



CEDAR COUNTY, MISSOURI

TWO YEARS ENDED DECEMBER 31, 1999

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

Report No. 2000-94  
September 19, 2000  
[www.auditor.state.mo.us](http://www.auditor.state.mo.us)

**AUDIT REPORT**



Office Of The  
State Auditor Of Missouri  
Claire McCaskill

September 2000

[www.auditor.state.mo.us](http://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 Cedar, which do not have a county auditor. However, to assist such counties in meeting federal audit requirements, the State Auditor will also perform a financial and compliance audit of various county operating funds every two years. This voluntary service to Missouri counties can only be provided when state auditing resources are available and does not interfere with the State Auditor's constitutional responsibility of auditing state government.**

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

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This audit of Cedar County included additional areas of county operations, as well as the elected county officials. The following concerns were noted as part of the audit:

- In February 2000, the county purchased 73 acres of land for approximately \$78,000 to be used to quarry hill gravel. This purchase was made without obtaining an appraisal on the property. While no cost/benefit analysis was performed at the time of purchase, the County Commission has since estimated that the county will save approximately \$220,000 over the next 15 years. The audit suggested the county track the cost and update their analysis on a regular basis.
- Prior to leaving office in December 1998, the former Prosecuting Attorney paid approximately \$5,000 for nine cell phones with a one year usage package for each phone. There was no documentation assessing the need for any of the cell phones purchased and two of the nine cell phones were never used. In addition, the purchase was not bid in accordance with state law. Furthermore, the former Prosecuting Attorney paid herself \$600 from the Prosecuting Attorney Bad Check Fund for court appearances made in late December 1998. The additional compensation appears to be in excess of the amount approved by the salary commission and was not reported on the former Prosecuting Attorney's W-2 form nor were payroll taxes withheld.
- The former Prosecuting Attorney paid herself over \$850, including \$585 for meals and \$224 for gasoline. Documentation to support this payment was not adequate. In addition, the former Prosecuting Attorney paid \$200 bonuses to each of her two secretaries. No supporting documentation could be located to adequately support these payments.

(over)

YELLOW SHEET

The audit recommended improvements be made in issuing Forms 1099-MISC in accordance with IRS regulations and that expenditures not be authorized in excess of budgeted amounts. Also, included in the audit are recommendations to improve the records and procedures for the Public Administrator, Prosecuting Attorney, Circuit Clerk, County Clerk, and County Assessor. Several of the record and procedure issues applicable to the Prosecuting Attorney, Circuit Clerk, and County Clerk have been noted similarly in prior audits.

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

CEDAR 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 Cedar County, Missouri

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

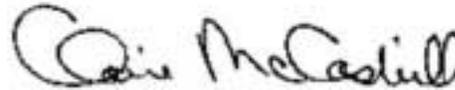
In our opinion, the special-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the receipts, disbursements, and changes in cash of various funds of Cedar County, Missouri, and comparisons of such information with the corresponding budgeted information 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 13, 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.

The accompanying History, Organization, and Statistical Information is presented for informational purposes. This information was obtained from the management of Cedar County, Missouri, and was not subjected to the auditing procedures applied in the audit of the special-purpose financial statements referred to above.



Claire McCaskill  
State Auditor

July 13, 2000 (fieldwork completion date)

The following auditors participated in the preparation of this report:

|                     |                       |
|---------------------|-----------------------|
| Director of Audits: | Thomas J. Kremer, CPA |
| Audit Manager:      | Donna Christian, CPA  |
| In-Charge Auditor:  | Pamela Crawford, CPA  |
| Audit Staff:        | Sandi Ohern, CPA      |
|                     | Rachel Little         |
|                     | Curtis Gannon         |
|                     | Bryan Meadows         |



**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 Cedar County, Missouri

We have audited the special-purpose financial statements of various funds of Cedar County, Missouri, as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated July 13, 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

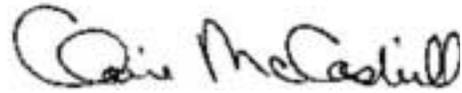
As part of obtaining reasonable assurance about whether the special-purpose financial statements of various funds of Cedar County, Missouri, are free of material misstatement, we performed tests of the county's compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance 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 are described in the accompanying Management Advisory Report.

Internal Control Over Financial Reporting

In planning and performing our audit of the special-purpose financial statements of various funds of Cedar 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 are described in the accompanying Management Advisory Report.

This report is intended for the information of the management of Cedar 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 13, 2000 (fieldwork completion date)

## Financial Statements

Exhibit A-1

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

| Fund                                | Cash,<br>January 1 | Receipts  | Disbursements | Cash,<br>December 31 |
|-------------------------------------|--------------------|-----------|---------------|----------------------|
| General Revenue                     | \$ 269,338         | 1,012,844 | 935,532       | 346,650              |
| Special Road and Bridge             | 191,447            | 1,245,226 | 1,261,050     | 175,623              |
| Assessment                          | 8,416              | 86,988    | 85,608        | 9,796                |
| Law Enforcement Training            | 1,786              | 3,044     | 2,819         | 2,011                |
| Prosecuting Attorney Training       | 270                | 500       | 256           | 514                  |
| Prosecuting Attorney Bad Check      | 5,714              | 10,003    | 6,302         | 9,415                |
| Recorder Preservation               | 128                | 7,428     | 0             | 7,556                |
| Family Crisis                       | 490                | 1,446     | 1,722         | 214                  |
| Crime Victims Advocate              | 229                | 25,752    | 23,401        | 2,580                |
| Circuit Clerk Interest              | 1,834              | 3,478     | 369           | 4,943                |
| Associate Circuit Division Interest | 903                | 973       | 368           | 1,508                |
| Law Library                         | 3,227              | 4,801     | 2,602         | 5,426                |
| Local Law Enforcement Block Grant   | 421                | 0         | 0             | 421                  |
| DARE                                | 0                  | 599       | 0             | 599                  |
| Microfilm Grant                     | 0                  | 2,485     | 0             | 2,485                |
| Total                               | \$ 484,203         | 2,405,567 | 2,320,029     | 569,741              |

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

Exhibit A-2

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

| Fund                                | Cash,<br>January 1 | Receipts  | Disbursements | Cash,<br>December 31 |
|-------------------------------------|--------------------|-----------|---------------|----------------------|
| General Revenue                     | \$ 240,599         | 891,734   | 862,995       | 269,338              |
| Special Road and Bridge             | 82,496             | 571,769   | 462,818       | 191,447              |
| Assessment                          | 6,201              | 89,406    | 87,191        | 8,416                |
| Law Enforcement Training            | 417                | 3,814     | 2,445         | 1,786                |
| Prosecuting Attorney Training       | (276)              | 546       | 0             | 270                  |
| Prosecuting Attorney Bad Check      | 11,015             | 10,565    | 15,866        | 5,714                |
| Recorder Preservation               | 3,196              | 7,534     | 10,602        | 128                  |
| Family Crisis                       | 400                | 1,510     | 1,420         | 490                  |
| Crime Victims Advocate              | 0                  | 12,749    | 12,520        | 229                  |
| Confiscated Drug Money              | 857                | 0         | 857           | 0                    |
| Circuit Clerk Interest              | 339                | 2,001     | 506           | 1,834                |
| Associate Circuit Division Interest | 538                | 663       | 298           | 903                  |
| Law Library                         | 816                | 4,517     | 2,106         | 3,227                |
| Local Law Enforcement Block Grant   | 0                  | 17,459    | 17,038        | 421                  |
| Total                               | \$ 346,598         | 1,614,267 | 1,476,662     | 484,203              |

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

Exhibit B

CEDAR 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<br>Favorable<br>(Unfavorable) | Budget   | Actual  | Variance<br>Favorable<br>(Unfavorable) |
| <b>RECEIPTS</b>                        |                         |           |  |          |         |  |
| Property taxes                         | \$ 111,016              | 102,735   | (8,281)                                | 115,462  | 107,505 | (7,957)                                |
| Sales taxes                            | 366,000                 | 387,641   | 21,641                                 | 368,000  | 366,216 | (1,784)                                |
| Intergovernmental                      | 155,546                 | 180,274   | 24,728                                 | 166,619  | 199,669 | 33,050                                 |
| Charges for services                   | 171,500                 | 193,351   | 21,851                                 | 150,000  | 170,990 | 20,990                                 |
| Interest                               | 17,000                  | 16,927    | (73)                                   | 9,000    | 20,026  | 11,026                                 |
| Other                                  | 8,350                   | 26,416    | 18,066                                 | 9,650    | 23,678  | 14,028                                 |
| Transfers in                           | 0                       | 105,500   | 105,500                                | 0        | 3,650   | 3,650                                  |
| Total Receipts                         | 829,412                 | 1,012,844 | 183,432                                | 818,731  | 891,734 | 73,003                                 |
| <b>DISBURSEMENTS</b>                   |                         |           |  |          |         |  |
| County Commission                      | 51,060                  | 51,185    | (125)                                  | 47,505   | 46,285  | 1,220                                  |
| County Clerk                           | 63,281                  | 59,277    | 4,004                                  | 53,337   | 52,915  | 422                                    |
| Elections                              | 18,700                  | 18,731    | (31)                                   | 48,600   | 48,738  | (138)                                  |
| Buildings and grounds                  | 50,750                  | 51,930    | (1,180)                                | 65,850   | 80,330  | (14,480)                               |
| Employee fringe benefits               | 57,855                  | 61,337    | (3,482)                                | 53,185   | 52,779  | 406                                    |
| County Treasurer                       | 20,726                  | 20,774    | (48)                                   | 20,425   | 20,374  | 51                                     |
| County Collector                       | 51,833                  | 51,488    | 345                                    | 49,092   | 47,061  | 2,031                                  |
| Ex Officio Recorder of Deeds           | 28,898                  | 27,046    | 1,852                                  | 27,728   | 12,939  | 14,789                                 |
| Circuit, Associate, and Probate Courts | 24,000                  | 24,633    | (633)                                  | 7,600    | 34,115  | (26,515)                               |
| Court administration                   | 6,600                   | 6,006     | 594                                    | 10,000   | 4,603   | 5,397                                  |
| Public Administrator                   | 6,792                   | 6,858     | (66)                                   | 9,729    | 8,669   | 1,060                                  |
| Sheriff                                | 260,703                 | 253,043   | 7,660                                  | 237,284  | 240,850 | (3,566)                                |
| Jail                                   | 20,500                  | 25,308    | (4,808)                                | 22,400   | 22,295  | 105                                    |
| Prosecuting Attorney                   | 54,466                  | 52,739    | 1,727                                  | 51,557   | 52,365  | (808)                                  |
| Juvenile Officer                       | 39,112                  | 31,268    | 7,844                                  | 39,300   | 39,233  | 67                                     |
| County Coroner                         | 8,400                   | 8,162     | 238                                    | 8,401    | 8,371   | 30                                     |
| Insurance and bonds                    | 20,000                  | 21,933    | (1,933)                                | 17,500   | 21,589  | (4,089)                                |
| University Extension Service           | 23,000                  | 22,993    | 7                                      | 23,000   | 22,995  | 5                                      |
| County road signs                      | 25,000                  | 18,501    | 6,499                                  | 0        | 0       | 0                                      |
| Other                                  | 11,691                  | 13,108    | (1,417)                                | 22,246   | 24,978  | (2,732)                                |
| Health Department                      | 3,072                   | 3,072     | 0                                      | 0        | 11,191  | (11,191)                               |
| Transfers out                          | 3,940                   | 106,140   | (102,200)                              | 8,674    | 10,320  | (1,646)                                |
| Emergency Fund                         | 28,337                  | 0         | 28,337                                 | 25,522   | 0       | 25,522                                 |
| Total Disbursements                    | 878,716                 | 935,532   | (56,816)                               | 848,935  | 862,995 | (14,060)                               |
| RECEIPTS OVER (UNDER) DISBURSEMENTS    | (49,304)                | 77,312    | 126,616                                | (30,204) | 28,739  | 58,943                                 |
| CASH, JANUARY 1                        | 269,338                 | 269,338   | 0                                      | 240,599  | 240,599 | 0                                      |
| CASH, DECEMBER 31                      | \$ 220,034              | 346,650   | 126,616                                | 210,395  | 269,338 | 58,943                                 |

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

Exhibit C

CEDAR 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<br>Favorable<br>(Unfavorable) | Budget         | Actual         | Variance<br>Favorable<br>(Unfavorable) |
| <b>RECEIPTS</b>                         |                         |                  |  |                |                |  |
| Property taxes                          | \$ 97,587               | 96,823           | (764)                                  | 81,506         | 89,228         | 7,722                                  |
| Intergovernmental                       | 1,359,484               | 948,136          | (411,348)                              | 763,551        | 471,855        | (291,696)                              |
| Charges for services                    | 0                       | 0                | 0                                      | 2,600          | 100            | (2,500)                                |
| Interest                                | 6,400                   | 4,237            | (2,163)                                | 1,500          | 8,121          | 6,621                                  |
| Other                                   | 1,775                   | 96,030           | 94,255                                 | 1,500          | 2,465          | 965                                    |
| Transfers in                            | 0                       | 100,000          | 100,000                                | 0              | 0              | 0                                      |
| Total Receipts                          | <u>1,465,246</u>        | <u>1,245,226</u> | <u>(220,020)</u>                       | <u>850,657</u> | <u>571,769</u> | <u>(278,888)</u>                       |
| <b>DISBURSEMENTS</b>                    |                         |                  |  |                |                |  |
| Salaries                                | 218,602                 | 243,263          | (24,661)                               | 147,000        | 150,303        | (3,303)                                |
| Employee fringe benefits                | 26,748                  | 23,808           | 2,940                                  | 21,500         | 17,676         | 3,824                                  |
| Supplies                                | 48,300                  | 45,767           | 2,533                                  | 32,000         | 26,843         | 5,157                                  |
| Insurance                               | 7,600                   | 6,878            | 722                                    | 6,000          | 2,855          | 3,145                                  |
| Road and bridge materials               | 347,250                 | 313,044          | 34,206                                 | 159,000        | 156,479        | 2,521                                  |
| Equipment repairs                       | 43,000                  | 60,937           | (17,937)                               | 30,000         | 33,957         | (3,957)                                |
| Equipment purchases                     | 306,296                 | 309,526          | (3,230)                                | 95,000         | 73,037         | 21,963                                 |
| Construction, repair, and maintenance   | 296,500                 | 86,843           | 209,657                                | 312,000        | 465            | 311,535                                |
| Distributions to special road districts | 77,901                  | 70,984           | 6,917                                  | 0              | 0              | 0                                      |
| Transfers out                           | 0                       | 100,000          | (100,000)                              | 0              | 1,203          | (1,203)                                |
| Total Disbursements                     | <u>1,372,197</u>        | <u>1,261,050</u> | <u>111,147</u>                         | <u>802,500</u> | <u>462,818</u> | <u>339,682</u>                         |
| RECEIPTS OVER (UNDER) DISBURSEMENTS     | 93,049                  | (15,824)         | (108,873)                              | 48,157         | 108,951        | 60,794                                 |
| CASH, JANUARY 1                         | 191,447                 | 191,447          | 0                                      | 82,496         | 82,496         | 0                                      |
| CASH, DECEMBER 31                       | <u>\$ 284,496</u>       | <u>175,623</u>   | <u>(108,873)</u>                       | <u>130,653</u> | <u>191,447</u> | <u>60,794</u>                          |

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

Exhibit D

CEDAR 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<br>Favorable<br>(Unfavorable) | Budget  | Actual | Variance<br>Favorable<br>(Unfavorable) |
| RECEIPTS                            |                         |        |  |         |        |  |
| Intergovernmental                   | \$ 84,177               | 81,782 | (2,395)                                | 81,375  | 79,865 | (1,510)                                |
| Interest                            | 900                     | 1,266  | 366                                    | 500     | 867    | 367                                    |
| Transfers in                        | 3,940                   | 3,940  | 0                                      | 8,674   | 8,674  | 0                                      |
| Total Receipts                      | 89,017                  | 86,988 | (2,029)                                | 90,549  | 89,406 | (1,143)                                |
| DISBURSEMENTS                       |                         |        |  |         |        |  |
| Assessor                            | 96,353                  | 85,608 | 10,745                                 | 96,750  | 87,191 | 9,559                                  |
| Total Disbursements                 | 96,353                  | 85,608 | 10,745                                 | 96,750  | 87,191 | 9,559                                  |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | (7,336)                 | 1,380  | 8,716                                  | (6,201) | 2,215  | 8,416                                  |
| CASH, JANUARY 1                     | 8,416                   | 8,416  | 0                                      | 6,201   | 6,201  | 0                                      |
| CASH, DECEMBER 31                   | \$ 1,080                | 9,796  | 8,716                                  | 0       | 8,416  | 8,416                                  |

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

Exhibit E

CEDAR 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<br>Favorable<br>(Unfavorable) | Budget       | Actual       | Variance<br>Favorable<br>(Unfavorable) |
| RECEIPTS                            |                         |              |  |              |              |  |
| Intergovernmental                   | 0                       | 1,047        | 1,047                                  | 0            | 891          | 891                                    |
| Charges for services                | 2,500                   | 1,997        | (503)                                  | 1,500        | 2,196        | 696                                    |
| Transfers in                        | \$ 0                    | 0            | 0                                      | 0            | 727          | 727                                    |
| Total Receipts                      | <u>2,500</u>            | <u>3,044</u> | <u>544</u>                             | <u>1,500</u> | <u>3,814</u> | <u>2,314</u>                           |
| DISBURSEMENTS                       |                         |              |  |              |              |  |
| Sheriff                             | 2,500                   | 2,819        | (319)                                  | 1,417        | 2,445        | (1,028)                                |
| Total Disbursements                 | <u>2,500</u>            | <u>2,819</u> | <u>(319)</u>                           | <u>1,417</u> | <u>2,445</u> | <u>(1,028)</u>                         |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | 0                       | 225          | 225                                    | 83           | 1,369        | 1,286                                  |
| CASH, JANUARY 1                     | 1,786                   | 1,786        | 0                                      | 417          | 417          | 0                                      |
| CASH, DECEMBER 31                   | \$ <u>1,786</u>         | <u>2,011</u> | <u>225</u>                             | <u>500</u>   | <u>1,786</u> | <u>1,286</u>                           |

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

Exhibit F

CEDAR 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<br>Favorable<br>(Unfavorable) | Budget | Actual | Variance<br>Favorable<br>(Unfavorable) |
| RECEIPTS                            |                         |        |  |        |        |  |
| Charges for services                | \$ 550                  | 500    | (50)                                   | 900    | 546    | (354)                                  |
| Total Receipts                      | 550                     | 500    | (50)                                   | 900    | 546    | (354)                                  |
| DISBURSEMENTS                       |                         |        |  |        |        |  |
| Prosecuting Attorney                | 820                     | 256    | 564                                    | 624    | 0      | 624                                    |
| Total Disbursements                 | 820                     | 256    | 564                                    | 624    | 0      | 624                                    |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | (270)                   | 244    | 514                                    | 276    | 546    | 270                                    |
| CASH, JANUARY 1                     | 270                     | 270    | 0                                      | (276)  | (276)  | 0                                      |
| CASH, DECEMBER 31                   | \$ 0                    | 514    | 514                                    | 0      | 270    | 270                                    |

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

Exhibit G

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

|                                     | Year Ended December 31, |        |  |        |         |  |
|-------------------------------------|-------------------------|--------|--|--------|---------|--|
|                                     | 1999                    |        |  | 1998   |         |  |
|                                     | Budget                  | Actual | Variance<br>Favorable<br>(Unfavorable) | Budget | Actual  | Variance<br>Favorable<br>(Unfavorable) |
| <b>RECEIPTS</b>                     |                         |        |  |        |         |  |
| Charges for services                | 8,250                   | 9,625  | 1,375                                  | 8,400  | 10,265  | 1,865                                  |
| Interest                            | \$ 0                    | 378    | 378                                    | 0      | 300     | 300                                    |
| Total Receipts                      | 8,250                   | 10,003 | 1,753                                  | 8,400  | 10,565  | 2,165                                  |
| <b>DISBURSEMENTS</b>                |                         |        |  |        |         |  |
| Prosecuting Attorney                | 13,964                  | 6,302  | 7,662                                  | 6,200  | 15,866  | (9,666)                                |
| Total Disbursements                 | 13,964                  | 6,302  | 7,662                                  | 6,200  | 15,866  | (9,666)                                |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | (5,714)                 | 3,701  | 9,415                                  | 2,200  | (5,301) | (7,501)                                |
| CASH, JANUARY 1                     | 5,714                   | 5,714  | 0                                      | 11,015 | 11,015  | 0                                      |
| CASH, DECEMBER 31                   | \$ 0                    | 9,415  | 9,415                                  | 13,215 | 5,714   | (7,501)                                |

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

Exhibit H

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

|                                     | Year Ended December 31, |              |  |              |               |  |
|-------------------------------------|-------------------------|--------------|--|--------------|---------------|--|
|                                     | 1999                    |              |  | 1998         |               |  |
|                                     | Budget                  | Actual       | Variance<br>Favorable<br>(Unfavorable) | Budget       | Actual        | Variance<br>Favorable<br>(Unfavorable) |
| RECEIPTS                            |                         |              |  |              |               |  |
| Charges for services                | \$ 7,500                | 7,428        | (72)                                   | 6,000        | 7,534         | 1,534                                  |
| Total Receipts                      | <u>7,500</u>            | <u>7,428</u> | <u>(72)</u>                            | <u>6,000</u> | <u>7,534</u>  | <u>1,534</u>                           |
| DISBURSEMENTS                       |                         |              |  |              |               |  |
| Ex Officio Recorder of Deeds        | 7,500                   | 0            | 7,500                                  | 9,000        | 10,602        | (1,602)                                |
| Total Disbursements                 | <u>7,500</u>            | <u>0</u>     | <u>7,500</u>                           | <u>9,000</u> | <u>10,602</u> | <u>(1,602)</u>                         |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | 0                       | 7,428        | 7,428                                  | (3,000)      | (3,068)       | (68)                                   |
| CASH, JANUARY 1                     | 128                     | 128          | 0                                      | 3,196        | 3,196         | 0                                      |
| CASH, DECEMBER 31                   | <u>\$ 128</u>           | <u>7,556</u> | <u>7,428</u>                           | <u>196</u>   | <u>128</u>    | <u>(68)</u>                            |

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

Exhibit I

CEDAR COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 FAMILY CRISIS FUND

|                                     | Year Ended December 31, |              |  |              |              |  |
|-------------------------------------|-------------------------|--------------|--|--------------|--------------|--|
|                                     | 1999                    |              |  | 1998         |              |  |
|                                     | Budget                  | Actual       | Variance<br>Favorable<br>(Unfavorable) | Budget       | Actual       | Variance<br>Favorable<br>(Unfavorable) |
| RECEIPTS                            |                         |              |  |              |              |  |
| Charges for services                | \$ 1,500                | 1,446        | (54)                                   | 2,000        | 1,510        | (490)                                  |
| Total Receipts                      | <u>1,500</u>            | <u>1,446</u> | <u>(54)</u>                            | <u>2,000</u> | <u>1,510</u> | <u>(490)</u>                           |
| DISBURSEMENTS                       |                         |              |  |              |              |  |
| Domestic Violence Shelter           | 1,500                   | 1,722        | (222)                                  | 1,800        | 1,420        | 380                                    |
| Total Disbursements                 | <u>1,500</u>            | <u>1,722</u> | <u>(222)</u>                           | <u>1,800</u> | <u>1,420</u> | <u>380</u>                             |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | 0                       | (276)        | (276)                                  | 200          | 90           | (110)                                  |
| CASH, JANUARY 1                     | 490                     | 490          | 0                                      | 400          | 400          | 0                                      |
| CASH, DECEMBER 31                   | <u>\$ 490</u>           | <u>214</u>   | <u>(276)</u>                           | <u>600</u>   | <u>490</u>   | <u>(110)</u>                           |

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

Exhibit J

CEDAR COUNTY, MISSOURI  
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 CRIME VICTIMS ADVOCATE FUND

|                                     | Year Ended December 31, |               |  |
|-------------------------------------|-------------------------|---------------|--|
|                                     | 1999                    |               |  |
|                                     | Budget                  | Actual        | Variance<br>Favorable<br>(Unfavorable) |
| RECEIPTS                            |                         |               |  |
| Intergovernmental                   | 28,744                  | 23,552        | (5,192)                                |
| Transfers in                        | 0                       | 2,200         | 2,200                                  |
| Total Receipts                      | <u>28,744</u>           | <u>25,752</u> | <u>(2,992)</u>                         |
| DISBURSEMENTS                       |                         |               |  |
| Crime Victims Advocate              | 28,744                  | 17,901        | 10,843                                 |
| Transfers out                       | 0                       | 5,500         | (5,500)                                |
| Total Disbursements                 | <u>28,744</u>           | <u>23,401</u> | <u>5,343</u>                           |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | 0                       | 2,351         | 2,351                                  |
| CASH, JANUARY 1                     | 229                     | 229           | 0                                      |
| CASH, DECEMBER 31                   | <u>\$ 229</u>           | <u>2,580</u>  | <u>2,351</u>                           |

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

Exhibit K

CEDAR COUNTY, MISSOURI  
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 CONFISCATED DRUG MONEY FUND

|                                     | Year Ended December 31, |        |  |
|-------------------------------------|-------------------------|--------|--|
|                                     | 1998                    |        |  |
|                                     | Budget                  | Actual | Variance<br>Favorable<br>(Unfavorable) |
| RECEIPTS                            |                         |        |  |
| Intergovernmental                   | 0                       | 0      | 0                                      |
| Total Receipts                      | 0                       | 0      | 0                                      |
| DISBURSEMENTS                       |                         |        |  |
| Sheriff                             | 0                       | 857    | (857)                                  |
| Total Disbursements                 | 0                       | 857    | (857)                                  |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | 0                       | (857)  | (857)                                  |
| CASH, JANUARY 1                     | 857                     | 857    | 0                                      |
| CASH, DECEMBER 31                   | \$ 857                  | 0      | (857)                                  |

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

Exhibit L

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

|                                     | Year Ended December 31, |        |  |        |        |  |
|-------------------------------------|-------------------------|--------|--|--------|--------|--|
|                                     | 1999                    |        |  | 1998   |        |  |
|                                     | Budget                  | Actual | Variance<br>Favorable<br>(Unfavorable) | Budget | Actual | Variance<br>Favorable<br>(Unfavorable) |
| RECEIPTS                            |                         |        |  |        |        |  |
| Interest                            | \$ 250                  | 3,478  | 3,228                                  | 1,800  | 2,001  | 201                                    |
| Total Receipts                      | 250                     | 3,478  | 3,228                                  | 1,800  | 2,001  | 201                                    |
| DISBURSEMENTS                       |                         |        |  |        |        |  |
| Circuit Clerk                       | 2,000                   | 369    | 1,631                                  | 750    | 506    | 244                                    |
| Total Disbursements                 | 2,000                   | 369    | 1,631                                  | 750    | 506    | 244                                    |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | (1,750)                 | 3,109  | 4,859                                  | 1,050  | 1,495  | 445                                    |
| CASH, JANUARY 1                     | 1,834                   | 1,834  | 0                                      | 339    | 339    | 0                                      |
| CASH, DECEMBER 31                   | \$ 84                   | 4,943  | 4,859                                  | 1,389  | 1,834  | 445                                    |

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

Exhibit M

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

|                                     | Year Ended December 31, |        |  |        |        |  |
|-------------------------------------|-------------------------|--------|--|--------|--------|--|
|                                     | 1999                    |        |  | 1998   |        |  |
|                                     | Budget                  | Actual | Variance<br>Favorable<br>(Unfavorable) | Budget | Actual | Variance<br>Favorable<br>(Unfavorable) |
| RECEIPTS                            |                         |        |  |        |        |  |
| Interest                            | \$ 600                  | 973    | 373                                    | 200    | 663    | 463                                    |
| Total Receipts                      | 600                     | 973    | 373                                    | 200    | 663    | 463                                    |
| DISBURSEMENTS                       |                         |        |  |        |        |  |
| Associate Circuit Division          | 300                     | 368    | (68)                                   | 0      | 298    | (298)                                  |
| Total Disbursements                 | 300                     | 368    | (68)                                   | 0      | 298    | (298)                                  |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | 300                     | 605    | 305                                    | 200    | 365    | 165                                    |
| CASH, JANUARY 1                     | 903                     | 903    | 0                                      | 538    | 538    | 0                                      |
| CASH, DECEMBER 31                   | \$ 1,203                | 1,508  | 305                                    | 738    | 903    | 165                                    |

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

Exhibit N

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

|                                     | Year Ended December 31, |        |  |
|-------------------------------------|-------------------------|--------|--|
|                                     | 1999                    |        |  |
|                                     | Budget                  | Actual | Variance<br>Favorable<br>(Unfavorable) |
| RECEIPTS                            |                         |        |  |
| Charges for services                | \$ 4,000                | 4,801  | 801                                    |
| Total Receipts                      | 4,000                   | 4,801  | 801                                    |
| DISBURSEMENTS                       |                         |        |  |
| Law Library                         | 2,400                   | 2,602  | (202)                                  |
| Total Disbursements                 | 2,400                   | 2,602  | (202)                                  |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | 1,600                   | 2,199  | 599                                    |
| CASH, JANUARY 1                     | 3,227                   | 3,227  | 0                                      |
| CASH, DECEMBER 31                   | \$ 4,827                | 5,426  | 599                                    |

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

Notes to the Financial Statements

CEDAR 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 Cedar 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 or an elected county official. 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 Local Law Enforcement Block Grant Fund for the years ended December 31, 1999 and 1998, the DARE Fund and Microfilm Grant Fund for the year ended December 31, 1999, and the Crime Victims Advocate Fund and Law Library Fund for the year ended December 31, 1998.

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

| <u>Fund</u>                              | <u>Years Ended December 31,</u> |
|--|---------------------------------|
| General Revenue Fund                     | 1999 and 1998                   |
| Law Enforcement Training Fund            | 1999 and 1998                   |
| Prosecuting Attorney Bad Check Fund      | 1998                            |
| Recorder Preservation Fund               | 1998                            |
| Family Crisis Fund                       | 1999                            |
| Confiscated Drug Money Fund              | 1998                            |
| Associate Circuit Division Interest Fund | 1999 and 1998                   |
| Law Library 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 for the years ended December 31, 1999 and 1998, did not include the Local Law Enforcement Block Grant Fund, and for the year ended December 31, 1998, did not include the Law Library Fund.

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 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.

Supplementary Schedule

Schedule

CEDAR COUNTY, MISSOURI  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

| Federal<br>CFDA<br>Number                                      | Federal Grantor/Pass-Through Grantor/Program Title | Pass-Through<br>Entity<br>Identifying<br>Number | Federal Expenditures    |                |
|--|--|---|-------------------------|----------------|
|  |  |   | Year Ended December 31, |                |
|  |  |   | 1999                    | 1998           |
| U.S. DEPARTMENT OF DEFENSE                                     |  |   |                         |                |
| Passed through state:  |  |   |                         |                |
| Office of Administration -                                     |  |   |                         |                |
| 12.112   | Payments to States in Lieu of Real Estate Taxes    | N/A   | 11,123                  | 15,823         |
| U.S. DEPARTMENT OF JUSTICE                                     |  |   |                         |                |
| Passed through:  |  |   |                         |                |
| State Department of Public Safety -                            |  |   |                         |                |
| 16.575   | Crime Victim Assistance                            | 97-VOCA-0176                                    | 474                     | 0              |
| 16.592   | Local Law Enforcement Block Grants Program         | 97-LBG-016                                      | 0                       | 8,272          |
| Missouri Sheriffs' Association -                               |  |   |                         |                |
| 16.unknown   | Domestic Cannabis Eradication/Suppression Program  | N/A   | 0                       | 840            |
| U. S. DEPARTMENT OF TRANSPORTATION                             |  |   |                         |                |
| Passed through state Highway and Transportation<br>Commission: |  |   |                         |                |
| 20.205   | Highway Planning and Construction                  | BRO-020-07                                      | 20,980                  | 0              |
| GENERAL SERVICES ADMINISTRATION                                |  |   |                         |                |
| Passed through state Office of Administration -                |  |   |                         |                |
| 39.003   | Donation of Federal Surplus Personal Property      | N/A   | 13,615                  | 1,883          |
| FEDERAL EMERGENCY MANAGEMENT AGENCY                            |  |   |                         |                |
| Passed through state Department of Public Safety:              |  |   |                         |                |
| 83.544   | Public Assistance Grants                           | N/A   | 408,574                 | 136,976        |
| U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES                  |  |   |                         |                |
| Passed through state:  |  |   |                         |                |
| Department of Social Services -                                |  |   |                         |                |
| 93.563   | Child Support Enforcement                          | N/A   | 5,523                   | 2,938          |
| Total Expenditures of Federal Awards                           |  |   | \$ <u>460,289</u>       | <u>166,732</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

CEDAR 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 Cedar County, Missouri, except for the programs accounted for in the Cedar County Memorial Hospital Fund. Federal awards for that fund have been audited and separately reported on by other independent auditors for its years ended March 31, 2000 and 1999.

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 Program (CFDA number 39.003) represent the estimated fair market value of property at the time of receipt.

2. Subrecipients

Of the federal expenditures presented in the schedule, the county provided \$70,984 to subrecipients under the Public Assistance Grant (CFDA number 83.544) during the year ended December 31, 1999.

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 Cedar County, Missouri

Compliance

We have audited the compliance of Cedar 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 its major federal program for the years ended December 31, 1999 and 1998. The county's major federal program is 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 its major federal program is the responsibility of the county's management. Our responsibility is to express an opinion on the county's compliance based on our audit.

We conducted our audit of compliance in accordance with 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.

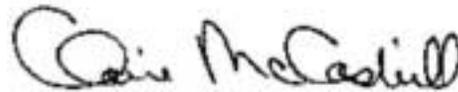
In our opinion, Cedar County, Missouri, complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the years ended December 31, 1999 and 1998.

## Internal Control Over Compliance

The management of Cedar 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 Cedar 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 13, 2000 (fieldwork completion date)

Schedule

CEDAR 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 program:

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 program: 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 program:

|  |                          |
|--|--------------------------|
| CFDA or<br>Other Identifying<br>Number | <u>Program Title</u>     |
| 83.544                                 | Public Assistance Grants |

Dollar threshold used to distinguish between Type A and Type B programs:

\$300,000

Auditee qualified as a low-risk auditee?

\_\_\_\_\_ yes        x   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*

CEDAR 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

CEDAR 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.

MANAGEMENT ADVISORY REPORT SECTION

Management Advisory Report -  
State Auditor's Findings

CEDAR COUNTY, MISSOURI  
MANAGEMENT ADVISORY REPORT -  
STATE AUDITOR'S FINDINGS

We have audited the special-purpose financial statements of various funds of Cedar County, Missouri, as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated July 13, 2000. We also have audited the compliance of Cedar 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 its major federal program for the years ended December 31, 1999 and 1998, and have issued our report thereon dated July 13, 2000.

We also have reviewed the operations of elected officials with funds other than those presented in the special-purpose financial statements. As applicable, the objectives of this review were to:

1. Determine the internal controls established over the transactions of the various county officials.
2. Review and evaluate certain other management practices for efficiency and effectiveness.
3. Review certain management practices and financial information for compliance with applicable constitutional, statutory, or contractual provisions.

Our review was made in accordance with applicable generally accepted government auditing standards and included such procedures as we considered necessary in the circumstances. In this regard, we reviewed accounting and bank records and other pertinent documents and interviewed various personnel of the county officials.

As part of our review, we assessed the controls of the various county officials to the extent we determined necessary to evaluate the specific matters described above and not to provide assurance on those controls. With respect to controls, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation and we assessed control risk.

Because the Cedar County Memorial Hospital Board is audited and separately reported on by other independent auditors, the related fund is not presented in the special-purpose financial statements. However, we reviewed those audit reports and the substantiating working papers for the years ended March 31, 2000 and 1999.

Our review was limited to the specific matters described in the preceding paragraphs and was based on selective tests and procedures considered appropriate in the circumstances. Had we performed additional procedures, other information might have come to our attention that would have been included in this report.

The accompanying Management Advisory Report presents our findings arising from our review of the elected county officials and the county board referred to above. In addition, this report includes

findings other than those, if any, reported in the accompanying Schedule of Findings and Questioned Costs. These findings resulted from our audit of the special-purpose financial statements of Cedar County but does 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*.

|                               |
|-------------------------------|
| <b>1. County Expenditures</b> |
|-------------------------------|

- A. In February 2000, the county purchased 73 acres of land for \$78,475 to be used to quarry hill gravel. This purchase was made without obtaining an appraisal on the property.

The County Commission indicated that based upon their experience as land owners, they believed the purchase price was reasonable. In addition, they indicated the long term benefits of quarrying hill gravel will exceed the current cost of purchasing gravel; however, a formal cost/benefit analysis was not performed and documented at the time of the purchase. At our request the County Commission prepared a cost/benefit analysis comparing the cost of quarrying hill gravel to the cost of purchasing hill gravel. According to this analysis, the County Commission estimates they will quarry approximately 340,000 cubic yards of hill gravel. They anticipate saving \$220,000 on the purchase of hill gravel over the next 15 years. While this analysis represents estimations made by the County Commission and not those of a professional appraiser, the County Commission should track the actual costs of quarrying the hill gravel and update their cost/benefit analysis on a regular basis.

Good business practice requires that major land purchases be formally and independently appraised to ensure a reasonable price is paid, and a cost/benefit analysis be performed and documented at the time of the purchase to support the county's decision making process.

- B. A review of expenditures made from the Prosecuting Attorney Bad Check Fund noted the following concerns:
1. Prior to leaving office in December 1998, the former Prosecuting Attorney paid approximately \$5,000 for nine cell phones with a one year usage package for each phone. Six of the phones were for the Sheriff's department, one was for the Associate Circuit Judge, and the remaining two phones were for the Prosecuting Attorney's office. There was no documentation assessing the need for any of the cell phones purchased. In addition, the purchase was not bid in accordance with state law.

Upon taking office in January 1999, the new Prosecuting Attorney chose not to use the two cell phones purchased for his office. While he did contact the cell phone provider to obtain a refund, he did not follow up to ensure the county received a refund or a credit for the amount paid. As a result, approximately \$1,100 was paid for cell phone usage that was never utilized.

After using the cell phones for one year, the Sheriff was required to renegotiate his cell phone contracts due to lack of funding. As a result, only one of the six phones purchased for the Sheriff's department continues to be used. The remaining five phones are stored in a closet in the sheriff's department.

Without a documented assessment of the need, there is limited assurance the county is paying for a necessary service. In addition, Section 50.660, RSMo Cum. Supp. 1999, requires the county to solicit bids for purchases greater than \$4,500 from any one person, firm, or corporation during any period of ninety days. Bidding procedures for major purchases provide a framework for economical management of county resources and help assure the county that it receives fair value by contracting with the lowest and best bidder. Competitive bidding ensures all parties are given an equal opportunity to participate in county business.

2. Prior to leaving office the former Prosecuting Attorney paid herself \$600 from the Prosecuting Attorney Bad Check Fund for court appearances made on December 28, 30, and 31 of 1998. During the same period, she was also paid from the General Revenue Fund for her official salary approved by the salary commission. The additional compensation of \$600 appears to be in excess of the amount approved by the Cedar County Salary Commission and should be refunded to the county. In addition, payroll taxes were not withheld and the amount was not reported on the former Prosecuting Attorney's W-2.
3. Prior to leaving office in December 1998, the former Prosecuting Attorney paid \$200 bonuses to each of her two secretaries. No supporting documentation could be located to adequately support these payments. In addition, these payments were not included in the county payroll records, were not subject to the proper withholdings, and were not reported on the employees' W-2 forms. Because these payments appear to be bonuses for services previously rendered, they are in violation of Article III, Section 39 of the Missouri Constitution.
4. Prior to leaving office in December 1998, the former Prosecuting Attorney paid herself over \$850, including \$585 for meals and \$224 for gasoline. The only documentation supporting this payment was a memo requesting the reimbursement. To ensure the validity and propriety of expenditures,

adequate supporting documentation should be required for all expense reimbursement requests.

- C. The county issued some Forms 1099-MISC, but did not prepare Forms 1099-MISC for payments for heating and cooling services totaling \$4,800 during 1998 and Assistant Prosecuting Attorney services totaling \$1,000 during 1999.

Sections 6041 through 6051 of the Internal Revenue Code require payments of at least \$600 or more in one year to an individual for professional services or for services performed as a trade or business by nonemployees (other than corporations) be reported to the federal government on Forms 1099.

- D. Actual expenditures exceeded approved budgeted amounts in several county funds for the years ended December 31, 1999 and 1998, as follows:

| <u>Fund:</u>                   | <u>1999</u> | <u>1998</u> |
|--------------------------------|-------------|-------------|
| General Revenue                | \$56,816    | \$14,060    |
| Law Enforcement Training       | 319         | 1,028       |
| Prosecuting Attorney Bad Check | N/A         | 9,666       |
| Recorder Preservation          | N/A         | 1,602       |
| Family Crisis                  | 222         | N/A         |
| Confiscated Drug Money         | N/A         | 857         |
| Associate Circuit Interest     | 68          | 298         |
| Law Library                    | 202         | N/A         |

While the county indicated they monitor budget and actual expenditures, the overspending of budgets was still allowed to occur. It was ruled in State ex rel Strong v. Cribb 364 Mo. 1122, 273 SW 2d 246 (1954), that strict compliance with the county budget law is required by county officials.

If there are valid reasons which necessitate excess expenditures, budget 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. In addition, Section 50.622, RSMo Cum. Supp. 1999, provides that counties may amend the annual budget during any year in which the County receives additional funds which could not be estimated when the budget was adopted and that the County shall follow the same procedures required for adoption of the annual budget to amend the budget.

A condition similar to part C. was noted in our prior report.

**WE RECOMMEND** the County Commission:

- A. Obtain independent appraisals for all future land purchases and ensure a cost-benefit analysis is documented at the time of purchase. In addition, the County Commission should continue to track the costs of quarrying the gravel and update their cost/benefit analysis on a regular basis.
- B.1. And Prosecuting Attorney review and document the need for each cellular telephone and its usage. In addition, all purchases should be bid in accordance with state statute.
  - 2. Consult with legal counsel regarding the reimbursement of \$600 from the former Prosecuting Attorney.
  - 3. And Prosecuting Attorney discontinue the practice of paying employee bonuses.
  - 4. And Prosecuting Attorney ensure adequate supporting documentation is obtained for all reimbursement requests.
- C. Ensure 1099 forms are issued in accordance with IRS regulations.
- D. Not authorize expenditures in excess of budgeted amounts. If additional expenditures are necessary, the budget should be amended and the circumstances adequately documented.

**AUDITEE'S RESPONSE**

*The County Commission provided the following responses:*

- A. *The County Commission does not foresee any future land purchases. We have implemented a tracking system to monitor cost savings of the clay gravel. We are confident it will be a tremendous savings to the county.*
- B.1. *The County Commission has implemented a policy that the County Treasurer will present all expenses of discretionary accounts to the commission for review before payment. Discretionary accounts are spent at the discretion of the office holder. The County Commission has no control over them, but they can make recommendations.*
- B.2. *The County Commission will consult with a lawyer on this matter.*
- B.3  
&4. *The County Commission will write a letter to the Prosecuting Attorney recommending discontinuance of bonuses (which is not legal) and recommend that proper procedures be followed and documentation provided for reimbursement requests.*

- C. *The County Commission will verify that 1099's are issued by the County Treasurer and County Clerk as required for 2000.*
- D. *Beginning in 2000, the county will amend the budget if expenses exceed budgeted amounts and will document circumstances requiring such.*

*Current Prosecuting Attorney Ash provided the following responses:*

- B.1. *I attempted to issue a stop payment on this check, but the stop payment was released without my authority. I will continue to explore the possibility of collecting a refund from the cell phone company.*
- B.3. *I will try to refrain from paying bonuses.*
- B.4. *This has been my practice since taking office.*

|   |
|---|
| <b>2. Public Administrator's Records and Procedures</b> |
|---|

The Public Administrator acts as the court appointed personal representative for approximately 43 wards of the Probate Court. Our review of the Public Administrator's records revealed the following concerns:

- A. The Public Administrator has two estates where in-home care is provided to the wards. During our review of these two estates we noted the following:
  - 1. During the ten months ended May 31, 2000, the Public Administrator distributed over \$39,200 in checks made payable to "cash" to four individuals providing in-home care to one of the wards. The Public Administrator indicated that the individuals providing in-home care would not agree to work unless they were paid in cash. To reduce the risk of misuse of funds, the practice of writing checks made payable to cash should be prohibited.
  - 2. W-2 forms were not issued to in-home care-givers who received \$32,960 during 1999 from this one estate. While the Public Administrator issued W-2 forms to some in-home care-givers on another estate, they were not issued on this estate.
- B. The Public Administrator did not obtain adequate supporting documentation for some expenditures, including \$1,665 for hay bales. In addition, the Associate Circuit Judge does not require the Public Administrator to submit supporting documentation for all expenditures.

Section 473.543, RSMo Cumulative Supp. 1999, requires the Public Administrator to have supporting documentation for all disbursements. Without such documentation, it is difficult to assess the reasonableness of costs charged to and paid by clients of the Public Administrator. In addition, the Associate Circuit Judge should require supporting documentation to be submitted for all expenditures to provide assurance that all disbursements are valid and proper.

- C. Forms 1099 were not prepared for an individual who was paid \$1,700 for hauling corn or to an unincorporated attorney who was paid in excess of \$600 from each of a number of estates for legal services. Section 6041-6051 of the Internal Revenue Code requires an IRS Form 1099-MISC be completed for every payee other than corporations receiving \$600 or more in aggregate during a calendar year for services performed as a trade or business by non-employees.

**WE RECOMMEND** the Public Administrator:

- A.1. Discontinue the practice of making checks payable to “cash”.
- 2. Ensure wages paid to in-home care-givers are properly reported.
- B. Obtain supporting documentation for all disbursements made on behalf of wards. In addition, the Associate Circuit Judge require adequate documentation to be filed or made available to support all settlement transactions.
- C. Ensure 1099 forms are submitted in accordance with IRS guidelines.

### **AUDITEE’S RESPONSE**

*The Public Administrator provided the following responses:*

- A.1. *While at the time I felt the benefit outweighed the practice, I whole heartedly agree this was a very bad business practice. While I did this, all of the checks were subsequently endorsed by the person to whom they were given, and with the filing of my last annual settlement, I obtained written notarized documentation that the amount of money paid was in fact received. I will not make checks payable to “cash” in the future.*
- A.2. *The auditors and I disagree on what is “properly reportable”. My position is that the caregivers in this estate are LPN’s in business for themselves and are four such women who have joined together to provide round the clock care. The fact that another client of mine has in-home caregivers that are treated as employees should be irrelevant to the issue at hand. The other client has the ability to terminate workers and has a long history of employees. In this estate, if one of the caregivers is unable to work her designated shift, one of the other three will work that shift or engage another LPN to work. One of the caregivers, is responsible for scheduling. The ward has no right to terminate the women and has no control whatsoever. If she had control her care would resemble a revolving door as this*

*ward is extremely difficult. I have asked the IRS for a determination as to “proper reporting”. I do not believe I am required to prepare 1099’s for these workers as this ward is not in a “trade or business”. I will comply with the ruling from the IRS and adjust my report accordingly, if that is the finding.*

- B. I agree that supporting documentation should be available for inspection. If that documentation is to be presented with the settlements to the Probate Court I will do as I am required.*
- C. Of all the clients, I have only two who carry on a trade or business. One of the clients has her farmland worked by an individual. Their agreement is that she is to provide the land and ½ of the expense to put in the crop. He is to provide the other half of the expense and his labor. When the crop is harvested she is to receive ½ of the proceeds less the cost of hauling her grain to market. He receives the cost of hauling her grain plus his half. I blew it! I did not send him a 1099 by the 1999 filing date. I have since filed the proper 1099. I disagree that the attorney for my conservatorships should have been sent a 1099. If he had performed legal work in relationship to the farming operation, yes, he would have been an expense of the “trade or business” and should have received a 1099. However, the legal work involved was in relation to the conservatorship and that is a personal expense and not subject to 1099 reporting. I reported the expenses of administration of the conservatorship on Schedule A of 1040 in keeping with that line of reasoning.*

*Your audit has asserted that an unincorporated attorney who is paid in excess of \$600 from each of a number of estates should also have received a 1099. I disagree with this position. The reason any client of mine would pay an attorney would be for the work done on behalf of the conservatorship and that does not constitute work for a “trade of business” and is not subject to IRS reporting.*

*The Associate Circuit Judge provided the following responses:*

- A.1. This specific settlement was not filed with my office until August 2000. This practice had not been performed in the past, and I was disappointed to learn that this had happened. This practice has been discontinued and was never approved by the Probate Court.*
- A.2. &C. The Personal Representative is personally responsible to ensure all tax and reporting matters are properly completed. If the estate suffers any loss for failure to comply, the Personal Representative becomes personally liable. This is why I require all Personal Representatives to be bonded and require them to employ an attorney to represent them in all filings.*
- B. It has always been understood that adequate documentation would be available to the Court, and I do not require it to always be filed with the annual settlement. My staff and I have requested documentation on specific items in the past and it has always been provided upon our request.*

The Prosecuting Attorney's office collected court-ordered restitution and bad check related restitution and fees in 1999 and 1998 of \$45,000 and \$35,700, respectively. Each Prosecuting Attorney maintained an account for the deposit and disbursement of court-ordered restitution. Bad check restitution monies are remitted directly to the merchants, and bad check fees are deposited into a separate account held by the County Treasurer. Our review noted the following concerns:

- A. Receipt slips are only issued upon request. To adequately account for all receipts, pre-numbered receipt slips should be issued for all monies received and the numerical sequence accounted for properly. In addition, to ensure all receipts are deposited intact, the method of payment received should be recorded on the receipt slips, and the composition of receipt slips should be reconciled to the composition of bank deposits.
- B. Receipts are deposited approximately once every two weeks. To adequately safeguard receipts and reduce the risk of loss, theft, or misuse of funds, receipts should be deposited intact daily or when accumulated receipts exceed \$100.
- C. Bank reconciliations were not prepared for the restitution accounts and running balances were not maintained in the checkbook registers. We prepared bank reconciliations as of May 31, 2000 for both restitution accounts and noted \$1,550 in outstanding checks over one year old.

Without maintaining records of cash balances and preparing monthly bank reconciliations, there is little assurance that cash receipts and disbursements have been properly handled and recorded or that bank or book errors will be detected and corrected in a timely manner. In addition, procedures should be adopted to routinely follow up on old outstanding checks.

- D. Listings of liabilities (open items) are not prepared for either restitution account. We prepared an open-items listing as of December 31, 1999. This listing totaled \$3,738, while the reconciled cash balances at December 31, 1999 totaled \$4,099. As a result the reconciled cash balance exceeded known open items by \$361. Only by preparing open items on a monthly basis and reconciling them to the cash balance can the Prosecuting Attorney be assured that the records are in balance and that sufficient cash is available to cover liabilities.
- E. Voided checks were not retained and checks were not issued in numerical order. To ensure all checks are properly accounted for, checks should be issued in numerical sequence and properly voided and retained.

- F. The Prosecuting Attorney does not prepare monthly reports of bad check fees collected. Section 50.370, RSMo 1994, requires county officials to prepare and file with the County Commission monthly reports of fees collected.
- G. The duties of receiving, recording, depositing and disbursing monies, and reconciling the bank accounts are not adequately segregated. In addition, there is no indication that supervisory reviews are performed to ensure that all transactions are accounted for properly and assets are adequately safeguarded.

To safeguard against possible loss or misuse of funds, internal controls should provide reasonable assurance that all transactions are accounted for properly and assets are adequately safeguarded. Internal controls could be improved by segregating accounting and bookkeeping duties among available employees or by implementing an independent documented review of records by another employee or the Prosecuting Attorney.

- H. An adequate system to account for all bad check complaints received by the Prosecuting Attorney's office, as well as the subsequent disposition of these complaints, has not been established. A bad check complaint log would provide a record of all such complaints filed with the Prosecuting Attorney and a record of all bad check receipts and disbursements. The log should contain information such as the merchant, the issuer of the check, the amount of the check, the amount of the administrative fee, and the disposition of the bad check, including the date payment was received and paid to the merchant and County Treasurer or the criminal case number in which charges were filed or other disposition.

Conditions similar to parts A, F, and G were noted in our prior report.

**WE RECOMMEND** the Prosecuting Attorney:

- A. Issue pre-numbered receipt slips for all monies received and account for the numerical sequence of receipt slips. The method of payment received should be indicated on all receipt slips and the composition of receipt slips should be reconciled to the composition of bank deposits.
- B. Deposit all monies intact daily or when accumulated receipts exceed \$100.
- C. Maintain a balance in the check register, and prepare monthly bank reconciliations. An attempt should be made to locate the payees of the old outstanding checks and reissue checks if possible. In addition, procedures should be adopted to routinely follow up on old outstanding checks.
- D. Prepare monthly listings of open items and reconcile to the cash balances. Differences between open items and cash balances should be investigated and resolved.

- E. Ensure voided checks are retained and account for the numerical sequence of checks issued.
- F. Prepare monthly reports of bad check fees received as required by state law.
- G. Adequately segregate accounting and bookkeeping duties to the extent possible. At a minimum, the Prosecuting Attorney should perform documented reviews of the accounting records.
- H. Implement procedures to adequately account for bad check complaints received as well as the ultimate disposition of each complaint through the use of a bad check complaint log.

### **AUDITEE'S RESPONSE**

*A-D&*

*F-H. We will implement these by January 2001.*

*E. This has already been implemented.*

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|--|
| <b>4. Circuit Clerk's Records and Procedures</b> |
|--|

The Circuit Clerk's office processed approximately \$1.1 and \$1.2 million in fees, bonds, child support, and interest during the years ended December 31, 1999 and 1998, respectively.

- A. The Circuit Clerk maintains a current fee account and another account from a former Circuit Clerk. Monthly listings of open items are prepared by the Circuit Clerk for both accounts.

While improvement has been made to reduce the open items listing of the former Circuit Clerk's fee account, this list still includes more than \$10,000 for court cases which date back to 1995 and prior, and it appears several of these cases have been closed and the amounts should be paid out. In addition, the open-items listing also exceeded the reconciled cash balance by \$1,498, of which \$1,144 represents overpayments of fees.

The open-items listing for the current Circuit Clerk's fee account also includes some cases which have been closed and the monies not disbursed in a timely manner. For example, a \$1,000 open-item which was ordered to be disbursed in September 1998 was not disbursed until we requested the case file in June 2000.

Procedures should be established to ensure open-items are distributed on a timely basis upon final disposition of the applicable cases. Any differences between open items and the reconciled bank balance should be investigated and if proper

disposition of the unidentified monies cannot be determined, these monies should be disposed of in accordance with state law. In addition, the Circuit Clerk should attempt to collect the negative open items and adopt procedures to periodically follow up on old open items, including bringing them to the Circuit Judge's attention and disposing of them in accordance with statutory provisions.

- B. At December 31, 1999, five checks written on the child support account, totaling \$1,081 had been outstanding for over one year. In addition, the child support account contains an unidentified balance of \$2,743 of which \$2,050 apparently dates back to 1988.

An attempt should be made to locate the payees of the old outstanding checks and the checks should be reissued, if possible. If the payees cannot be located, Chapter 447, RSMo 1994, provides for monies such as unclaimed child support to be paid to the state's Unclaimed Property Section.

- C. The duties of receiving, recording, depositing and disbursing monies, and reconciling the bank accounts are not adequately segregated for the child support account. In addition, there is no indication that supervisory reviews are performed to ensure that all transactions are accounted for properly and assets are adequately safeguarded.

To safeguard against possible loss or misuse of funds, internal controls should provide reasonable assurance that all transactions are accounted for properly and assets are adequately safeguarded. Internal controls could be improved by segregating accounting and bookkeeping duties among available employees or by implementing an independent documented review of records by another employee or the Circuit Clerk.

Similar conditions were noted in our prior report.

**WE RECOMMEND** the Circuit Clerk:

- A. Establish procedures to routinely follow up on older open items and ensure current open-items are distributed on a timely basis. Investigate differences between the former Circuit Clerk's open-items listing and the reconciled bank balance and if applicable, any unidentified monies should be disposed of in accordance with state law. In addition, the Circuit Clerk should attempt to collect the negative open items.
- B. Adopt procedures to routinely follow up on old outstanding checks, and disburse the unidentified child support funds as required by state law.
- C. Adequately segregate accounting and bookkeeping duties of the child support account to the extent possible. At a minimum, the Circuit Clerk should perform documented reviews of the accounting records.

## AUDITEE'S RESPONSE

- A. *In response to the open items of the former Circuit Clerk's fee account, I have implemented the process of pulling all files and fee cards so that I can pay out those fees. Prior to the audit I had paid out nearly \$8,000 of that account, which there still remains a sizeable amount left, but I assure you that this account will be closed out by January 2001.*

*We will be implementing a new software program the middle of September, 2000 which will give me access to reports in order to track disposition of files. With the workload that this office has, it makes it very difficult to track every file. Therefore, some files have gotten put back on the shelf without processing for final disposition. I have implemented a procedure where after a judgment has been rendered or a dismissal entered in a case, the fee card, along with the file is to be brought to my attention so I may review and see that funds are disbursed properly. With implementing the new court management program, I will be able to print reports for active cases, cases disposed of, open items reports and it will simplify this process and give me better access to case flow.*

- B. *With regard to the child support account, the outstanding checks have been reissued or if unclaimed, unidentified items turned over to Unclaimed Properties. There is now a procedure in place for any outstanding checks over 90 days old, a letter written to request that they either contact our office stating that they never received the check or to cash the check within the next 30 days, or the payment will be stopped. When the check is reissued a letter is written asking the recipient to cash immediately.*
- C. *I have implemented doing bank reconciliations for the child support account along with other accounts that I manage. There is a cross check of all receipts, deposits and disbursing of monies that has been in process for quite some time. Again, with the new court management software program being implemented in September 2000, all receipts, deposits and cashing will have to be approved through me or another assigned deputy clerk at the end of each day. I have been doing end of the month reports, wherein there had only been one deputy clerk that had access to these reports before.*

**5.**

### **County Clerk's Records and Procedures**

- A. The County Clerk does not maintain an account book with the County Collector. An account book would summarize all taxes charged to the County Collector, monthly collections, delinquent credits, abatements and additions, and protested amounts. An account book, prepared by the County Clerk from aggregate abstracts, court orders, monthly statements of collections, and the tax books, would enable the County Clerk to ensure the amount of taxes charged and credited by the County Collector each year is complete and accurate and can be used by the County Commission to verify the County Collector's annual settlements.
- B. Controls over property tax additions need improvement. Tax book additions are

initiated by the County Assessor who assigns an assessed value and enters it into the property tax computer system. The County Collector then prepares a tax statement of the taxes due and collects the tax. At the end of the year, the County Collector prints a report of all property tax additions and charges herself with these additions.

To ensure proper segregation of duties over tax book additions, the County Clerk should reconcile all additions made to the property tax system and charge these amounts to the County Collector. In addition, the County Commission should approve all tax book additions.

- C. The County Clerk uses a \$30 imprest petty cash fund as a change fund for receipts. When the \$30 imprest fund is depleted before the end of the month, official receipts are used for petty cash expenditures. Additionally, when we compared recorded receipts to amounts on hand, receipts exceeded amounts on hand by \$20. The County Clerk and her employees indicated they occasionally borrow monies from official cash receipts.

To adequately safeguard cash receipts and reduce the risk of loss or misuse of funds, the County Clerk should ensure receipts are not used for petty cash expenditures, and prohibit the practice of borrowing from official receipts.

Conditions similar to parts A. and B. were noted in our prior report.

**WE RECOMMEND** the County Clerk:

- A. Establish and maintain an account book of the County Collector's transactions, and the County Commission should make use of this account book to verify the County Collector's annual settlements.
- B. Reconcile all additions made to the tax books and charge the County Collector with the additions at the time the additions are prepared. All additions should be approved by the County Commission.
- C. Discontinue using official receipts for petty cash expenditures and discontinue borrowing money from official receipts.

**AUDITEE'S RESPONSE**

- A. *We are in the process of establishing the account book and will implement its use by January 2001.*
- B. *We have had a computer program installed to make addition information available to me. Additions are now being printed out and signed by the County Clerk and County Commission.*

C. *The procedures have all ready been implemented.*

|  |
|--|
| <b>6. County Assessor's Records and Procedures</b> |
|--|

The Assessor's office processes receipts of approximately \$750 annually. During our review of the Assessor's office, we noted the following concerns:

- A. The County Assessor's office accepts cash, checks, and money orders. The receipt slips issued are not pre-numbered, do not indicate the method of payment received, and original copies of voided receipt slips are not always maintained.

To ensure monies are properly accounted for and transmitted intact, pre-numbered receipt slips indicating the method of payment should be issued for all monies received and the composition of receipt slips issued should be reconciled to the composition of transmittals to the County Treasurer. In addition, to properly account for the numerical sequence of receipt slips, the original copies of voided receipt slips should be retained.

- B. Receipts are stored in an unlocked drawer in the Assessor's office until they are transmitted to the County Treasurer each month. In addition, checks and money orders are not restrictively endorsed upon receipt. To adequately safeguard receipts and reduce the risk of loss, theft, or misuse of funds, receipts should be kept in a secure location and checks, and money orders should be restrictively endorsed immediately upon receipt.
- C. Some cash receipts are not transmitted to the County Treasurer and are used for a change fund. The change fund is not maintained at a constant amount. Transmitting receipts to the County Treasurer intact is necessary to ensure proper recording and accountability of receipts. If a change fund is determined to be necessary, it should be maintained at a constant amount.
- D. The County Assessor does not file monthly reports of fees collected. Section 50.370, RSMo 1994, requires county officials to prepare and file with the County Commission monthly reports of fees collected.

While the Assessor does not collect a large amount of fees, control weaknesses such as these need to be improved.

**WE RECOMMEND** the County Assessor:

- A. Issue pre-numbered receipt slips for all monies received, and maintain original copies of all voided receipt slips. In addition, ensure the method of payment is indicated on all receipt slips and reconcile total cash, checks, and money orders received to amounts transmitted to the County Treasurer.
- B. Restrictively endorse checks and money orders immediately upon receipt, and store all receipts in a secure location until transmitted.
- C. Transmit all monies received to the County Treasurer intact, and if a change fund is needed, it should be maintained at a constant amount.
- D. Prepare monthly reports of fees as required by state law.

**AUDITEE'S RESPONSE**

- A. *We will use prenumbered receipt slips and indicate the method of payment beginning September 1, 2000.*
- B. *Beginning September 1, 2000, we will endorse checks and money orders as soon as possible and will put them in the safe or a locked desk until transmitted to the Treasurer.*
- C. *By September 1, 2000 we will begin maintaining a change fund at an even amount.*
- D. *Beginning October 1, 2000 we will prepare a monthly report of fees.*

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

## Follow-Up on Prior Audit Findings

CEDAR 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 Cedar County, Missouri, on findings in the Management Advisory Report (MAR) of our prior audit report issued for the two years ended December 31, 1997. The prior recommendations which have not been implemented, but are significant, have been repeated in the current MAR. Although the remaining unimplemented recommendations have not been repeated, the county should consider implementing these recommendations.

1. Sheriff's Records and Procedures

- A. Receipt slips were not issued for some checks and money orders received, and the method of payment received was not always indicated on the receipt slips. Rediform receipt slips were used, several blank receipt slips were removed from the receipt books, and some receipt slip numbers were skipped and not used, but were not properly voided. In addition, receipt slips were not issued immediately upon receipt.
  - B. Receipts were not always deposited intact on a timely basis, and receipts were stored in an unsecured location.
  - C. Checks and money orders received were not restrictively endorsed immediately upon receipt.
  - D. Receipts were not posted to the cash control ledger on a timely basis, some receipts were not recorded at all on the cash control ledger, and cash balances were not recorded.
  - E. Bank reconciliations were not prepared, and the bank account had over \$313 in outstanding checks over one year old.
  - F. Listings of liabilities (open items) were not prepared. At August 31, 1998, the reconciled cash balance exceeded known open items by \$289.
  - G.1. Bond receipts were not compared to bond disbursements to ensure all bonds were properly disbursed. As a result, two bonds were erroneously disbursed twice.
2. The bookkeeper was allowed to sign the Sheriff's name on checks.
- H. No records were found to document the identity or appropriate disposition of monies seized as evidence and deposited in to a bank account maintained by the former Sheriff.
  - I. Fees were not turned over to the County Treasurer on a monthly basis, and a monthly report of fees is not prepared and filed with the County Commission.
  - J. Duties were not adequately segregated.

- K. The Sheriff's bookkeeper maintained several accounting records at her home, including bank statements.

Recommendation:

The Sheriff:

- A. Issue official prenumbered receipt slips immediately upon receipt for all monies received, account for the numerical sequence, and properly void all unused receipt slips. The method of payment received should be indicated on all receipt slips and the composition of receipt slips should be reconciled to the composition of bank deposits. In addition, all receipts should be deposited and all refunds should be made by check.
- B. Deposit receipts intact daily or when accumulated receipts exceed \$100, and store receipts in a secure location until deposit.
- C. Restrictively endorse checks and money orders immediately upon receipt.
- D. Post all receipts to the cash control ledger on a timely basis and maintain records of cash balances.
- E. Prepare monthly bank reconciliations and attempt to locate the payees of the old outstanding checks and reissue checks if possible. Procedures should be adopted to routinely follow up on old outstanding checks.
- F. Prepare monthly listings of open items and reconcile to the cash balances. Differences between open items and cash balances should be investigated and resolved.
- G.1. Issue stop payment orders, attempt to locate, and void these missing checks. Bond receipts should be compared to disbursements monthly to ensure the proper disposition of all bonds.
  - 2. Discontinue the practice of allowing the bookkeeper to sign the Sheriff's name on checks.
- H. Attempt to identify the seized monies in the old bank account and obtain written authorization from the court or Prosecuting Attorney to dispose of the monies and close the account.
- I. Turn over all fees monthly to the County Treasurer and prepare and file monthly reports of fees received, as required by state law.
- J. Adequately segregate accounting and bookkeeping duties to the extent possible. At a minimum, the Sheriff should perform documented reviews of the accounting records.

K. Ensure all accounting records are maintained at the Sheriff's office.

Status:

A&

C-K. Implemented.

B. Partially implemented. Receipts are deposited intact and stored in a secure location; however, the Sheriff deposits receipts only once a week. Although not repeated in the current report our recommendation remains as stated above.

2. Expenditures

A. The former Prosecuting Attorney had an office in the courthouse which was used for both county business and her private law practice. The county did not have a written agreement with the Prosecuting Attorney outlining what costs would be paid and what office personnel and equipment would be provided by the county and what would be provided by the private practice.

B. Bids were not always solicited or advertised by the county nor was bid documentation always retained.

C. The county did not always prepare Forms 1099-MISC.

Recommendation:

The County Commission:

A. And Prosecuting Attorney formalize this arrangement and prepare documentation on the allocation of resources between the county and the Prosecuting Attorney's private practice. The Prosecuting Attorney needs to ensure there is a clear distinction between her county and private practice resources and work.

B. Solicit bids for all purchases in accordance with state law and maintain documentation of bids. If bids cannot be obtained and sole source procurement is necessary, the official commission minutes should reflect the necessitating circumstances.

C. Ensure Forms 1099-MISC are issued for all applicable payments.

Status:

A. Implemented. Currently, the Prosecuting Attorney maintains a separate private practice outside of the official county office.

B. Partially implemented. Bids were solicited by the county; however the county did not always advertise for bids as required. Although not repeated in the current report our recommendation remains as stated above.

C. Not implemented. See MAR No. 1.

3. Budgetary Practices

- A. Various mathematical errors were noted in the budgets, resulting in inaccurate information.
- B. The General Revenue Fund's budget included items which were not actually budgeted and expended.
- C. Interest earned on the certificates of deposits (CD's) was not recorded by the County Treasurer until the CD's were cashed in or redeemed, and purchases and redemptions of CD's were included in actual revenues and expenditures on the budgets.

Recommendation:

The County Commission ensure budgets accurately reflect beginning available resources and anticipated and actual revenues and expenditures and are mathematically correct. In addition, purchases and redemptions of CD's should not be shown as revenues and expenditures on the budgets.

Status:

Implemented.

4. County Officials' Compensation:

- A. The salary commission approved to raise elected officials salaries by ten percent of the difference between the 1997 salaries and the statutory maximum effective for terms of office beginning in 1999. In addition, the county did not obtain written opinions from the Prosecuting Attorney to support decisions made by the salary commission and the minutes did not clearly document how the officials' salaries were to be calculated.
- B. The county paid the Public Administrator in excess of her salary established by the Salary Commission, and no documentation was retained by the Salary Commission to support the increase.

Recommendation:

- A. Obtain written opinions from the Prosecuting Attorney to support the decisions made by the salary commission in 1997. All salary commission minutes should clearly document all decisions made, include calculations of the salary amounts, and include written opinions from the Prosecuting Attorney as applicable.
- B. Review this situation with the Prosecuting Attorney and determine whether to seek reimbursement of \$1,687 from the Public Administrator.

Status:

- A. Partially implemented. During the 1999 salary commission meeting the salary commission acknowledged that they understood that by statute, each official is to receive the same percentage of the maximum allowable compensation. The salary commission, in an effort to comply with state law, voted in 1999 to raise all salaries to seventy-five percent of the allowable maximum excluding those officials' salaries already set at a percentage exceeding 75%. Although not repeated in the current report our recommendation remains as stated above.
- B. Implemented. The Public Administrator's salary was adjusted in 1999.

5. General Fixed Assets

The county's general fixed assets records and procedures were inadequate.

Recommendation:

The County Clerk perform and document inspections and inventories of county-owned property; appropriately tag, number, or otherwise identify all county property; and create a complete general fixed asset record. Once these procedures are performed and the property records prepared, the County Clerk needs to develop procedures to record all property additions and dispositions of general fixed assets as they occur and perform periodic inspections and inventories.

Status:

Implemented by the county in calendar year 2000.

6. Collateral Securities

The amount of collateral securities pledged by the county's depository banks at January 20, 1998, was insufficient by approximately \$540,000 to cover monies in the custody of the County Treasurer and County Collector.

Recommendation:

The County Commission ensure collateral securities pledged by the depository banks are sufficient to protect monies at all times.

Status:

Implemented.

7. Circuit Clerk's Records and Procedures

- A. Monthly listings of open items prepared by the former Circuit Clerk were not accurate and were approximately \$10,000 less than the reconciled bank balance of

the fee account. In addition, the open items listing included negative open items which represented overpayments of fee collected.

- B. Outstanding checks written on the child support account were not adequately followed up on.
- C. The child support account had \$1,073 of unclaimed payments for which the Circuit Clerk had not been able to locate the custodial parents, and contained an unidentified balance of \$2,050 which apparently dates back to 1988. In addition, bad check fees and other bank charges incurred since 1993 had not been pursued or collected.
- D. The duties of receiving, recording, depositing and disbursing monies, and reconciling the bank accounts were not adequately segregated, nor was adequate supervisory review performed.

Recommendation:

The Circuit Clerk:

- A. Prepare accurate monthly open-items listings and reconcile them to the fee account bank balances. Differences between the open-items listings and the reconciled bank balances should be investigated and, if applicable, any unidentified monies should be disposed of in accordance with state law. In addition, the Circuit Clerk should attempt to collect the negative open items and establish procedures to routinely follow up on older open items.
- B. Adopt procedures to routinely follow up and reissue old outstanding checks. If the payees cannot be located, the monies should be distributed to the state's Unclaimed Property Section.
- C. Disburse the unclaimed child support as required by state law and attempt to obtain reimbursement for the bad checks and the bank deposit slip fees.
- D. Adequately segregate accounting and bookkeeping duties to the extent possible. At a minimum, the Circuit Clerk should perform documented reviews of the accounting records.

Status:

- A-C. Not implemented. See MAR No. 4.
- D. Partially implemented. Duties have been adequately segregated for the fee account, but not for the child support account. See MAR No. 4.

8. Ex Officio Recorder of Deeds' Records and Procedures

- A. Bank reconciliations were not prepared for the fee account.

- B. Monthly listings of open items (liabilities) were not prepared, and \$1,207 of unidentified monies existed. In addition, interest earned was not disbursed to the county.
- C. Duties were not adequately segregated.

Recommendation:

The Ex Officio Recorder of Deeds:

- A. Prepare monthly bank reconciliations.
- B. Prepare monthly listings of open items and reconcile the listings to the cash balance. Differences should be investigated and any monies remaining unidentified should be disbursed in accordance with state law. In addition, interest earned should be turned over to the county periodically.
- C. Adequately segregate accounting and bookkeeping duties to the extent possible. At a minimum, the Ex Officio Recorder of Deeds should perform documented reviews of the accounting records.

Status:

A-C. Implemented.

9. Prosecuting Attorney's Records and Procedures

- A. Receipt slips were not issued for checks and money orders.
- B. Monthly reports of bad check fees collected were not prepared.
- C. Checks and money orders were not restrictively endorsed immediately upon receipt.
- D. Duties were not adequately segregated, nor was an adequate supervisory review performed.

Recommendation:

The Prosecuting Attorney:

- A. Issue prenumbered receipt slips for all monies received and account for the numerical sequence.
- B. Prepare monthly reports of bad check fees received as required by state law.
- C. Restrictively endorse checks and money orders immediately upon receipt.

- D. Adequately segregate accounting and bookkeeping duties to the extent possible. At a minimum, the Prosecuting Attorney should perform documented reviews of the accounting records.

Status:

A,B,  
&D. Not implemented. See MAR No. 3.

C. Implemented.

10. County Clerk's Records and Procedures

A. The County Clerk did not maintain an account book with the County Collector.

B. Controls over property tax additions needed improvement.

Recommendation

A. Establish and maintain an account book of the county collector's transactions, and the County Commission make use of this account book to verify the County Collector's annual settlements.

B. Prepare all additions to the tax books and charge the County Collector with the additions at the time the additions are prepared. All additions should be approved by the County Commission.

Status:

Not implemented. See MAR No. 5.

STATISTICAL SECTION

History, Organization, and  
Statistical Information

CEDAR COUNTY, MISSOURI  
HISTORY, ORGANIZATION,  
AND STATISTICAL INFORMATION

Organized in 1845, the county of Cedar was named for its abundance of cedar trees. Cedar County is a county-organized, third-class county and is part of the Twenty-Eighth Judicial Circuit. The county seat is Stockton.

Cedar County's government is composed of a three-member county commission and separate elected officials performing various tasks. The county commission has mainly administrative duties in setting tax levies, appropriating county funds, appointing board members and trustees of special services, accounting for county property, maintaining county roads and bridges, and performing miscellaneous duties not handled by other county officials.

Principal functions of these other officials relate to judicial courts, law enforcement, property assessment, property tax collections, conduct of elections, and maintenance of financial and other records of importance to the county's citizens.

Counties typically spend a large portion of their receipts to support general county operations and to build and maintain roads and bridges. The following chart shows from where Cedar County received its money in 1999 and 1998 to support the county General Revenue and Special Road and Bridge Funds:

| SOURCE                    | 1999         |            | 1998      |            |
|---------------------------|--------------|------------|-----------|------------|
|                           | AMOUNT       | % OF TOTAL | AMOUNT    | % OF TOTAL |
| Property taxes            | \$ 199,558   | 10         | 196,733   | 13         |
| Sales taxes               | 387,641      | 19         | 366,216   | 25         |
| Federal and state aid     | 1,128,410    | 55         | 671,524   | 46         |
| Fees, interest, and other | 342,461      | 16         | 229,030   | 16         |
| Total                     | \$ 2,058,070 | 100        | 1,463,503 | 100        |

The following chart shows how Cedar County spent monies in 1999 and 1998 from the General Revenue and Special Road and Bridge Funds:

| USE                       | 1999         |            | 1998      |            |
|---------------------------|--------------|------------|-----------|------------|
|                           | AMOUNT       | % OF TOTAL | AMOUNT    | % OF TOTAL |
| General county government | \$ 465,012   | 23         | 499,881   | 38         |
| Public safety             | 370,520      | 19         | 363,114   | 27         |
| Highways and roads        | 1,161,050    | 58         | 462,818   | 35         |
| Total                     | \$ 1,996,582 | 100        | 1,325,813 | 100        |

The county maintains approximately 64 county bridges and 513 miles of county roads.

The county's population was 9,424 in 1970 and 12,093 in 1990. The following chart shows the county's change in assessed valuation since 1970:

|                        | Year Ended December 31, |      |       |        |        |
|------------------------|-------------------------|------|-------|--------|--------|
|                        | 1999                    | 1998 | 1985* | 1980** | 1970** |
|                        | (in millions)           |      |       |        |        |
| Real estate            | \$ 65.1                 | 61.5 | 37.8  | 15.5   | 10.8   |
| Personal property      | 26.3                    | 25.0 | 11.5  | 7.2    | 4.1    |
| Railroad and utilities | 6.2                     | 5.6  | 2.6   | 2.4    | 1.1    |
| Total                  | \$ 97.6                 | 92.1 | 51.9  | 25.1   | 16.0   |

\* First year of statewide reassessment.

\*\* Prior to 1985, separate assessments were made for merchants' and manufacturers' property. These amounts are included in real estate.

Cedar County's property tax rates per \$100 of assessed valuations were as follows:

|                               | Year Ended December 31, |      |
|-------------------------------|-------------------------|------|
|                               | 1999                    | 1998 |
| General Revenue Fund          | \$ .14                  | .10  |
| Special Road and Bridge Fund* | .24                     | .24  |
| Hospital Fund                 | .15                     | .15  |

\* The county retains all tax proceeds from areas not within road districts. The county has seventeen road districts that receive four-fifths of the tax collections from property within these districts, and the Special Road and Bridge Fund retains one-fifth. The road districts also have an additional levy approved by the voters.

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on September 1 and payable by December 31. Taxes paid after December 31 are subject to penalties. The county bills and collects property taxes for itself and most other local governments. Taxes collected were distributed as follows:

|                              | Year Ended February 28 (29), |                  |
|------------------------------|------------------------------|------------------|
|                              | 2000                         | 1999             |
| State of Missouri            | \$ 30,043                    | 28,103           |
| General Revenue Fund         | 138,257                      | 97,299           |
| Road funds                   | 424,619                      | 401,557          |
| Assessment Fund              | 37,825                       | 35,166           |
| Schools                      | 2,812,602                    | 2,642,034        |
| Library district             | 79,570                       | 74,815           |
| Hospital Fund                | 148,284                      | 138,979          |
| Ambulance district           | 100,545                      | 94,077           |
| Cities                       | 33,119                       | 30,779           |
| County Clerk                 | 187                          | 170              |
| County Employees' Retirement | 24,083                       | 22,057           |
| Commissions and fees:        |                              |                  |
| General Revenue Fund         | 68,407                       | 63,565           |
| Total                        | \$ <u>3,897,541</u>          | <u>3,628,601</u> |

Percentages of current taxes collected were as follows:

|                        | Year Ended February 28 (29), |        |
|------------------------|------------------------------|--------|
|                        | 2000                         | 1999   |
| Real estate            | 92.2 %                       | 92.0 % |
| Personal property      | 90.8                         | 90.3   |
| Railroad and utilities | 99.9                         | 100.0  |

Cedar County also has the following sales taxes; rates are per \$1 of retail sales:

|         | Rate     | Expiration Date | Required Property Tax Reduction |
|---------|----------|-----------------|---------------------------------|
| General | \$ 0.005 | None            | 50 %                            |

The elected officials and their compensation paid for the year ended December 31 (except as noted) are indicated below.

| Officeholder   | 2000   | 1999   | 1998   |
|--|--------|--------|--------|
| <b>County-Paid Officials:</b>                                      |        |        |        |
| Kenneth Whitesell Jr., Presiding Commissioner                      | \$     | 17,757 | 14,868 |
| Richard L. Wood, Associate Commissioner                            |        | 15,758 | 14,868 |
| Marvin Yarnell, Associate Commissioner                             |        | 15,758 | 14,868 |
| Sheryl D. Swopes, County Clerk                                     |        | 28,204 | 26,612 |
| Donald W. Berry, County Clerk                                      |        |        | 725    |
| Michael L. Ash, Prosecuting Attorney                               |        | 32,341 |        |
| Rebecca Elliston, Prosecuting Attorney                             |        |        | 31,157 |
| Aaron Spillman, Sheriff  |        | 29,037 | 29,037 |
| Joe Lee Levi, County Treasurer                                     |        | 19,852 | 19,125 |
| C.W. (Bill) Neale, County Coroner                                  |        | 4,054  | 4,054  |
| Janice Cagle, Public Administrator *                               |        | 23,657 | 12,090 |
| Barbara Bobbett, County Collector **                               |        |        |        |
| year ended February 28, (29)                                       | 28,661 | 28,281 |        |
| Paul E. (Eddie) Johnson, County Assessor *** year ended August 31, |        | 30,408 | 31,129 |
| Claud Hoffman, County Surveyor ****                                |        | N/A    |        |
| Chad Pyle, County Surveyor ****                                    |        |        | N/A    |

\* Includes fees received from probate cases. The Public Administrator's salary was adjusted in 1999 for an overpayment in 1997

\*\* The County Collector was underpaid \$392 in 1999. This was corrected in 2000.

\*\*\* Includes \$900 annual compensation received from the state. The County Assessor was underpaid \$721 in 1999. This was corrected in 2000.

\*\*\*\* Compensation on a fee basis.

**State-Paid Officials:**

|   |  |        |        |
|---|--|--------|--------|
| Melinda Gumm, Circuit Clerk and Ex Officio Recorder of Deeds    |  | 44,292 |        |
| Jane A. Zumwalt, Circuit Clerk and Ex Officio Recorder of Deeds |  |        | 42,183 |
| Joseph B. Phillips, Associate Circuit Judge                     |  | 87,234 | 85,158 |

A breakdown of employees (excluding the elected officials) by office at December 31, 1999, is as follows:

| Office  | Number of Employees Paid by |          |
|---|-----------------------------|----------|
|   | County                      | State    |
| County Commission                               | 1                           | 0        |
| Circuit Clerk and Ex Officio Recorder of Deeds* | 2                           | 5        |
| County Clerk                                    | 2                           | 0        |
| Prosecuting Attorney                            | 2                           | 0        |
| Sheriff   | 11                          | 0        |
| County Collector *                              | 1                           | 0        |
| County Assessor                                 | 4                           | 0        |
| Road and Bridge                                 | 12                          | 0        |
| Total   | <u>35</u>                   | <u>5</u> |

\* Includes one part-time employee

In addition, the county pays a proportionate share of the salaries of other circuit court-appointed employees. Cedar County's share of the Twenty-Eighth Judicial Circuit's expenses is 24.24 percent.