 February 24, 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.

A handwritten signature in black ink that reads "Claire McCaskill". The signature is written in a cursive, flowing style.

Claire McCaskill
State Auditor

February 24, 2000 (fieldwork completion date)

The following auditors participated in the preparation of this report:

Director of Audits:	Thomas J. Kremer, CPA
Audit Manager:	John Blattel, CPA
In-Charge Auditor:	Daniel Doerhoff
Audit Staff:	Jeremy Perkins
	Susan Beeler
	Alana Flint



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 Dent County, Missouri

We have audited the special-purpose financial statements of various funds of Dent County, Missouri, as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated February 24, 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 Dent 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.

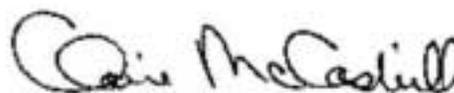
Internal Control Over Financial Reporting

In planning and performing our audit of the special-purpose financial statements of various funds of Dent 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. However, we noted a certain matter involving the internal control over financial

reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the county's ability to record, process, summarize, and report financial data consistent with the assertions of management in the special-purpose financial statements. The reportable condition is described in the accompanying Schedule of Findings as finding number 99-1.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider the reportable condition described above, finding number 99-1, to be a material weakness. We also 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 Dent County, Missouri, and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.



Claire McCaskill
State Auditor

February 24, 2000 (fieldwork completion date)

Financial Statements

Exhibit A-1

DENT 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	\$ 545,715	1,115,604	1,075,718	585,601
Special Road and Bridge	161,696	912,804	965,306	109,194
Assessment	5,414	126,181	114,873	16,722
Law Enforcement Training	918	4,505	2,634	2,789
Prosecuting Attorney Training	1,525	1,162	1,372	1,315
Miscellaneous Grant	0	25,974	25,942	32
911 Emergency	41,803	27,729	21,105	48,427
Senior Citizen Service	5,492	54,934	48,076	12,350
Prosecuting Attorney Bad Check	8,722	10,419	10,340	8,801
Child's Trust	5,980	685	0	6,665
Recorder's User Fee	5,323	8,085	6,146	7,262
Prosecuting Attorney Special Law Enforcement	65,516	5,883	64,742	6,657
Law Library	7,622	3,080	2,576	8,126
Associate Circuit Division Interest	2,635	535	746	2,424
Circuit Division Interest	4,817	2,115	1,136	5,796
Health Center	24,262	395,191	395,324	24,129
Dent County Developmental Disabilities Board	231,847	188,386	180,421	239,812
Noxious Weed	132	0	132	0
Total	\$ 1,119,419	2,883,272	2,916,589	1,086,102

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

Exhibit A-2

DENT 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	\$ 499,191	1,048,158	1,001,634	545,715
Special Road and Bridge	272,898	1,008,930	1,120,132	161,696
Assessment	5,037	118,118	117,741	5,414
Law Enforcement Training	1,048	2,257	2,387	918
Prosecuting Attorney Training	1,680	1,292	1,447	1,525
Miscellaneous Grant	1,189	13,427	14,616	0
911 Emergency	35,534	26,710	20,441	41,803
Senior Citizen Service	10,243	42,617	47,368	5,492
Prosecuting Attorney Bad Check	8,092	10,696	10,066	8,722
Child's Trust	5,493	487	0	5,980
Recorder's User Fee	3,484	8,427	6,588	5,323
Prosecuting Attorney Special Law Enforcement	39,268	57,078	30,830	65,516
Law Library	6,910	2,878	2,166	7,622
Associate Circuit Division Interest	2,029	606	0	2,635
Circuit Division Interest	3,906	4,181	3,270	4,817
Health Center	47,846	390,368	413,952	24,262
Dent County Developmental Disabilities Board	250,166	175,296	193,615	231,847
Noxious Weed	0	10,000	9,868	132
Total	\$ 1,194,014	2,921,526	2,996,121	1,119,419

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

Exhibit B

DENT 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	\$ 54,974	51,764	(3,210)	53,949	49,547	(4,402)
Sales taxes	594,000	573,689	(20,311)	592,500	517,053	(75,447)
Intergovernmental	113,900	104,820	(9,080)	113,600	109,251	(4,349)
Charges for services	249,950	271,536	21,586	211,525	237,008	25,483
Interest	36,000	28,088	(7,912)	29,000	33,548	4,548
Other	65,494	49,760	(15,734)	40,750	66,879	26,129
Transfers in	40,000	35,947	(4,053)	45,000	34,872	(10,128)
Total Receipts	<u>1,154,318</u>	<u>1,115,604</u>	<u>(38,714)</u>	<u>1,086,324</u>	<u>1,048,158</u>	<u>(38,166)</u>
DISBURSEMENTS						
County Commission	82,213	77,641	4,572	67,516	66,970	546
County Clerk	74,938	72,391	2,547	68,863	64,283	4,580
Elections	24,300	16,115	8,185	38,800	35,343	3,457
Buildings and grounds	81,002	74,108	6,894	79,442	65,569	13,873
Employee fringe benefits	46,500	71,978	(25,478)	45,500	39,948	5,552
County Treasurer	42,240	41,962	278	37,395	34,039	3,356
County Collector	61,497	58,429	3,068	67,818	65,961	1,857
Ex Officio Recorder of Deeds	18,712	18,614	98	18,475	17,398	1,077
Circuit Clerk	14,600	13,921	679	15,038	13,800	1,238
Associate Circuit Court	10,716	10,051	665	11,016	7,739	3,277
Court administration	11,800	14,068	(2,268)	9,545	6,725	2,820
Public Administrator	23,179	22,474	705	21,339	17,884	3,455
Sheriff	249,873	225,395	24,478	219,589	202,942	16,647
Jail	114,732	119,059	(4,327)	104,915	112,423	(7,508)
Prosecuting Attorney	94,798	99,216	(4,418)	92,083	91,014	1,069
Juvenile Officer	50,985	38,749	12,236	54,486	54,486	0
County Coroner	11,231	9,426	1,805	11,909	11,909	0
Court Reporters	1,200	931	269	1,000	828	172
Other General County Government	75,745	67,232	8,513	65,843	73,048	(7,205)
Transfers out	29,410	22,058	7,352	23,179	15,795	7,384
Emergency Fund	34,629	1,900	32,729	32,515	3,530	28,985
Total Disbursements	<u>1,154,300</u>	<u>1,075,718</u>	<u>78,582</u>	<u>1,086,266</u>	<u>1,001,634</u>	<u>84,632</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	18	39,886	39,868	58	46,524	46,466
CASH, JANUARY 1	535,249	545,715	10,466	488,149	499,191	11,042
CASH, DECEMBER 31	<u>\$ 535,267</u>	<u>585,601</u>	<u>50,334</u>	<u>488,207</u>	<u>545,715</u>	<u>57,508</u>

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

Exhibit C

DENT 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	\$ 269,275	258,299	(10,976)	258,001	249,211	(8,790)
Intergovernmental	624,500	599,386	(25,114)	598,000	595,576	(2,424)
Interest	20,000	9,119	(10,881)	25,000	19,751	(5,249)
Other	117,000	46,000	(71,000)	171,500	144,392	(27,108)
Total Receipts	<u>1,030,775</u>	<u>912,804</u>	<u>(117,971)</u>	<u>1,052,501</u>	<u>1,008,930</u>	<u>(43,571)</u>
DISBURSEMENTS						
Salaries	294,128	286,878	7,250	273,500	267,697	5,803
Employee fringe benefits	61,001	60,678	323	58,423	50,931	7,492
Supplies	74,250	62,553	11,697	76,750	72,400	4,350
Insurance	13,000	18,303	(5,303)	12,500	21,220	(8,720)
Road and bridge materials	312,296	249,841	62,455	326,500	306,566	19,934
Equipment repairs	35,000	62,084	(27,084)	38,000	34,699	3,301
Equipment purchases	235,000	218,417	16,583	367,000	362,033	4,967
Other	6,100	6,552	(452)	6,600	4,586	2,014
Total Disbursements	<u>1,030,775</u>	<u>965,306</u>	<u>65,469</u>	<u>1,159,273</u>	<u>1,120,132</u>	<u>39,141</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	(52,502)	(52,502)	(106,772)	(111,202)	(4,430)
CASH, JANUARY 1	161,754	161,696	(58)	272,877	272,898	21
CASH, DECEMBER 31	<u>\$ 161,754</u>	<u>109,194</u>	<u>(52,560)</u>	<u>166,105</u>	<u>161,696</u>	<u>(4,409)</u>

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

Exhibit D

DENT 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	\$ 104,204	100,641	(3,563)	98,478	98,715	237
Interest	937	1,027	90	1,500	937	(563)
Other	2,670	2,455	(215)	2,700	2,671	(29)
Transfers in	29,410	22,058	(7,352)	23,179	15,795	(7,384)
Total Receipts	<u>137,221</u>	<u>126,181</u>	<u>(11,040)</u>	<u>125,857</u>	<u>118,118</u>	<u>(7,739)</u>
DISBURSEMENTS						
Assessor	137,722	114,873	22,849	128,162	117,741	10,421
Total Disbursements	<u>137,722</u>	<u>114,873</u>	<u>22,849</u>	<u>128,162</u>	<u>117,741</u>	<u>10,421</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(501)	11,308	11,809	(2,305)	377	2,682
CASH, JANUARY 1	5,412	5,414	2	5,037	5,037	0
CASH, DECEMBER 31	<u>\$ 4,911</u>	<u>16,722</u>	<u>11,811</u>	<u>2,732</u>	<u>5,414</u>	<u>2,682</u>

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

Exhibit E

DENT 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	\$ 2,200	2,856	656	1,700	2,182	482
Interest	25	40	15	40	25	(15)
Other	50	1,609	1,559	0	50	50
Total Receipts	2,275	4,505	2,230	1,740	2,257	517
DISBURSEMENTS						
Sheriff	1,790	2,634	(844)	1,740	2,387	(647)
Total Disbursements	1,790	2,634	(844)	1,740	2,387	(647)
RECEIPTS OVER (UNDER) DISBURSEMENTS	485	1,871	1,386	0	(130)	(130)
CASH, JANUARY 1	922	918	(4)	1,048	1,048	0
CASH, DECEMBER 31	\$ 1,407	2,789	1,382	1,048	918	(130)

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

Exhibit F

DENT 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	\$ 1,150	1,162	12	918	1,149	231
Other	150	0	(150)	102	143	41
Total Receipts	<u>1,300</u>	<u>1,162</u>	<u>(138)</u>	<u>1,020</u>	<u>1,292</u>	<u>272</u>
DISBURSEMENTS						
Prosecuting Attorney	1,500	1,372	128	1,100	1,447	(347)
Total Disbursements	<u>1,500</u>	<u>1,372</u>	<u>128</u>	<u>1,100</u>	<u>1,447</u>	<u>(347)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(200)	(210)	(10)	(80)	(155)	(75)
CASH, JANUARY 1	1,526	1,525	(1)	1,680	1,680	0
CASH, DECEMBER 31	<u>\$ 1,326</u>	<u>1,315</u>	<u>(11)</u>	<u>1,600</u>	<u>1,525</u>	<u>(75)</u>

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

Exhibit G

DENT COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 MISCELLANEOUS GRANT FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental	\$ 0	25,974	25,974	29,000	13,427	(15,573)
Total Receipts	0	25,974	25,974	29,000	13,427	(15,573)
DISBURSEMENTS						
Grant expense	0	25,942	(25,942)	29,000	13,292	15,708
Transfers out	0	0	0	0	1,324	(1,324)
Total Disbursements	0	25,942	(25,942)	29,000	14,616	14,384
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	32	32	0	(1,189)	(1,189)
CASH, JANUARY 1	0	0	0	1,189	1,189	0
CASH, DECEMBER 31	\$ 0	32	32	1,189	0	(1,189)

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

Exhibit H

DENT COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 911 EMERGENCY FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 24,000	25,148	1,148	24,000	24,073	73
Interest	2,700	2,581	(119)	2,450	2,637	187
Total Receipts	26,700	27,729	1,029	26,450	26,710	260
DISBURSEMENTS						
Office expenditures	4,000	3,855	145	4,000	3,186	814
Transfers out	17,250	17,250	0	16,500	17,255	(755)
Total Disbursements	21,250	21,105	145	20,500	20,441	59
RECEIPTS OVER (UNDER) DISBURSEMENTS	5,450	6,624	1,174	5,950	6,269	319
CASH, JANUARY 1	41,804	41,803	(1)	35,534	35,534	0
CASH, DECEMBER 31	\$ 47,254	48,427	1,173	41,484	41,803	319

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

Exhibit I

DENT COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 SENIOR CITIZENS SERVICE FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property taxes	\$ 41,000	48,116	7,116	39,500	38,454	(1,046)
Interest	550	615	65	525	545	20
Intergovernmental	5,360	6,203	843	6,070	3,618	(2,452)
Total Receipts	46,910	54,934	8,024	46,095	42,617	(3,478)
DISBURSEMENTS						
Contractual obligations	45,000	45,000	0	44,000	44,000	0
Other	5,200	3,076	2,124	5,820	3,368	2,452
Total Disbursements	50,200	48,076	2,124	49,820	47,368	2,452
RECEIPTS OVER (UNDER) DISBURSEMENTS	(3,290)	6,858	10,148	(3,725)	(4,751)	(1,026)
CASH, JANUARY 1	5,492	5,492	0	10,244	10,243	(1)
CASH, DECEMBER 31	\$ 2,202	12,350	10,148	6,519	5,492	(1,027)

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

Exhibit J

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

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 11,000	10,119	(881)	9,140	10,392	1,252
Interest	0	300	300	284	304	20
Total Receipts	11,000	10,419	(581)	9,424	10,696	1,272
DISBURSEMENTS						
Prosecuting Attorney	1,750	1,840	(90)	0	1,641	(1,641)
Transfers out	8,500	8,500	0	8,425	8,425	0
Total Disbursements	10,250	10,340	(90)	8,425	10,066	(1,641)
RECEIPTS OVER (UNDER) DISBURSEMENTS	750	79	(671)	999	630	(369)
CASH, JANUARY 1	8,721	8,722	1	8,092	8,092	0
CASH, DECEMBER 31	\$ 9,471	8,801	(670)	9,091	8,722	(369)

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

Exhibit K

DENT COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 CHILD'S TRUST FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 700	685	(15)	660	487	(173)
Total Receipts	700	685	(15)	660	487	(173)
DISBURSEMENTS						
Other	1,500	0	1,500	0	0	0
Total Disbursements	1,500	0	1,500	0	0	0
RECEIPTS OVER (UNDER) DISBURSEMENTS	(800)	685	1,485	660	487	(173)
CASH, JANUARY 1	5,980	5,980	0	5,280	5,493	213
CASH, DECEMBER 31	\$ 5,180	6,665	1,485	5,940	5,980	40

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

Exhibit L

DENT COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 RECORDER'S USER FEE FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 8,500	8,085	(415)	7,000	8,427	1,427
Total Receipts	8,500	8,085	(415)	7,000	8,427	1,427
DISBURSEMENTS						
Microfilming and equipment	2,500	2,646	(146)	0	3,720	(3,720)
Transfers out	3,500	3,500	0	0	2,868	(2,868)
Total Disbursements	6,000	6,146	(146)	0	6,588	(6,588)
RECEIPTS OVER (UNDER) DISBURSEMENTS	2,500	1,939	(561)	7,000	1,839	(5,161)
CASH, JANUARY 1	5,324	5,323	(1)	3,484	3,484	0
CASH, DECEMBER 31	\$ 7,824	7,262	(562)	10,484	5,323	(5,161)

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

Exhibit M

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

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental	\$ 0	0	0	0	10	10
Charges for services	0	3,524	3,524	22,000	51,202	29,202
Interest	0	759	759	1,100	1,227	127
Other	8,000	1,600	(6,400)	0	4,639	4,639
Total Receipts	8,000	5,883	(2,117)	23,100	57,078	33,978
DISBURSEMENTS						
Equipment	66,819	58,045	8,774	18,100	25,830	(7,730)
Transfer out	6,697	6,697	0	5,000	5,000	0
Total Disbursements	73,516	64,742	8,774	23,100	30,830	(7,730)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(65,516)	(58,859)	6,657	0	26,248	26,248
CASH, JANUARY 1	65,516	65,516	0	39,267	39,268	1
CASH, DECEMBER 31	\$ 0	6,657	6,657	39,267	65,516	26,249

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

Exhibit N

DENT COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 LAW LIBRARY FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 1,800	3,080	1,280	2,700	2,878	178
Total Receipts	1,800	3,080	1,280	2,700	2,878	178
DISBURSEMENTS						
Law Library	4,000	2,576	1,424	4,000	2,166	1,834
Total Disbursements	4,000	2,576	1,424	4,000	2,166	1,834
RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,200)	504	2,704	(1,300)	712	2,012
CASH, JANUARY 1	6,910	7,622	712	6,910	6,910	0
CASH, DECEMBER 31	\$ 4,710	8,126	3,416	5,610	7,622	2,012

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

Exhibit O

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

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Interest	\$ 600	535	(65)	550	606	56
Total Receipts	600	535	(65)	550	606	56
DISBURSEMENTS						
Associate Circuit Division	2,000	746	1,254	2,000	0	2,000
Total Disbursements	2,000	746	1,254	2,000	0	2,000
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,400)	(211)	1,189	(1,450)	606	2,056
CASH, JANUARY 1	2,635	2,635	0	2,029	2,029	0
CASH, DECEMBER 31	\$ 1,235	2,424	1,189	579	2,635	2,056

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

Exhibit P

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

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Interest	\$ 911	2,115	1,204	2,000	4,181	2,181
Total Receipts	911	2,115	1,204	2,000	4,181	2,181
DISBURSEMENTS						
Circuit Clerk	1,000	1,136	(136)	3,200	3,270	(70)
Total Disbursements	1,000	1,136	(136)	3,200	3,270	(70)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(89)	979	1,068	(1,200)	911	2,111
CASH, JANUARY 1	4,817	4,817	0	3,906	3,906	0
CASH, DECEMBER 31	\$ 4,728	5,796	1,068	2,706	4,817	2,111

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

Exhibit Q

DENT 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	\$ 98,500	100,100	1,600	83,500	88,887	5,387
Intergovernmental	226,599	206,731	(19,868)	239,529	216,571	(22,958)
Charges for services	57,100	69,259	12,159	48,950	58,515	9,565
Interest	2,400	2,144	(256)	3,300	2,493	(807)
Other	11,500	16,957	5,457	36,852	23,902	(12,950)
Total Receipts	<u>396,099</u>	<u>395,191</u>	<u>(908)</u>	<u>412,131</u>	<u>390,368</u>	<u>(21,763)</u>
DISBURSEMENTS						
Salaries	266,950	268,533	(1,583)	319,199	268,368	50,831
Office expenditures	15,950	18,441	(2,491)	12,260	16,553	(4,293)
Equipment	4,600	6,335	(1,735)	0	4,649	(4,649)
Mileage and training	12,461	11,954	507	7,000	14,610	(7,610)
Other	96,138	90,061	6,077	73,672	109,772	(36,100)
Total Disbursements	<u>396,099</u>	<u>395,324</u>	<u>775</u>	<u>412,131</u>	<u>413,952</u>	<u>(1,821)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	(133)	(133)	0	(23,584)	(23,584)
CASH, JANUARY 1	28,398	24,262	(4,136)	47,846	47,846	0
CASH, DECEMBER 31	<u>\$ 28,398</u>	<u>24,129</u>	<u>(4,269)</u>	<u>47,846</u>	<u>24,262</u>	<u>(23,584)</u>

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

Exhibit R

DENT COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 DENT COUNTY DEVELOPMENTAL DISABILITIES BOARD FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property taxes	\$ 141,000	152,270	11,270	145,000	147,680	2,680
Interest	14,500	13,815	(685)	12,000	15,682	3,682
Other	11,580	22,301	10,721	10,780	11,934	1,154
Total Receipts	167,080	188,386	21,306	167,780	175,296	7,516
DISBURSEMENTS						
Administrative	26,430	19,960	6,470	14,000	10,915	3,085
Capital improvements	10,000	5,400	4,600	10,000	7,741	2,259
Insurance	24,500	35,089	(10,589)	27,000	24,015	2,985
Contract services	147,484	119,972	27,512	166,062	150,944	15,118
Agency support services	10,000	0	10,000	0	0	0
Total Disbursements	218,414	180,421	37,993	217,062	193,615	23,447
RECEIPTS OVER (UNDER) DISBURSEMENTS	(51,334)	7,965	59,299	(49,282)	(18,319)	30,963
CASH, JANUARY 1	231,847	231,847	0	250,166	250,166	0
CASH, DECEMBER 31	\$ 180,513	239,812	59,299	200,884	231,847	30,963

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

Exhibit S

DENT COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 NOXIOUS WEED FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental	\$ 0	0	0	10,000	10,000	0
Total Receipts	0	0	0	10,000	10,000	0
DISBURSEMENTS						
Administration	0	0	0	500	0	500
Landowners	132	132	0	9,500	9,868	(368)
Total Disbursements	132	132	0	10,000	9,868	132
RECEIPTS OVER (UNDER) DISBURSEMENTS	(132)	(132)	0	0	132	132
CASH, JANUARY 1	132	132	0	0	0	0
CASH, DECEMBER 31	\$ 0	0	0	0	132	132

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

Notes to the Financial Statements

DENT 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 Dent 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, the Health Center Board, or the Developmental Disabilities Board. 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.

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

<u>Fund</u>	<u>Years Ended December 31,</u>
Law Enforcement Training Fund	1999 and 1998
Prosecuting Attorney Bad Check Fund	1999 and 1998
Recorder's User Fee Fund	1999 and 1998
Circuit Division Interest Fund	1999 and 1998
Miscellaneous Grant Fund	1999
Prosecuting Attorney Training Fund	1998

Prosecuting Attorney Special Law	
Enforcement Fund	1998
Health Center Fund	1998

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.

The county's published financial statements for the years ended December 31, 1999 and 1998, included all funds presented in the accompanying financial statements, except for the receipts and disbursements of the Health Center Fund and the Dent County Developmental Disabilities Board Fund. The amounts presented in the published financial statements for these two funds were only the amounts the County Treasurer received and remitted to the boards.

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 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, Health Center Board's and Developmental Disabilities Board's deposits at December 31, 1999 and 1998, were entirely covered by federal depository insurance or by collateral securities held by the county's custodial bank in the county's name.

Schedule

DENT COUNTY, MISSOURI
SCHEDULE OF FINDINGS
YEARS ENDED DECEMBER 31, 1999 AND 1998

This schedule includes the audit finding that *Government Auditing Standards* requires to be reported for an audit of financial statements.

99-1.	Reconciliation of County Records
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The audited reconciled cash balances presented in the financial statements do not agree to the cash balances presented on the County Treasurer's semi-annual settlements or the county's budget documents, and those records do not agree with each other. The County Clerk uses the county's computerized financial records to prepare county budgets, but does not reconcile those records to the County Treasurer's manual fund ledgers and semi-annual settlements. Our review revealed the following areas of concern:

- A. The general checking account includes activity of the General Revenue Fund, the Special Road and Bridge Fund, the Assessment Fund, and the 911 Emergency Fund. A semi-annual settlement was prepared for each fund, however, perpetual cash balances of funds are not maintained in the County Treasurer's fund ledgers. The County Treasurer ran calculator tapes of the receipt and disbursement amounts recorded on his manual fund ledgers every six months to prepare his semi-annual settlements. However, the December 31, 1999 bank reconciliation for the general checking account contained numerous errors and the corrected reconciled bank balance exceeded the cash balances on the County Treasurer's semi-annual settlements by more than \$7,000.

Maintaining perpetual cash balances on fund ledgers would allow the County Treasurer to know how much money should be in each account at all times and would enable the County Treasurer to verify the accuracy of the ending cash balances reported on each semi-annual settlement.

- B. The County Clerk has not established procedures to ensure all receipts and disbursements are properly recorded on the county's computerized financial records and included in the County Treasurer's semi-annual settlement totals which are used to prepare county budgets. As a result, cash balances on the budgeted documents are sometimes inaccurate and inconsistent.

The County Clerk obtains the beginning cash balance of each fund from the County Treasurer's semi-annual settlement for December 31 of the prior year. For each budget, the County Clerk adds the beginning cash balance of the fund to the receipt total from the computerized financial records and subtracts the disbursement total from the computerized financial records to determine the fund's cash balance at December 31. While the cash balance should agree to the County Treasurer's semi-annual settlement amounts, these amounts often differed.

WE RECOMMEND:

- A. The County Treasurer maintain perpetual cash balances in fund ledgers and adjust the county's records to correct unidentified differences between cash balances of the County Treasurer's records and the reconciled bank balances.
- B. The County Clerk reconcile the county's computerized financial records with the County Treasurer's receipt and disbursement records on a monthly basis and ensure the totals on the County Treasurer's semi-annual settlements agree to the totals on the county's computerized financial records.

AUDITEE'S RESPONSE AND PLAN FOR CORRECTIVE ACTION

- A. *The County Treasurer indicated he will implement the recommendation by January 2001. He indicated the county has contacted their computer consultant and it is anticipated this problem will be reviewed and resolved.*
- B. *The County Clerk indicated he will implement the recommendation by January 2001. He indicated he has contacted their computer consultant to review the computer program and the recommendation will be implemented.*

Follow-Up on Prior Audit Findings

DENT COUNTY, MISSOURI
FOLLOW-UP ON PRIOR AUDIT FINDINGS

In accordance with *Government Auditing Standards*, this section reports the auditor's follow-up on action taken by Dent County, Missouri, on a certain finding in our prior audit report issued for the two years ended December 31, 1997. The finding is the one that *Government Auditing Standards* requires to be reported for an audit of financial statements.

Accounting Controls and Procedures

The cash balances presented on the County Treasurer's semi-annual settlements of the county's budget documents did not agree. The County Clerk did not reconcile the county's computerized records or budgets with the County Treasurer's manual fund ledger's and semi-annual settlements. The County Treasurer had not adjusted for voided checks on a timely basis.

Recommendation

- A. The County Treasurer maintain perpetual cash balances in fund ledgers, prepare formal bank reconciliations monthly, and adjust the county's receipt records to correct unidentified differences between cash balances per the County Treasurer's records and reconciled bank balances.
- B. The County Clerk reconcile the county's computerized financial records with the County Treasurer's receipt slips, county commission orders, and disbursement records on a monthly basis and ensure the totals on the County Treasurer's semi-annual settlements agree to the totals on the county's computerized financial records.
- C. The County Treasurer ensure voided checks are receipted and the amounts added to the cash balances on a timely basis.

Status

- A. Partially implemented. Monthly bank reconciliations are now prepared. See Finding Number 99-1.
- B. Not implemented. See Finding Number 99-1.
- C. Implemented.

SECTION ON OTHER MATTERS

DENT COUNTY, MISSOURI
LETTER ON OTHER MATTERS

We have audited the special-purpose financial statements of various funds of Dent County, Missouri, as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated February 24, 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. These matters resulted from our audit of the special-purpose financial statements of Dent 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. Budgets

Actual expenditure amounts exceeded approved budget amounts in some funds for the two years ended December 31, 1999. If there are valid reasons which necessitate excess disbursements, amendments should be made following the same process by which the annual budget is approved, including holding public hearings and filing the amended budget with the State Auditor's office.

2. Schedule of Expenditures of Federal Awards

The county is required by OMB Circular A-133 to prepare a schedule of expenditures of federal awards (SEFA). The SEFA schedule is used to determine the single audit requirements of the county. The county's SEFA contained numerous errors and omissions for the two years ended December 31, 1999. The SEFA should be accurately prepared to ensure all federal awards are properly reported.

3. Circuit Clerk Expenditure

We noted a \$286 expenditure from the Circuit Clerk Interest Fund in 1998 by the former Circuit Clerk for the purchase of 1,000 pens. The name of the former Circuit Clerk and his office title was written on each pen. This expenditure does not appear to be a prudent use of county funds. In May 2000 the former Circuit Clerk reimbursed the county the \$286.

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